

**EVENT CENTER  
GROUND LEASE**

BY AND BETWEEN  
THE CITY OF LOS ANGELES,  
AS LANDLORD

AND

L.A. EVENT CENTER, LLC,  
AS TENANT

PREMISES: \_\_\_\_\_

LOS ANGELES, CALIFORNIA

EFFECTIVE DATE:

\_\_\_\_\_201\_\_

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## EVENT CENTER GROUND LEASE

This EVENT CENTER GROUND LEASE ("Lease") is dated, for reference purposes only, as of \_\_\_\_\_, 201\_\_\_\_, and entered into by and between the CITY OF LOS ANGELES, a municipal corporation and charter city, as landlord ("Landlord"), and L.A. EVENT CENTER, LLC, a Delaware limited liability company, as tenant ("Tenant"). Landlord and Tenant are sometimes individually referred to in this Lease as "party" and collectively referred to as "parties".

### 1. RECITALS AND BASIC TERMS.

1.1 **Overview.** Landlord owns that certain property located within the boundaries of Figueroa Street, the 110 Freeway, Venice Boulevard, and Chick Hearn Drive, in the City of Los Angeles. Currently, this property is the site of the LACC, which includes buildings commonly known as the "South Hall" and the "West Hall". The existing Bond Street Parking Lot ("Old Bond Street Parking Lot") and the existing Cherry Street Parking Garage ("Old Cherry Street Parking Garage") are also part of the LACC. This Lease, in general, involves Landlord leasing to Tenant a portion of the land on which the West Hall currently sits, on which land Tenant will construct and operate an Event Center (as defined below).

Prior to the construction of the Event Center, and subject to the terms and conditions of this Lease and the Other Agreements, Tenant and its Affiliates will: (i) demolish the Old Cherry Street Parking Garage and construct and operate one new parking garage (the "L.A. Live Way Parking Garage") on the Old Cherry Street Parking Garage property; (ii) construct for the Landlord a new convention hall ("New Hall") adjacent and connecting to the South Hall; and (iii) demolish certain portions of the West Hall, along with all structures under the West Hall. Concurrently with the construction of the Event Center, and subject to the terms and conditions of this Lease and the Other Agreements, Tenant and its Affiliates will demolish the Old Bond Street Parking Lot and construct and operate one new parking garage (the "New Bond Street Parking Garage", and together with the L.A. Live Way Parking Garage, collectively referred to herein as the "New Parking Garages") on the Old Bond Street Parking Lot. This Lease is part of that certain larger Transaction, which Transaction is more specifically described in the Other Agreements.

1.2 **Event Center.** Tenant shall develop and construct, at its sole cost and expense, the Event Center, which shall include a stadium sufficient to serve as the primary home stadium for at least one National Football League team and accommodate other sporting activities, concerts, entertainment uses, conventions, meetings, and exhibitions ("Event Center"). The Event Center shall be a first-class, state-of-the-art sports and entertainment facility, which facility shall comply with all Laws and is intended to contain: (a) approximately 72,000 seats (when configured for football games), including luxury suite seats and club seats, (b) approximately 200 luxury suites, (c) approximately 15,000 club seats, (d) approximately 1,750,000 usable square feet of gross area, (e) ancillary administrative, retail, dining and entertainment facilities that are attached to or integrated with the Event Center building, (f) a roof that fully covers the Event Center, either fixed or retractable, (g) adequate drinking fountains, and (h) such other facilities as may be approved by Landlord and Tenant.

In addition, Tenant hereby agrees that the Event Center must contain:

- (aa) no less than 130,000 usable square feet of floor space located at the event level of the Event Center (i.e. the Event Center field); and
- (bb) no less than a total of 100,000 usable square feet of meeting rooms, luxury suites, and club lounges located throughout the Event Center (all as depicted on the "Approved Conceptual Drawings", as such term is defined below), of which (i) no less than a total of 50,000 usable square feet shall be located on the western, eastern and southern ends of the Event Center at the club level (approximately 270 feet elevation), and (ii) of such 50,000 usable square feet, no less than 10,000 usable square feet shall consist of contiguous luxury suites located along the southern end of the Event Center at its club level, which space shall be capable of being partitioned into multiple stand-alone meeting rooms.

Tenant further agrees that the Event Center shall include the following items in a manner which is substantially consistent with the "Approved Conceptual Drawings" for the Event Center (attached hereto as Exhibit C, and as such term is defined in the Implementation Agreement, and which Approved Conceptual Drawing are subject to modifications which do not materially and adversely modify items (AA) through (DD) inclusive, below):

- (AA) permanent structural elements within the southwestern portion of the Event Center that provide vertical circulation and connection between and among all levels of the Event Center;
- (BB) walkways/hallways within the Event Center that provide circulation between and among the aforementioned meeting rooms, luxury suites, and club lounges;
- (CC) structural elements along the southern wall of the Event Center that allow direct connection and circulation between the Event Center and the New Hall at the club level of the Event Center; and
- (DD) restrooms and drinking fountains servicing the spaces described above in (aa) and (bb) (all as depicted on the "Approved Conceptual Drawings").

Components of the Event Center described above in (aa) through (bb), inclusive, and (AA) through (DD), inclusive (collectively, the "LACC Space Requirements"), shall be made available for use by LACC pursuant to the terms and conditions of this Lease.

The design of the LACC Space Requirements shall be subject to approval by Landlord pursuant to the terms and conditions of the Implementation Agreement. For purposes of calculating square footage in order to determine compliance with any square footage requirement contained in this Section 1.2, the parties shall apply the method of calculating square footage used in the determination of Floor Area Ratio in connection with land use entitlements for the Event Center.

The Event Center shall be managed and operated in accordance with the provisions of Section 8 of this Lease. The Event Center is intended to provide additional sporting, recreational, and entertainment opportunities for the public.

**1.3 Premises.** The leased premises for this Lease is that certain real property described in Exhibit A, together with: (a) all buildings, structures and other improvements, if any, currently located on such land; and (b) the appurtenances of Landlord and all the rights of Landlord in and to

such land (collectively, and excepting therefrom all of Landlord's reservation of rights set forth in this Lease, the "Premises"). Notwithstanding anything to the contrary, Tenant shall have no rights to, and Landlord hereby expressly reserves onto itself all rights to, the following: (i) to the extent that the Event Center is constructed, and subject to the terms and conditions of this Lease, any of Landlord's rights provided under this Lease with respect to the use of any portion of the LACC Space Requirements, (ii) any and all density rights (including rights relating to a transfer of Floor Area Ratio) above and beyond the right to build improvements containing total Floor Area of 2,000,000 square feet, as calculated in connection with the land use entitlements for the Event Center, and (iii) without any right of surface entry or rights above a depth of 500 feet, any and all water rights, coal, oil, gas, and other hydrocarbons, geothermal resources, precious metals ores, base metals ores, industrial-grade silicates and carbonates, fissionable minerals of every kind and character, metallic or otherwise, whether or not presently known to science or industry, now known to exist or hereafter discovered on, within, underlying the surface of the Premises; provided, however, that in no event shall the exercise of such reservation of rights by Landlord or any other party inhibit or interfere in any way with Tenant's use and enjoyment of the Premises.

**1.4 Tenant and NFL Team 1.** Tenant represents that (a) Tenant is an Affiliate of Anschutz Entertainment Group, Inc., a Colorado corporation ("AEG"), and (b) Tenant is a party to the NFL Team 1 Contract.

**1.5 Event Center Owner.** During the Term of this Lease, Tenant shall be deemed the "Owner" of the "Event Center Parcel" (in accordance with and subject to the definition of the term "Owner" set forth in Section 1 of the Reciprocal Easement Agreement), and, therefore, among other things, shall be entitled to all of the rights and benefits granted to the "Event Center Parcel Owner" in the Reciprocal Easement Agreement.

**1.6 Economic Revitalization.** The area surrounding the LACC is in need of economic revitalization. The presence of the proposed Event Center, as the primary home stadium of the NFL Team 1, is anticipated to, among other things: (a) serve as a catalyst for the development of hotel, retail, dining and entertainment facilities in downtown Los Angeles by creating new jobs, enhancing the viability and financial performance of the LACC, revitalizing the Central Business District, attracting more visitors to the downtown area and generating increased activity at hotels, restaurants and other businesses in the area, and (b) generate revenues for the City, including rent and the potential for increased revenues from possessory interest, parking, business license, utility and hotel taxes.

**1.7 Desire to Lease.** Based on the foregoing, Landlord desires to lease the Premises to Tenant, and Tenant desires to lease the Premises from Landlord, subject to the terms and conditions set forth in this Lease.

**1.8 Demolition of Improvements.** After Landlord provides authorization for demolition in accordance with Section 5.1 below, Tenant shall demolish and remove all of the improvements on and under the Premises, including portions of the West Hall and all parking improvements under the West Hall, in accordance with the terms and provisions of the Implementation Agreement. Certain personal property, fixtures, and items, as listed in the attached Exhibit L, shall remain the properties of Landlord and shall be removed by Landlord from those structures prior to their demolition.

1.9 **Construction of Event Center.** After demolition of the improvements on and under the Premises in accordance with the terms and provisions of the Implementation Agreement, Tenant shall construct the Event Center on the Premises, all as more particularly set forth in this Lease and the Implementation Agreement.

1.10 **Consideration of Landlord and Tenant.** In consideration of the Transaction, the Other Agreements, and the covenants and agreements of the parties contained in this Lease, and in exchange for the payment of Rent (as hereinafter defined) and other good and valuable consideration, the receipt and sufficiency of all of which are conclusively acknowledged by both parties, Landlord and Tenant agree as set forth herein.

1.11 **Effective Date.** This Lease is one of several documents constituting the Transaction, many of which will become effective on the closing date of Escrow No. \_\_\_\_\_ ("Close of Escrow") with the Escrow Company pursuant to the Implementation Agreement. This Lease shall take effect upon the Effective Date, and the phrase "Effective Date" means the date of Close of Escrow.

## 2. **DEFINITIONS.**

Capitalized terms used herein, unless otherwise defined herein, shall have the respective meanings specified in the Glossary of Defined Terms attached hereto as Exhibit B. Unless otherwise indicated, references in this Lease to sections, sections, paragraphs, clauses, exhibits and schedules are to the same contained in or attached to this Lease.

## 3. **DEMISING OF PREMISES.**

Upon all the terms and conditions of this Lease, and subject to all reservation of rights by Landlord set forth herein, Landlord hereby leases the Premises to Tenant, and Tenant hereby takes and hires the Premises from Landlord. Tenant's leasehold interest in the Premises shall be subject to all covenants, conditions, restrictions, easements, rights-of-way, and other matters of record, including without limitation all of the Tenant-Approved Title Conditions.

## 4. **LEASE TERM.**

4.1 **Term.** This Lease governs several successive periods of time, beginning with the "Non-Possessory Period", followed by the "Construction Term", and then the "Primary Term" (all of which are defined below; both the Construction Term and the Primary Term, but not the Non-Possessory Period, shall be collectively referred to herein as the "Term"):

4.1.1 **Non-Possessory Period.** The initial period of time covered under this Lease ("Non-Possessory Period") shall commence upon the Effective Date and end upon the "Construction Term Commencement Date" (as defined in Section 5.1 below). During the Non-Possessory Period, Tenant: (i) shall have no possessory interest in the Premises and (ii) shall have no right of access to or entry onto the Premises under this Lease, except that Tenant may enter onto the Premises for inspection purposes and to conduct necessary pre-construction testing, planning and other customary



pre-development activities, subject to, and in accordance with, the terms and conditions of Section 29 hereof. The Non-Possessory Period shall not be part of the Term of this Lease. It is hereby acknowledged and agreed that Landlord shall continue to operate the West Hall and other existing improvements located in, on or about the Premises during the Non-Possessory Period, and except only as specifically set forth in Section 29 hereof and Tenant's obligation to pay Rent under this Lease, Tenant shall have no liability or obligation arising from or related to the Premises during the Non-Possessory Period. Tenant acknowledges and agrees that, during the Non-Possessory Period, Tenant shall perform all of its obligations to the Landlord under this Lease, including without limitation Tenant's obligation to pay any Rent that may become due in accordance with this Lease.

**4.1.2 Construction Term.** The portion of the Term of this Lease immediately following the Non-Possessory Period shall be the "Construction Term". The Construction Term shall commence upon the Construction Term Commencement Date (which shall be the same date as the "Demolition Authorization Date", as defined in Section 5.1 below). The Construction Term shall end upon the Primary Term Commencement Date (as defined below). During the Construction Term, Tenant shall have possessory and all other leasehold interests in the Premises and shall use the Premises for demolition and construction purposes only.

**4.1.3 Primary Term.** The portion of the Term of this Lease immediately following the Construction Term shall be the "Primary Term". The Primary Term shall commence upon the "Primary Term Commencement Date", which shall be the earlier date of the following: (i) the Completion of Construction of the Event Center; or (ii) the first ticketed event (for which there is a charge for the ticket) held in and utilizing any portion of the Event Center as a sports stadium or public entertainment facility. The Primary Term, unless terminated sooner pursuant to the terms of this Lease, shall end at 11:59 p.m. on the date which is fifty-five (55) years after the Primary Term Commencement Date.

**4.2 Confirmation of Dates.** Promptly after the occurrence of any date relevant to the parties' rights or obligations under this Lease (including without limitation the Effective Date, the Demolition Authorization Date, which is the same date as the Construction Term Commencement Date, the Primary Term Commencement Date, the Initial Rent Payment Date, and the Fixed Rent Commencement Date), the parties shall enter into a memorandum reasonably satisfactory to each of them (and in recordable form, if appropriate), memorializing such date. The failure of the parties to enter into any such memorandum shall not invalidate or in any way diminish the effectiveness of the actual date(s) to be set forth in the memorandum. All memoranda executed by the parties under this Section 4.2 shall constitute binding stipulations by the parties.

#### **4.3 Cross-Default and Cross-Termination Based on Other Agreements**

**4.3.1 Cross-Default Based on Certain Other Agreements.** In addition to any and all of Landlord's rights under Section 33 of this Lease, Landlord may, at its sole discretion, elect to deem a default by the Tenant or Tenant's Affiliate under any of the following Other Agreements which continues beyond all applicable notice and cure periods set forth in the applicable Other Agreement as a "Tenant Default" under this Lease entitling Landlord to the applicable remedies expressly set forth in Section 33.2.4 below: (i) the Gap Funding Agreement, (ii) the Security Agreement, and (iii) the Implementation Agreement (with respect to only uncured defaults under the

Implementation Agreement continuing beyond all applicable notice and cure periods which (a) arise and are not cured prior to the Completion of Construction of the Event Center and (b) relate to the design and/or construction of the Event Center).

In the event that Landlord elects to deem a default under an Other Agreement as default under this Lease pursuant to this Section 4.3.1, Landlord shall, within one hundred twenty (120) calendar days after Tenant's or its Affiliates' failure to cure such uncured default within the applicable notice and cure periods therefor under the Other Agreement, serve upon Tenant written notice of Landlord's intent to so deem the same a default under this Lease. Any such deemed default under this Lease pursuant to this Section 4.3.1 shall not be subject to any cure period available to Tenant and/or any Qualified Leasehold Mortgagee under this Lease, and Landlord shall have the right to take action based on any and all remedies available to Landlord under Section 33.2.4 immediately after Landlord has served written notice upon Tenant of Landlord's intent to deem the same a default under this Lease pursuant to this Section 4.3.1.

**4.3.2 Cross-Termination Based on Certain Other Agreements.** In addition to any and all of Landlord's rights under Section 33 of this Lease, Landlord may, at its sole discretion, terminate this Lease in the event that any of the following Other Agreements terminates prior to the end of its full term; provided that such termination is in accordance with the terms and provisions of such Other Agreement and is the result of a default of Tenant or Tenant's Affiliate of its applicable obligations under such Other Agreement which is not cured within applicable notice and cure periods under such Other Agreement: (i) the New Hall Agreement and (ii) the Implementation Agreement (with respect to uncured defaults under the Implementation Agreement continuing beyond all applicable cure periods which (a) do not relate to the design and/or construction of the Event Center, or (b) relate to the design and/or construction of the Event Center but first arise after the Completion of Construction of the Event Center).

In addition, Landlord may, at its sole discretion, terminate this Lease in the event that either one or both of the New Parking Garage Leases is/are terminated, in accordance with the applicable terms of the New Parking Garage Lease(s), prior to the end of the full term of the new Parking Garage Lease(s); provided that both of the following are true: (i) such termination(s) is/are the result of one or more defaults by L.A. Parking Structures LLC of its obligations under the New Parking Garage Lease(s) which is/are not cured within applicable notice and cure periods under the New Parking Garage Lease(s), and (ii) such termination(s) occurred prior to the Completion of Construction of both the New Hall and the New Parking Garage applicable to the terminated New Parking Garage Lease. For clarification purposes, the parties agree that once the Completion of Construction of both the New Hall and a New Parking Garage has occurred, Landlord shall not have the right under this Section 4.3 to terminate this Lease based solely on the fact that the New Parking Garage Lease for the completed New Parking Garage is terminated for any reason, including, without limitation, as a result of a default thereunder by L.A. Parking Structures LLC.

In the event that Landlord elects to terminate this Lease pursuant to this Section 4.3.2, Landlord shall, within one hundred twenty (120) calendar days after the termination of the applicable Other Agreement serve upon Tenant written notice of Landlord's intent to so terminate this Lease. Any termination of this Lease pursuant to this Section 4.3.2 shall not be subject to any cure period available to Tenant and/or any Qualified Leasehold Mortgagee under this Lease and

shall take effect upon one hundred twenty (120) calendar days after Landlord has served written notice upon Tenant of Landlord's intent to terminate this Lease pursuant to this Section 4.3.

## 5. DEVELOPMENT AND CONSTRUCTION OF THE EVENT CENTER.

5.1 **Timing of Demolition Work.** Tenant shall not demolish any portion of the West Hall or any parking improvements thereunder without prior written authorization from Landlord. Within fifteen (15) Business Days after Tenant's written request for authorization, Landlord shall provide Tenant with a written authorization, which authorization shall specify the date Tenant may commence demolition ("Demolition Authorization Date", which shall also be the "Construction Term Commencement Date").

The parties agree that Tenant shall have no right to demolish any portion of the West Hall or any parking improvements thereunder prior to the Completion of Construction of the New Hall and the L.A. Live Way Parking Garage; provided, however, that, upon Tenant's request, Landlord shall have the sole and absolute discretion to authorize demolition on the Premises prior to, and to specify a Demolition Authorization Date that takes place prior to, the Completion of Construction of the New Hall and/or the L.A. Live Way Parking Garage. In such event, Landlord shall approve or disapprove Tenant's request to demolish any portion of the West Hall or any parking improvements thereunder prior to the Completion of Construction of the New Hall and the L.A. Live Way Parking Garage as soon as is reasonably practicable; provided, that Landlord shall not be required to provide its approval or disapproval within the fifteen (15) Business Day period set forth in the immediately preceding paragraph, and which approval, if given by Landlord, may include and be subject to conditions and requirements that are satisfactory to Landlord in Landlord's sole and absolute discretion and with which Tenant shall be required to comply.

From and after the Completion of Construction of the New Hall and the L.A. Live Way Parking Garage, Landlord, in its proprietary capacity as landlord under this Lease, shall not withhold its authorization for the commencement of demolition of all or any portion of the West Hall for any reason (except as expressly specified in this Lease), and the Demolition Authorization Date shall not be more than thirty (30) calendar days after the date Landlord delivers its written authorization notice to Tenant authorizing the commencement of demolition.

The parties acknowledge that, unless otherwise specified, any of Landlord's obligations set forth in this Lease relating to the authorization or approval of construction shall be in connection with Landlord's Proprietary Capacity as landlord under this Lease and shall not be construed to be Landlord's obligation to grant approvals/entitlements or issue permits in Landlord's Governmental Capacity.

5.2 **Entry during the Construction Term for Demolition and Construction.** In no event shall Tenant enter onto the Premises to carry out any demolition or construction work during the Non-Possessory Period. During the Construction Term, Tenant shall have the right to enter onto the Premises to demolish existing structures (*i.e.* portions of the West Hall and all parking improvements under the West Hall) and construct the Event Center and all related improvements in accordance with the terms of this Lease and the Implementation Agreement. Prior to the Construction Term, Tenant's insurance as required by Section 15 of this Lease must be in place.

During the Construction Term, Landlord shall not be responsible for any loss, including theft, damage or destruction at the Premises or for any injury to Tenant, or Tenant's employees, representatives, contractors, or subcontractors except to the extent caused by Landlord's active negligence or willful misconduct. Landlord shall have the right to post appropriate notices of non-responsibility.

**5.3 Construction Deadlines.** After demolition of existing structures is completed on and under the Premises, Tenant shall, at its sole cost and expense, Commence Construction of the Event Center as soon as reasonably practicable and prosecute the same diligently to Completion, using all commercially reasonable efforts and complying with this Lease and the Implementation Agreement.

With respect to the timing of the start of construction, Tenant acknowledges and agrees that the Commencement of Construction of Event Center shall occur no later than the third (3<sup>rd</sup>) anniversary of the Effective Date, subject to extension on a day-for-day basis on account of Force Majeure Events or Landlord Delay ("Construction Commencement Deadline"). Notwithstanding the foregoing, nothing in this Section 5.3 shall be construed to grant Tenant any right to demolish any portion of the West Hall or any parking improvements thereunder without first complying with Section 5.1 above. In addition, nothing in this Section 5.3 shall be construed to reduce or limit Landlord's rights or discretion under Section 5.1 above.

Tenant acknowledges and agrees that Completion of the Event Center shall occur no later than the earlier of: (aa) the eighth (8<sup>th</sup>) anniversary of the Effective Date, subject to extension on a day-for-day basis on account of Force Majeure Events or Landlord Delay ("Qualified Completion Deadline"), or (bb) December 31, 2025, subject to extension on a day-for-day basis on account of Landlord Delay only, and not subject to extension on account of Force Majeure Events ("Absolute Completion Deadline"; the earlier to occur between the Qualified Completion Deadline and the Absolute Completion Deadline shall be referred to herein as the "Completion Deadline"). For purposes of this Section 5.3, Completion of the Event Center shall be deemed to have occurred only if Tenant provides Landlord evidence showing that a temporary or permanent certificate of occupancy has been issued by the City for substantially all of the Event Center.

Subject to the specific provisions of Section 33, Landlord shall have the right to terminate this Lease and pursue other remedies provided in Section 33 in the event that Tenant fails to comply with: (i) the Commencement Deadline or (ii) the Completion Deadline.

#### **5.4 Standards for Design and Construction of Event Center.**

**5.4.1 Responsibility.** Tenant shall design and construct the Event Center in compliance with this Lease (including without limitation Section 1.2 above), the Implementation Agreement, the requirements of Law, and approved building permits and plans. Landlord acknowledges that Tenant is responsible for the design of the Event Center and that, subject only to compliance with the design approval rights of Landlord set forth in the Implementation Agreement, and the requirements of Laws, Tenant has ultimate control over all design and construction decisions regarding the Event Center.

**5.4.2 Standards for Design of Event Center.** Tenant shall cause the Event Center to be designed by an architectural firm experienced in the design of facilities similar to the proposed Event Center. Landlord hereby pre-approves Gensler, Inc. as the architectural and design firm which may be permitted to design the Event Center or certain portions thereof. The design of the Event Center and the process for approval of such design (and the process for approval of certain alterations to such design that may be proposed by Tenant from time to time) by Landlord in its Proprietary Capacity shall be as set forth in Article VII of the Implementation Agreement, as if such Article VII were set forth in this Lease in its entirety. In addition, Tenant agrees that the design and redesign of the Event Center shall be subject to the requirements of Laws (except as local Laws may be stayed pursuant to the Development Agreement), including any design review and approval rights Landlord may have in its Governmental Capacity under the Law.

**5.4.3 Standards for Construction of Event Center.** Prior to Commencement of Construction of Event Center, Tenant shall deliver to Landlord copies of the Private Project Documents at the construction document milestone stages required by the Implementation Agreement. Unless modified in accordance with the Implementation Agreement, the Event Center shall be constructed substantially in accordance with the approved Construction Drawings (as defined in the Implementation Agreement) for the Event Center. Tenant shall construct the Event Center in accordance with Laws (except as local Laws may be stayed pursuant to the Development Agreement). Tenant shall pay, discharge or bond all Prohibited Liens and Stop Notices arising from construction of the Event Center, all in accordance with the provisions of this Lease regarding Prohibited Liens and Stop Notices. Tenant shall obtain and pay for all permits and approvals required by Law in order for Tenant to construct the Event Center. Upon Completion of Construction of the Event Center, Tenant shall provide to Landlord (a) a certificate stating that Completion of Construction of the Event Center has occurred, (b) a copy of the temporary or permanent certificate of occupancy evidencing such Completion of the Event Center, and (c) a set of "as built" plans for the Event Center.

**5.4.4 Construction Contracting.** Tenant shall select, in its sole discretion, and enter into contracts with, the architect, general contractor, and all other vendors for the construction of the Event Center.

**5.4.5 Completion Guarantee.** Tenant shall provide, for the benefit of the Landlord, a completion guaranty from a guarantor acceptable to Landlord, which completion guaranty shall guarantee completion of the Event Center. Landlord shall not unreasonably withhold its approval of the guarantor, provided that the guarantor approved by the Qualified Leasehold Mortgagee who provides the senior construction loan for the construction of the Event Center shall be deemed approved by Landlord.

**5.5 Cooperation by Landlord.** Unless inconsistent with or contrary to the terms and provisions of this Lease or the Implementation Agreement, upon Tenant's reasonable request, Landlord, in its Proprietary Capacity as fee owner of the land and landlord under this Lease, shall, without cost to Landlord, promptly join in and execute any instruments including, but not limited to, applications for building permits, demolition permits, alteration permits, appropriate consents, zoning, rezoning or use approvals, amendments and variances relating to the Premises, and such other instruments as Tenant may from time to time reasonably request to enable Tenant to use,

develop, improve and construct improvements on the Premises during the Term consistent with the standards and use restrictions set forth in this Lease, the Implementation Agreement, and the Law, provided each of the foregoing is in reasonable and customary form and does not cause the Fee Estate to be encumbered as security for any obligation and does not expose the Fee Estate to any risk of forfeiture during the Term. Landlord, in its Proprietary Capacity as fee owner of the land and landlord under this Lease, agrees not to oppose or object to any applications filed by Tenant with any Government Agency in connection with development, operation or alteration of any improvements located on the Premises which are consistent with the standards set forth in this Lease, the Implementation Agreement, and the Law. Nothing in this Section 5.5 shall be construed to limit Landlord's police powers or discretionary review and approval processes in its Governmental Capacity.

**5.6 Title to Improvements and Personal Property.** Notwithstanding anything to the contrary in this Lease, but subject to Section 1.8 above, all improvements and personal property located in, on, or at the Premises or otherwise constituting part of the Premises shall, beginning from the Commencement of Construction of the Event Center, be owned by, and shall belong to, Tenant. Tenant shall have title to the foregoing until the end of the Primary Term. Title to the improvements, fixtures and personal property after the end of the Primary Term or termination of this Lease is governed by Section 34 of this Lease.

**5.7 Event Center Equipment Liens.** If at any time or from time to time Tenant desires to enter into or grant any Event Center Equipment Liens, then upon Tenant's request, Landlord shall enter into such customary documentation with respect to the personal property leased or otherwise financed pursuant to such Event Center Equipment Liens as Tenant shall reasonably request, providing for matters such as (a) Landlord's waiver of the right to take possession of such personal property upon occurrence of a Tenant Default and (b) customary agreements by Landlord to enable the secured party to repossess such personal property in the event of a default by Tenant permitting such secured party to exercise remedies under its Event Center Equipment Lien.

**5.8 Principles of Design and Construction Requirements in this Lease.** Landlord and Tenant agree that it is their mutual intention (a) that the standards for design and construction imposed upon Tenant by means of the covenants of Tenant under this Lease and/or the Implementation Agreement are not intended to confer any decision-making authority upon Landlord regarding the design or construction of the Event Center, except to the extent set forth in this Lease and/or the Implementation Agreement, and (b) that this Lease shall be non-cancellable by Landlord or Tenant, except as specifically and expressly set forth in this Lease.

## **6. RENT.**

**6.1 Initial Rent.** In addition to any other consideration under this Lease, including without limitation any Fixed Rent (defined below) and Additional Rent, Tenant shall pay Landlord, without notice or demand, in lawful money of United States of America, a one-time rent payment ("Initial Rent") in the amount equal to Twelve Million Five Hundred Thousand Dollars (\$12,500,000) minus: (i) all Fixed Rent, if any, paid by Tenant to Landlord in accordance with this Lease and (ii) all scheduled rent payments, if any, paid to Landlord in accordance with each of the New Parking Garage Leases. The Initial Rent shall be due and payable on the third anniversary of

the April 1<sup>st</sup> of that calendar year in which the Close of Escrow occurs (“Initial Rent Payment Date”). For illustrative purposes only, assuming that Close of Escrow occurs on any day in year 2013, then the Initial Rent Payment Date would be April 1, 2016. The parties hereby acknowledge that it is possible for the Fixed Rent Commencement Date to occur prior to the Initial Rent Payment Date if the Event Center is completed or used earlier than anticipated. The parties hereby further acknowledge that the Initial Rent Payment Date may not coincide with the Construction Term Commencement Date (which is the same as the Demolition Authorization Date) and that the Initial Rent Payment Date may fall within the Non-Possessory Period. In such event, any Initial Rent due and/or paid prior to the Construction Term Commencement Date shall not grant the Tenant any right to possession or any leasehold rights with respect to the Premises.

**6.2 Fixed Rent.** As specified in this Section 6.2, in addition to any other consideration under this Lease, including without limitation any Initial Rent or Additional Rent, Tenant shall pay Landlord, without notice or demand, in lawful money of the United States of America, the “Fixed Rent”, which defined term shall include, collectively, the “First Fixed Rent”, a series of annual “Intermediate Fixed Rent”, and the “Last Fixed Rent”, as set forth below in Sections 6.2.1 through 6.2.3, inclusive. Tenant shall pay Landlord the Fixed Rent commencing upon the “Fixed Rent Commencement Date” (defined below) through and until this Lease expires or terminates.

The defined term “Fixed Rent Year” shall mean each twelve (12) month period commencing upon, and inclusive of, April 1<sup>st</sup> and ending upon, and inclusive of, March 31<sup>st</sup>, during which period a Fixed Rent is due and payable.

Other than the First Fixed Rent and the Last Fixed Rent, the series of annual Fixed Rent (each and collectively referred to as the “Intermediate Fixed Rent”) owed under this Lease, each in its full amount, without proration, shall be due and payable on the first day of a Fixed Rent Year (*i.e.* April 1<sup>st</sup>). In light of the fact that the payment due date of the First Fixed Rent will likely not fall on the first day of a Fixed Rent Year (*i.e.* April 1<sup>st</sup>), the First Fixed Rent may need to be prorated to reflect the partial Fixed Rent Year for which the First Fixed Rent will be paid. The method of prorating the First Fixed Rent is set forth below in Section 6.2.1. Similarly, in light of the fact that the payment due date of the Last Fixed Rent will likely not fall on the last day of a Fixed Rent Year (*i.e.* March 31<sup>st</sup>), the Last Fixed Rent may need to be prorated to reflect the partial Fixed Rent Year for which the Last Fixed Rent will be paid. The method of prorating the Last Fixed Rent is set forth below in Section 6.2.3.

The “Fixed Rent Base Amount”, upon which the calculation of the First Fixed Rent and the first Intermediate Fixed Rent will be based, may vary depending on when the Fixed Rent Commencement Date occurs. The “Fixed Rent Base Amount” shall be determined as follows: (i) if the Fixed Rent Commencement Date (defined below) occurs in year 2017 or earlier, then the Fixed Rent Base Amount shall be Six Million Six Hundred Thousand Dollars (\$6,600,000); and (ii) if the Fixed Rent Commencement Date occurs in year 2018, then the Fixed Rent Base Amount shall be equal to the mathematical product resulting from multiplying 1.0175 by \$6,600,000; and (iii) if the Fixed Rent Commencement Date occurs in year 2019, then the Fixed Rent Base Amount shall be equal to the mathematical product resulting from multiplying 1.0175 by \$6,715,500 (derived from 1.0175 X \$6,600,000); and (iv) with respect to each calendar year thereafter within which the Fixed

Rent Commencement Date may occur, the Fixed Rent Base Amount shall escalate in the same fashion (i.e. escalating annually, compounding annually).

**6.2.1 First Fixed Rent.** Tenant shall pay Landlord, in advance, the “First Fixed Rent” (as described below) on or before the date it is due.

The First Fixed Rent shall be due and payable upon the earliest date of the following: (i) the Completion of Construction of the Event Center; (ii) the first ticketed event (for which there is a charge for the ticket) held in and utilizing any portion of the Event Center as a sports stadium or public entertainment facility; or (iii) exactly one year after the Initial Rent Payment Date (the earliest date shall be the “Fixed Rent Commencement Date”).

The amount of the First Fixed Rent shall be calculated as follows: (i) in the event that the Fixed Rent Commencement Date falls on the first day of a Fixed Rent Year (i.e. April 1<sup>st</sup>), then no proration of the rent amount is necessary, and the amount of the First Fixed Rent shall be equal to the Fixed Rent Base Amount (as defined above); or (ii) in the event that the Fixed Rent Commencement Date falls on a day other than the first day of a Fixed Rent Year (i.e. April 1<sup>st</sup>), then the First Fixed Rent for such partial Fixed Rent Year shall be appropriately prorated by multiplying the Fixed Rent Base Amount by a fraction (“First Proration Fraction”), the numerator of which is the number of days in that partial Fixed Rent Year that have not completely passed as of the Fixed Rent Commencement Date (the day on which the Fixed Rent Commencement Date falls shall be deemed to not have completely passed) and the denominator of which is the total number of days in that entire Fixed Rent Year. The illustration set forth in Section 6.2.4 below demonstrates the foregoing calculation under various hypothetical scenarios.

**6.2.2 Intermediate Fixed Rent.** Tenant shall pay Landlord annually, in advance, each “Intermediate Fixed Rent” (as described below) on or before the date it is due.

The first Intermediate Fixed Rent shall be due and payable on the first April 1<sup>st</sup> after the Fixed Rent Commencement Date (if the Fixed Rent Commencement Date falls on a April 1<sup>st</sup>, then the first Intermediate Fixed Rent is due and payable on the April 1<sup>st</sup> of the following year), and thereafter, each Intermediate Fixed Rent shall be due and payable on the first day of each Fixed Rent Year (i.e. April 1<sup>st</sup>).

The amount of the first Intermediate Fixed Rent shall be calculated as follows: (i) in the event that proration of the First Fixed Rent was not necessary because the Fixed Rent Commencement Date fell on a day that was the first day of a Fixed Rent Year (i.e. April 1<sup>st</sup>), then the amount of the first Intermediate Fixed Rent shall be equal to the mathematical product resulting from multiplying 1.0175 by the Fixed Rent Base Amount; (ii) in the event that the First Fixed Rent was prorated and the First Proration Fraction (defined above) was less than  $\frac{1}{2}$ , then the amount of the first Intermediate Fixed Rent shall be equal to the Fixed Rent Base Amount; or (iii) in the event that the First Fixed Rent was prorated and the First Proration Fraction was equal to or more than  $\frac{1}{2}$ , then the amount of the first Intermediate Fixed Rent shall be equal to the mathematical product resulting from multiplying 1.0175 by the Fixed Rent Base Amount. After the first Intermediate Fixed Rent, each “Intermediate



Fixed Rent” thereafter shall be in the amount equal to the mathematical product resulting from multiplying 1.0175 by the Intermediate Fixed Rent for the previous Fixed Rent Year. The illustration set forth in Section 6.2.4 below demonstrates the foregoing calculation under various hypothetical scenarios.

**6.2.3 Last Fixed Rent.** Tenant shall pay Landlord, in advance, the “Last Fixed Rent” (as described below) on or before the date it is due.

The Last Fixed Rent shall be due and payable on the last April 1<sup>st</sup> before the day on which this Lease expires or terminates (if this Lease expires or terminates on a April 1<sup>st</sup>, then the Last Fixed Rent shall be due on that day). If this Lease terminates earlier than anticipated and Tenant has paid Fixed Rent beyond the Lease termination date, then Landlord shall refund to Tenant any overpayment portion of the Last Fixed Rent.

The amount of the Last Fixed Rent shall be calculated as follows: (i) in the event that this Lease expires or terminates on the last day of a Fixed Rent Year (*i.e.* March 31<sup>st</sup>), then the Last Fixed Rent shall not require proration, and the amount of the Last Fixed Rent shall be equal to the mathematical product resulting from multiplying 1.0175 by the Intermediate Fixed Rent for the previous Fixed Rent Year; or (ii) in the event that this Lease expires or terminates on a day other than the last day of a Fixed Rent Year, then the Last Fixed Rent shall be appropriately prorated by multiplying: (a) the mathematical product resulting from multiplying 1.0175 by the Intermediate Fixed Rent for the previous Fixed Rent Year by (b) a fraction, the numerator of which is the number of days of the partial Fixed Rent Year that have partially or completely passed prior to the Lease expiration or termination (the day on which the date of expiration/termination falls shall be deemed to have partially passed) and the denominator of which is the total number of days in that entire Fixed Rent Year. The illustration set forth in Section 6.2.4 below demonstrates the foregoing calculation under various hypothetical scenarios.

**6.2.4 Hypothetical Illustrations.** For illustrative purposes only and to demonstrate the method of calculating the Fixed Rent, the three hypothetical scenarios set forth below illustrate their respective rent payment schedules based on the common assumptions that: (i) the Fixed Rent Base Amount equals \$1,000,000; (ii) this Lease is terminated earlier than its full term; and (iii) no leap year is involved in any proration of rent. All of the hypothetical rent amounts and dates used in this Section 6.2.4 are not projections and are not intended to reflect reality or any party’s expectation.

*[Remainder of this page intentionally left blank; see following page]*

	Hypothetical #1		Hypothetical #2		Hypothetical #3	
	Fixed Rent Commencement Date = 3/31/2015	Lease termination effective as of 4/1/2040	Fixed Rent Commencement Date = 4/1/2015	Lease termination effective as of 3/31/2040	Fixed Rent Commencement Date = 4/2/2015	Lease termination effective as of 3/30/2040
<b>First Fixed Rent</b>	Due: 3/31/2015 Amount: \$2,739.73  [(\$1,000,000)X(1/365)]		Due: 4/1/2015 Amount: \$1,000,000  (no proration necessary)		Due: 4/2/2015 Amount: \$997,260.27  [(\$1,000,000)X(364/365)]	
<b>1<sup>st</sup> Intermediate Fixed Rent</b>	Due: 4/1/2015 Amount: \$1,000,000  (no escalation because 1/365 is less than ½)		Due: 4/1/2016 Amount: \$1,017,500  (1.75% escalation annually; compounding annually)		Due: 4/1/2016 Amount: \$1,017,500  (1.75% escalation annually; compounding annually; because 364/365 is greater than ½)	
<b>2<sup>nd</sup> Intermediate Fixed Rent</b>	Due: 4/1/2016 Amount: \$1,017,500  (1.75% escalation annually; compounding annually)		Due: 4/1/2017 Amount: \$1,035,306.25  (1.75% escalation annually; compounding annually)		Due: 4/1/2017 Amount: \$1,035,306.25  (1.75% escalation annually; compounding annually)	
<b>3<sup>rd</sup> Intermediate Fixed Rent</b>	Due: 4/1/2017 Amount: \$1,035,306.25  (1.75% escalation annually; compounding annually)		Due: 4/1/2018 Amount: \$1,053,424.11  (1.75% escalation annually; compounding annually)		Due: 4/1/2018 Amount: \$1,053,424.11  (1.75% escalation annually; compounding annually)	
<i>passage of time</i>						
<b>Last Fixed Rent</b>	Due: 4/1/2040 Amount: [(the Intermediate Fixed Rent due on 4/1/2039 X 1.0175) X (1/365)]  If Fixed Rent in the amount equal to [the Intermediate Fixed Rent due on 4/1/2039 X 1.0175] was paid on 4/1/2040, then refund shall be in the amount equal to [(the Intermediate Fixed Rent due on 4/1/2039 X 1.0175) X (364/365)]		Due: 4/1/2039 Amount: the Intermediate Fixed Rent due on 4/1/2038 X 1.0175 (no proration necessary; and no refund necessary)		Due: 4/1/2039 Amount: [(the Intermediate Fixed Rent due on 4/1/2038 X 1.0175) X (364/365)]  If Fixed Rent in the amount equal to [the Intermediate Fixed Rent due on 4/1/2038 X 1.0175] was paid on 4/1/2039, then refund shall be in the amount equal to [(the Intermediate Fixed Rent due on 4/1/2038 X 1.0175) X (1/365)]	

The parties agree that, once the Fixed Rent Commencement Date and the Primary Term Commencement Date have been determined, the parties shall, as soon as practicable, enter into a written acknowledgement confirming the applicable rent schedule, and the amount and payment due date of each Fixed Rent through the end of the Primary Term.

**6.2.5 Relationship between Rent Payment Timeline and Lease Term Timeline.**

The parties hereby acknowledge that it is possible that the Fixed Rent Commencement Date may not coincide with the Primary Term Commencement Date and that the Fixed Rent Commencement Date may fall within the Construction Term. In such event, any Fixed Rent due and/or paid prior to the Primary Term Commencement Date shall not grant Tenant any right that Tenant may have during the Primary Term but does not have during the Construction Term in accordance with the terms of this Lease.

**6.3 Additional Rent; Definition of "Rent".** In addition to the Initial Rent and any Fixed Rent, Tenant shall pay Landlord Additional Rent when due. Initial Rent, Fixed Rent (including the First Fixed Rent, all Intermediate Fixed Rent, and the Last Fixed Rent), and Additional Rent shall collectively be referred to herein as "Rent". All Rent shall be paid to Landlord at the address to which notices to Landlord are given pursuant to Section 44 below, or at such other place as Landlord may from time to time designate in writing.

**6.4 Credit Towards Rent.** There shall be no credit against or abatement of Rent of any kind, except for the Tax-Based Rent Credit (which comprises both PIT Rent Credit and Construction Sales Tax Rent Credit, as specified in Section 6.4.1 below) and the GFA-Based Rent Credit (which comprises both Excess GFA Source Rent Credit and Excess GFA Deposit Rent Credit, as specified in Section 6.4.2 below).

**6.4.1 Tax-Based Rent Credit.**

**6.4.1.1 Definitions.** For purposes of Section 6.4.1, the following terms shall have the meaning ascribed thereto below:

"Paid" shall mean the actual transfer of funds from the tax-paying entity to the tax-collecting entity in connection with any payment of tax, evidenced by supporting documentation that the tax-paying entity's check has "cleared" or immediately available funds have been wired, electronically transferred or otherwise paid to the tax-collecting entity, provided that any amount refunded to the tax-paying entity for any reason shall not be considered paid and shall be subject to Section 6.4.4 below.

"Received" shall mean City's actual receipt of tax funds; provided, however, that to the extent City does not actually receive tax funds which City is entitled to receive due to the fact that City has voluntarily pledged or otherwise contracted away such tax funds to a third party, such tax funds shall be deemed received when they would have been made available to City but for such pledge or other arrangement with such third party.

"Tax-Based Rent Credit Period" shall mean the period of time commencing upon the Effective Date and ending upon the day that immediately precedes the Fixed Rent Commencement Date.

“Event Center PIT” shall mean the possessory interest tax levied, from time to time, by the County for any period of time within the Tax-Based Rent Period (regardless of when the tax bill is actually sent by the County) in connection with Tenant’s possessory interest under this Lease.

“Parking Garages PIT” shall mean the possessory interest tax levied, from time to time, by the County for any period of time within the Tax-Based Rent Period (regardless of when the tax bill is actually sent by the County) in connection with the possessory interest of the tenant(s) under both of the New Parking Garage Leases.

“Applicable PIT” shall mean, collectively, the Event Center PIT and the Parking Garages PIT. Applicable PIT shall not include: (i) any business personal property tax, (ii) any tax imposed on Tenant’s or L.A. Parking Structures LLC’s personal property, and (iii) any tax levied for any general obligation bond issued by the City or any special or direct assessments/levies.

“City’s Portion of Applicable PIT” shall mean that portion of the Applicable PIT Paid to the County and Received by the City as City’s funds.

“Applicable Construction Sales Tax” shall mean the construction sales tax levied, from time to time within the Tax-Based Rent Credit Period, by the State on construction materials used in the initial construction of the Event Center.

“City’s Portion of Applicable Construction Sales Tax” shall mean that portion of the Applicable Construction Sales Tax Paid to the State and Received by the City as City’s funds.

**6.4.1.2 PIT Rent Credit.** From time to time and subject to the terms and conditions of this Section 6.4, Tenant shall be entitled to credit(s) against Initial Rent and/or Fixed Rent, as applicable, based on the then Received City’s Portion of Applicable PIT, applied on a one-dollar-for-one-dollar basis not accounting for any interest accrued in City’s favor (“PIT Rent Credit”). Tenant shall have no right to any credit based on possessory interest tax levied for any period of time outside the Tax-Based Rent Credit Period. Tenant shall pay, and shall require the tenant(s) under both of the New Parking Garage Leases, to pay, all possessory interest tax on or prior to its due date.

**6.4.1.3 Construction Sales Tax Rent Credit.** From time to time and subject to the terms and conditions of this Section 6.4, Tenant shall be entitled to credit(s) against Initial Rent and/or Fixed Rent, as applicable, based on the then Received City’s Portion of Applicable Construction Sales Tax, applied on a one-dollar-for-one-dollar basis not accounting for any interest accrued in City’s favor (“Construction Sales Tax Rent Credit”). Tenant shall have no right to claim any credit based on construction sales tax levied at any time outside the Tax-Based Rent Credit Period.

Tenant shall pay, or cause to be paid, all construction sales tax on or prior to its due date.

#### **6.4.1.4 Calculation and Application of Tax-Based Rent Credit.**

- (a) For purposes of calculating any PIT Rent Credit or Construction Sales Tax Rent Credit (individually or collectively, "Tax-Based Rent Credit"), and before Tenant is entitled to apply any Tax-Based Rent Credit against any installment of Initial Rent or Fixed Rent due, Tenant shall submit to Landlord, no later than sixty (60) calendar days prior to the date that Tenant intends to apply the proposed Tax-Based Rent Credit (collectively, "Tenant's Tax-Based Rent Credit Submission"): (i) copies of Tenant's applicable tax bills and reasonable documentation confirming the date such Paid taxes are levied/imposed and the exact amounts of all pertinent taxes actually levied and Paid, (ii) any documentation reasonably necessary to calculate any proposed Tax-Based Rent Credit, and (iii) Tenant's calculation of the proposed Tax-Based Rent Credit in accordance with the terms of this Section 6.4.
  
- (b) If Landlord reasonably disputes Tenant's calculation of the Tax-Based Rent Credit, then Landlord shall notify Tenant, in writing, of the same ("Landlord's Tax-Based Rent Credit Dispute Notice") within thirty (30) calendar days after Landlord's receipt of Tenant's Tax-Based Rent Credit Submission. Any Landlord's Tax-Based Rent Credit Dispute Notice shall set forth in reasonable detail the nature of Landlord's dispute and Landlord's calculation of the Tax-Based Rent Credit in accordance with the terms of this Section 6.4. If Landlord fails to timely deliver the Landlord's Tax-Based Rent Credit Dispute Notice, then Landlord shall be deemed to have denied the proposed Tax-Based Rent Credit set forth in Tenant's Tax-Based Rent Credit Submission. If Landlord timely delivers the Landlord's Tax-Based Rent Credit Dispute Notice, then Landlord and Tenant hereby agree to work cooperatively to calculate the applicable Tax-Based Rent Credit in accordance with the terms of this Section 6.4. In such event, upon Landlord's and Tenant's mutual agreement on the calculation of the applicable Tax-Based Rent Credit in accordance with the terms of this Section 6.4, the parties will memorialize in writing the agreed-upon amount for the Tax-Based Rent Credit. If Landlord fails to timely deliver Landlord's Tax-Based Rent Credit Dispute Notice, or Landlord and Tenant cannot reach mutual agreement on the calculation of the applicable Tax-Based Rent Credit within thirty (30) calendar days after the Tax-Based Rent Credit Dispute Notice, then (i) Landlord and Tenant agree to abide by the calculation of the Tax-Based Rent Credit determined by a reputable, independent consultant who is experienced with the subject matter and acceptable to both Landlord and Tenant, and (ii) no Tax-Based Rent Credit shall be applied against any Rent until such independent consultant has determined the Tax-Based Rent Credit to which Tenant is

entitled in accordance with the terms of this Section 6.4. Landlord and Tenant shall each pay one-half of the fees, expenses and other costs incurred in connection with the engagement of such independent consultant.

- (c) After the amount of a Tax-Based Rent Credit has been determined pursuant to the terms and conditions of this Section 6.4, Tenant shall be entitled to apply such Tax-Based Rent Credit against the payment of Initial Rent and/or the next installment(s) of Fixed Rent, as applicable, due after such determination.
- (d) Notwithstanding anything to the contrary, the total amount of all of the Tax-Based Rent Credits to which Tenant is entitled under this Lease shall not exceed the amount of the Initial Rent.

#### **6.4.2 GFA-Based Rent Credit.**

**6.4.2.1 Excess GFA Source Rent Credit.** Subject to the terms and conditions of this Section 6.4, Tenant shall be entitled to credit against the next installment(s) of Fixed Rent due after the amount of such credit has been determined based on the calculation performed in accordance with Section 3.2 of the Gap Funding Agreement, applied on a one-dollar-for-one-dollar basis not accounting for any interest accrued in City's favor ("Excess GFA Source Rent Credit"). In no event shall the amount of the Excess GFA Source Rent Credit exceed the amount of the Defeasance Cost (as defined in the Gap Funding Agreement). For purposes of calculating the Excess GFA Source Rent Credit and before Tenant is entitled to apply any Excess GFA Source Rent Credit against any installment of Fixed Rent due, Tenant shall submit to Landlord, no later than sixty (60) calendar days prior to the date that Tenant intends to apply the proposed Excess GFA Source Rent Credit: (i) any documentation reasonably necessary to calculate any proposed Excess GFA Source Rent Credit and (ii) Tenant's calculation of the proposed Excess GFA Source Rent Credit in accordance with the terms of this Section 6.4. In the event that Landlord and Tenant cannot reach mutual agreement on the amount of the Excess GFA Source Rent Credit within thirty (30) calendar days after Tenant delivers its written determination of the proposed Excess GFA Source Rent Credit to Landlord or Landlord fails to deliver written notice to Tenant that Landlord disputes Tenant's determination of the Excess GFA Source Rent Credit within thirty (30) calendar days after Tenant delivers Tenant's written determination of the same to Landlord, the same dispute resolution process set forth in Section 6.4.1.4(b) above shall be followed by the parties hereto.

**6.4.2.2 Excess GFA Deposit Rent Credit.** From time to time and subject to the terms and conditions of this Section 6.4, Tenant shall be entitled to credit against the next installment(s) of Fixed Rent due after the amount of such credit has been determined based on the calculation performed in accordance with Section 3.8 of the Gap Funding Agreement, applied on a one-dollar-for-one-dollar basis not accounting

for interest accrued in favor of City (“Excess GFA Deposit Rent Credit”, together with the “Excess GFA Source Rent Credit”, the “GFA-Based Rent Credit”). For purposes of calculating the Excess GFA Deposit Rent Credit and before Tenant is entitled to apply any Excess GFA Deposit Rent Credit against any installment of Fixed Rent due hereunder, Tenant shall submit to Landlord, no later than sixty (60) calendar days prior to the date that Tenant intends to apply the proposed Excess GFA Deposit Rent Credit: (i) any documentation reasonably necessary to calculate any proposed Excess GFA Deposit Rent Credit and (ii) Tenant’s calculation of the proposed Excess GFA Deposit Rent Credit in accordance with the terms of this Section 6.4. In the event that Landlord and Tenant cannot reach mutual agreement on the amount of the Excess GFA Deposit Rent Credit within thirty (30) calendar days after Tenant delivers its written determination of the proposed Excess GFA Deposit Rent Credit to Landlord or Landlord fails to deliver written notice to Tenant that Landlord disputes Tenant’s determination of the Excess GFA Deposit Rent Credit within thirty (30) calendar days after Tenant delivers Tenant’s written determination of the same to Landlord, the same dispute resolution process set forth in Section 6.4.1.4(b) above shall be followed by the parties hereto.

**6.4.3 Rent Credit Carry-Over.** In the event that the amount of any Tax-Based Rent Credit or GFA-Based Rent Credit (collectively referred to as “Rent Credit”) is larger than the next installment of Initial Rent or Fixed Rent, as applicable, against which such Rent Credit is credited, the excess portion of such Rent Credit that is not used shall be carried over and applied against the following Fixed Rent installment(s) due until such Rent Credit is fully exhausted.

**6.4.4 Tax Refund; Payment of Additional Rent.** From time to time, to the extent that any portion of any tax used to generate Rent Credit is refunded for whatever reason, and Tenant has already applied such Rent Credit towards an installment of Rent, Tenant shall make a payment to Landlord in the form of Additional Rent in an amount equal to the refunded amount within thirty (30) calendar days after receipt of such refund.

**6.4.5 No Double Counting of Rent Credit.** No tax or any other funds used to calculate and generate rent credit described in this Section 6.4 shall be: (i) used to generate credit against or otherwise abate or reduce any other obligation set forth in this Lease or any of the Other Agreements or (ii) used to reduce or satisfy any Gap Funding Obligation (as defined in the Gap Funding Agreement).

**6.4.6 Payment of Full Amount of Rent.** Tenant shall pay the full amount of each installment of Initial Rent and Fixed Rent when it is due, unless Tenant is entitled to Rent Credit against such Initial Rent or Fixed Rent pursuant to this Section 6.4. Any Rent Credit, or any portion thereof, to which Tenant is entitled shall not be effective to abate or otherwise reduce any Rent until after the Rent Credit is determined in accordance with the terms of this Section 6.4.

6.5 **Force Majeure Not Applicable.** Any force majeure provision or principle, including without limitation the provisions of Section 27 below, shall not apply to any of Tenant's Rent payment obligations under this Lease.

## 7. **ADDITIONAL PAYMENTS BY TENANT; IMPOSITIONS.**

7.1 **Landlord's Net Return.** The parties intend that this Lease shall constitute a "triple net lease" so that the Initial Rent and Fixed Rent shall provide Landlord with "net" return for the Term, free of any expenses or charges with respect to the Premises, except as specifically provided in this Lease. Accordingly, Tenant shall pay as Additional Rent and discharge, before delinquency (but subject to the terms of this Lease, including any applicable cure periods), each and every item of expense, of every kind and nature whatsoever, including Impositions or other amounts customarily paid by a tenant under a "triple net lease" or otherwise payable by Tenant in accordance with the terms of this Lease.

7.2 **Impositions.** For any period within the Term (with daily proration for periods partially within the Term and partially outside the Term), Tenant shall pay and discharge all Impositions, before delinquency (but subject to the terms of this Lease, including any applicable cure periods). If Tenant fails to pay any Imposition before the expiration of any applicable cure period, and such failure results in a Tenant Default under this Lease, Landlord shall be entitled to require Tenant to deposit sufficient funds into a depository account in advance of the next succeeding Imposition due date to avoid such succeeding delinquency. The rights of Landlord under any such depository account shall be subject to the rights of all Qualified Leasehold Mortgagees.

7.3 **Assessments in Installments.** To the extent permitted by Law, Tenant shall have the right to apply for conversion of any assessment to cause it to be payable in installments. After such conversion, Tenant shall pay and discharge such installments of such assessment as shall become due and payable during the Term (with daily proration for periods partially within the Term and partially outside the Term).

7.4 **Utilities.** Tenant shall pay all fuel, oil, gas, light, power, water, sewage, garbage disposal, telephone, cable and other utility charges, and the expenses of installation, maintenance, use and service in connection with the foregoing, relating to Tenant's use of the Premises or the Event Center during the Term.

## 8. **USE.**

8.1 **Generally.** During the Non-Possessory Period, subject to Section 29 below, Tenant may enter onto the Premises for inspection purposes and to conduct necessary pre-construction testing, planning and other customary pre-development activities. During the Construction Term, Tenant may use the Premises only to carry out demolition and construction activities necessary for the construction of the Event Center and related improvements in accordance with this Lease and the Implementation Agreement. During the Primary Term, Tenant may use the Premises for the operation of the Event Center in accordance with this Section 8 and in compliance with Law, and so long as the Event Center has been or is being developed and, if developed, is being operated as required hereunder, for all other ancillary uses permitted by applicable Law, except that the



following uses are prohibited: (i) gun shows or the sale of guns and ammunition and (ii) Adult Entertainment Businesses. All permitted uses under this Lease: (a) shall be subject to the requirement in this Lease to make the LACC Space Requirements available for use by the City in accordance with the terms of this Lease and the Macro Booking Policy (defined below) and (b) must not cause Tenant to violate the non-competition requirements in Section 43.5 below.

**8.2 Operating Covenant.** Tenant shall manage and operate the Event Center, or cause the Event Center to be managed and operated, as a multipurpose sports, entertainment, and recreational facility, in compliance with Law and in a manner consistent with the manner and standards by which Comparable Facilities are managed and operated, and shall perform maintenance and capital improvements necessary to maintain the Event Center in a manner comparable to that in which Comparable Facilities are maintained. "Comparable Facilities" shall be deemed to include Cowboys Stadium in Arlington, Texas, Meadowlands Stadium in Newark, New Jersey, and Lucas Oil Stadium in Indianapolis, Indiana, as well as any stadiums in which NFL Team(s) regularly play their games and which are completed within three (3) years of Completion of the Event Center ("Comparable Facilities"). In its operation of the Event Center, Tenant shall, from time to time, in accordance with this Lease, Article IX of the Implementation Agreement (which article is titled "Campus Operation and Cooperation Policy"), and all future policies adopted pursuant to such Article IX (such Article IX and all future policies adopted pursuant thereto shall be collectively referred to herein as "Macro Booking Policy"), make the Event Center available for use by the Landlord for conventions and exhibitions. Tenant shall operate the Event Center in a commercially reasonable manner, and in accordance therewith, shall conduct (or shall make available to Landlord with respect to conventions and similar meetings) sporting, recreational, and entertainment events, concerts, conventions, and meetings in the Event Center with commercially reasonable frequency. For purposes of this Section 8.2, "commercially reasonable" refers to the standard generally established by the operators of Comparable Facilities.

**8.3 Parking.** Tenant shall comply with all applicable parking-related Laws in connection with Tenant's use of the Event Center, including without limitation all parking requirements set forth in the Specific Plan.

**8.4 Signage.** The rights and obligations of Landlord and Tenant with respect to signage on and around the Event Center shall be governed by the signage provisions of the Specific Plan, the Signage District rules and regulations, and the Signage Agreement, as may be modified or amended from time to time (collectively, the "Signage Documents"), which Signage Documents are incorporated herein as if set forth in full; provided, that if at any time during the Term of this Lease, any of the Signage Documents is no longer in effect, the parties shall continue to be governed by such incorporated provisions as if set forth herein in full. Throughout the Term of this Lease, if Tenant is out of compliance with any of the Signage Documents (subject to all applicable notice and cure periods), Landlord, in its Proprietary Capacity, shall have remedies under this Lease in addition to remedies Landlord may have under the Signage Documents in Landlord's Governmental Capacity.

#### **8.5 NFL Team Covenants by Tenant:**

**8.5.1 Venue Contracts.** As a material representation to this Lease, Tenant hereby

represents that Tenant has entered into a contract or contracts (“Venue Contracts”) with one or more NFL Teams to play in the Event Center as their primary home stadium. The term of at least one of the Venue Contracts (“Primary Venue Contract”) must commence on or prior to the Close of Escrow and terminate on the later of either (i) thirty (30) years after the Primary Term Commencement Date, or (ii) the final maturity date of the last “Lease Revenue Bonds” (as defined in the Implementation Agreement) originally issued in connection with the construction of the New Hall (“Primary Venue Contract Term”). The term of any second Venue Contract may, at Tenant’s sole discretion, be for a term less than the Primary Venue Contract Term.

**8.5.2 Primary Venue Contract.** To the extent that any NFL Team relocates to the Los Angeles area prior to the Completion of the Event Center pursuant to the Primary Venue Contract, the Primary Venue Contract must require the NFL Team to play Substantially All Home Games in the County until Completion of the Event Center, and thereafter to play the remaining Substantially All Home Games during the Primary Venue Contract Term in the Event Center. Landlord shall be entitled to either receive a collateral assignment of Tenant’s interest in all Venue Contracts (including the right to assume Tenant’s right and obligations thereunder) as security for Tenant’s obligations hereunder, or the right to directly enter into a separate Venue Contract with each NFL Team reasonably satisfactory to Landlord, Tenant and the applicable NFL Team. In the event of a termination of this Lease as a result of a Tenant Default hereunder, subject to the terms and conditions of any collateral security agreement or direct Venue Contract entered into by the parties, Landlord shall have the right to take over all existing Venue Contracts and all related contracts (including the existing naming contract with Farmers Insurance), subject to the rights of the Qualified Leasehold Mortgagees.

**8.5.3 Additional Venue Contract.** In the event that Tenant is in a Primary Venue Contract with one NFL Team, Tenant, at its sole and absolute discretion, may (but shall have no obligation to) enter into a Venue Contract with a second NFL Team with a different term and on other terms acceptable to Tenant in its sole and absolute discretion.

**8.5.4 Coliseum.** To the extent that any NFL Team moves to the Los Angeles area pursuant to a Venue Contract, including the Primary Venue Contract, prior to the Completion of the Event Center, Tenant shall use its commercially reasonable efforts to cause such NFL Team to actively pursue an arrangement providing for such NFL Team to play its NFL home games at the Los Angeles Coliseum until the Event Center is Completed; provided, however, that neither Tenant nor such NFL Team shall have any obligation to enter into such an arrangement unless they can do so on a commercially reasonable basis taking into account all relevant factors.

**8.5.5 Tenant’s Obligation to Extend Term.** During the two (2) years prior to the expiration of the Primary Venue Contract, Tenant shall make commercially reasonable efforts to either extend the term of the Primary Venue Contract or enter into a new Primary Venue Contract with another NFL Team, which extended Primary Venue Contract or new Primary Venue Contract shall have the longest term then available on commercially reasonable terms. It is the intention of the parties that the extended Primary Venue Contract or the new Primary Venue Contract shall expire at the expiration of the Term of this Lease; provided, however, that after such commercially reasonable efforts, Tenant shall have no further obligations under this Lease pertaining to NFL Teams if it is unsuccessful in so obtaining such extension or new agreement.

**8.5.6 Business License Tax.** All Venue Contracts must require the NFL Teams to agree that the City of Los Angeles business license taxes shall be paid on all Event Center-related revenues, including without limitation ticket sales, premium seating, concessions, parking, personal seat license sales, on-site merchandise, sponsorship sales, and local media rights revenue.

**8.5.7 Tenant's Covenants Regarding the Primary Team Venue Contract.** Tenant covenants that: (i) Tenant will not agree to terminate or modify the Primary Venue Contract in a manner that will materially adversely affect Tenant's ability to enforce the Primary Venue Contract, (ii) Tenant will use its commercially reasonable efforts to enforce its rights under the Primary Venue Contract, and (iii) Tenant will not allow the Primary Venue Contract to be terminated or modified, or any other agreement to be entered into, the effect of which would be to (x) reduce the commitment of NFL Team 1 to play Substantially All Home Games at the Event Center during the Primary Venue Contract Term (other than in connection with a Force Majeure Event), or (y) materially adversely affect Landlord's security or enforcement rights under or to the Primary Venue Contract (the actions described in (i) and (iii) above may be referred to herein as a "Material Primary Venue Contract Modification"). No Material Primary Venue Contract Modification may be made without the prior written consent of Landlord, which shall not be unreasonably conditioned, denied or delayed. Any attempt to make a Material Primary Venue Contract Modification without the prior written consent of Landlord shall have no effect and shall be null and void. Tenant must comply with, and use its commercially reasonable efforts to enforce its rights under, the Primary Team Venue Contract, and must not intentionally take or fail to take any actions the effect of which would be to relieve NFL Team 1 from its obligation to play Substantially All Home Games at the Event Center during the term of the Primary Venue Contract.

**8.5.8 Landlord's Security Interest in Venue Contracts.** Tenant shall execute and deliver such documentation reasonably requested by Landlord in order to ensure that Landlord has a valid security interest in each Venue Contract. In addition, Tenant shall cause the NFL Team under each Venue Contract to consent to Landlord's security interest.

**8.5.9 Failure of Team to Play in Event Center.** If at any time during the Primary Venue Contract Term, NFL Team 1 (or a replacement NFL Team) fails to play Substantially All Home Games at the Event Center (other than in connection with a Force Majeure Event), Tenant shall: (i) take such steps as are reasonably necessary to enforce Tenant's rights against such NFL Team, (ii) cooperate with Landlord as reasonably required in connection with the Landlord's pursuit of any rights it may have directly against such NFL Team, and (iii) use its good faith commercially reasonable efforts to secure a replacement NFL Team. The parties agree that: (x) Tenant's breach of its obligations set forth in (i), (ii), or (iii) above, or (y) the failure of Tenant to maintain at least one NFL Team in the Event Center through the Primary Venue Contract Term as a result of Tenant's breach of its obligations under any Venue Contract shall in each instance, subject to applicable notice and cure periods, constitute a default by Tenant under this Lease.

**8.5.10 Early Team Termination Due to Tenant Default.** In the event of the early termination of this Lease due to Tenant's default which continues beyond applicable notice and cure periods, subject to the terms and conditions of any collateral security agreement or direct Venue Contract entered into by the parties, and the rights of any Qualified Leasehold Mortgagees as provided in this Lease and any agreement that may be entered into between any such Qualified

Leasehold Mortgagees and Landlord, Landlord shall have the right, but not the obligation, to assume all of Tenant's rights under all existing Venue Contracts and all Event Center operating contracts (including but not limited to those agreements regarding ticket sales, premium seating, concessions, parking, permanent or other seat license sales, on-site merchandise, sponsorship sales, signage, naming rights, and media rights revenue) ("Operating Contracts").

**8.5.11 Team Estoppel Certificates.** If requested by Landlord, Tenant shall, within 30 days following Landlord's request, but not more than once per year unless Tenant is then in default of its obligations under this Lease beyond applicable notice and cure periods, provide to Landlord estoppel certificate(s) from the NFL Team(s) in the form of the attached Exhibit D or such other form as is reasonably acceptable to Landlord.

**8.6 Continued Existence.** Tenant covenants to maintain its continued legal existence throughout the Term of this Lease.

**8.7 Responsibility for Financing.** Tenant covenants that any funding and financing required in connection with the development (including without limitation demolition on the Premises) and operation of the Event Center shall be the sole responsibility and cost of Tenant.

**8.8 [Intentionally Omitted]**

**8.9 Taxes.**

**8.9.1 Sales Tax Origin.** Tenant shall designate, and shall use good faith efforts to require its contractors, subcontractors, vendors and other third parties under its control or with whom it enjoys privity of contract to designate, the City as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by Law), for all purchases of materials, fixtures, furniture, machinery, equipment and supplies for the Event Center during the construction thereof and for all sales of tickets, food, merchandise and other items in connection with Event Center events and operations, it being the mutual intent of the parties that to the greatest extent practicable the City will be designated as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by Law) for all such purchases in connection with Event Center events and operations.

**8.9.2 City Parking Tax.** The New Parking Structures, AEG's Olympic West and Olympic East garages within the L.A. Live project, and all other parking facilities and all parking spaces directly associated with the Event Center or otherwise controlled by Tenant or its Affiliates shall be subject to any generally imposed City-wide parking tax in effect from time to time. All tickets for Event Center events which include parking rights shall have the parking cost segregated (or segregatable) in a manner which makes the parking cost subject to any and all generally imposed City-wide parking taxes. Tenant shall not, and shall not permit others to, price or sell parking spaces in connection with luxury boxes, club seats or other seats at the Event Center or by any other method in connection with the Event Center in a manner which would avoid generally imposed City-wide parking taxes.

**8.9.3 Personal Property Taxes.** Tenant shall pay, or cause to be paid, before delinquency, any and all taxes levied or assessed, and which become payable during the Term

hereof, upon any of Tenant's leasehold improvements, equipment, furniture, fixtures and personal property located on the Premises.

**8.9.4. Possessory Interest Tax.** By executing this Lease and accepting the benefits thereof, a property interest may be created known as "possessory interest" and such property interest will be subject to property taxation. Tenant, as the party in whom the possessory interest is vested, may be subject to the payment of the property taxes levied upon such interest. Tenant acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided.

**8.10 Living Wage; Prevailing Wage.** In connection with the construction and operation of the Event Center (including all demolition work on the Premises), Tenant shall comply, to the extent applicable, with the provisions of the City's Living Wage Ordinance. In connection with the construction of the Event Center (including all demolition work on the Premises), Tenant shall comply with the provisions of the State of California's "prevailing wages" requirements, as such requirements are accepted by and made applicable to the City.

**8.11 Business Licenses.** Tenant shall obtain, and shall use good faith efforts to require all Persons and entities with whom it contracts for services related to the construction and operation of the Event Center (including all demolition work on the Premises), in professions or fields to which the City's business license laws and taxes apply, that such Persons or entities obtain, City business licenses, and require their subcontractors to obtain, City business licenses, it being the mutual intent of the parties that to the greatest extent practicable Tenant will require such Persons and entities to obtain City business licenses.

## 9. QUIET ENJOYMENT.

Landlord covenants that, so long as this Lease has not expired or terminated in accordance with its terms, Tenant shall and may peaceably and quietly have, hold and enjoy the Premises for the Term, subject to the terms and provisions of this Lease. By such covenant, Landlord makes no representation or warranty as to the condition of title of the Premises beyond that set forth in Section 26.1 below or the suitability of the Premises for the Event Center.

## 10. LAWS.

During the Term, Tenant shall, at its own expense and effort, comply with all Laws affecting the Premises (including, without limitation, Laws relating to parking in connection with Tenant's use of the Event Center). Tenant shall obtain and pay for all permits and approvals required by Law in connection with Tenant's demolition/construction upon, operation, use and occupancy of the Premises and shall comply with all such permits and approvals. Tenant shall be responsible, at its sole cost and expense, for all improvements or alterations required from time to time to comply with Laws. Notwithstanding the foregoing, Tenant shall have the right to contest any such Laws, provided that Tenant shall, at all times during the Term, comply with its obligations under this Lease.

## 11. MAINTENANCE AND ALTERATIONS.

11.1 **Obligation To Maintain and Operate.** Except as otherwise expressly provided in this Lease, during the Term, Tenant shall, at its sole cost and expense, keep, maintain, and operate the Premises in accordance with the provisions of Section 8 of this Lease.

11.2 **Tenant's Right to Perform Alterations.** At Tenant's sole cost and expense, Tenant shall be entitled from time to time to make improvements, repairs or alterations to the Premises, and to alter, modify or reconstruct such improvements as are located on the Premises, as Tenant shall consider necessary or appropriate, subject to the terms of this Lease, including without limitation Sections 5.4 and 8.2, and subject to all Laws. If any such improvement, repair or alteration, including any such improvement, repair or alteration made pursuant to Section 8.2 (Operating Covenant) or Section 16 (Damage or Destruction), will: (i) alter the design of the exterior of the Event Center, and where the cost of such alteration is more than ten percent (10%) of the total development cost of the Event Center (which total development cost shall be increased by two percent (2%) per annum on a compounded basis throughout the Term on each anniversary of the Completion of the Construction of the Event Center), (ii) reduce the square footage of event space or meeting space in the Event Center below the thresholds specified for the LACC Space Requirements set forth in Section 1.2 above, or (iii) materially and adversely interfere with Landlord's use of the LACC Space Requirements as permitted under this Lease (each, a "Material Alteration"), then such Material Alteration shall be subject to Landlord's prior review and written approval. Such review and approval of any Material Alteration shall be carried out in accordance with the design review and approval process set forth in Article VII of the Implementation Agreement as if such Article VII were set forth in this Lease in its entirety (regardless of whether or not the Implementation Agreement is then in effect), provided that in any event, Landlord's approval shall not be unreasonably withheld, conditioned or delayed (the parties acknowledge that such standard of approval shall not apply to any approval sought from Landlord in Landlord's Governmental Capacity and that Landlord's right to review and approve the design of the Event Center under this Lease and the Implementation Agreement shall be in addition to any of Landlord's right to review and approve such design in Landlord's Governmental Capacity). Landlord's approval shall not be required for improvements, repairs or alterations which do not constitute a Material Alteration. In all cases other than in the event of an Emergency, Tenant will provide Landlord with not less than thirty (30) days' prior written notice of any proposed Material Alteration. Alterations shall not unreasonably interfere with the operation and business of the LACC without the written approval of Landlord, such approval not to be unreasonably withheld, conditioned or delayed (the parties acknowledge that such standard of approval shall not apply to any approval sought from Landlord in Landlord's Governmental Capacity). In no event shall the height of the Event Center exceed the lower of: (i) 220 feet or (ii) the height restriction under any Laws.

11.3 **Plans and Specifications.** To the extent that Tenant makes or permits to be made any improvements, repairs or alterations to the Premises (including initial construction of the Event Center), Tenant shall promptly provide Landlord with any plans and specifications (including

working plans and specifications and "as-built" plans and specifications) for such improvements, repairs or alterations.

#### **11.4 Hazardous Substances and Environmental Remediation.**

**11.4.1 Tenant's Obligations.** Tenant shall comply with all Environmental Laws at all times during the Term with respect to the Premises. Tenant may use any Hazardous Substance normally contained in janitorial supplies or otherwise normally used in the operation of facilities comparable to the Event Center, it being agreed that Tenant shall not use any other Hazardous Substances in, on or about the Event Center without Landlord's prior written consent. Tenant shall not Release any Hazardous Substance in, on or under the Premises or permit the Release of any Hazardous Substance in, on or under the Premises by any of its contractors, employees or agents. In the event of the discovery of Hazardous Substances or any Release of any Hazardous Substance in, on or under the Premises, whether prior to or after execution of this Lease and whether known or unknown at the time of execution of this Lease, Tenant shall notify Landlord immediately and promptly perform investigation and Remediation of such Release in compliance with all Environmental Laws at Tenant's sole cost and expense. Notwithstanding the foregoing, Tenant shall have no obligation to Remediate nor any other liability relating to any Release to the extent arising from the active negligence of, or any willful act committed by, Landlord or its officials, officers, boards, commissioners, employees, contractors and agents (including, without limitation, any act committed by Landlord or its officials, officers, boards, commissioners, employees, contractors and agents during the Non-Possessory Period) (collectively, the "Excluded Environmental Claims").

#### **11.4.2 Intentionally Omitted.**

**11.4.3 Notice of Violation.** Tenant shall notify Landlord immediately upon (a) discovery or Release of Hazardous Substances which Tenant is required to report to any Environmental Agency by any applicable Environmental Law or (b) receipt of notice from any Environmental Agency or other party asserting a violation of any Environmental Law or requiring Remediation of a Hazardous Substance located in, on or under the Premises.

**11.4.4 Investigation and Remediation.** Tenant, upon receipt of any notice of violation of any Environmental Law or other requirement to Remediate or upon receipt of any other knowledge that such a violation or event requiring Remediation may have occurred, shall promptly Investigate, determine the appropriate course of action with respect to such notice or requirement and Remediate, provided, however, that Tenant shall have no obligation to Remediate, nor any other liability relating to, any Excluded Environmental Claim. If Tenant is required to notify any Environmental Agency of the need for or results of its Investigation or Remediation by any applicable Environmental Laws, it shall also (a) notify Landlord of the need for and results of its Investigation and Remediation and (b) provide Landlord with copies of all documents filed with, or received from, any Environmental Agency with respect to such Investigation and Remediation. Any Investigation and any Remediation required of Tenant pursuant to the terms of this Lease shall be undertaken by the Tenant at its sole cost and expense.

11.4.5. **Indemnification.** Tenant hereby agrees to defend, indemnify and hold harmless Landlord and its officials, officers, boards, commissioners, employees and agents from and against: (a) any Claim(s) by any Environmental Agency or any other party arising from or related to any Release of a Hazardous Substance from, in, on, under or about the Premises, (b) any discovery or Release of Hazardous Substances from, in, on, under or about the Premises, (c) any Claim(s) arising from or related to violation of any Environmental Law with respect to the Premises ("Violation"); and/or (d) any Claim(s) reasonably associated with Investigation and/or Remediation of any Release from, in, on or under the Premises, in each case (a) through (d) above, whether occurring before or after the execution of this Lease and whether known or unknown, provided, however, that the foregoing indemnity shall not apply to any Excluded Environmental Claim. The foregoing indemnity and hold harmless agreement by the Tenant shall apply in accordance with its terms (but exclusive of any Excluded Environmental Claim) notwithstanding the negligent or grossly negligent acts or omissions to act of the Landlord, its officials, officers, boards, commissioners, employees, or agents, it being the intent of the parties that the Landlord shall not bear any cost or liability for Claims, Releases, Violations, Investigations or Remediations arising from or related to the Premises, other than to the extent arising from or related to Excluded Environmental Claims.

11.4.6 **Release.** Tenant hereby generally releases, waives, acquits, remises and forever discharges Landlord and its officials, officers, boards, commissioners, employees and agents from and against any Hazardous Substance or Claim which Tenant now has or may have or which may arise in the future with respect to any Claim, Release, Violation, Investigation and/or Remediation to which the indemnity described in Section 11.4.5 would apply, whether occurring before or after the execution of this Lease and whether known or unknown at the time of execution of this Lease, except in all cases that this release of claims shall not apply to the Excluded Environmental Claims. With respect to this Agreement, Tenant specifically waives the benefit of California Civil Code Section 1542 which provides as follows:

"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 foregoing release of Landlord by Tenant shall apply in accordance with its terms (exclusive of the Excluded Environmental Claims), notwithstanding the negligent or grossly negligent act or omission to act of the Landlord, or its officers, officials, boards, commissioners, employees, and agents, any of them, it being the intent of the parties that the Landlord shall not bear any cost or liability for Claims, Releases, Violations, Investigations or Remediation arising from or related to the Premises, except to the extent arising from or related to the Excluded Environmental Claims.

11.4.7 **Tenant Responsible for All Hazardous Substances.** The parties intend by this Section 11.4 to place upon Tenant all responsibility, both financial and remediation, for all Hazardous Substances found on, or released on, the Premises during the Term of this Lease, except to the extent arising from or related to the Excluded Environmental Claims. Such responsibility includes both Remediation of the Hazardous Substances and indemnification of Landlord as to all claims other than the Excluded Environmental Claims.



**11.4.8 Obligations Survive Termination of Lease.** The obligations to Investigate and Remediate and the indemnities and releases set forth in this Section 11.4 shall survive the termination of this Lease with regard to any Release which (i) occurred prior to the date of termination of this Lease, or (ii) arising out of the use of the Premises by Tenant, its employees, agents and invitees, pursuant to this Lease.

**11.4.9 Definitions.** For purposes of this Lease, the following terms are defined as follows:

**11.4.9.1 "Claim(s)"** means any and all claims, actions, causes of action, writs, demands, rights, damages, liabilities, costs, expenses (including, without limitation, reasonable attorneys', experts', and consultants' fees and administrative and/or litigation costs), fines, penalties, liens, taxes, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen.

**11.4.9.2 "Environmental Agency"** means the United States Environmental Protection Agency, the California Environmental Protection Agency and all of its sub-entities including without limitation the Regional Water Quality Control Board-Los Angeles Region, the State Water Resources Control Board, the Department of Toxic Substances Control and the California Air Resources Board; the City; the County; the South Coast Air Quality Management District; the United States Environmental Protection Agency; and/or any other federal, state or local governmental agency or entity that has jurisdiction over Hazardous Substances Releases or the presence, use, storage, transfer, manufacture, licensing, reporting, permitting, analysis, disposal or treatment of Hazardous Substances in, on, under, about or affecting the Premises. All references to an Environmental Agency or Agencies shall mean and include any successor Environmental Agency.

**11.4.9.3 "Environmental Laws"** means any federal, state, or local laws, ordinances, rules, regulations, requirements, orders, directives, guidelines, or permit conditions in existence as of the date of this Agreement or as later enacted, promulgated, issued, modified or adopted, regulating or relating to Hazardous Substances, and all applicable judicial, administrative and regulatory decrees, judgments and orders and common law, including, without limit, those relating to industrial hygiene, safety, health or protection of the environment or the reporting, licensing, permitting, use, presence, transfer, treatment, analysis, generation, manufacture, storage, discharge, Release, disposal, transportation, Investigation or Remediation of Hazardous Substances. Environmental Laws shall include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.) ("CERCLA"); the Resource Conservation and Recovery Act, as amended, (42 U.S.C. Section 6901 et seq.) ("RCRA"); federal Water Pollution Control Act, as amended, (33 U.S.C. Section 1251 et seq.); Toxic Substances Control Act, as amended, (15 U.S.C. Section 2601 et seq.); the Carpenter-Presley-Tanner Hazardous Substances Account Act, (California Health and Safety Code Section 25300 et seq.); Chapter 6.5 commencing with Section 25200 (Hazardous Waste Control); Chapter 6.7 commencing with Section 25280 (Underground Storage of Hazardous Substances) of the California Health and Safety Code; and the California Environmental Quality Act (California Public Resources Code Section 2100 et seq.).

11.4.9.4 "**Hazardous Substances**" means, without limitation: (a) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. §1801 et seq., and in the regulations promulgated pursuant to said laws; (b) those substances defined as "hazardous wastes" in Section 25117 of the California Health & Safety Code, or as "hazardous substances" in Section 25316 of the California Health & Safety Code, and in the regulations promulgated pursuant to said laws; (c) those substances listed in the United States Department of Transportation Table (49 C.F.R 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 C.F.R. part 302 and amendments thereto); (d) any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. 1251 et seq. (33 U.S.C. 1321) or listed-pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1317); (v) flammable explosives, or (vi) radioactive materials; and (e) such other substances, materials and wastes which are or become regulated under applicable local, state or federal law, or which are classified as hazardous or toxic under federal, state, or local laws.

11.4.9.5 "**Investigation(s)**" means any actions including, but not limited to, any observation, inquiry, examination, sampling, monitoring, analysis, exploration, research, inspection, canvassing, questioning, and/or surveying of the Property or any other affected properties, including the air, soil, surface water, and groundwater, and the surrounding population or properties, or any of them, to characterize or evaluate the nature, extent or impact of Hazardous Substances.

11.4.9.6 "**Release(s)**" means any releasing, spilling, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping into the environment in violation of or resulting in a violation of applicable Environmental Laws.

11.4.9.7 "**Remediate**" or "**Remediation**" means any of those actions with respect to Hazardous Substances constituting a response or remedial action as defined under Section 101(25) of CERCLA, and similar actions with respect to Hazardous Substances as defined under comparable state and local laws, and/or other cleanup, removal, containment, abatement, recycling, transfer, monitoring, storage, treatment, disposal, closure, restoration or other mitigation or remediation of Hazardous Substances or Releases required by any Environmental Agency or within the purview of any Environmental Laws.

11.4.10 **Environmental Indemnity Regarding Premises Binding on Successors and Assigns of Tenant.** The parties hereto have agreed and Landlord and Tenant hereby reaffirm that conveyance by Landlord of the leasehold interest in Premises has been and will be undertaken by Landlord in order to benefit Tenant under this Lease by providing property for construction of the Event Center and related development. Accordingly, the parties hereto agree that the provisions of this Section 11.4, including the indemnities and releases described therein, shall be binding upon Tenant and upon each successor, assign or subtenant of Tenant which is a tenant or subtenant under this Lease (or any New Lease entered into pursuant to the terms of this Lease). Tenant and such successors, assigns and subtenants shall be jointly and severally liable for the obligations set forth in this Section 11.4.

## 12. PROHIBITED LIENS AND STOP NOTICES.

12.1 **Tenant's Covenant.** If a Prohibited Lien or Stop Notice is filed, then Tenant shall, within 30 calendar days after receiving Notice of such filing, cause such Prohibited Lien or Stop Notice to be paid, discharged or bonded. Nothing in this Lease shall be construed to restrict Tenant's right to contest the validity of any Prohibited Lien or Stop Notice and to pursue Tenant's position to a final judicial determination provided that Tenant complies with Section 14 of this Lease. The mere existence of a Prohibited Lien or Stop Notice shall not be construed as a Tenant Default under this Lease.

12.2 **Protection of Landlord.** Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant upon credit. Nothing in this Lease shall be deemed or construed in any way to constitute Landlord's consent or request, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, equipment or material supplier for the performance of any labor or the furnishing of any materials or equipment for any improvement, alteration or repair of, or to, the Premises, or any part of the Premises, nor as giving Tenant any right, power or authority to contract for, or permit the rendering of, any services, or the furnishing of any materials that would give rise to the filing of any liens or stop notices against the Fee Estate. Landlord shall have the right to post notices of non-- responsibility on the Premises. During the Term, Tenant shall Indemnify Landlord with respect to any matter arising from or related to work performed on the Premises other than work performed by Landlord or its agents. Such indemnity shall survive the expiration or termination of this Lease.

## 13. INDEMNIFICATION

13.1 **Hazardous Substances.** Landlord's and Tenant's respective obligations with respect to Investigation and Remediation and indemnification of Hazardous Substances, whether relating to conditions that exist before or after the Effective Date, shall be governed by Section 11.4 of this Lease and shall not be limited by the indemnity obligations set forth in Section 13.2 below.

13.2 **Indemnity by Tenant.** Notwithstanding any language to the contrary elsewhere in this Lease, Tenant shall defend, indemnify and hold harmless Landlord (except to the extent attributable to the active negligence or willful misconduct of Landlord) from and against any and all Loss, liability, or expense arising or alleged to arise from: (i) use of the Premises by Tenant, its Affiliates, officers, agents, employees, contractors, licensees or invitees; (ii) the development, construction, operation, or use of the Event Center; (iii) the performance of this Lease on the part of Tenant, or any contractor or subcontractor of Tenant; and/or (v) any breach of this Lease by Tenant, whether or not any insurance policy shall have been determined to be applicable to such Loss, liability, or expense; provided, however, that in no event shall this indemnity apply to any determination that all or any portion of the Bonds have lost their tax-exempt status unless such loss of tax-exempt status is the direct and sole result of a Tenant Default by Tenant under this Lease or a default by Tenant or any of its Affiliates under any of the Other Agreements. Landlord agrees to notify Tenant of any claims made against Landlord for which Tenant may be liable under this Section.

**13.3 Liability of Landlord.** During the Non-Possessory Period, Tenant shall have no right of access to or entry onto the Premises under this Lease, except that Tenant may enter onto the Premises for inspection purposes and to conduct necessary pre-construction testing, planning and other customary pre-development activities, subject to the terms and conditions of Section 29 below. During the Term, Tenant shall have exclusive control and possession of the Premises, subject to Laws and the provisions of this Lease. Except as otherwise expressly provided in this Lease, during the Term, Landlord shall not be liable for any injury or damage to any property or to any Person occurring on or about the Premises nor for any injury or damage to any property of Tenant, or of any other Person. The provisions of this Lease permitting Landlord to enter and inspect the Premises during the Term are intended to allow Landlord to be informed as to whether Tenant is complying with the agreements, terms, covenants and conditions of this Lease, and to the extent permitted by this Lease, to perform such acts required to be performed by Tenant under this Lease as Tenant shall fail to perform. In addition, notwithstanding any language to the contrary elsewhere in this Lease, Landlord shall defend, indemnify and hold harmless Tenant from and against any and all Loss, liability, or expense for and Loss arising or alleged to arise from (i) any breach of this Lease by Landlord or any of its Affiliates, officers, agencies, employees, contractors, licensees or invitees, or (ii) the acts or intentional omissions of Landlord or any of its Affiliates, officers, agencies, employees, contractors, licensees or invitees, or from their occupancy, use or operation of the Premises, except to the extent such Loss is caused by the active negligence or willful misconduct of Tenant. Notwithstanding the foregoing, nothing set forth in this Section 13.3 shall limit or otherwise reduce Tenant's obligation to indemnify Landlord for Tenant's entry onto the Premises during the Non-Possessory Period, as set forth in Section 29 below.

**13.4 Indemnification Procedures.** Wherever this Lease requires one party to Indemnify the other, the following procedures and requirements shall apply:

**13.4.1 Notice.** Indemnitee shall provide Indemnitor with Notice of any claim. Indemnitee shall not be entitled to recover from Indemnitor the amount of any Loss which would not have been incurred by Indemnitee or Indemnitor but for Indemnitee's failure to provide such Notice in a timely manner.

**13.4.2 Selection of Counsel.** If Indemnitee requests that Indemnitor provide Indemnitee's defense, Indemnitor shall be entitled to select counsel reasonably acceptable to Indemnitee. Notwithstanding any other provision of this Lease, if Indemnitee intends to retain its own counsel (whether in-house counsel or outside counsel) with respect to its defense, such counsel shall be reasonably acceptable to Indemnitor, and Indemnitee's reasonable attorneys' and experts fees (including without limitation Indemnitee's in-house attorneys' fees to be reimbursed at the Indemnitee's then prevailing in-house attorney rates) and costs shall be subject to Indemnitor's indemnity.

**13.4.3 Settlement.** Indemnitor may, with the consent of Indemnitee, which consent not to be unreasonably withheld (provided, however, that the parties acknowledge that in instances where Landlord is the Indemnitee, Indemnitee's consent to any proposed settlement shall be subject to the approval of the city council of the City, at its sole and absolute discretion), settle any claim which is the subject of its indemnity, except that no consent by Indemnitee shall be required as to any settlement by which (a) Indemnitor procures (by payment, settlement or otherwise) a release of

Indemnitee pursuant to which Indemnitee is not required to make any payment whatsoever, (b) neither Indemnitee nor Indemnitor acting on behalf of Indemnitee makes any admission of liability, and (c) the continued effectiveness of this Lease or the Other Agreements is not jeopardized in any way.

**13.4.4 Insurance Proceeds.** Each of Indemnitor and Indemnitee waives its rights of recovery against the other to the extent that the waiving party has valid and collectible third-party insurance covering the Loss sustained.

**13.5 Survival.** This Section 13 shall survive the expiration or termination of this Lease.

#### **14. RIGHT OF CONTEST.**

Notwithstanding anything to the contrary in this Lease, Tenant shall have the right to contest, at its sole expense, by appropriate legal proceedings diligently conducted, (a) the amount or validity of any Imposition, Prohibited Lien or Stop Notice, (b) the valuation, assessment or reassessment (whether proposed or final) of the Premises for purposes of real estate taxes or possessory interests, (c) the validity of any Law or the application of any Law to the Premises, or (d) the validity or merit of any claim against which Tenant is required to Indemnify Landlord under this Lease. Tenant may defer payment of, compliance with or performance of any contested matter or obligation described in clauses (a), (b), (c) or (d) above pending the outcome of such contest, provided that such deferral does not subject the Premises to risk of forfeiture or subject Landlord to any material liability. Landlord shall not be required to join in any such contest proceedings relating to clauses (a), (b) or (c) above unless a Law shall require that such proceedings be brought in the name of Landlord or any owner of the Fee Estate, or such joiner is otherwise reasonably necessary. In such case, Landlord shall cooperate with Tenant, so as to permit such proceedings to be brought in Landlord's name. Tenant shall pay all of Tenant's costs and expenses (including attorneys' fees) incident to such proceedings, and the reasonable costs and expenses of Landlord (including Landlord's reasonable attorneys' fees) with respect thereto. Tenant shall Indemnify Landlord with respect to any contest pursuant to this Section. Tenant shall be entitled to any refund of any Imposition (and penalties and interest paid by Tenant) based upon Tenant's prior overpayment of such Imposition, whether such refund is made during or after the Term. Upon termination of Tenant's contest with respect to clauses (a), (b), (c) or (d) above, Tenant shall pay the amount (if any) as has been finally determined such proceedings to be due from Tenant, together with any costs, interest, penalties or other liabilities in connection therewith. Upon final termination of Tenant's contest of a Law, Tenant shall comply with such final determination. Landlord shall not in its Proprietary Capacity as Landlord under this Lease, enter any objection to any contest proceeding undertaken by Tenant pursuant to this Section 14. Tenant's right to contest any Imposition or the valuation, assessment or reassessment of the Premises for tax purposes shall be to the exclusion of Landlord, and Landlord shall have no right to contest the foregoing without Tenant's consent, not to be unreasonably withheld.

Nothing in this Section 14 shall be construed to limit Landlord's rights to act with respect the matters addressed in this Section 14 in its Governmental Capacity. In addition, nothing in this Section 14 shall limit or otherwise reduce Landlord's obligations to pay all costs and expenses for, and Indemnify Tenant with respect to, any Imposition, Prohibited

Lien or Stop Notice arising from or related to any work performed by Landlord or its agents, employees or contractors prior to the Construction Term Commencement Date.

## 15. TENANT'S INSURANCE.

15.1 **Tenant to Insure.** Tenant's insurance obligations during the Non-Possessory Period shall be governed by Section 29 below. During the Term, Tenant shall, at Tenant's sole cost and expense, maintain the following insurance coverage (or its then reasonably available equivalent):

15.1.1 **General Liability.** Throughout the Term (and during the Non-Possessory Period, to the extent required under Section 29 below), Tenant shall carry Commercial General Liability insurance at least as broad as ISO Form CG0001 (Commercial General Liability) or its equivalent, with the extensions noted below, covering claims against property damage and bodily injury, to include death, occurring in or about the Premises and the Event Center and any other property of the named insured to the extent not covered by the common area liability policy required by the Reciprocal Easement Agreement, in minimum limits of not less than One Hundred Million Dollars (\$100,000,000) per occurrence. Such commercial general liability insurance shall include the following coverage extensions if obtainable from underwriters: sudden and accidental pollution subject to a sublimit of not less than \$5 million per accident; broadened notice of occurrence endorsement; personal injury liability; garage keepers legal liability of not less than Ten Million Dollars (\$10,000,000) per occurrence, unintentional errors and omissions endorsements. Such insurance shall include a waiver of Subrogation in favor of the additional insureds specified in Section 15.3.1.

15.1.2 **Automobile.** Throughout the Term (and during the Non-Possessory Period, to the extent required under Section 29 below), Tenant shall provide business automobile insurance at least as broad as ISO Form CA001 (Auto Liability) in an amount of not less than \$1 million per occurrence, with excess limits provided under the umbrella liability program to One Hundred Million Dollars (\$100,000,000) covering all autos owned or hired by Tenant and used at the Premises including owned, non-owned and hired autos. Such insurance shall include a Waiver of Subrogation in favor of the additional insureds specified in Section 15.3.1.

15.1.3 **Workers' Compensation.** Throughout the Term (and during the Non-Possessory Period, to the extent required under Section 29 below), in accordance with California Labor Code 3700 et seq. and other relevant Laws, Tenant shall maintain, and ensure that its contractors maintain, workers' compensation insurance, or provide proof of self-insurance in accordance with the provisions of that same Code, covering all Persons employed in connection with the Premises or with development, construction, alteration, repair or operation of the Event Center, for injury, illness, or death, in statutory amounts for compensation, with not less than \$1 million for employer's liability for bodily injury by accident and occupational disease, with excess limits for Tenant only provided under the umbrella liability program to One Hundred Million Dollars (\$100,000,000). Such insurance shall include a Waiver of Subrogation in favor of the additional insureds specified in Section 15.3.1.

### 15.1.4 Property Insurance.

15.1.4.1 **Construction.** From the Demolition Authorization Date until Completion of the Event Center, Tenant shall obtain "Builders Risk" insurance coverage in an amount equal to 100% of the full replacement cost of the Event Center, covering course of construction exposure, including all risks of direct physical loss (including flood, earthquake with limits as set forth in Section 15.5 below, transit and off-site storage), materials and supplies used at the site, and soft costs including delayed opening and extra expense. During any subsequent period of construction or alteration involving work of significant scope, Tenant shall obtain "Builders Risk" insurance coverage as specified above in an amount equal to 100% of the full replacement cost of that particular work of construction or alteration.

15.1.4.2 **Operation.** Beginning upon Completion of the Event Center and thereafter throughout the Term, Tenant shall carry "All Risk" insurance coverage in an amount equal to 100% of the full replacement cost of the Event Center, providing coverage for all risks of direct physical loss described in Section 15.1.4.1; provided, however, that coverage for the peril of earthquake shall be subject to market availability at commercially reasonable premium cost (determined from time to time as provided in Section 15.5), and shall be purchased in an amount equal to the maximum probable loss as determined from time to time by a reputable seismic engineer acceptable to Landlord and Tenant.

15.1.4.3 **General Requirements.** All property insurance (builder's risk and operations insurance) shall include the following extensions of coverage: vacancy or occupancy clause waived; no coinsurance; Waiver of Subrogation in favor of Landlord; demolition and increased cost of construction; earthquake (if applicable) to include landslide mudslide, sinkhole, collapse earth movement or subsidence; costs to prove loss; debris removal; flood and surface water; coverage for foundations, pilings and underground property; coverage for machinery and equipment breakdown, boiler explosion, etc.; architect's fees, valuable paper and records, including EDP media; damage resulting from faulty or defective workmanship, material, construction or design, plans, blueprints and specifications; mechanical or electrical apparatus; property of others in the care, custody or control of the insured.

15.1.5 **Other.** All insurance required by any Leasehold Mortgage, including without limitation terrorism and business interruption coverage in such amounts as may be required by any such Leasehold Mortgagee, and such other insurance as Tenant determines appropriate in the exercise of Tenant's reasonable business judgment.

## 15.2 **General Provisions.**

15.2.1 **Insurance Approval.** Evidence of insurance shall be submitted to Landlord or Landlord's designated risk management professional prior to commencement of any work or tenancy under this Lease, in accordance with Los Angeles Administrative Code Section 11.48.

15.2.2 **Deductibles; Self Insured Retention.** Any deductible or self-insured retention greater than \$250,000 must be declared to Landlord and shall be subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

**15.2.3 Insurance Carrier Standards.** Each insurance carrier shall (a) have a "Best's" rating of at least A-VII or equivalent, and (b) unless otherwise agreed by Landlord and in compliance with Section 15.2.4, be authorized to transact insurance business in the State.

**15.2.4 Admitted Carrier/Licensed California Broker.** Surplus lines insurance from carriers who are not admitted in California must be submitted through a California licensed broker or agency and is subject to the same standards outlined in Section 15.2.3.

**15.2.5 Evidence of Insurance.** At least sixty (60) days before each insurance policy is initially required to be obtained by Tenant pursuant to this Lease, Tenant shall deliver to Landlord its plan for placing such coverage in effect. At least five (5) days prior to the effective date of coverage, Tenant shall provide to Landlord certificates of insurance confirming that Tenant maintains the insurance required of it under this Section 15, which certificates shall be executed by an authorized agent of the appropriate insurer(s) indicating that the required coverage has been obtained and Landlord, its officials, boards, employees, and agents have, where applicable, been named as additional insureds. Within 45 days after the effective date of each insurance policy required by this Lease, Tenant shall provide Landlord with a copy of the declaration page and a copy of all terms and conditions pertinent to the properties required by this Lease, and endorsed "paid" or accompanied by other evidence that the premiums for such policies have been paid. Evidence of renewal of an expiring policy may be submitted on a manually signed renewal endorsement which shall be submitted at least five (5) days prior to the expiration of the then current policy. If the policy or carrier has changed, however, new evidence under this Section 15.2.5 must be submitted.

**15.2.6 Underlying Insurance.** Tenant shall be responsible for requiring such indemnification and insurance as it deems appropriate from consultants, agents and subcontractors, if any.

**15.3 Policy Requirements and Endorsements.** All insurance policies required by this Lease shall contain (by endorsement or otherwise) the following provisions:

**15.3.1 Additional Insureds.** All liability insurance policies shall name Landlord and Leasehold Mortgagees and their respective boards, officials, officers, directors, agents, employees, volunteers and bondholders, as additional insureds. Landlord shall be named as "loss payee as its interests may appear" in all required property coverage.

**15.3.2 Primary Coverage.** All policies shall be written as primary policies not contributing with or in excess of any coverage that Landlord may carry. Tenant's insurance shall not call on Landlord's insurance program for contributions.

**15.3.3 Tenant's Acts or Omissions.** Each policy shall include a provision that any act or omission of Tenant shall not prejudice any party's rights (other than Tenant's) under such insurance coverage. Any failure by Tenant to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the additional insureds.



**15.3.4 Separation of Insureds.** Except with respect to the insurance company's limits of liability, each liability insurance policy shall apply separately to each insured against whom a claim or suit is brought. The inclusion of any Person or organization as an insured shall not affect any right which such Person or organization would have as a claimant if not so included.

**15.3.5 Cancellation/Reduction in Coverage Notice.** Tenant will cause all insurance policies required under this Lease to expressly provide that such insurance shall not be canceled or reduced below the coverage or limits required under this Lease except after thirty (30) days written notice has been given to City Administrative Officer, Risk Management, City Hall East, Room 1240, 200 North Main Street, Los Angeles, California 90012.

**15.3.6 Failure to Obtain or Maintain Insurance.** If at any time during the term of this Lease, either the general liability insurance required to be provided under Section 15.1.1 of this Lease or the property insurance required to be provided under Section 15.1.4 of this Lease is canceled, lapsed, or reduced below minimums required in this Lease, then Tenant shall immediately cease all operation of the Event Center until such required insurance coverage is reinstated. Failure to provide evidence of general liability insurance or property insurance as required by Section 15.2.5 of this Lease shall not, by itself, be considered a cancellation, lapse or reduction below minimums required of general liability or property insurance.

At any time during the Term of this Lease, in the event that Tenant fails to obtain or renew any insurance as required by this Lease and such default continues beyond all applicable notice and cure periods in Section 33.1.1 below, Landlord may (but shall not be obligated to), in addition to any other remedies it may have pursuant to this Lease, procure or renew such insurance to protect the interests of the Landlord, pay any and all premiums in connection therewith, and recover from Tenant all monies so paid, together with and all related costs, expenses, and attorneys fees reasonably incurred by Landlord, and with interest on all of the foregoing at the Prime Rate plus three percent (3%). The foregoing costs of insurance and related costs, expenses, attorney fees, and interest shall constitute Additional Rent and shall be paid by Tenant within 30 days after Landlord's demand accompanied by evidence reasonably establishing that Landlord properly and reasonably incurred such sums in accordance with this Lease. Landlord's purchase of insurance under this section shall not cure Tenant's default unless and until Tenant reimburses Landlord for all of the foregoing costs.

**15.4 Blanket and Umbrella Policies.** Tenant may provide any insurance required by this Lease pursuant to a "blanket" or "umbrella" insurance policy, provided that (a) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Premises, which amount(s) shall not be subject to reduction on account of claims made with respect to other properties, and (b) such policy shall otherwise comply with this Lease.

**15.5 Tenant's Inability to Obtain Earthquake Insurance.** The insurance coverage for the peril of earthquake required by this Lease is subject to availability on the open market at commercially reasonable premium cost (as defined below). If such earthquake insurance coverage should, after diligent effort by Tenant, be unobtainable at a commercially reasonable premium cost, then Tenant shall obtain the maximum insurance reasonably obtainable at commercially reasonable premium cost (if any) and give Notice to Landlord of the extent of Tenant's inability to obtain, in

full, the insurance required by this Lease, and in such event, Tenant's obligation to procure and maintain such insurance as is unobtainable shall be excused. Landlord and Tenant agree that: (i) a premium cost for earthquake insurance coverage of up to 150% of the premium cost paid by Tenant for such coverage on the Effective Date (which premium cost shall be increased by two percent (2%) per annum on a compounded basis throughout the Term on each anniversary of the Effective Date) shall automatically constitute a "commercially reasonable premium cost" and (ii) "commercially reasonable premium cost" shall otherwise be determined in accordance with Section 15.9 below. Non-availability at commercially reasonable premium cost must be documented by a letter from Tenant's insurance broker or agent indicating a good faith effort to place the required insurance and showing, at a minimum, the names of three (3) insurance carriers and the declinations or quotations received from each.

**15.6 Waiver of Subrogation.** To the extent that Landlord or Tenant purchases any hazard insurance relating to the Premises (other than workers' compensation insurance), the party purchasing such insurance shall obtain a Waiver of Subrogation from its insurance earner.

**15.7 Modifications in Limits.** From time to time under this Lease, either party, unilaterally, may propose to the other party that the policy limits set forth in this Lease be increased or decreased, in order to bring such policy limits into conformity with the limits customarily maintained for Comparable Facilities, including those located in Southern California. If the parties are able to agree upon an increase or decrease, the modified limits they agreed upon shall supersede those set forth in this Lease. If the parties are not able to agree upon a proposed increase or decrease within 30 days after its proposal, then the matter shall be resolved through the procedure set forth in Section 15.9 below, based upon the limits customarily maintained for Comparable Facilities, including those located in Southern California. Policy limits established pursuant to this Section 15 shall not be increased or decreased during the first five years after the Effective Date of this Lease or more frequently than once every five years thereafter, unless a significant change in the law or in the insurance industry makes an intervening increase or decrease necessary or equitable under the circumstances. In considering any proposed modification to policy limits, the parties shall consider the frequency and nature of past claims.

**15.8 Compliance with REA Provisions.** Tenant shall also comply with the insurance requirements applicable to it set forth in the Reciprocal Easement Agreement.

**15.9 Certain Determinations.** If it becomes necessary to determine whether earthquake coverage is available on the open market at a commercially reasonable premium cost, or the amount of maximum probable loss, or the amount of any modifications in limits, then either party may give the other party Notice that such determination is required and shall set forth such party's estimate of the amount. The parties shall thereupon attempt, in good faith, to agree upon the amount within 60 days of such Notice. Failing any agreement within such 60-day period, then Landlord and Tenant agree to abide by the findings and recommendations of a reputable, independent risk management consultant who is experienced with properties similar to the Premises and with properties in the southern California area, and who is acceptable to Landlord and Tenant. An independent risk management consultant is a risk management consultant who has no affiliation with any insurance company or insurance broker and who does not receive any wages, commissions or similar compensation from any insurance company or insurance broker. Landlord and Tenant shall each

pay one-half of the fees, expenses and other costs incurred in connection with the selection and engagement of the independent risk management consultant.

## 16. DAMAGE OR DESTRUCTION.

16.1 **No Rent Abatement; Notice.** There shall be no abatement or reduction of Rent on account of any damage or destruction of any or all of the improvements on the Premises ("Casualty"), and all obligations of Tenant under this Lease shall remain unchanged and in full force and effect. Tenant shall promptly give Landlord Notice of any Casualty for which the cost of repair exceeds One Million Dollars (\$1,000,000) (such amount shall be subject to two percent (2%) annual increase commencing upon the Primary Term Commencement Date), and such Notice shall generally describe the nature and extent of such Casualty.

16.2 **Minor Casualty.** In the event of any Minor Casualty at any time during the Term, and regardless of whether such Minor Casualty is insured or uninsured, Tenant shall be obligated to repair, rebuild or restore the damaged improvements.

### 16.3 Major Casualty.

16.3.1 **During the Primary Venue Contract Term.** In the event of any Major Casualty at any time during the Term, Tenant may choose to, but shall not be required to, repair, rebuild or restore the damaged improvements if such Major Casualty is uninsured and Tenant was not obligated to have obtained insurance for the cause of such Major Casualty by this Lease. If such Major Casualty is insured or Tenant was obligated to insure it by this Lease, Tenant shall be obligated to restore the damaged improvements only if:

(a) such Major Casualty occurs during the Primary Venue Contract Term; and

(b) doing so will enable Tenant to require NFL Team 1 pursuant to the Primary Venue Contract to continue to play Substantially All Home Games at the Event Center for the remainder of the Primary Venue Contract Term, but Tenant shall not be required so to restore the damaged improvements, if doing so, despite reasonable diligence by Tenant, will not enable Tenant to require NFL Team 1 pursuant to the Primary Venue Contract to continue to play Substantially All Home Games at the Event Center for the remainder of the Primary Venue Contract Term. Tenant shall proceed with all due diligence, in order not to afford NFL Team 1 pursuant to the Primary Venue Contract to be excused from continuing to play Substantially All Home Games at the Arena for the remainder of the Primary Venue Contract Term, where the exercise of diligence can avoid the creation of such a right; and

(c) Tenant receives "all or substantially all" insurance proceeds necessary to effect such repair, rebuilding or restoration (other than deductible amounts), or, alternatively, receipt of evidence from the insurer reasonably confirming that all or substantially all such proceeds will be provided as and when needed in order to effect such repair, rebuilding or restoration (other than deductible amounts); provided, however, that if such insurance proceeds are not available to Tenant because of its failure to have obtained insurance required by this Lease for the cause of such Major Casualty, then Tenant shall be deemed to have received such insurance proceeds on the date of such Major Casualty; and

(d) Tenant receives those permits reasonably necessary for the repair, rebuilding or restoration.

**16.3.2 Major Casualty During Remainder of Term.** In the event of any Major Casualty occurring following the Primary Venue Contract Term, Tenant shall not be required to repair, rebuild or restore the damaged improvements regardless of whether such Casualty is insured or uninsured.

**16.4 Standard For Restoration; Termination of Lease.** In the event of any Casualty where Tenant is required to, or chooses to, repair, rebuild or restore the damaged improvements, Tenant shall commence promptly and shall restore the damaged improvements, at a minimum, to their condition, quality, and class immediately prior to such Casualty, with such changes or alterations as Tenant shall elect to make in conformity with this Lease. Tenant shall proceed with all due diligence, in an effort to: (i) obtain such insurance proceeds, or evidence from the insurer that such proceeds will be provided as and when needed in order to effect such repair, rebuilding or restoration, (ii) obtain such permits reasonably necessary for the repair, rebuilding or restoration, and (iii) not afford NFL Team 1 pursuant to the Primary Venue Contract a right to be excused from continuing to play Substantially All Home Games at the Event Center for the remainder of the Primary Venue Contract Term, where the exercise of diligence can avoid the creation of such a right.

In the event of any Major Casualty where Tenant is not required to repair, rebuild or restore the damaged improvements, Tenant shall, within 180 calendar days following such Major Casualty, provide Notice to Landlord either (i) of its intent to repair, rebuild or restore the damaged improvements or (ii) to terminate this Lease. If Tenant provides Notice within such period, and Tenant elects to so terminate this Lease, then this Lease shall automatically terminate effective 30 days following the date of such Notice (and such termination shall not be subject to any cure rights of Tenant or any Qualified Leasehold Mortgagee). If Tenant does not provide Notice within such period of its intent to either terminate this Lease or repair, rebuild or restore the improvements, then this Lease shall automatically terminate upon the expiration of the above-mentioned 180-day period (and such termination shall not be subject to any cure rights of Tenant or any Qualified Leasehold Mortgagee). In the event that this Lease is terminated, Landlord shall have the right, by Notice to Tenant within 120 days following the Termination Date, to require Tenant to cause the remaining improvements to be demolished and the debris removed, so that the Premises are returned to Landlord as vacant and level land, which work shall be completed with reasonable promptness but the completion of which shall not be a condition to termination of this Lease. The costs of such demolition shall be paid from available insurance proceeds, and if such proceeds are insufficient, shall be paid by Tenant. The provisions of this Section 16.4 shall survive termination of this Lease.

**16.5 Adjustment of Claims.** Neither Landlord nor Tenant shall settle or compromise any insurance award affecting the interests of the other party (a) without the consent by such other party, such consent not to be unreasonably withheld, conditioned or delayed (provided, however, that the parties acknowledge that in instances where Landlord is the party whose consent is sought, such consent from Landlord shall be subject to the approval of the city council of the City, at its sole and absolute discretion), and (b) in the case of an insurance award affecting the interest of Tenant, without the consent of any Qualified Leasehold Mortgagee whose Leasehold Mortgage provides for

such a right of consent. Each of Landlord and Tenant shall be entitled to appear in all proceedings affecting its respective interest and to participate in any settlement, arbitration or other proceeding involving same. Subject to the terms of its Leasehold Mortgage, any Qualified Leasehold Mortgagee shall also be entitled to appear in such proceedings and empowered to participate in any settlement, arbitration or other proceeding with respect to insurance proceeds.

**16.6 Control of Funds When Lease Not Terminated.** In the event of a Casualty where Tenant is required to, or chooses to, repair, rebuild or restore the damaged improvements, the following provisions regarding control of funds shall apply.

**16.6.1 Proceeds Less Than \$1,000,000.** All property insurance proceeds less than \$1,000,000 shall be distributed to Tenant (subject to the provisions of any Leasehold Mortgage entered into by Tenant with a Qualified Leasehold Mortgagee), and shall be applied by Tenant in accordance with this Section 16.

**16.6.2 Proceeds Greater Than \$1,000,000.**

**16.6.2.1 When Fund Control Mechanism in Leasehold Mortgage Governs.** If any Leasehold Mortgage entered into by Tenant and a Qualified Leasehold Mortgagee contains a fund control mechanism providing that all property insurance proceeds in excess of \$1,000,000 shall be deposited with such Leasehold Mortgagee or a third party depository specified in such Leasehold Mortgage to be disbursed to repair, rebuild or restore the Premises, the mechanics for fund control set forth in such Leasehold Mortgage shall have priority over the corresponding mechanics for fund control set forth in Section 16.6.2.2.

**16.6.2.2 When The Fund Control Mechanism in This Lease Governs.** Subject to Section 16.6.2.1, if property insurance proceeds total in excess of \$1,000,000, then upon request of Landlord all such proceeds shall be deposited with the Depository to be disbursed in accordance with this Section 16.6.2.2. The Depository shall pay such proceeds to Tenant, or to such party as Tenant may direct from time to time, to reimburse Tenant for, or to pay, the cost of such repair, rebuilding or restoration. Such payment shall be made only (a) upon written request of Tenant to Depository accompanied by a certificate of an independent architect or construction manager (which architect or construction manager shall be reasonably satisfactory to Landlord) to the effect that the amount requested has been paid or is then due and payable and is properly a part of such cost, (b) upon certification of Depository to Landlord that Depository has received evidence satisfactory to that no Prohibited Liens or Stop Notices have been filed in connection with such repair, rebuilding or restoration to date or that such have been adequately provided for in accordance with the requirements of this Lease, and (c) upon certification of Depository to Landlord that the balance of said proceeds after making the payment requested will be sufficient to pay the balance of the cost of repair, rebuilding or restoration. Upon receipt by Landlord of evidence that repair, rebuilding or restoration has been completed and the cost thereof paid in full or has been adequately provided for, and that there are no Prohibited Liens or Stop Notices which have not been adequately provided for, the balance, if any, of such proceeds shall be paid to Tenant.

**16.7 Inapplicability of Civil Code Sections.** The provisions of California Civil Code §§1932(2) and 1933(4), and any successor statutes, are inapplicable with respect to any

destruction of any part of the Premises; such sections provide that a lease terminates on the destruction of the Premises unless otherwise agreed between the parties to the contrary.

17. **CONDEMNATION.** From the Effective Date through the end of the Term, if there is any Taking of all or any part of the Premises, the rights and obligations of the parties shall be determined pursuant to this Section 17.

17.1 **Total Taking.** Tenant may elect to treat as a Partial Taking any Taking that would otherwise qualify as a Total Taking. If a Total Taking of the Premises shall occur, and Tenant does not elect by Notice to Landlord, within sixty (60) days thereafter, to treat the same as a Partial Taking, then this Lease shall automatically terminate as of the effective date of such Total Taking (such termination shall not be subject to any cure rights of Tenant or any Qualified Leasehold Mortgagee), and the Rent shall be apportioned accordingly. The proceeds of the Total Taking shall be allocated between Landlord and Tenant in accordance with their respective interests as determined by the court that has jurisdiction over such Taking.

#### 17.2 **Partial Taking.**

17.2.1 **Effect on Lease; Award.** If a Partial Taking shall occur, then any award or awards shall be allocated between Landlord and Tenant in accordance with their respective interests as determined by the court that has jurisdiction over such Taking. In the event of a Partial Taking, Tenant shall perform all necessary repair, rebuilding or restoration in accordance with the applicable requirements of this Lease to the extent of the Taking award proceeds received by Tenant. There shall be no abatement or reduction of Rent or any other sum payable hereunder as a result of any Partial Taking.

17.2.2 **Waiver of CCP § 1265.130.** Each party waives the provisions of the California Code of Civil Procedure Section 1265.130 allowing either party to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

17.3 **Temporary Taking.** If a Temporary Taking shall occur with respect to use or occupancy of the Premises for a period greater than 120 days, then Tenant shall, at *its* option, be entitled to terminate this Lease effective as of the commencement date of the Temporary Taking. If the Temporary Taking relates to a period of 120 days or less, or if Tenant does not elect within sixty (60) days after the 120th day of the temporary Taking, to terminate this Lease, then all proceeds of such Temporary Taking (to the extent attributable to periods within the Term) shall be paid to Tenant, and Tenant's obligations under this Lease shall not be affected in any way.

17.4 **Other Government Agency Action.** In the event of any action by a Government Agency not resulting in a Taking but creating a right to compensation, this Lease shall continue in full force and effect without reduction or abatement of Rent, and the award or payment made in connection with such action shall be allocated between Landlord and Tenant in accordance with their respective interests.

17.5 **Settlement or Compromise.** Neither Landlord, in its Proprietary Capacity as Landlord under this Lease, nor Tenant shall settle or compromise any Taking award affecting the interests of the other party without (a) the consent by such other party, such consent not to be

unreasonably withheld (provided, however, that the parties acknowledge that in instances where Landlord is the party whose consent is sought, such consent from Landlord shall be subject to the approval of the city council of the City, at its sole and absolute discretion), and (b) in the case of a Taking award affecting the interest of Tenant, without the consent of any Qualified Leasehold Mortgagee whose Leasehold Mortgage provides for such a right of consent, which consent shall not be unreasonably withheld. Each of Landlord and Tenant shall be entitled to appear in all Taking proceedings affecting its respective interest, to participate in any settlement, arbitration or other proceeding involving such a Taking and to claim its Taking award under this Lease. Subject to the terms of its Leasehold Mortgage, any Qualified Leasehold Mortgagee shall also be entitled to appear in such proceedings and empowered to participate in any settlement, arbitration or other proceeding involving any Taking.

**17.6 Prompt Notice.** If either party becomes aware of any Taking or threatened or contemplated Taking, then such party shall promptly give Notice thereof to the other party.

**17.7 Control of Funds after Partial Talking.** In the event of a Partial Taking where Tenant is required to, or chooses to, repair, rebuild or restore the damaged improvements, the following provisions regarding control of funds shall apply:

**17.7.1 Proceeds Less Than \$1,000,000.** All proceeds from any Partial Taking less than \$1,000,000 shall be distributed to Tenant (subject to the provisions of any Leasehold Mortgage entered into by Tenant with a Qualified Leasehold Mortgagee), and shall be applied by Tenant in accordance with Section 1 7.2.

**17.7.2 Proceeds Greater Than \$1,000,000.**

**17.7.2.1 When Fund Control Mechanism in Leasehold Mortgage Governs.** If any Leasehold Mortgage entered into by Tenant and a Qualified Leasehold Mortgagee contains a fund control mechanism providing that all proceeds from any Partial Taking in excess of \$1,000,000 shall be deposited with such Leasehold Mortgagee or a third party depository specified in such Leasehold Mortgage to be disbursed to repair, rebuild or restore the Premises, the mechanics for fund control set forth in such Leasehold Mortgage shall have priority over the corresponding mechanics for fund control set forth in Section 17.7.2.2.

**17.7.2.2 When Fund Control Mechanism in This Lease Governs.** Subject to Section 17.7.2.1, if proceeds from any Partial Taking total in excess of \$1,000,000, then upon request of Landlord all such proceeds shall be deposited with the Depository to be disbursed to repair, rebuild or restore the Premises in accordance with the procedures set forth in Section 16.6.6.2, and the balance, if any, of such proceeds shall be allocated between Landlord and Tenant in accordance with their respective interests.

**17.8 Waiver.** The provisions of this Lease governing Takings are intended to supersede the application of Chapter 10, Article 2 of the California Code of Civil Procedure and all similar Laws, to the extent inconsistent with this Lease. Nothing in this Section 17 shall be construed to limit Landlord's powers with respect to Takings in its Governmental Capacity.

17.9 **Relocation.** In the event of a Partial Taking or Total Taking, Landlord shall have no obligation to find and/or provide a relocation site for the Event Center.

## 18. TRANSFERS BY LANDLORD.

18.1 **Assignment or Conveyance by Landlord.** Except as otherwise expressly provided in this Lease, Landlord shall not assign or convey any direct or indirect interest in all or any portion of the Fee Estate or this Lease without the prior written consent of Tenant, which consent may be withheld in the sole but good faith discretion of Tenant. Notwithstanding the foregoing, Landlord may assign all or any portion of its interests in this Lease, in any of the Other Agreements, in the Event Center, the Premises or any portion thereof without obtaining the prior consent of Tenant, to a governmental unit or units (including a joint powers authority or other multi-governmental organization). At the election of Landlord, in any such assignment, Landlord may delegate its proprietary rights and responsibilities to a private party while retaining its governmental rights under this Lease or the Other Agreements or under Law. Any assignee shall expressly assume in writing the rights and responsibilities so assigned. Nothing in this Section shall prohibit Landlord from entering into management and other contracts relating to the operation of the LACC.

18.2 **No Encumbrances.** Commencing on the Effective Date and until the end of the Term: (a) Landlord shall not enter into, grant, permit or suffer to attach to the Fee Estate any mortgage, deed of trust, deed to secure debt, assignment, security interest, pledge, financing statement or any other instrument(s) or agreement(s) intended to grant security for any obligation (each a "Fee Mortgage") or any lien (including mechanics' lien, material suppliers' lien, or other statutory lien) affecting title to the Fee Estate, and (b) Landlord shall not, without Tenant's prior written consent, which shall not be unreasonably withheld, enter into, grant, permit or suffer to attach to the Fee Estate any easement, restriction or other encumbrance affecting title to the Fee Estate.

18.3 **Assignment of Rent.** Notwithstanding anything to the contrary, Landlord may, without Tenant's consent, from time to time and at Landlord's sole and absolute discretion, pledge and/or assign to any entity (including without limitation private lender(s)), any and all Rent and any right to receive funds under this Lease so long as no such pledge or other assignment shall in any way constitute or be deemed to be an assignment of any of Landlord's rights or obligations as "Landlord" under this Lease or vest in such pledgee/assignee any right or ability whatsoever to take (or refrain from taking) any action or actions as the "Landlord" under this Lease; and provided, however, that any Rent paid by Tenant and actually received by the pledgee/assignee of such pledge or assignment shall be deemed to have been received by the Landlord for all purposes, including, without limitation, for the purpose of calculating Gap Funding Obligor's gap funding obligation under the Gap Funding Agreement.

## 19. TRANSFERS BY TENANT.

### 19.1 Assignment or Conveyance by Tenant.

19.1.1 **General.** The qualifications and identity of the Tenant and its principals are of particular concern to Landlord. It is because of those qualifications and identity that Landlord has



entered into this Lease with Tenant. No voluntary or involuntary successor in interest of Tenant shall acquire any rights or powers under this Lease, except as expressly set forth herein.

**19.1.2 Change in Control.** A transfer or other change in the ownership of Tenant which would cause control of Tenant to be held by an individual or entity other than an Affiliate shall be deemed an assignment for purposes of this Section 19. Notwithstanding the foregoing, any transfer of an ownership interest in Tenant (a) resulting in Philip F. Anschutz and the other owners of the NFL Team(s), together with their respective Affiliates, collectively or individually, owning greater than a 50% ownership interest, or (b) as a result of the death of Philip F. Anschutz or any of the other owners of the NFL Team(s), to a family member or members of such deceased individual, and/or to one or more trusts for the benefit of a family member or members of such deceased individual, and/or the Anschutz Foundation, and/or up to three additional nationally-recognized organizations which qualify for exemption from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code (none of which additional organizations shall individually own more than a 10% ownership interest in Tenant), shall not be deemed an assignment for purposes of this Section 19; provided, however, that Tenant shall in each case remain bound by the terms of this Lease.

**19.1.3 Subleases.** Tenant may enter into Subleases in accordance with Section 19.2 below.

**19.1.4 General Restriction on Assignment.** Except as otherwise expressly provided in this Section 19, Tenant may not transfer, sell, convey or assign (in each case referred to herein as "assign" or as "assignment") all or any portion of its interest in this Lease, in the Event Center or the Premises or in any portion thereof without the prior written consent of Landlord, which consent may be withheld in the sole but good faith discretion of Landlord.

**19.1.5 Venue Contracts.**

**19.1.5.1 Certificates.** In connection with any permitted assignment by Tenant of its interest in this Lease, the Event Center or the Premises, at the request of Landlord (except in the case of an assignment to any Affiliate, in which case Tenant shall not be required to deliver such items), Tenant shall deliver to Landlord:

(a) A Team Estoppel Certificate from each NFL Team to Landlord in the form of Exhibit D, each without statements of exceptions that would materially adversely affect Landlord.

(b) A certificate from the Tenant confirming that the proposed assignment shall not, if carried out, conflict with the Venue Contract(s), or impair or release the NFL Team(s) from its/their obligations thereunder, including with respect to the Primary Venue Contract, the obligation of the NFL Team thereunder to play Substantially All Home Games at the Event Center for the remainder of the Primary Venue Contract Term.

(c) A Tenant Estoppel Certificate from each of Tenant and Assignee in the form of Exhibit E, each without statements of exceptions that would materially adversely affect Landlord.

**19.1.5.2 Assignment of Venue Contracts.** Tenant covenants that it shall not (a) assign its interest in the Venue Contracts, or (b) assign Tenant's interest in this Lease, except in a manner which keeps control of both of the foregoing interests with the same assignee or with an Affiliate of such assignee, the intent of the parties being that the holder of Tenant's interest in this Lease must be in a position, either itself or through Affiliates, to enforce the Venue Contracts.

**19.1.5.3 Three Party Agreements.** In the event of any assignment or other action which results in the party having substantially all of Tenant's interest in this Lease (whether such party is Tenant, a subtenant of Tenant or any further level of subtenant) being held by a Person other than Tenant, Tenant, as a condition to such assignment or other action, shall deliver to Landlord (a) an agreement executed by Tenant and NFL Team 1 in the form of Exhibit F and (b) if Tenant, in its sole discretion, has entered into a Venue Contract with NFL Team 2, an agreement executed by Tenant and NFL Team 2 in the form of Exhibit F, each without statements of exceptions that would materially adversely affect Landlord; and any such assignment or other action carried out in violation of this Section shall be a breach of this Lease and of no force and effect.

**19.1.6 Assignment to Affiliate.** Subject to the provisions of Section 19.1.5.2, Tenant may assign all or any portion of its interest in this Lease or the Premises to one or more Affiliates (as owners of separate portions, as tenants-in- common, or in any other legally permitted way) without obtaining the prior consent of Landlord. At least 30 days prior to such an assignment, Tenant shall provide to Landlord: (a) Notice of the assignment, (b) evidence reasonably satisfactory to Landlord that each assignee is an Affiliate of Tenant, and (c) a copy of the assignment document, in which the assignee(s) shall have assumed all obligations of Tenant applicable to the interest assigned, including, if applicable, Tenant's interest in the Implementation Agreement. Such an assignment shall not relieve Tenant of liability for the performance of its obligations under this Lease or, if assigned, the Implementation Agreement.

**19.1.7 Collateral Assignment to Lender.** Tenant may collaterally assign all or any portion of its interest in this Lease as set forth in Section 20.

**19.1.8 Assignment before Completion of Event Center.**

**19.1.8.1** Except as set forth in Section 19.1.6 (Affiliates) and Section 19.1.8.2 (major entertainment or media company), before Completion of the Event Center, Tenant may not assign all or any portion of its interest in this Lease or the Premises without obtaining the prior written consent of Landlord, which consent may be withheld on the basis of the assignee's character, experience or financial capability, as determined in the sole but good faith discretion of Landlord.

**19.1.8.2** Subject to the provisions of Section 19.1.10, prior to the Completion of the Event Center, Tenant may assign all or any portion of its interest in this Lease or the Premises to a major media or entertainment company which (together with its Affiliates) has a net worth of at least One Billion Dollars (\$1,000,000,000) provided that Tenant obtains the prior written consent of Landlord, which consent may be withheld only on the basis of the assignee's character as determined by Landlord in its reasonable discretion.

**19.1.9 Assignment after Completion of Event Center.** Subject to the provisions of Section 19.1.10, after Completion of the Event Center, Tenant may assign all or any portion of its interest in this Lease or the Premises, provided that Tenant obtains the prior written consent of Landlord, which consent may be withheld only on the basis of the assignee's character or financial capability as reasonably determined by Landlord.

**19.1.10 Assignment Documents.** At least 30 days prior to any assignment pursuant to Sections 19.1.8 or 19.1.9, Tenant shall provide Landlord: (a) Notice of the assignment, assignment, (b) evidence reasonably satisfactory to Landlord that the assignee satisfies all criteria set forth in the provisions of this Section 19 which are applicable to such assignment and (c) a copy of the assignment document pursuant to which the assignee shall assume the obligations of Tenant applicable to the interest assigned. Such an assignment shall not relieve Tenant of liability for the performance of its obligations hereunder. Each assignee of Tenant shall expressly assume in writing all obligations and liabilities of Tenant under this Lease applicable to the interest assigned. Following any assignment, Tenant shall provide Landlord with Notice of any assignment of all or any portion of its interest in this Lease, the Event Center or the Premises.

**19.1.11 Factors Affecting Assignment.** Where this Section 19.1 requires Landlord to be reasonable in determining whether to consent to a proposed assignment by Tenant, Landlord may withhold such consent on the basis of the following factors (provided, that, where the factors to be considered in any such consent are expressly limited elsewhere in this Section 19, this Section 19.1.11 shall not be deemed to modify such limitation):

**19.1.11.1 Character.** The assignee must be a Person or entity of good character and reputation.

**19.1.11.2 Financial Capability.** The assignee must have sufficient verifiable financial resources or commitments to carry out the development and/or operation of the Event Center in accordance with the terms of this Lease. The determination as to financial capability must be based upon facts which Tenant shall have the right to address and rebut. If the assignee (together with its Affiliates) has a verifiable net worth of One Billion Dollars (\$1,000,000,000) or more, it shall be deemed to have met this test.

**19.1.12 Assignment of Environmental Obligations.** When Tenant sells, assigns or otherwise transfers its interest in the Premises or a portion thereof, Tenant shall cause the transferee to assume the Hazardous Substances obligations under Section 11.4 of this Lease. The failure to cause such assumption shall be grounds for Landlord to disapprove a proposed assignment. The foregoing shall not apply to a collateral assignment described in Section 20.

## **19.2 Subletting.**

**19.2.1 Generally.** Tenant, in the normal course of business, may enter into any Sublease, license, concession agreement, or any other similar arrangement, or extend, renew or modify any such agreement, consent to any subleasing or further levels of subleasing (all of which shall be within the defined term "Sublease," and the occupants thereunder shall all be deemed

"Subtenants"), terminate any Sublease or evict any Subtenant, all without Landlord's consent; provided, however, that any long-term ground sublease or further levels of subleasing or other lease or contract which in effect serves to transfer substantially all of Tenant's economic interest in this Lease or the Premises or in similarly significant portions of the Event Center or the Premises or the improvements thereon shall be deemed to be an assignment, and not a Sublease, for purposes of this Section 19. With respect to such long-term ground subleases and other leases or contracts which are deemed to be assignments, the parties acknowledge that Tenant has the right to assign all or any portion of its interest in this Lease or the Premises in accordance with Section 19.1 above. The term of any Sublease (including renewal options) shall not extend beyond the Term, unless agreed to by Landlord in writing in its sole discretion.

**19.2.2 No Release of Tenant upon Sublease.** No Sublease shall affect or reduce any obligations of Tenant or rights of Landlord under this Lease. All rights of Landlord and obligations of Tenant under this Lease shall continue in full force and effect notwithstanding any Sublease.

**19.2.3 Landlord's Assumption Rights.** Tenant shall not enter into any material Sublease or assignment which contains terms or provisions that prohibit or prevent Landlord from assuming Tenant's rights and obligations under such Sublease/assignment.

### **19.3 Non-Disturbance and Attornment.**

**19.3.1 Generally.** Tenant may from time to time request that Landlord enter into a Non-Disturbance and Attornment Agreement in the form of Exhibit G ("Non-Disturbance and Attornment Agreement") with respect to any Sublease. If Tenant makes such a request, Tenant shall provide Landlord with a copy of such Sublease for Landlord's reasonable review and approval as to: (a) the financial terms of the Sublease, (b) the financial capacity of the Subtenant and (c) compliance of the Sublease with the provisions of this Lease, including the use restrictions. Landlord shall not be required to enter into any Non-Disturbance and Attornment Agreement with respect to any Sublease or Subtenant to which Landlord has not consented. Landlord shall respond (either positively or negatively) in writing to Tenant's request within 30 days after Landlord's receipt of the same.

**19.3.2 Venue Contracts.** At the request of Tenant, made at any time or from time to time. Landlord shall, on terms satisfactory to Landlord as reasonably determined, enter into a Non-Disturbance and Attornment Agreement with NFL Team 1 and/or NFL Team 2 which shall among other things, permit NFL Team 1 or the NFL Team 2, as applicable, to cure any Tenant Default following notice from Landlord. Landlord shall respond (either positively or negatively) in writing to Tenant's request to enter into any such Non-Disturbance and Attornment Agreement within 30 days after Landlord's receipt of the same.

## **20. MORTGAGES.**

**20.1 No Landlord Mortgage.** Landlord represents and warrants that, as of the Effective Date, the Fee Estate is not subject to any Fee Mortgage(s). Landlord shall not have the right to

execute or deliver any Fee Mortgage(s) commencing on the Effective Date and until the end of the Term.

**20.2 No Subordination of Fee Estate.** The Fee Estate and Landlord's interest under this Lease shall not be subordinate to any Leasehold Mortgage. No Leasehold Mortgage or other financing document shall provide any right for anyone to: (i) foreclose on the Fee Estate (including without limitation any right to receive deed-in-lieu of foreclosure with respect to the Fee Estate), (ii) acquire the Fee Estate by any means, or (iii) otherwise encumber the Fee Estate.

**20.3 Limitations on Cumulative Loan to Value Ratio.** Tenant shall not, in connection with the initial construction financing of the Event Center, place Leasehold Mortgages on Tenant's interest in this Lease (or otherwise pledge the Event Center as collateral) for any initial construction loan having a principal loan amount that, together with the principal loan amount of all other then-existing financing that encumbers Tenant's interest in the Event Center, exceeds sixty percent (60%) of Tenant's total project costs in connection with the development of the Event Center. At any given time after the full repayment of the initial construction financing, the aggregate principal amount of all financing of the Event Center shall not exceed an amount (the "Refinancing Cap") equal to the lesser of (i) 60% of the then fair market value of the Event Center, or (ii) 70% of the total project costs in connection with the development of the Event Center, which amount described in this subsection (ii) shall be increased by 5% per annum on a compounded basis throughout the Term on each anniversary of the Primary Term Commencement Date.

#### **20.3.1 Institutional Lenders.**

**20.3.1.1 No Consent; Limited Exceptions.** Notwithstanding anything in this Lease to the contrary, Tenant shall have the right to execute and deliver to Institutional Lenders Leasehold Mortgage(s) encumbering this Lease and the Leasehold Estate at any time and from time to time during the Term, subject to the following limitations:

(a) Prior to Completion of the Event Center, Tenant's right to execute and deliver Leasehold Mortgage(s) shall be limited to a Leasehold Mortgage executed and delivered to an Event Center Lender who is a Qualified Leasehold Mortgagee.

(b) Prior to Completion of the Event Center, without Landlord's prior written consent (which consent may or may not be given at Landlord's sole and absolute discretion), this Lease and the Leasehold Estate shall not be cross-collateralized or otherwise serve as security/collateral of any kind for any loan or borrowing that does not provide financing solely for the development of the Event Center.

(c) From Completion of Construction of the Event Center until the expiration of the initial term of the Lease Revenue Bonds, without Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), this Lease and the Leasehold Estate shall not be cross-collateralized or otherwise serve as security/collateral of any kind for any loan or borrowing that does not provide financing solely for the development, rehabilitation, or renovation of the Event Center, provided however that notwithstanding the foregoing, Tenant may,

without Landlord's consent, cross-collateralize this Lease and the Leasehold Estate together with financing which is collateralized by one or both of the New Parking Garages so long as the aggregate loan-to-value ratio of such financing does not exceed an amount equal to the lesser of (i) sixty percent (60%) of the then combined fair market value of the Event Center and the New Parking Garage(s) subject to such financing, or (ii) seventy percent (70%) of the total project costs in connection with the development of the Event Center and the New Parking Garage(s) which are so cross-collateralized with the Leasehold Estate.

(d) All Leasehold Mortgages under this Section 20.3.1.1 shall be subject to the loan-to-value limitations set forth in Section 20.3 above.

(e) All Leasehold Mortgages under this Section 20.3.1.1 shall be subject to Landlord's confirmation rights as set forth in Section 20.3.1.2.

(f) Concurrently with the recordation of any Leasehold Mortgage under this Section 20.3.1.1, such Leasehold Mortgagee, Landlord and Tenant shall enter into and record a commercially reasonable subordination non-disturbance and attornment agreement which confirms the rights and obligations of the parties set forth in Sections 20-24 of this Lease.

**20.3.1.2 Landlord Confirmation Rights.** At least 30 days prior to entering into any Leasehold Mortgage with any Institutional Lender (including any Event Center Lender which is also an Institutional Lender), Tenant shall deliver to Landlord such Institutional Lender's loan documents and such other information as may be reasonably necessary for Landlord to confirm the following matters, and Landlord shall have the right to review the loan documents to ascertain that they comply with the following provisions:

(a) For all such Leasehold Mortgages, that the Leasehold Mortgagee is an Institutional Lender.

(b) For Leasehold Mortgages entered into at any time prior to the end of the Primary Venue Contract Term:

(i) the loan documents shall include a provision of remedies in favor of the Leasehold Mortgagee (not Landlord) sufficient to allow such mortgagee to enforce the obligation of the NFL Team pursuant to the Primary Venue Contract to play Substantially All Home Games at the Event Center for the duration of the Primary Venue Contract Term;

(ii) the NFL Team 1, with respect to the NFL Team 1 Contract, and the NFL Team 2, with respect to the NFL Team 2 Contract, each shall have executed a lender consent and recognition agreement with the Event Center Lender and Tenant in the form and substance of the Event Center Lender Consent and Recognition Agreement attached as an exhibit to its respective Venue Contract (if available at such time) and reviewed by Landlord prior to

execution of this Lease (and if executed with any modification to the form or substance of such exhibit, such modifications shall be subject to the review and reasonable approval of Landlord); and

(iii) the loan documents shall include a collateral assignment by Tenant to the Leasehold Mortgagee of Tenant's interests under the NFL Team(s) Venue Contract(s).

(c) For Construction Leasehold Mortgages for the original construction of the Event Center only, Landlord shall have determined that the amount of the construction loans provided for in the loan documents, together with the equity to be committed by Tenant for the construction of the Event Center shall be sufficient to pay for the costs of constructing the Event Center in accordance with the construction budget, including appropriate construction contingencies reflected in such loan documents.

(d) For all Leasehold Mortgages entered into at any time from the Effective Date until the end of the Term of this Lease, the loan documents shall require the Leasehold Mortgagee to provide Notice to Landlord concurrently with the provision of any notice to Tenant of any event which has occurred which would trigger the commencement of any cure periods under the loan documents.

(e) For all such Leasehold Mortgages, that the Leasehold Mortgage complies with the limitations set forth in Section 20.3.1.1 above.

### 20.3.2 Non-Institutional Lenders.

20.3.2.1 **Consent Required.** Tenant shall have the right, but only with Landlord's prior written consent, to execute and deliver Leasehold Mortgage(s) encumbering this Lease and the Leasehold Estate to Non-Institutional Lenders at any time and from time to time during the Term, subject to Landlord's review rights set forth in Section 20.3.2.2 and subject to the following limitations:

(a) Prior to Completion of the Event Center, at its sole discretion, Landlord may grant or withhold consent to the execution and delivery of any Leasehold Mortgage to a Non-Institutional Lender.

(b) Following Completion of the Event Center, the standard for Landlord's consent to the execution and delivery of any Leasehold Mortgage to a Non-Institutional Lender shall be the same standard then in effect under this Lease for Landlord's consent to assignees, as set forth in Section 19.

(c) Prior to Completion of the Event Center, without Landlord's prior written consent (which consent may or may not be given at Landlord's sole discretion), this Lease and the Leasehold Estate shall not be cross-collateralized or otherwise serve as

security/collateral of any kind for any loan or borrowing that does not provide financing solely for the development of the Event Center.

(d) From Completion of Construction of the Event Center until the expiration of the initial term of the Lease Revenue Bonds, without Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), this Lease and the Leasehold Estate shall not be cross-collateralized or otherwise serve as security/collateral of any kind for any loan or borrowing that does not provide financing solely for the development, rehabilitation, or renovation of the Event Center, provided however that notwithstanding the foregoing, Tenant may, without Landlord's consent, cross-collateralize this Lease and the Leasehold Estate together with financing which is collateralized by one or both of the New Parking Garages so long as the aggregate loan-to-value ratio of such financing does not exceed an amount equal to the lesser of (i) sixty percent (60%) of the then combined fair market value of the Event Center and the New Parking Garage(s) subject to such financing, or (ii) seventy percent (70%) of the total project costs in connection with the development of the Event Center and the New Parking Garage(s) which are so cross-collateralized with the Leasehold Estate.

(e) All Leasehold Mortgages under this Section 20.3.2.1 shall be subject to the loan-to-value limitations set forth in Section 20.3 above.

(f) Concurrently with the recordation of any Leasehold Mortgage under this Section 20.3.2.1, such Leasehold Mortgagee, Landlord and Tenant shall enter into and record a commercially reasonable subordination non-disturbance and attornment agreement which confirms the rights and obligations of the parties set forth in Sections 20-24 of this Lease.

**20.3.2.2 Confirmation Required.** At least 30 days prior to entering into any Leasehold Mortgage with any Non-Institutional Lender, Tenant shall deliver to Landlord such lender's loan documents and such other information as may be reasonably necessary for Landlord to confirm that the loan documents and the terms of the loan transaction: (i) satisfy the requirements set forth in Section 20.3.1.2(b), (c), and (d); (ii) comply with the limitations set forth in Section 20.3.2.1; and (iii) include provisions with respect to such other matters as may be reasonably requested by Landlord with respect to its approval of such collateral assignment.

**20.4 Landlord's Acknowledgment of Qualified Leasehold Mortgagee.** Within 30 days following Tenant's delivery of the loan documents and information required under Section 20.3.1.2 or 20.3.2.2, as the case may be, Landlord shall acknowledge receipt of the name and address of any Leasehold Mortgagee (or proposed Leasehold Mortgagee), and either (a) confirm to Tenant and such Leasehold Mortgagee that such Leasehold Mortgagee is (or would be, upon closing of its loan) a Qualified Leasehold Mortgagee and has (or would have) all the rights of a Qualified Leasehold Mortgagee under this Lease and is (or would be) an Institutional Lender, if applicable, or (b) if Landlord determines that any proposed Leasehold Mortgagee does not or would not qualify as such or as an Institutional Lender or meet the other criteria set forth in Sections 20.3.1.2 or 20.3.2.2, as the case may be, give Notice of such determination to Tenant and the proposed Leasehold



Mortgagee, which Notice shall specify the basis for such determination. Any acknowledgment delivered by Landlord to Tenant under clause (a) above shall, if requested by Tenant, be in recordable form. If Landlord delivers the notice described in clause (b) to Tenant and the proposed Leasehold Mortgagee, then Tenant may resubmit such proposed Leasehold Mortgagee and such resubmission shall be governed by the terms of this Section 20.4.

**20.5 Sale and Leaseback.** If Tenant assigns the Leasehold Estate to a third party for purposes of a sale-leaseback transaction and Tenant or a Tenant Affiliate concurrently enters into or reserves, retains or receives a Sublease of the Premises or similar interest, then (a) such third party shall be deemed to be a "Leasehold Mortgagee" and the Sublease shall be deemed to be a "Leasehold Mortgage", and (b) such third party shall not be deemed to have assumed or become liable under this Lease except to the extent that such third party has exercised remedies against Tenant under Tenant's Sublease functionally equivalent to foreclosure under a Leasehold Mortgage or acceptance of an assignment in lieu thereof or otherwise takes Control of the Premises.

**20.6 Change in Loan Documents.** Once Landlord has approved loan documents as satisfying the requirements of this Lease, neither Tenant nor any Qualified Leasehold Mortgagee shall modify or agree to modify those loan documents in a manner affecting the requirements of this Lease without the prior written approval of Landlord in its sole discretion.

**20.7 Further Assurances.** Upon request by either party hereto or by any existing or prospective Leasehold Mortgagee, the other party shall deliver to the requesting party a separate written instrument in recordable form signed and acknowledged by the other party setting forth and confirming the rights of Qualified Leasehold Mortgagees under this Lease.

## **21. EFFECT OF LEASEHOLD MORTGAGES.**

**21.1 Initial Notice.** If Tenant enters into any Leasehold Mortgage(s) reviewed and, if required, consented to, by Landlord pursuant to Section 20, then the Leasehold Mortgagee(s) thereunder, if confirmed by Landlord as "Qualified Leasehold Mortgagee(s)" pursuant to Section 20.4 and as defined in Exhibit B (Glossary of Defined Terms), shall be entitled to the Leasehold Mortgagee protections provided for under this Lease from and after such time as Tenant or such Qualified Leasehold Mortgagee has either (a) given Landlord Notice of the name and address of such Leasehold Mortgagee, accompanied by a copy of the executed Leasehold Mortgage, or (b) recorded or caused to be recorded an instrument (which may be the Leasehold Mortgage itself or a memorandum thereof) giving record notice of such Leasehold Mortgage.

**21.2 Leasehold Mortgagee Protections.** No Leasehold Mortgagee shall be a Qualified Leasehold Mortgagee or be entitled to the protections provided to Qualified Leasehold Mortgagees under this Lease unless (a) such Leasehold Mortgagee has been reviewed and, if required, consented to, by Landlord pursuant to Section 20, and (b) Tenant has complied with Section 21.1.

**21.3 Termination of Leasehold Mortgagee's Rights.** If a Leasehold Mortgagee is a Qualified Leasehold Mortgagee under this Lease, then such status shall not terminate unless and until such time, if any, as the Qualified Leasehold Mortgage shall have been satisfied and discharged of record.

**21.4 Effect of a Leasehold Mortgage.** Tenant's making of a Leasehold Mortgage shall not constitute an assignment or transfer of the Leasehold Estate, nor shall any Leasehold Mortgagee, as such, or in the exercise of its rights under its Leasehold Mortgage or this Lease, be deemed to be an assignee or transferee or mortgagee in possession of the Leasehold Estate so as to require such Leasehold Mortgagee to assume or otherwise be obligated to perform any of Tenant's obligations under this Lease except when, and then only for so long as, such Leasehold Mortgagee has obtained Control of the Premises in the exercise of its remedies under its Leasehold Mortgage (as distinct from its rights under this Lease to cure Tenant Defaults or exercise Mortgagee's Cure Rights). Once a Leasehold Mortgagee does obtain Control of the Premises, it will be deemed to have assumed and to be obligated to perform Tenant's obligations under this Lease, but only for so long as such Leasehold Mortgagee remains in possession. No Leasehold Mortgagee (even if such Leasehold Mortgagee is the purchaser at a foreclosure sale held pursuant to its Leasehold Mortgage) shall be liable under this Lease unless and until such time as it becomes, and then only so long as it remains, the owner of the Leasehold Estate; provided that such Leasehold Mortgagee shall remain liable for obligations which arose during its period of ownership. Notwithstanding anything to the contrary in this Lease or any of the Other Agreements, as a condition for any Leasehold Mortgagee to assume this Lease as Tenant, and for as long as such Leasehold Mortgagee remains an owner of the Leasehold Estate, such Leasehold Mortgagee shall also assume all obligations of L.A. Event Center, LLC, under all Other Agreements, including without limitation the Gap Funding Agreement and the Security Agreement. Such obligation to assume all Other Agreements shall bind all assignees of and successors-in-interest to Tenant.

**21.5 Change of Address.** Any Qualified Leasehold Mortgagee shall be free to change its name and address from time to time by Notice to Landlord. Notice of any change of a Qualified Leasehold Mortgagee's identity or address, or of a transfer of a Leasehold Mortgage, may be made pursuant to Section 44.

**21.6 Foreclosure.** No sale of this Lease or of the Leasehold Estate in any proceedings for the foreclosure of any Leasehold Mortgage, or any assignment, transfer or conveyance in lieu of such foreclosure, shall be deemed to violate this Lease, provided, however, that any such sale, assignment, transfer or conveyance shall constitute an assignment of the Lease and shall be subject to the provisions of Section 19 regarding assignment, including Sections 19.1.5, 19.1.8, 19.1.9 and 19.1.10, applied as follows:

**21.6.1 Qualified Leasehold Mortgagee.** The Qualified Leasehold Mortgagee whose Leasehold Mortgage is being sold, assigned, or transferred shall be deemed to be an approved assignee for purposes of Sections 19.1.4, 19.1.8, 19.1.9 and 19.1.11.

**21.6.2 Other Institutional Lenders.** Any other Person who would qualify as an Institutional Lender shall be deemed to be an approved assignee for purposes of Sections 19.1.4, 19.1.8, 19.1.9 and 19.1.11. At least 30 days prior to the proposed sale, assignment or transfer to any such Person, Tenant shall deliver to Landlord such information as may be reasonably required for Landlord to confirm that such Person is an Institutional Lender.

**21.6.3 Pre-Qualification.** As to any Person not deemed to be an approved assignee under Sections 21.6.1 and 21.6.2 above, within 30 days after (a) written request by any Qualified Leasehold Mortgagee or by the trustee named in its deed of trust, and (b) Landlord's receipt of such information as Tenant would be required to provide by the provisions of Section 19 regarding the proposed buyer, assignee or transferee, Landlord shall approve or disapprove of the proposed buyer, assignee or transferee (and if Landlord fails to do so, Landlord shall be deemed to have approved of such proposed buyer, assignee or transferee). The standard for Landlord's approval shall be the same standard then in effect for Landlord's consent to assignees, as set forth in Section 19. If Landlord disapproves of any proposed buyer, assignee or transferee, Landlord shall give Notice of such disapproval to the Person making the written request for approval to Landlord, within the period set forth above, which Notice shall specify the basis for such disapproval.

**21.7 Modifications Required by Leasehold Mortgagee.** If any Qualified Leasehold Mortgagee or prospective Leasehold Mortgagee shall reasonably require any modification(s) of this Lease (including clarifications and supplements to Mortgagee's Cure Rights), then Landlord shall, at Tenant's request, promptly execute and deliver to Tenant such instruments in recordable form effecting such modification(s) as such Leasehold Mortgagee or prospective Leasehold Mortgagee shall reasonably require, provided that such modification(s): (a) are consistent with the customary requirements of Institutional Lenders at the time, or are required by banking, insurance or similar laws and regulations setting forth provisions that must appear in a lease in order for such lease to be accepted as security by the Leasehold Mortgagee or prospective Leasehold Mortgagee requesting the change and (b) do not materially adversely affect any of Landlord's rights or materially increase any of Landlord's obligations under this Lease.

## **22. PROTECTION OF LEASEHOLD MORTGAGEES.**

If Tenant, at any time or from time to time, enters into any Leasehold Mortgage(s) with any Qualified Leasehold Mortgagee(s), then such Qualified Leasehold Mortgagee(s) shall be entitled to the following protections:

**22.1 Voluntary Cancellation, Surrender, Amendment, Etc.** Except in the case where Landlord has the right to terminate this Lease pursuant to the terms and provisions of this Lease, no voluntary cancellation, termination, surrender, acceptance of surrender, amendment, or modification of this Lease shall bind any Qualified Leasehold Mortgagee if done without the prior written consent of such Qualified Leasehold Mortgagee.

### **22.2 Notices.**

**22.2.1 Copies of Tenant Notices.** If Landlord shall give any Notice to Tenant relating to any Tenant Default, then Landlord shall at the same time and by the same means give a copy of such Notice to each Qualified Leasehold Mortgagee.

**22.2.2 Cure Period Expiration Notices.** If Tenant is in Tenant Default under this Lease and such Tenant Default remains uncured beyond expiration of the cure period, if any, available to Tenant for such Tenant Default, then Landlord shall have the right (but is not obligated)

to give Notice of such fact to Tenant and to each Qualified Leasehold Mortgagee, which Notice shall describe in reasonable detail such Tenant Default (a "Tenant's Cure Period Expiration Notice").

**22.2.3 Incipient Re-Entry Default Notices.** If Landlord believes that any event or condition has occurred and is continuing, which such event or condition, with the passage of 180 calendar days from Tenant's receipt of a Notice of Incipient Re-Entry Default (defined below), will become a Re-Entry Default pursuant to Section 33.1.4.1 (Failure to Commence Construction) or Section 33.1.4.2 (Failure to Complete Construction) of this Lease (an "Incipient Re-Entry Default"), then Landlord shall have the right to (but shall not be obligated to) promptly give Notice of such fact to Tenant and to each Qualified Leasehold Mortgagee, which Notice shall describe in reasonable detail such Re-Entry Default (a "Notice of Incipient Re-Entry Default"), provided that Landlord shall not have the right to exercise any rights or remedies expressly available to Landlord under Section 33.2 of this Lease as a result of such Incipient Re-Entry Default until Landlord has provided a Notice of Incipient Re-Entry Default to Tenant and each Qualified Leasehold Mortgagee and such Incipient Re-Entry Default remains uncured beyond the expiration of all cure periods available to Tenant and each Qualified Leasehold Mortgagee under Section 33.1.4.1 and 33.1.4.2 below. Nothing in this Lease shall preclude Tenant or any Leasehold Mortgagee from contesting the information provided in any Notice of Incipient Re-Entry Default from Landlord; no such contest, however, shall be the basis for any claim by Tenant, any Leasehold Mortgagee or any third party, or impose on Landlord any duty to give any additional Notice of Incipient Re-Entry Default with respect to such claimed Re-Entry Default.

**22.2.4 Effect of Failure to Give Notices.** Landlord's failure to provide any Notice referred to in this Lease to each Qualified Leasehold Mortgagee shall not invalidate the Notice provided to Tenant. Notwithstanding any other provision in this Lease to the contrary, however, as between Landlord and each Qualified Leasehold Mortgagee, no time period applicable to such Qualified Leasehold Mortgagee shall start to run unless and until Landlord shall have given the appropriate Notice to such Qualified Mortgagee (and no termination of this Lease, as to which Notice from Landlord to such Qualified Leasehold Mortgagee is required under this Lease, shall occur until the applicable cure periods shall have run). It is further understood and agreed that with respect to any Tenant Defaults that are subject to an extended cure period for the benefit of Qualified Leasehold Mortgagees as provided in this Lease, Landlord shall not have the right to exercise any of its remedies against Tenant under this Lease until after each Qualified Leasehold Mortgagee's applicable extended cure period has expired.

**22.3 Right to Perform Covenants and Agreements.** Any Qualified Leasehold Mortgagee shall have the right, but not the obligation, to perform any obligation of Tenant under this Lease and to remedy any Tenant Default. Landlord shall accept performance by or at the instigation of any Qualified Leasehold Mortgagee in fulfillment of Tenant's obligations within the times specified in this Section 22, for the account of Tenant and with the same force and effect as if performed by Tenant. No such performance by any Leasehold Mortgagee shall, in the absence of possession of the Premises, cause such Leasehold Mortgagee to become a "mortgagee in possession" or otherwise cause such Leasehold Mortgagee to be deemed to be in Control of the Premises or bound by this Lease. Without limiting the generality of the foregoing, Landlord shall accept performance by, or at the instigation of, any Qualified Leasehold Mortgagee of any obligation of Tenant necessary to prevent any Incipient Re-Entry Default from becoming a Re-Entry Default.

**22.4 Mortgagee's Cure Rights.** Upon receiving any Notice of Default or any Notice of Incipient Re-Entry Default, each Qualified Leasehold Mortgagee shall have the original cure period granted to Tenant under this Lease (if any), plus the additional time provided for below, within which to take (if such Qualified Leasehold Mortgagee so elects) whichever of the actions set forth below shall apply with respect to the Tenant Default described in such Notice of Default or to the Re-Entry Default specified in the Notice of Incipient Re-Entry Default, as the case may be (such actions shall constitute "Mortgagee's Cure"; and a Qualified Leasehold Mortgagee's rights to take such actions shall constitute "Mortgagee's Cure Rights").

**22.4.1 Monetary Defaults.** In the case of any Tenant Default under Section 33.1.1 (Failure to Pay Rent or Comply with Insurance Requirements) or Section 33.1.2 (Failure to Pay Additional Rent) (collectively, "Monetary Default", and all other Tenant Defaults shall be referred to collectively as "Non-Monetary Default"), each Qualified Leasehold Mortgagee shall be entitled (but not required) to cure such Tenant Default within a cure period consisting of Tenant's cure period under this Lease (if any) extended through the date 45 calendar days after such Qualified Leasehold Mortgagee shall have received Tenant's Cure Period Expiration Notice as to such Tenant Default. If the amount of any Monetary Default has not been finally determined (for example, if a dispute has arisen between Landlord and Tenant regarding the amount of any Additional Rent), then in place of curing such Monetary Default any Qualified Leasehold Mortgagee that is an Institutional Lender shall be entitled instead (a) to cure such Monetary Default to the extent the amount thereof is not in dispute, (b) to undertake in writing that such Leasehold Mortgagee shall cure the remaining disputed portion of such Monetary Default within 45 calendar days after the dispute shall have been resolved (and the parties shall then cooperate to resolve such dispute promptly in accordance with this Lease), and (c) to pay the amount ultimately determined to be due plus interest on such amount, at the interest rate set forth in Section 33.4 below, from the date such amount was first due and payable until the date when such Leasehold Mortgagee actually makes such payment.

**22.4.2 Non-Monetary Defaults Curable Without Obtaining Control.** In the case of any Non-Monetary Default that is reasonably susceptible of being cured by a Qualified Leasehold Mortgagee without having Control of the Premises, each Qualified Leasehold Mortgagee shall be entitled, but not required (i) to advise Landlord within a period consisting of Tenant's cure period (if any) for the Tenant Default, extended through the date 60 days after receipt of the Tenant's Cure Period Expiration Notice as to such Tenant Default of Qualified Leasehold Mortgagee's intention to take all reasonable steps necessary to remedy such Non-Monetary Default, (ii) to duly commence the cure of such Non-Monetary Default within such extended period, and thereafter diligently prosecute to completion the remedy of such Non-Monetary Default, subject, if applicable, to Force Majeure Events, and (iii) to complete such remedy within a reasonable time under the circumstances, subject, if applicable, to Force Majeure Events.

**22.4.3 Non-Monetary Defaults Curable Only by Obtaining Control.** In the case of any Non-Monetary Default that is not reasonably susceptible of being cured by a Qualified Leasehold Mortgagee without obtaining Control of the Premises, including any Non-Curable Tenant Default, each Qualified Leasehold Mortgagee shall be entitled (but not required), so long as, with respect to any Tenant Defaults which are curable without Control of the Premises, such Qualified Leasehold Mortgagee has exercised or is exercising the applicable Mortgagee's Cure Rights as

defined in this Lease, (a) to institute proceedings to obtain Control of the Premises at any time during the cure period (if any) that applies to Tenant, extended through the date 180 days after such Qualified Leasehold Mortgagee's receipt of Tenant's Cure Period Expiration Notice as to such Tenant Default, or if no cure period applies to Tenant, then within 180 days after such Qualified Leasehold Mortgagee's receipt of Notice of such Non-Monetary Default, and (b) to diligently prosecute Mortgagee's Cure Rights to completion (before or after expiration of such 180-day period), subject, in each case, to any stay in any proceedings involving the bankruptcy, insolvency, or reorganization of Tenant or the like, any injunction, and, if applicable, Force Majeure Events.

#### **22.4.4 Incipient Re-Entry Default.**

**22.4.4.1 Right to Cure.** In the case of any Incipient Re-Entry Default, each Qualified Leasehold Mortgagee shall be entitled (but not required) to cure such Incipient Re-Entry Default within 180 days after receiving a Notice of such Incipient Re-Entry Default, so long as, with respect to any Curable Tenant Default, such Qualified Leasehold Mortgagee has exercised or is exercising the applicable Mortgagee's Cure Rights as defined in this Lease. Notwithstanding anything to the contrary in this Lease, in order to prevent such Incipient Re-Entry Default from becoming a Re-Entry Default, the Qualified Leasehold Mortgagee must cure the Incipient Re-Entry Default before the expiration of such 180-day cure period, and such 180-day cure period shall not be subject to any further cure periods or to any extension of time, including without limitation extension for Force Majeure Events.

**22.4.4.2 Outside Date to Cure Re-Entry Defaults.** As to Qualified Leasehold Mortgagees only, if the Qualified Leasehold Mortgagee's 180-day period to cure the Incipient Re-Entry Default ends later than the outside date for Tenant to cure such Incipient Re-Entry Default provided elsewhere in this Lease, the Qualified Leasehold Mortgagee's 180-day cure period shall control.

**22.5 Effect of Cure.** If and when all Curable Tenant Defaults have been cured by Tenant or by a Qualified Leasehold Mortgagee within the time limitations set forth in Section 22.4 for curing Curable Tenant Defaults, this Lease shall continue in full force and effect as if no Tenant Default(s) had occurred.

**22.6 Non-Curable Tenant Defaults.** No Qualified Leasehold Mortgagee shall be required to cure any Non-Curable Tenant Default.

**22.7 Leasehold Mortgagee's Right to Enter Premises.** Landlord and Tenant authorize each Qualified Leasehold Mortgagee to enter the Premises as necessary to effect Mortgagee's Cure and take any action(s) reasonably necessary to effect Mortgagee's Cure. The rights of Qualified Leasehold Mortgagees under this Section 22.7 shall not constitute Control of the Premises or otherwise be construed to mean that any Leasehold Mortgagee has possession of the Premises.

**22.8 Upon Acquiring Control.** If any Qualified Leasehold Mortgagee or a purchaser at a foreclosure sale shall (a) acquire Control of the Premises, (b) cure all Monetary Defaults, (c) diligently prosecute the remedy of all Curable Tenant Defaults, subject, if applicable, to Force Majeure Events, and complete such remedy within a reasonable time under the circumstances (but

subject to the time limitations set forth in Section 22.4 for curing Tenant Defaults), and (d) be an approved assignee as set forth in Section 21.6, then (i) any Non-Curable Tenant Defaults shall no longer be deemed Tenant Defaults, and (ii) Landlord shall recognize as "Tenant" any purchaser of the Leasehold Estate pursuant to a foreclosure sale under a Qualified Leasehold Mortgage, or any transferee of the Leasehold Estate under an assignment in lieu of foreclosure, or, if the Qualified Leasehold Mortgagee should be such purchaser or assignee, the Qualified Leasehold Mortgagee and any assignee of the Qualified Leasehold Mortgagee, so long as such assignee is an Institutional Lender.

**22.9 Failure to Cure Default.** If any Re-Entry Default is not cured within the cure period(s), if any, set forth in Section 33.1 and Section 22.4, then Landlord shall have the right to terminate this Lease pursuant to Section 33.2.

**22.10 Payments Made by Leasehold Mortgagee.** Any payment made by any Qualified Leasehold Mortgagee to Landlord to cure any claimed Tenant Default shall be without prejudice to Tenant's or such Qualified Leasehold Mortgagee's recovery of such payment if Landlord's claim of a Tenant Default shall be determined to have been erroneous.

## **23 LEASEHOLD MORTGAGEE'S RIGHT TO A NEW LEASE.**

**23.1 New Lease.** If this Lease shall terminate before its stated expiration date for any reason other than a Casualty, a Taking or a Team Departure, then (in addition to any other or previous Notice required to be given by Landlord to any Qualified Leasehold Mortgagee) Landlord shall, within 10 Business Days, give Notice of such termination to each Qualified Leasehold Mortgagee. Landlord shall, upon any Qualified Leasehold Mortgagee's request given within 60 days after the date of Landlord's delivery of such notice, enter into (and if Landlord fails to do so, shall be deemed to have entered into) a new lease of the Premises (a "New Lease"), effective as of the Termination Date for the remainder of the Term on the same terms and provisions contained in this Lease, including all rights, options, or privileges and all obligations of Tenant under this Lease, but excluding any requirements that have already been performed or no longer apply, provided that such Qualified Leasehold Mortgagee, at the time of execution and delivery of such New Lease, (a) shall pay to Landlord any and all sums then due under this Lease as if this Lease had not been terminated, and (b) shall have commenced and shall be diligently continuing to take all reasonable steps necessary to enforce the obligations of the NFL Team pursuant to the Primary Venue Contract to play Substantially All Home Games in the Event Center during the Primary Venue Contract Term. In no event, however, shall any Qualified Leasehold Mortgagee be required to cure a Non-Curable Tenant Default. If any Qualified Leasehold Mortgagee enters into a New Lease, then such Leasehold Mortgagee shall pay all reasonable expenses, including reasonable attorneys' fees, court costs and disbursements, incurred by Landlord in connection with Tenant Defaults and the termination of this Lease, the recovery of possession of the Premises, and the preparation, execution and delivery of the New Lease. The following additional provisions shall apply to any New Lease:

**23.2 Form and Priority.** Any New Lease shall be evidenced by a memorandum in recordable form. Such New Lease shall not be subject to any rights, lien or interests imposed by Landlord or otherwise arising by reason of Landlord's acts or activities during the period from and

after the Termination Date, other than those to which this Lease was subject at the time of its termination. Landlord shall, if requested, at New Tenant's expense, execute and deliver such resolutions, certificates and other documents as shall be reasonably necessary to enable the tenant under such New Lease (the "New Tenant") to obtain title insurance with respect to the New Lease, at such New Tenant's expense.

**23.3 Adjustment for Net Income.** Upon the execution of a New Lease, the New Tenant shall be entitled to an amount equal to the net income derived from the Premises during the period from the Termination Date to the date of execution of such New Lease, provided that the New Tenant concurrently pays Landlord all sums required to be paid Landlord during that period of time pursuant to this Lease including all Additional Rent (plus interest at the rate of the Prime Rate plus four percent (4%), to the extent such sums are overdue), upon execution of such New Lease.

**23.4 Pendency of Dispute.** If Landlord and the New Tenant disagree regarding any payment due Landlord in connection with execution of a New Lease, then the New Tenant shall be deemed to have performed its payment obligation if the New Tenant (a) pays Landlord the full amount not in controversy, and (b) agrees to pay any additional sum ultimately determined to be due promptly upon such determination with interest at the Prime Rate plus four percent (4%) from the date such amount was first due and payable until the date when such New Tenant actually makes such payment. The parties shall cooperate to determine any disputed amount promptly in accordance with the terms of this Lease or the New Lease, whichever applies.

**23.5 Assignment of Certain Items.** Upon execution of a New Lease and payment by the New Tenant of the sums required to be paid to Landlord pursuant to this Lease, including all Additional Rent, Landlord shall assign to the New Tenant all of Landlord's right, title and interest in and to (a) all moneys (including insurance proceeds and Taking awards), if any, then held by Landlord that Tenant would have been entitled to receive but for termination of this Lease, and (b) all Subleases subject to executed Non-Disturbance and Attornment Agreements or otherwise approved by Landlord.

**23.6 Preservation of Subleases.** Between (a) the Termination Date and (b) either the date of execution and delivery of a New Lease, if any Qualified Leasehold Mortgagee timely exercises its right to request a New Lease, or the date on which any Qualified Leasehold Mortgagee's right to make such a request expires without its having made such a request (if such Leasehold Mortgagee makes no such request), Landlord shall not cancel any Sublease or accept any cancellation, termination or surrender of any Sublease (unless such termination shall be effected as a matter of law upon the termination of this Lease) without the consent of such Qualified Leasehold Mortgagee. At the same time Landlord enters into the New Lease, Landlord shall, if requested by it or New Tenant, enter into Non-Disturbance and Attornment Agreements with respect to those Subleases for which Landlord had previously entered into Non-Disturbance and Attornment Agreements.

**23.7 Escrowed New Lease.** Upon written request made at any time by Tenant or any Qualified Leasehold Mortgagee, Landlord agrees to execute a New Lease and related documentation as required by this Lease, to be held in escrow pursuant to documentation reasonably satisfactory to Landlord, Tenant and such Qualified Leasehold Mortgagee and released only if and when such



Qualified Leasehold Mortgagee is entitled to a New Lease. The escrow shall be either (a) a Person reasonably satisfactory to Landlord, Tenant and such Qualified Leasehold Mortgagee, or (b) a national title company, or (c) one of the 20 largest accounting firms in the United States (by number of principals in the United States) selected by such Qualified Leasehold Mortgagee and reasonably approved by Landlord and Tenant.

**24. INTERACTION OF LEASEHOLD MORTGAGES WITH OTHER ESTATES AND PARTIES.**

**24.1 Leasehold Mortgages and Fee Estate.** A Leasehold Mortgage shall not encumber or in any other way affect the Fee Estate or, except as expressly provided in this Lease, affect, limit or restrict Landlord's rights and remedies under this Lease. Upon a foreclosure under any Leasehold Mortgage or delivery of an assignment of this Lease in lieu of foreclosure under any Leasehold Mortgage, the Leasehold Mortgagee shall succeed only to the Leasehold Estate, and any such foreclosure or assignment in lieu of foreclosure shall not affect the Fee Estate.

**24.2 Interaction Between Lease and Leasehold Mortgage.** If any Qualified Leasehold Mortgagee's Leasehold Mortgage limits such Leasehold Mortgagee's exercise of any rights and protections provided for in this Lease, then as between Tenant and such Qualified Leasehold Mortgagee the terms of such Leasehold Mortgage shall govern. Tenant's default as mortgagor under a Leasehold Mortgage shall not constitute a Tenant Default under this Lease except to the extent that Tenant's action or failure to act in and of itself constitutes a breach of this Lease.

**24.3 Conflicts Between Leasehold Mortgagees.** If more than one Qualified Leasehold Mortgagee desires to exercise Mortgagee's Cure Rights or the right to obtain a New Lease, or if more than one Qualified Leasehold Mortgagee desires to exercise any other right or privilege provided for Qualified Leasehold Mortgagees under this Lease, then the party against whom such rights or privileges are to be exercised shall be required to recognize either (a) only the Qualified Leasehold Mortgagee that desires to exercise such right or privilege and whose Leasehold Mortgage is most senior in lien priority (as against other Leasehold Mortgages), or (b) such other Qualified Leasehold Mortgagee as has been designated in writing by all Qualified Leasehold Mortgagees to exercise such right or privilege. Landlord shall be entitled to rely conclusively on the priority of Leasehold Mortgages evidenced either by (y) the report or certificate of a title insurance company licensed to do business in the State or (z) joint written instructions of all Qualified Leasehold Mortgagees.

**24.4 No Merger.** Unless this Lease is terminated pursuant to its terms, the Fee Estate and the Leasehold Estate shall remain distinct and separate estates and shall not merge, notwithstanding the acquisition of both the Fee Estate and the Leasehold Estate by Landlord, Tenant, any Leasehold Mortgagee or a third party, whether by purchase or otherwise, unless otherwise agreed in writing by Landlord, Tenant, and all Qualified Leasehold Mortgagees.

**25. BANKRUPTCY.**

**25.1 Affecting Tenant.** If Tenant, as debtor in possession, or a trustee in bankruptcy for Tenant, rejects this Lease in connection with any proceeding involving Tenant under the United

States Bankruptcy Code or any similar state or federal statute for the relief of debtors (a "Bankruptcy Proceeding"), then Landlord agrees for the benefit of each and every Qualified Leasehold Mortgagee that such rejection shall be deemed Tenant's assignment of the Lease and the Leasehold Estate to Tenant's Qualified Leasehold Mortgagee(s) in the nature of an assignment in lieu of foreclosure. Upon such deemed assignment, this Lease shall not terminate and each Qualified Leasehold Mortgagee shall become a Tenant hereunder as if the Bankruptcy Proceeding had not occurred, unless such Qualified Leasehold Mortgagee(s) shall reject such deemed assignment by Notice to Landlord within 30 days after receiving Notice of Tenant's rejection of this Lease in Bankruptcy Proceedings. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the deemed assignment provided for in place of rejection of this Lease, then Tenant's Qualified Leasehold Mortgagees shall continue to be entitled to a New Lease as and to the extent provided in Section 23.

**25.2 Affecting Landlord.** If Landlord as debtor in possession, or a trustee in bankruptcy for Landlord, rejects this Lease in connection with any Bankruptcy Proceeding involving Landlord, then:

**25.2.1 Tenant's Election.** Tenant shall not have the right to elect to treat this Lease as terminated except with the prior written consent of each and every Leasehold Mortgagee whose recorded Leasehold Mortgage requires such consent by the applicable Leasehold Mortgagee.

**25.2.2 Continuation of Leasehold Mortgages.** The lien of any Leasehold Mortgage that was in effect before the rejection of this Lease shall extend to Tenant's continuing possessory rights with respect to the Premises following such rejection, with the same priority as it would have enjoyed had such rejection not taken place.

## **26. REPRESENTATIONS AND WARRANTIES.**

**26.1 By Landlord - Tenant accepts Premises "AS IS."** Landlord conveys, and Tenant accepts, the Premises "AS IS", that is, without representation or warranty with respect thereto, express or implied, except only as set forth in this Lease, with regard to the physical or other condition of the Premises, including the existence of any Hazardous Substances thereon, geology, soils condition, the presence or absence of archeological or historical remains or suitability for any construction or use. Tenant accepts the condition of the zoning, entitlements, and title to the Premises (including without limitation all of the Tenant-Approved Title Conditions) "AS IS", and, except only as set forth in this Lease, Landlord makes no representation or warranty as to the zoning entitlements, condition of title or the accuracy of any information or insurance provided to Tenant by any title insurance company. Landlord's representations and warranties contained in Sections 26.1.1 through 26.1.3 shall continue to apply in full force and effect throughout the Term as if made continuously throughout the Term. All other representations and warranties by Landlord set forth in this Lease shall be made as of the Effective Date only. Subject to the foregoing, Landlord represents and warrants to Tenant that the following facts and conditions exist and are true as of the Effective Date:

26.1.1 **Organization.** Landlord is duly organized and validly existing under the laws of the State and the Charter of the City. Landlord has full power and authority to conduct its business as presently conducted and to execute, deliver, and perform its obligations under this Lease.

26.1.2 **Authorization.** Landlord has taken all necessary action to authorize its execution, delivery, and, subject to any conditions set forth in this Lease, performance of this Lease. Upon the Effective Date, this Lease shall constitute a legal, valid and binding obligation of Landlord, enforceable against it in accordance with its terms, except to the extent that this Lease is deemed invalid by a court of competent jurisdiction upon any third party challenge to either party's right to enter into this Lease.

26.1.3 **No Conflict.** The execution, delivery and performance of this Lease by Landlord does not and will not conflict with, or constitute a violation or breach of, or constitute a default under (a) the charter documents of Landlord, (b) any Law binding upon or applicable to Landlord, or (c) any material agreements to which Landlord is a party.

26.1.4 **No Litigation.** Except as previously known by Tenant or disclosed in writing to Tenant by the City of Los Angeles, there is no existing or, to Landlord's Knowledge, pending litigation, suit, action or proceeding before any court or administrative agency affecting Landlord or the Premises that would, if adversely determined, adversely affect Landlord or the Premises or Tenant's ability to develop and operate the Event Center thereon.

26.1.5 **No Pending Taking.** There is no existing or, to Landlord's Knowledge, pending or threatened Taking affecting any portion of the Premises.

26.1.6 **No Pending Improvements.** Landlord is not party to any outstanding contracts for any improvements to the Premises, nor, to Landlord's Knowledge, does any Person have the right to claim any mechanic's or supplier's lien or otherwise demand payment from Landlord arising from any labor or materials furnished to the Premises.

26.1.7 **Title.** To Landlord's Knowledge, Landlord's title to the Premises is free and clear of unrecorded leases, liens, encumbrances, contracts, agreements or rights of possession (or any other unrecorded encumbrances that grant possessory interest to the Premises) that would interfere with Tenant's use and operation of the Premises and the Improvements to be constructed thereon.

26.1.8 **Tax-Exempt Status.** To Landlord's Knowledge, the transactions described herein or in any of the Other Agreements do not cause the Existing Securities or the Defeased Securities to lose their anticipated tax-exempt status.

26.2 **Knowledge.** For the purpose of this Lease, Landlord shall be deemed to "Know" or to have "Knowledge" of any matter only if such matter: (a) was actually known by any of those certain Landlord personnel within any of the offices of the Chief Legislative Analyst, the City Administrative Officer, the City Attorney's office, or the LACC working on this Lease transaction, or (b) could reasonably have been discovered by due inquiry on the part of any of such personnel (which inquiry shall be satisfied by reasonable investigation of the files located "on-site" within such respective offices of the aforementioned City departments).

**26.3 By Tenant.** Tenant's representations and warranties contained in Sections 26.3.1 through 26.3.5 shall continue to apply in full force and effect commencing upon the Effective Date and until the end of the Term as if made continuously throughout such time period. All other representations and warranties shall be made as of the Effective Date only. Subject to the foregoing, Tenant represents and warrants to Landlord that the following facts and conditions exist and are true:

**26.3.1 Venue Contracts.** Tenant represents that (a) it is an Affiliate of AEG as of the Effective Date and (b) the owner of the Venue Contracts with the NFL Team(s), pursuant to which the NFL Team under the Primary Venue Contract is obligated, subject only to the satisfaction of certain conditions set forth therein, to play Substantially All Home Games at the Event Center for the duration of the Primary Venue Contract Term. Neither Tenant nor any of its Affiliates are a party to any oral or written agreements, understandings or other communications, which in any way (a) cancel, abrogate, terminate, modify or interpret the words or the meaning of the Venue Contracts in a manner that could adversely affect the interests of Landlord under this Lease or the Other Agreements or (b) modify or affect the obligations of the NFL Team(s) to play at the Event Center or the terms upon which the Teams are committed to do so and such Venue Contracts are enforceable in accordance with their terms.

**26.3.2 Organization.** Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with full power and authority to conduct its business as presently conducted and to execute, deliver and perform its obligations under this Lease.

**26.3.3 Authorization.** Tenant has taken all necessary action to authorize its execution, delivery and, subject to any condition set forth in this Lease, performance of this Lease. Upon the Effective Date, this Lease shall constitute a legal, valid and binding obligation of Tenant, enforceable against it in accordance with its terms.

**26.3.4 No Conflict.** The execution, delivery and performance of this Lease by Tenant does not and will not conflict with, or constitute a violation or breach of, or constitute a default under (i) the charter and organization documents of Tenant, (ii) any Law binding upon or applicable to Tenant, or (iii) any material agreements to which Tenant is a party.

**26.3.5 Ownership of Tenant.** Tenant is a wholly owned entity in a chain of entities, each entity in which is owned or controlled in full by Philip F. Anschutz and/or the other owners of the NFL Team(s).

**26.3.6 Litigation.** There is no pending litigation, suit, action or proceeding before any court or administrative agency affecting Tenant that would, if adversely determined, adversely affect Tenant, the Premises, or Tenants ability to perform its obligations hereunder.

## **27. FORCE MAJEURE.**

Subject to clause (c) of this Article 27, each of Landlord and Tenant shall be excused from performance and shall not be considered to be in default with respect to any obligation hereunder, if

and to the extent that its failure or, or delay in, performance is due to a Force Majeure Event; provided that (a) as soon as reasonably practicable, such party gives the other party written notice describing the particulars of the Force Majeure Event; (b) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event; (c) the party uses reasonable commercially efforts to overcome or mitigate the effects of such occurrence; and (d) when the party is able to resume performance of its obligations under this Lease, such party shall give the other party written notice to that effect and shall promptly resume performance hereunder. Notwithstanding the foregoing, this Section 27 shall not apply to: (1) the time for payment of Rent or any other monetary obligation, (2) the Absolute Completion Deadline as set forth in Section 5.3, (3) the insurance provisions in Section 15, and (4) the one year Abandonment period set forth in Section 33.1.

## 28. MARKS AND PUBLICITY.

**28.1 Exclusive Ownership of Tenant Marks During Term.** During the Term, (a) Tenant and Tenant Affiliates shall have the exclusive right, as to the parties hereto and their Affiliates, to any Non-Landlord Associated name or names used, from time to time, to identify the Event Center (the "Event Center Name"), and all other Non-Landlord Associated service marks, trademarks, names, titles, descriptions, slogans, emblems or logos used, from time to time, in connection with the Event Center (collectively, with the Event Center Name, the "Tenant Marks"); and (b) the Tenant Marks and all goodwill associated therewith shall be the exclusive property of Tenant or other Tenant Affiliates. A "Non-Landlord Associated" name or Mark, as used in this Lease, shall mean any name or Mark that is not "Landlord Associated" which is defined in Section 28.8.

**28.2 Landlord Disclaimer of Non Landlord-Associated Marks.** Except for Landlord-Associated Marks, Landlord disclaims any right, title or interest in or to any of the Tenant Marks by operation of this Lease; and Tenant (or another Tenant Affiliate, where applicable) shall have the sole right and responsibility (to the extent it determines appropriate) to institute and prosecute all disputes with third parties concerning use of the Event Center Name or any Tenant Mark.

**28.3 References to Tenant Marks.** During the Term, Landlord shall not use the Event Center Name or any other Tenant Mark, or any combination or variation of any of them, in the name of any partnership, corporation or other entity or, except as set forth in Section 28.4, in any other manner.

**28.4 Publicity and Exhibits.** Notwithstanding the restriction set forth in Section 28.3, during the Term, Landlord may use the Event Center Name or any other Tenant Mark in (i) any press release, announcement, advertisement or other public communication, provided that such use is solely in a descriptive manner (e.g., to describe the Event Center as a location), and (ii) as necessary to conduct the business of the City of Los Angeles, including that of the LACC, provided that such use is solely in a descriptive manner (e.g., to describe the Event Center as a location).

**28.5 Effect of Lease Termination.** Tenant makes no representation or warranty to Landlord or any subsequent operator of the Event Center that the Event Center Name or any other Tenant Mark, will be available to Landlord or such subsequent operator following the expiration or termination of this Lease. If any sponsor or other party with whom Tenant has contracted

concerning the Event Center Name or any other Tenant Mark during the Term either is contractually obligated or elects to continue its relationship with the Event Center following the expiration or termination of this Lease, Tenant hereby assigns and will cause its Tenant Affiliates to assign all of its rights to the Event Center Name or such other Tenant Mark and its rights to income from such contract or other relationship to Landlord effective upon the Termination Date. If any such sponsor or other party discontinues its relationship with the Event Center upon the expiration or termination of this Lease, Tenant and any other Tenant Affiliate shall have the right to enter the Event Center and may remove all signs, furnishings, printed materials; emblems, slogans or other distinguishing characteristics related to such sponsor or party.

**28.6 Indemnification.** Tenant shall Indemnify Landlord against any claim of trademark infringement, misappropriation or similar allegation of misuse of the Event Center Name or any other Tenant Mark or any other Landlord-Associated Mark as defined in Section 28.8 utilized by Tenant which occurred during the Term asserted by any third party against Landlord, except to the extent that such claim is based upon the active negligence or willful misconduct of Landlord. This Section 28.6 shall survive the expiration or termination of this Lease.

**28.7 Exclusive Ownership of Landlord-Associated Marks.** During the Term, (a) subject to Landlord's approval of the marks, such approval not to be unreasonably withheld, conditioned or delayed, Tenant and Tenant Affiliates may, but are not required to, coin or create any Landlord-Associated name or names used, from time to time, to identify the Event Center, and all other Landlord-Associated service marks, trademarks, names, titles, descriptions, slogans, insignias, emblems or logos used, from time to time, in connection with the Event Center (collectively the "Landlord-Associated Marks"); (b) both Tenant (and its Tenant Affiliates) and Landlord will be co-owners, for the term of the Lease, of the Landlord-Associated Marks and all goodwill associated therewith, and (c) Tenant (or another Tenant Affiliate, where applicable) shall have the right to commercially exploit approved Landlord-Associated Marks as well as the right and responsibility (to the extent it determines appropriate) to institute and prosecute all disputes with third parties concerning use of any approved Landlord-Associated Mark, to the extent consistent with Los Angeles City Charter Sections 271, 272 and 273, and Landlord shall cooperate with Tenant and/or Tenant Affiliates in prosecuting such disputes and may participate in the legal proceedings at Landlord's own expense. At termination, cancellation or expiration of this Lease, Tenant and Tenant Affiliates shall immediately cease any use of the Landlord-Associated Marks and promptly transfer, at no compensation paid by Landlord, to Landlord all of their legal right, title and interest in the Landlord-Associated Marks, including goodwill, trademarks, service marks and all registrations thereof.

**28.8 Landlord-Associated Name or Mark.** A "Landlord-Associated" name or mark, as used in this Lease, shall mean any name or Mark that (i) contains, in whole or partly, name(s) and/or mark(s) (including service marks, trademarks, names, titles, descriptions, slogans, insignias, emblems or logos) of the City of Los Angeles or any department, agency or commission thereof; (ii) imparts the color of authority of the City of Los Angeles; and/or (iii) otherwise imparts association with or endorsement by the City of Los Angeles on any goods or services offered by Tenant or Tenant Affiliates under such name or mark.

**28.9 Landlord Approval.** The Landlord approval of names and marks coined or created

by Tenant (or its Tenant Affiliates) under Section 28.7 is not intended for Landlord to assert creative or artistic control during the creation of names and marks or to frustrate the purpose of business of Tenant (or its Tenant Affiliates), but rather to ensure that use of the Premises leased herein is consistent with that of a public venue leased by a governmental entity. Landlord shall not approve names or marks that impart notions or contain elements that put the City in a false light or that are racist, sexist, derogatory to any legally protected groups/class or unfitting for public facilities. Notwithstanding the restrictions set forth in this Article 28, during the Term, Tenant may reference the City of Los Angeles or the LACC in (i) any press release, announcement, advertisement or other public communication, provided that such use is solely in a descriptive manner (e.g., to describe the LACC as a location), and (ii) as necessary to conduct the business of the operation of the Event Center, provided that such use is solely in a descriptive manner (e.g., to describe the LACC as a location).

**28.10 No Assignment or Transfer of Landlord's Intellectual Property.** Nothing in this Lease shall be construed to transfer or assign to any party, signatory herein or not, any of the intellectual property rights of Landlord, including but not limited to trademark rights. Rights not expressly granted by Landlord herein are reserved. Other than approved Landlord-Associated Marks, Tenant and Tenant's Affiliates have no right to use any of the Landlord-Associated Marks.

## 29. ACCESS.

### 29.1 Non-Possessory Period.

29.1.1 Tenant shall have the right to enter onto the Premises and the LACC during the Non-Possessory Period for inspection purposes and to conduct necessary pre-construction testing, planning and other customary pre-development activities. Tenant may undertake any physical inspections, testing, planning, customary pre-development activities and other investigations of, and inquiries concerning, the Premises and the LACC as may be necessary to allow Tenant to evaluate the physical characteristics of the Premises and LACC to prepare for the construction and development of the Event Center and New Hall; provided that (i) Tenant shall provide Landlord with prior written notice of such inspections, testing, planning, customary pre-development activities and other investigations, which notice shall describe in reasonable detail the nature of Tenant's activities; (ii) Tenant shall not conduct any invasive environmental testing, sampling, or boring without the prior written consent of Landlord (which consent shall not be unreasonably withheld, conditioned or delayed; provided that any condition that requires Tenant to restore the Premises to substantially the same condition it was in prior to such invasive testing, sampling, or boring shall not be deemed unreasonable); (iii) Tenant shall comply with all Environmental Laws during the proposed entry; (iv) Tenant shall not cause any dangerous or hazardous condition to be created or caused on the Premises or the LACC, (v) Tenant provides insurance described in Sections 15.1.1, 15.1.2, and 15.1.3 above, and (vi) Tenant does not unreasonably interfere with the current operations of the LACC.

29.1.2 Upon Tenant's request, Landlord shall make available for review by Tenant and its Affiliates all of the plans, reports, studies, and other materials in the possession or control of Landlord regarding the Premises and LACC, except for documents that are not subject to

disclosure under the California Public Records Act. Landlord makes no representation, warranty or guaranty regarding the completeness or accuracy of such plans, reports, studies, and other materials.

29.1.3 Tenant agrees to indemnify, defend and hold harmless Landlord and its elected and appointed officials, employees, agents, attorneys, representatives, contractors, successors and assigns from any loss, injury, damage, cause of action, liability, claim, lien, cost or expense, including reasonable attorneys' fees and costs, arising from the exercise by Tenant or its Affiliates of the rights of entry and access under this Section 29.1; provided, however, that this indemnity shall not extend to and in no event shall Tenant be liable to Landlord to the extent any loss, injury, damage, cause of action, liability, claim, lien, cost or expense arises from any active negligence or willful misconduct of Landlord or anyone acting by, through or under Landlord. The foregoing indemnity shall not apply to any diminution in the value of the Premises or LACC resulting solely from Tenant's discovery of any pre-existing condition, pre-existing circumstance or pre-existing hazardous material on the Premises or LACC. Tenant shall keep the Premises and LACC free and clear of any mechanic's liens or materialmen's liens related to Tenant's activities thereon.

29.2 **Construction Period.** Landlord and its employees, agents, representatives and designees shall have the reasonable right of access to the Premises (accompanied by a Tenant representative if requested by Tenant) without charges or fees, at normal construction hours during the period of construction, with prior reasonable notice to Tenant, and in accordance with Tenant's reasonable instructions, for the purposes of this Lease, including but not limited to, the inspection of the work being performed in constructing the Event Center.

29.3 **Generally.** Landlord and its employees, agents, representatives and designees shall have the right to enter the Premises, upon reasonable notice to Tenant, during regular business hours, and in accordance with Tenant's reasonable instructions, for the purpose of determining whether a Non-Monetary Default has occurred or is continuing, and for the purpose of curing any such Non-Monetary Default. Such right to enter shall be a temporary right to enter for the purposes set forth above, and shall not be a right of entry or of a taking or retaining possession of the Premises in a peaceful or non-peaceful manner. In entering the Premises pursuant to this Section 29, Landlord and its designees shall not interfere with the conduct of operations on the Premises by Tenant or anyone claiming through Tenant, and shall comply with Tenant's reasonable instructions. Except to the extent prohibited by Law, Landlord shall Indemnify Tenant against any Loss arising from Landlord's active negligence or willful misconduct while entering upon the Premises pursuant to this Section 29.2 or any other provision of this Lease permitting Landlord to enter the Premises (except upon termination of this Lease). Notwithstanding the foregoing, Landlord and its agents, representatives and designees shall have the right to enter the Premises with such notice (if any) as is reasonably practicable under the circumstances in case of an Emergency and, in such event, Landlord shall only Indemnify Tenant for reasonably avoidable claims.

30. [Not used]

31. **LANDLORD'S RIGHT TO PERFORM TENANT'S COVENANTS.**

31.1 **Landlord's Option.** If Tenant shall at any time fail to make any payment or perform any other act on its part to be made or performed, then Landlord, after 10 Business Days' Notice to



Tenant, or with such notice (if any) as is reasonably practicable under the circumstances, in case of an Emergency, and without waiving or releasing Tenant from any obligation of Tenant or from any Tenant Default and without waiving Landlord's right to take such action as may be permissible under this Lease as a result of such Tenant Default or Emergency, may (but shall be under no obligation to) make such payment or perform such act on Tenant's part to be made or performed pursuant to this Lease. Landlord may enter upon the Premises to cure any Non-Monetary Tenant Default, or in the case of an Emergency, as provided in Section 29.

**31.2 Reimbursement by Tenant.** All reasonable sums paid by Landlord and all costs and expenses reasonably incurred by Landlord, together with reasonable attorneys' fees, in connection with the exercise of Landlord's cure rights under this Lease, after required Notice to Tenant, shall constitute Additional Rent. Tenant shall pay such Additional Rent within 30 days after Landlord's demand accompanied by evidence reasonably establishing that Landlord properly and reasonably incurred such costs and expenses in accordance with this Lease.

**32. TENANT ACCEPTS PREMISES "AS IS."** As of the Effective Date, Tenant has conducted such inspections and investigations of the Premises and reviewed the documentation relating to the Premises as Tenant deemed necessary, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon said matters and has approved same. Upon the Effective Date, subject to those representations set forth in Section 26.1, Tenant shall assume the risks that adverse matters, including, but not limited to, adverse physical and environmental conditions and the existence of hazardous materials may not have been revealed by Tenant's inspections and investigations. Tenant acknowledges and agrees that upon Closing, subject to those representations set forth in Section 26.1, Landlord shall lease to Tenant, and Tenant shall accept the Premises in its "AS IS", "WHERE IS" condition, with all faults and defects (latent and apparent). Tenant further acknowledges and agrees that there are no oral agreements, warranties or representations, collateral to or affecting the Premises by Landlord, its officials, officers, boards, commissioners, employees, agents, or contractors, except as expressly provided herein. The terms and conditions of Section 11.4 and this Section 32 shall expressly survive the Closing and shall not merge with the provisions of any closing documents. Except as set forth in this Lease and the Other Documents, Landlord is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Premises furnished by Landlord, its officials, officers, boards, commissioners, employees, agents, contractor, or other person. Tenant acknowledges that the rent and other consideration for the lease reflects the "AS IS", "WHERE IS" nature of this Lease and any faults, liabilities, defects or other adverse matters that may be associated with the Premises. Tenant has fully reviewed the disclaimers and waivers set forth in this Lease with its counsel and understands the significance and effect thereof. Tenant acknowledges and agrees that the disclaimers and other agreements set forth in Section 11.4 and this Section 32 are an integral part of this Lease and that Landlord would not have agreed to lease the Premises to Tenant for the rent and other considerations without the disclaimers and other agreements set forth in Sections 11.4 and 32 and elsewhere in this Lease.

Tenant's Initials \_\_\_\_\_

**33. DEFAULTS AND REMEDIES.**

### 33.1 Tenant Defaults and Cure Rights.

The occurrence of any one or more of the following events set forth below in Sections 33.1.1 through 33.1.4 (including all subsections under Section 33.1.4) shall constitute a "Tenant Default", which defined term shall include any Re-Entry Default and any Incipient Re-Entry Default.

Immediately upon a Tenant Default, Landlord shall have the right to deliver a Notice of Default or Notice of Incipient Re-Entry Default, as applicable, to Tenant and each Qualified Leasehold Mortgagee, which notice shall specify: (i) the nature of such default, (ii) the action required to cure such default, if such default is subject to cure, and (iii) the applicable cure period(s), if any, provided in this Lease. Failure or delay in giving such Notice of Default or Notice of Incipient Re-Entry Default shall not constitute a waiver of any default. In the event that a Tenant Default that is subject to cure is not cured by Tenant (or by any Qualified Leasehold Mortgagee pursuant to its rights under Section 22.4 of this Lease) within Tenant's applicable cure period in accordance with this Lease, Landlord shall have the right (but is not obligated) to deliver to Tenant and each Qualified Leasehold Mortgagee a Tenant's Cure Period Expiration Notice, and the receipt of such notice by each Qualified Leasehold Mortgagee shall commence the applicable extended cure period, if any, available to that Qualified Leasehold Mortgagee. Failure or delay in giving such Tenant's Cure Period Expiration Notice shall not constitute a waiver of any default. The parties agree that the delivery of a Tenant's Cure Period Expiration Notice is necessary only in a situation where a Qualified Leasehold Mortgagee is entitled under this Lease to an extended cure period beyond Tenant's applicable cure period pursuant to Section 22.4 above, and if no Qualified Leasehold Mortgagee is entitled to such an extended cure period, then Landlord may immediately exercise its right to pursue remedies under this Lease upon the expiration of all notice and cure periods available to Tenant under this Lease without the delivery of a Tenant's Cure Period Expiration Notice; provided, however, that the Parties further agree that with respect to any Tenant Defaults that are subject to an extended cure period for the benefit of Qualified Leasehold Mortgagees as provided in this Lease, Landlord shall not have the right to exercise any of its remedies against Tenant under this Lease until after each Qualified Leasehold Mortgagee's applicable extended cure period has expired. The specific notice and cure process for each type of Tenant Default is set forth below.

**33.1.1 Failure To Pay Rent or Comply with Insurance Requirement.** A failure by Tenant to either: (i) make any payment of Initial Rent or Fixed Rent provided in Section 6, as and when due, or (ii) comply with any of the insurance requirements set forth in Section 15 of this Lease shall constitute a Tenant Default. A Tenant Default based on this Section 33.1.1 shall be subject to Tenant's right to cure, which cure must be completed by Tenant (or any Qualified Leasehold Mortgagee) no later than thirty (30) calendar days after Tenant's receipt of Landlord's Notice of Default. In the event that such Tenant Default is not cured by the expiration of such 30-day cure period, Landlord shall have the right (but is not obligated) to deliver to Tenant and each Qualified Leasehold Mortgagee a Tenant's Cure Period Expiration Notice. Each Qualified Leasehold Mortgagee, in accordance with Section 22.4.1 above, shall have the additional right to cure such Tenant Default within forty-five (45) calendar days after its receipt of such Tenant's Cure Period Expiration Notice. In the event that such Tenant Default is not cured by the end of Tenant's 30-day cure period and all Qualified Leasehold Mortgagees' 45-day cure period, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this

Lease.

**33.1.2 Failure To Pay Additional Rent.** A failure by Tenant to make any payment of any Additional Rent, as and when due, shall constitute a Tenant Default. A Tenant Default based on this Section 33.1.2 shall be subject to Tenant's right to cure, which cure must be completed by Tenant (or any Qualified Leasehold Mortgagee) no later than forty-five (45) calendar days after Tenant's receipt of Landlord's Notice of Default. In the event that such Tenant Default is not cured by the expiration of such 45-day cure period, Landlord shall have the right (but is not obligated) to deliver to Tenant and each Qualified Leasehold Mortgagee a Tenant's Cure Period Expiration Notice. Each Qualified Leasehold Mortgagee, in accordance with Section 22.4.1 above, shall have the additional right to cure such Tenant Default within forty-five (45) calendar days after its receipt of such Tenant's Cure Period Expiration Notice. In the event that such Tenant Default is not cured by the end of Tenant's 45-day cure period and all Qualified Leasehold Mortgagees' 45-day cure period, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease.

**33.1.3 Material Breach of Other Obligations.** A failure by Tenant to timely observe or perform any of the material covenants or provisions set forth in this Lease (other than: (i) the failure to pay Rent, which is covered by Sections 33.1.1 and 33.1.2 above, (ii) the failure to comply with insurance requirements, which is covered by Section 33.1.1 above, and (iii) the occurrence of a Re-Entry Default or Incipient Re-Entry Default, both of which are covered by Section 33.1.4 below) shall constitute a Tenant Default. A Tenant Default based on this Section 33.1.3 shall be subject to Tenant's right to cure, which cure must be completed within the following timeframes: (i) no later than ninety (90) calendar days after Tenant's receipt of Landlord's Notice of Default, if the default is reasonably capable of being cured within such period of time; or (ii) if the default is not reasonably capable of being cured within such 90-day period, and Tenant (aa) initiates corrective action within said period and (bb) diligently and in good faith works to effect a cure as soon as reasonably possible, then Tenant shall have such additional time as is reasonably necessary to cure the default. In the event that such Tenant Default is not cured by Tenant (or any Qualified Leasehold Mortgagee) by the expiration of the applicable timeframe set forth above, Landlord shall have the right (but is not obligated) to deliver to Tenant and each Qualified Leasehold Mortgagee a Tenant's Cure Period Expiration Notice. Each Qualified Leasehold Mortgagee, in accordance with either Section 22.4.2 or Section 22.4.3 above, as applicable, shall have the additional right to cure such Tenant Default within the applicable cure period set forth above in Section 22.4.2 or Section 22.4.3. In the event that such Tenant Default is not cured by the end of Tenant's applicable cure period specified in this Section 33.1.3 and all Qualified Leasehold Mortgagees' cure period specified in Section 22.4.2 or Section 22.4.3, as applicable, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease.

**33.1.4 Re-Entry Default/Incipient Re-Entry Default.** The occurrence of a Re-Entry Default or an Incipient Re-Entry Default shall constitute a Tenant Default:

**33.1.4.1 Failure to Commence Construction.** An actual failure (specified in Section 33.1.4.1(a) below) or anticipated failure (specified in Section 33.1.4.1(b)

below) by Tenant to Commence Construction of Event Center by the Commencement Deadline, in accordance with Section 5.3 of this Lease, shall constitute a Re-Entry Default or an Incipient Re-Entry Default, respectively, either one of which is considered a Tenant Default.

(a) **Cure Period for Actual Failure to Commence by Deadline.** A Re-Entry Default based on an actual failure by Tenant to Commence Construction of Event Center by the Commencement Deadline shall be subject to Tenant's right to cure under this Section 33.1.4.1(a), which cure must be completed no later than one hundred eighty (180) calendar days after Tenant's receipt of Landlord's Notice of Default. In the event that such Tenant Default is not cured by Tenant (or any Qualified Leasehold Mortgagee) by the expiration of such 180-day cure period, Landlord shall have the right (but is not obligated) to deliver to Tenant and all Qualified Leasehold Mortgagees a Tenant's Cure Period Expiration Notice. Each Qualified Leasehold Mortgagee shall have the additional right to cure such Tenant Default in accordance with Section 22.4.3. In the event that such Tenant Default is not cured by the end of Tenant's 180-day cure period and each Qualified Leasehold Mortgagee's cure period under Section 22.4.3, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no other cure period shall apply.

(b) **Cure Period for Anticipated Failure to Commence by Deadline.** An Incipient Re-Entry Default based on an anticipated failure by Tenant to Commence Construction of Event Center by the Commencement Deadline shall be subject to Tenant's right to cure under this Section 33.1.4.1(b). In the event that Landlord sends a Notice of Incipient Re-Entry Default in accordance with Section 22.2.3 of this Lease regarding the anticipated failure of Tenant to comply with the Commencement Deadline, Tenant and all Qualified Leasehold Mortgagees shall have one hundred eighty (180) calendar days from their respective receipt of such Notice of Incipient Re-Entry Default to cure such Incipient Re-Entry Default. In the event that such Incipient Re-Entry Default is not cured within such aforementioned period, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no other cure period shall apply.

**33.1.4.2 Failure to Complete Construction.** An actual failure (specified in Section 33.1.4.2(a) below) or anticipated failure (specified in Section 33.1.4.2(b) below) by Tenant to Complete Construction of the Event Center by the Completion Deadline, in accordance with Section 5.3 of this Lease, shall constitute a Re-Entry Default or an Incipient Re-Entry Default, respectively, either one of which is considered a Tenant Default.

(a) **Cure Period for Actual Failure to Complete by Deadline.** A Re-Entry Default based on an actual failure by Tenant to Complete Construction

of the Event Center by the Completion Deadline (defined as the earlier of the Qualified Completion Deadline or the Absolute Completion Deadline) shall be subject to the cure rights set forth in this Section 33.1.4.2(a).

If the Qualified Completion Deadline occurs prior to the Absolute Completion Deadline such that the Qualified Completion Deadline constitutes the Completion Deadline, and a Tenant Default occurs based on Tenant's failure to comply with the Qualified Completion Deadline, then such Tenant Default shall be subject to Tenant's right to cure, which cure must be completed by Tenant (or any Qualified Leasehold Mortgagee) no later than one hundred eighty (180) calendar days after Tenant's receipt of Landlord's Notice of Default. In the event that such Tenant Default is not cured by the expiration of such 180-day cure period, Landlord shall have the right (but not the obligation) to deliver to Tenant and all Qualified Leasehold Mortgagees a Tenant's Cure Period Expiration Notice. Each Qualified Leasehold Mortgagee shall have the additional right to cure such Tenant Default in accordance with Section 22.4.3. In the event that such Tenant Default is not cured by the end of Tenant's 180-day cure period and all Qualified Leasehold Mortgagees' cure period under Section 22.4.3, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no other cure period shall apply.

If the Absolute Completion Deadline occurs prior to the Qualified Completion Deadline such that the Absolute Completion Deadline constitutes the Completion Deadline, and a Tenant Default occurs based on Tenant's failure to comply with the Absolute Completion Deadline, then such Tenant Default shall not be subject to any right to cure by Tenant or any Qualified Leasehold Mortgagee, and Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no cure period shall apply.

(b) **Anticipated Failure to Complete by Deadline.** An Incipient Re-Entry Default based on an anticipated failure by Tenant to Complete Construction of the Event Center by the Completion Deadline (defined as the earlier of the Qualified Completion Deadline or the Absolute Completion Deadline) shall be subject to the cure rights set forth in this Section 33.1.4.2(b).

If the Qualified Completion Deadline occurs prior to the Absolute Completion Deadline such that the Qualified Completion Deadline constitutes the Completion Deadline, and Landlord sends a Notice of Incipient Re-Entry Default in accordance with Section 22.2.3 of this Lease regarding the anticipated failure of Tenant to comply with the Qualified Completion Deadline, then Tenant and all Qualified Leasehold Mortgagees shall have one hundred eighty (180) calendar days from their respective receipt of such Notice of Incipient Re-Entry Default to cure such Incipient Re-Entry Default.

In the event that such Incipient Re-Entry Default is not cured by the end of such aforementioned cure period, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no other cure period shall apply.

If the Absolute Completion Deadline occurs prior to the Qualified Completion Deadline such that the Absolute Completion Deadline constitutes the Completion Deadline, and Landlord sends a Notice of Incipient Re-Entry Default in accordance with Section 22.2.3 of this Lease regarding the anticipated failure of Tenant to comply with the Absolute Completion Deadline, then Tenant and all Qualified Leasehold Mortgagees shall each have a cure period that expires upon the earlier of either: (i) one hundred eighty (180) calendar days from its respective receipt of such Notice of Incipient Re-Entry Default or (ii) the Absolute Completion Deadline. In the event that such Incipient Re-Entry Default is not cured by the end of such cure period, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease, and no other cure period shall apply.

**33.1.4.3 Abandonment.** The abandonment of the Premises by Tenant for a continuous period of one (1) year shall constitute "Abandonment", subject to the terms and conditions of this Section 33.1.4.3. An Abandonment shall constitute a Tenant Default, which Tenant Default shall not be subject to any right to cure by anyone. A finding of Abandonment for a continuous period of one (1) year or more shall not be defeated by isolated uses of the Event Center during the year which are not in good faith, but rather are made solely for the purpose of avoiding the continuous period of one (1) year test set forth above. In determining whether there has been an Abandonment of the Event Center, a trier of fact may consider not only evidence of non-use, but also evidence that the Event Center has been allowed to fall into a state of disrepair incompatible with ongoing use. Upon the Abandonment of the Premises by Tenant, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease.

**33.1.4.4 Significant Monetary Default.** A Tenant Default shall be deemed to have occurred whenever, following the expiration of the applicable notice and cure period, any unpaid installment of Rent under this Lease or any uncured monetary default under the Gap Funding Agreement or the Security Agreement (individually or in the aggregate) exceeds the total undrawn balance of all letters of credit then held by the Landlord as security for Tenant's obligations under this Lease and all of the Other Agreements, except in the case of a bona fide dispute (which shall be expeditiously resolved). Upon the occurrence of such Tenant Default, which is not subject to any right to cure by anyone, Landlord shall have the right to immediately take action based on any and all remedies available to Landlord under this Lease.

All notices to be delivered hereunder are in addition to, and not in lieu of, the notice requirements of California Code of Civil Procedure Section 1161.

### 33.2 Remedies for Tenant Defaults.

**33.2.1 Remedies for Construction-Related Re-Entry Defaults.** In the event that a Re-Entry Default or an Incipient Re-Entry Default based on Section 33.1.4.1 (failure to commence construction) or Section 33.1.4.2 (failure to complete construction) exists beyond the applicable cure period(s), if any, for such Re-Entry Default or Incipient Re-Entry Default, Landlord shall have the right to pursue any and all of the following cumulative remedies:

- (a) proceed by appropriate judicial proceedings to recover damages from Tenant for breach of this Lease, provided, however, that such right to recover damages shall be subject to Sections 33.3.2 and 33.3.3 below; and/or
- (b) give Tenant a Notice of Landlord's intention to terminate this Lease and thereafter to terminate this Lease upon the date set forth by Landlord in such Notice.

The parties hereto acknowledge that the remedies set forth in Subsections 33.2.1(a) and (b) above shall be the exclusive rights and remedies of Landlord with respect to a Re-Entry Default or an Incipient Re-Entry Default based on Section 33.1.4.1 or Section 33.1.4.2, and shall preclude rights and remedies that may exist at law or in equity not expressed in this Lease.

**33.2.2 Remedies for Non-Construction-Related Re-Entry Defaults.** In the event that a Re-Entry Default based on Section 33.1.4.3 (abandonment) or Section 33.1.4.4 (significant monetary default) exists, Landlord shall have the right to pursue any and all of the following remedies:

- (a) proceed by appropriate judicial proceedings at law or in equity to enforce performance or observance by Tenant of the applicable provisions of this Lease;
- (b) proceed by appropriate judicial proceedings to recover damages from Tenant for breach of this Lease, provided, however, that such right to recover damages shall be subject to Sections 33.3.2 and 33.3.3 below; and/or
- (c) give Tenant a Notice of Landlord's intention to terminate this Lease and thereafter to terminate this Lease upon the date set forth by Landlord in such Notice.

The parties hereto acknowledge that the remedies set forth in Subsections 33.2.2(a), (b), and (c) above shall be the exclusive rights and remedies of Landlord with respect to a Re-Entry Default based on Section 33.1.4.3 or Section 33.1.4.4, and shall preclude rights and remedies that may exist at law or in equity not expressed in this Lease.

**33.2.3 Remedies for Defaults Relating to Operating Covenant and Team Covenant.** In the event that a Tenant Default based on Tenant's failure to comply with the

Operating Covenant or the Team Covenant exists beyond the applicable cure periods under Section 33.1.3 for such default, Landlord shall have the right to pursue any and all of the following remedies:

- (a) proceed by appropriate judicial proceedings at law or in equity to enforce performance or observance by Tenant of the applicable provisions of this Lease;
- (b) proceed by appropriate judicial proceedings to recover damages from Tenant for breach of this Lease, provided, however, that such right to recover damages shall be subject to Sections 33.3.2 and 33.3.3 below; and/or
- (c) elect to cure such Tenant Default.

The parties hereto acknowledge that the remedies set forth in Subsections 33.2.3(a), (b), and (c) above shall be the exclusive rights and remedies of Landlord with respect to a Tenant Default based on Tenant's failure to comply with the Operating Covenant or the Team Covenant, and shall preclude rights and remedies that may exist at law or in equity not expressed in this Lease.

**33.2.4 Remedies for All Other Defaults.** With respect to a Tenant Default that is not a Re-Entry Default or an Incipient Re-Entry Default and is not based on Tenant's failure to comply with the Operating Covenant or the Team Covenant, in the event such Tenant Default exists beyond the applicable cure periods under Section 33.1.3 for such default, Landlord shall have the right to pursue any and all of the following remedies:

- (a) proceed by appropriate judicial proceedings at law or in equity to enforce performance or observance by Tenant of the applicable provisions of this Lease;
- (b) proceed by appropriate judicial proceedings to recover damages from Tenant for breach of this Lease, provided, however, that such right to recover damages shall be subject to Section 33.3.2 (but not Section 33.3.3) below;
- (c) elect to cure such Tenant Default; and/or
- (d) pursue any other rights or remedies that may exist at law or in equity apart from this Lease (except that neither Landlord nor Landlord's agents and employees shall have the right to re-enter the Premises, or any part of the Premises, either by summary dispossession proceedings or by any other action or proceeding at law, or by force or otherwise, or to repossess the same, or to remove any Person from the Premises). Landlord expressly waives, releases and relinquishes any and all right to re-enter the Premises and/or terminate this Lease on account of a Tenant Default other than a Re-Entry Default or an Incipient Re-Entry Default which is not cured within applicable notice and cure periods, if any.



### 33.3 General Rules.

33.3.1 **No Waiver of Default.** No waiver of any default by Tenant hereunder shall be implied from any acceptance by Landlord of any rent or other payments due hereunder or any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than as specified in said waiver. The consent or approval of Landlord to any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent or approval to any subsequent similar acts by Tenant.

33.3.2 **Damages.** Except as otherwise specifically set forth in this Lease (including where damages are measured pursuant to Section 33.3.3 below), whenever a party has a right to damages for the default of another party under this Lease, (a) such damages shall be limited to direct (actual) damages for the default of the other party under this Lease, and (b) each of Landlord and Tenant hereby expressly waives, releases and relinquishes any and all right to any expectation, anticipation, indirect, consequential, exemplary or punitive damages. Notwithstanding anything to the contrary, in the event that Tenant will not complete construction of the Event Center after construction thereof has commenced, Landlord shall be entitled to recover any and all actual costs relating to causing the remaining improvements to be demolished and the debris removed, so that the Premises are returned to Landlord as vacant and level land.

33.3.3 **Damages For Re-Entry or Covenant Defaults.** Upon the occurrence of either (a) a Re-Entry Default, (b) a Tenant Default based upon Tenant's failure to comply with the Operating Covenant, or (c) a Tenant Default based upon Tenant's failure to comply with the Team Covenant, Landlord's right to recover damages from Tenant shall be limited to an amount equal to all amounts not actually paid to Landlord when due from: (i) the Gap Funding Obligor pursuant to the Gap Funding Agreement; and (ii) any and all letters of credit and other security provided under the Gap Funding Agreement and the Other Agreements. The provisions of this Section, or any provision set forth in this Lease, shall not limit or preclude, in any way, the Gap Funding Obligor's obligations or the City's rights of recovery pursuant to the Gap Funding Agreement or the Other Agreements.

33.3.4 **Right to Injunction.** In the event of a breach by either party of any of its obligations under this Lease, the other party shall have the right to obtain an injunction, in addition to any other rights and remedies provided for herein. Each party acknowledges and agrees that the other would suffer great and irreparable harm and damage should either party breach its obligations hereunder, and further acknowledges and agrees that monetary compensation would not afford adequate relief to injured party. Accordingly, in the event of a breach or threatened breach by either party of any of its agreements or obligations hereunder, the other party shall have the right to injunctive relief, and in the event such injunctive relief is sought relative to the actual or threatened breach by the other party, the breaching party specifically waives its right in any litigation on account thereof to assert a factual or legal defense that the injured party would not be irreparably harmed or damaged thereby and that monetary compensation would be adequate relief.

**33.3.5 Pending Dispute Regarding Default.** Nothing in this Lease shall preclude a party from contesting the other party's declaration of a default hereunder.

**33.3.6 Intentionally Omitted.**

**33.3.7 Exercise from Time to Time.** Except as otherwise expressly provided in this Lease, the exercise by a party of one or more of the rights or remedies available to such party under this Lease shall not preclude the exercise by such party, at the same or different times, of any other rights or remedies set forth herein, for the same default or any other default by the other party.

**33.3.8 Gap Funding Agreement Obligations.** Nothing in this Lease shall limit or preclude in any way the Gap Funding Obligor's obligations or the City's rights of recovery pursuant to the Gap Funding Agreement or the Other Agreements.

**33.4 Interest on Unpaid Rent.** Any installment of Initial Rent or Fixed Rent owing to Landlord pursuant to the provisions of this Lease not paid when due shall bear interest from receipt of written notice of such default at the Prime Rate plus four percent (4%) per annum (provided that such rate of interest shall not be less than eight percent (8%) per annum, nor more than fifteen percent (15%) per annum), or the maximum rate allowed by law, whichever is less, until paid. In no event shall Tenant be responsible for any Late Charges.

**33.5 Landlord's Right to Cure Landlord's Default.** A failure by Landlord to timely observe or perform any of its obligations under this Lease shall constitute a default on the part of Landlord. Any such default by Landlord shall be subject to Landlord's right to cure, which cure must be completed within the following timeframes: (i) no later than ninety (90) calendar days after Landlord's receipt of Notice from Tenant regarding such default, if such default is reasonably capable of being cured within such period of time; or (ii) if such default is not reasonably capable of being cured within such 90-day period, and Landlord (aa) initiates corrective action within said period and (bb) diligently and in good faith works to effect a cure as soon as reasonably possible, then Landlord shall have such additional time as is reasonably necessary to cure the default. In the event that such default by Landlord is not cured by the expiration of the applicable timeframe set forth above, Tenant shall have the right to immediately take action based on any and all remedies available to Tenant under this Lease, at law or in equity.

**34. TERMINATION.**

**34.1 Generally.** Upon the Termination Date (whether pursuant to expiration of this Lease or earlier termination in accordance with its terms): (a) the Leasehold Estate and the Term shall terminate and Landlord shall retake possession of the Premises and all rights of Tenant shall come to an end with the same effect as if that day were the expiration date of the Lease; (b) Tenant shall surrender to Landlord the Premises and all improvements, fixtures, equipment, and personal property constituting part of the Premises or used in the maintenance or operation of the Event Center (other than signs bearing any trademark, service mark, or other Mark owned by Tenant or any Tenant Affiliate which Tenant is entitled to remove in accordance with Section 28.5, and any personal property of Tenant not used for the maintenance and operation of the Event Center, all of which

Tenant may remove) shall become Landlord's property, and (c) Landlord and Tenant shall have the additional rights and obligations set forth in this Section 34.

**34.2 Possession.** Upon the Termination Date (whether pursuant to expiration of this Lease or earlier termination in accordance with its terms), Tenant shall deliver to Landlord possession of the Premises, in its then current condition and state of repair. Landlord, in its sole discretion, may elect, on or before the date which is 120 days after the Termination Date, to either accept ownership of the improvements, fixtures, and personal property used in the maintenance and operation of the Premises, including the Event Center, or require Tenant to demolish the Event Center and all other improvements on the Premises, remove all debris, grade the land and fill all holes, and return the Premises to Landlord as vacant, clean, and level land, which work shall be completed with reasonable promptness, at Tenant's sole cost and expense, but the completion of which shall not be a condition to termination of this Lease.

**34.3 Utility and Other Deposits.** If any security deposit delivered by Tenant to any utility companies or other providers of services for the Premises are paid or credited to the account of Landlord, Landlord shall promptly reimburse Tenant the amount thereof.

**34.4 Adjustment of Revenues and Expenses.** Landlord and Tenant shall adjust between themselves, as of 11:59 p.m. on the Termination Date, all revenues and expenses of owning, operating, occupying, managing and maintaining the Premises, including all revenues and expenses of the Premises that would customarily be apportioned in connection with a conveyance of the Premises, including the income and expenses associated with Subleases, concession contracts and contracts respecting Marks (to the extent such Subleases, concession contracts and contracts respecting Marks survive the Termination Date and become the property of Landlord, either by assignment or sale). Such apportionments shall be calculated and determined in a manner consistent with proper accounting practices. A certified public accountant reasonably satisfactory to Landlord and Tenant shall resolve any disputes. To the extent either Landlord or Tenant receives any sum owed to the other party, Landlord or Tenant, as the case may be, shall hold that sum in trust for and shall promptly deliver such sum to the other party.

**34.5 Documentation.** Tenant shall deliver to Landlord copies or originals of all Subleases, Sublease files, maintenance and service records, plans, specifications, manuals and all other papers and documents that may be necessary or appropriate for the proper operation and management of the Premises, provided the same are in Tenant's possession.

**34.6 Miscellaneous Assignments.** Tenant shall assign to Landlord, without recourse, all assignable licenses and permits affecting the Premises and all assignable contracts, warranties and guarantees then in effect relating to the Premises, other than any such instruments affecting the NFL Team(s).

**34.7 Termination of Memorandum of Lease.** If the parties have entered into and recorded a Memorandum of Lease, then they shall enter into a memorandum of termination, in recordable form reasonably satisfactory to both parties, stipulating to the date of termination of the

Lease, which may be recorded with the Los Angeles County Recorder at the request of either party. The memorandum of termination shall constitute a binding stipulation by the parties.

34.8 **Re-Entry.** If Tenant does not surrender the Premises as aforesaid, Landlord or Landlord's agents and employees may re-enter the Premises, or any part of the Premises, by any suitable action or proceeding at law, and may repossess the same, and may remove any Person from the Premises, all so that Landlord may have, hold and enjoy the Premises and the Event Center.

34.9 **No Release.** Nothing in this Section 34 shall be interpreted as a release of Tenant for any obligation or liability or as a legal excuse for nonperformance of any obligation which arose prior to the Termination Date.

34.10 **No Relocation Assistance.** Tenant acknowledges that it is **not** entitled to relocation assistance or any other benefits under the California Relocation Assistance Act (Government Code Section 7260, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C.A. § 4601, et seq.), or any other provisions of law upon expiration or earlier termination of this Lease.

34.11 **Survival.** This Section 34 shall survive the expiration or termination of this Lease.

### 35. **NO BROKER.**

Landlord and Tenant each represents and warrants that it did not engage any broker or finder in connection with this Lease and that no Person is entitled to any commission or finder's fee on account of any agreements or arrangements made by such party with any broker or finder. Each party hereby indemnifies the other party against any breach of the foregoing representation by the Indemnitor.

### 36. **NONRECOURSE TO RELATED PARTIES.**

No Tenant Affiliate, and no shareholder, member, officer, director, agent or employee of Tenant or any Tenant Affiliate, shall have any personal liability under this Lease. No shareholder, officer, director, agent, employee or elected or appointed official of Landlord shall have any personal liability under this Lease.

### 37. **WAIVERS.**

37.1 **No Waiver by Silence.** Failure of either party to complain of any act or omission on the part of the other party shall not be deemed a waiver by the non-complaining party of any of its rights under this Lease. No waiver by either party at any time, express or implied, of any breach of any provisions of this Lease shall be a waiver of any breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. No acceptance by Landlord of any partial payment shall constitute an accord or satisfaction but shall only be deemed a partial payment on account.

37.2 **No Landlord's Lien.** Landlord confirms and acknowledges that Landlord has no lien or security interest in any personal property of Tenant located in, on or at the Premises, and that such personal property shall not constitute security for payment of any Rent. If, at any time after the Effective Date, any statute or principle of law would grant Landlord any such lien or security interest, then Landlord hereby waives the benefit of any such statute and lien. Landlord further agrees to execute such documentation, in recordable form, as Tenant shall reasonably require to confirm the foregoing waiver.

38. **MEMORANDUM OF LEASE.**

The parties shall at any time, at the request of either party, promptly execute, acknowledge and deliver duplicate originals of a recordable memorandum of lease (the "Memorandum of Lease") in the form of Exhibit H and containing such other information as may, from time to time, be legally required to be contained in a memorandum of lease.

39. **ADMINISTRATION OF LEASE; REPRESENTATIVES.**

39.1 **Representatives.** Landlord and Tenant agree that each party shall at all times during the Term be organized and structured in such a manner that there will be one individual authorized by such party to make binding approvals and other decisions relating to the Lease, except that Landlord's representative shall not be authorized to approve amendments or changes to this Lease or other Agreements, which require approval by the Los Angeles City Council and its Mayor. Upon either party's request made from time to time by Notice to the other party, such party shall within 10 Business Days provide the other party with Notice of the name and address of such party's representative. Each party agrees that its representative will be reasonably available as needed to enable such party to perform its obligations under this Lease and that such party's representative will have full power to bind such party as to any matter relating to this Lease, except as provided otherwise in this Section.

39.2 **Change of Representative.** Nothing in this Section 39 shall be deemed to prevent Landlord or Tenant from replacing such party's representative from time to time, by Notice to the other party.

39.3 **Initial Landlord's Representatives.** Landlord designates the following individual as the initial Landlord's representative for purpose of this Lease:

Name: Miguel A. Santana  
Address: City Hall East  
200 North Main Street, Room 1500  
Mail Stop #130 (CHE)  
Los Angeles, California 90012

39.4 **Initial Tenant's Representative.** Tenant designates the following individual as the initial Tenant's representative for purposes of this Lease:

Name: Timothy J. Leiweke  
Address: L.A. Event Center LLC  
c/o Anschutz Entertainment Group, Inc.  
800 W. Olympic Blvd., Suite 305  
Los Angeles, California 90015

#### 40. ESTOPPEL CERTIFICATES.

40.1 **Rights of Each Party.** At any time and from time to time, upon not less than 30 days' prior written request (an "Estoppel Certificate Request") by either party to this Lease (the "Requesting Party"), the other party to this Lease (the "Certifying Party") shall execute, acknowledge and deliver to the Requesting Party (or directly to a third party whose name and address are provided by the Requesting Party, referred to herein as a "Third Party") up to four original counterparts of an Estoppel Certificate as set forth in Exhibit I. Any Estoppel Certificate may be relied upon by any Third Party to whom an Estoppel Certificate is required to be directed.

40.2 **Time Period for Execution.** The Certifying Party shall execute and deliver to the Requesting Party (or its attorneys or the Third Party(ies) designated by such Requesting Party) the Estoppel Certificate counterpart(s) provided by the Requesting Party, setting forth with reasonable specificity any alleged exceptions to the statements required to be contained in such Estoppel Certificate, within 30 days following its receipt of an Estoppel Certificate Request. If the Certifying Party fails to respond within 30 days after its receipt of an Estoppel Certificate Request, the Requesting Party shall have the right to resubmit its request. If the Certifying Party again fails to respond within 30 days following its receipt of a second Estoppel Certificate Request, then, in that event only, the Certifying Party shall be deemed to have confirmed the accuracy of the matters set forth in the Estoppel Certificate Request.

#### 41. NON-COMPETITION.

AEG shall not (i) own or have an equity interest in or (ii) have any option or other right to acquire an ownership or equity interest in, any NFL team headquartered or playing Substantially All Home Games in Los Angeles County unless such team is obligated to and does play Substantially All Home Games at an Event Center located upon the Premises.

#### 42. ORDINANCE MANDATED PROVISIONS

42.1 **Attached Ordinance Provisions.** The parties to this Lease hereby acknowledge that the City of Los Angeles Administrative Code contains various ordinances that mandate certain provisions in certain types of agreements to which City is a party. Some of such ordinances are codified in the following City of Los Angeles Administrative Code Sections:

- (a) Section 10.8 (Mandatory Provisions Pertaining to Non-discrimination in Employment in the Performance of City Contracts), including without limitation Section 10.8.2 (Non-discrimination clause), Section 10.8.2.1 (Equal Benefits Ordinance), Section 10.8.3 (Equal Employment Practices Provisions), and Section

- 10.8.4 (Affirmative Action Program Provisions), all of which are set forth in Exhibit J-1.
- (b) Section 10.10 (Child Support Assignment Orders), which is set forth in Exhibit J-2.
- (c) Section 10.36 (Service Contractor Worker Retention), which is set forth in Exhibit J-3.
- (d) Section 10.37 (Living Wage), which is set forth in Exhibit J-4.
- (e) Section 10.40 (Contractor Responsibility Program), which is set forth in Exhibit J-5.
- (f) Section 10.41 (Regulations Regarding Participation in or Profits Derived from Slavery by any Company Doing Business with the City), which is set forth in Exhibit J-6.
- (g) Section 10.44 (First Source Hiring), which is set forth in Exhibit J-7.
- (h) Section 10.45 (Public Infrastructure Stabilization Ordinance), which is set forth in Exhibit J-8.
- (i) Section 10.47 (Local Business Preference Program), which is set forth in Exhibit J-9.

The parties agree that the applicability of the above-referenced Administrative Code Sections to this Lease will need to be determined from time to time during the Term, and such determination shall be made in accordance with and pursuant to such Administrative Code Sections, the rules and regulations, if any, promulgated therefor, all judicial and /or regulatory determinations interpreting, administering, and/or applying in any way to such Administrative Code Sections or the enforcement thereof. To the extent any of the Administrative Code Sections listed above is determined to be applicable to this Lease: (i) this Lease shall be subject to such Administrative Code Section, as amended, (ii) Tenant shall comply, and to the extent required by such ordinance, ensure compliance with all applicable obligations and requirements set forth in such Administrative Code Section, as amended; and (iii) to the extent such Administrative Code Section requires inclusion in this Lease certain language or provision, the parties hereto agree that such language/provision shall be deemed included in this Lease (with the appropriate adjustment for defined terms) and shall have the same effect as if it were fully set forth in this Section 42.

To the extent that Section 10.10 (Child Support Assignment Order) of the Administrative Code: (i) is applicable to this Lease and (ii) contains terms and provisions that conflict with terms and provisions of this Lease, the terms and provisions of Section 10.10 of the Administrative Code shall govern.

**42.2 Tax Registration Certificates And Tax Payments.** This Section 42.2 is applicable where Tenant is engaged in business within the City of Los Angeles and Tenant is required to obtain a Tax Registration Certificate (“TRC”) pursuant to one or more of the following article (collectively “Tax Ordinances”) of Chapter II of the Los Angeles Municipal Code: Article 1 (Business Tax Ordinance) [section 21.00, et seq.], Article 1.3 (Commercial Tenant’s Occupancy Tax) [section 21.3.1, et seq.], Article 1.7 (Transient Occupancy Tax) [section 21.7.1, et seq.], Article 1.11 (Payroll Expense Tax) [section 21.11.1, et seq.], or Article 1.15 (Parking Occupancy Tax) [section 21.15.1, et seq.]. Prior to the execution of this Lease, or the effective date of any extension of the Term or renewal of this Lease, Tenant shall provide to the City Administrative Officer proof satisfactory to

the City Administrative Officer that Tenant has the required TRCs and that Tenant is not then currently delinquent in any tax payment required under the Tax Ordinances. City may terminate this Lease upon thirty (30) days' prior written notice to Tenant if City determines that Tenant failed to have the required TRCs or was delinquent in any tax payments required under the Tax Ordinances at the time of entering into, extending the Term of, or renewing this Lease. City may also terminate this Lease upon ninety (90) days prior written notice to Tenant at any time during the Term of this Lease if Tenant fails to maintain required TRCs or becomes delinquent in tax payments required under the Tax Ordinances and Tenant fails to cure such deficiencies within the ninety (90) day period (in lieu of any time for cure provided in Section 33).

#### 43. MISCELLANEOUS.

**43.1 Proprietary and Governmental Roles: Standards Applicable to Parties.** The capacity of Landlord in this Lease shall be as ground lessor only ("Proprietary Capacity"), and any obligations or restrictions imposed by this Lease on Landlord shall be limited to that capacity and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the governmental capacities of Landlord, including enacting laws, inspecting structures, reviewing and issuing permits, and all of the other legislative and administrative or enforcement functions of each pursuant to federal, State or local law ("Governmental Capacity"). Whenever not expressly otherwise stated, (a) Landlord, when acting in its Proprietary Capacity, shall not unreasonably withhold its approvals to matters requiring its approval hereunder, (b) Tenant shall not unreasonably withhold its approval to matters requiring its approval hereunder and (c) Landlord, when acting in its Governmental Capacity, shall be permitted to utilize its sole discretion with respect to matters requiring its approval hereunder.

**43.2 Documents in Recordable Form.** Wherever this Lease requires either party to deliver to the other a document in recordable form, both parties shall be deemed to have consented to the recording of such document, at the sole expense of the party that elects to record it.

**43.3 Further Assurances.** Each party agrees to execute and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the intent of the parties with respect to this Lease. Without limiting the generality of this Section 43.3, upon request at any time or from time to time either party shall execute and deliver to the other (a) additional counterparts of this Lease or any related documents, provided such additional counterparts are prepared at the expense of the party requesting them, and (b) such documentation as any title insurance company shall require to evidence such matters as due formation, authorization and execution of the Lease on the part of the party of whom the request is made, provided that the costs of providing such documentation are paid by the party on whose behalf the request is made.

**43.4 LACC Use of Event Center.** Subject to the terms and conditions set forth in this Section 43.4 and subject to any further terms and conditions to be agreed as part of the Macro-Booking Policy, Tenant will grant LACC the right to reserve the Event Center for "City Wide Conventions". For the purposes of this Lease, the term "City Wide Conventions" shall mean those multi-day convention and exhibition events requiring more facilities or space than the available LACC convention/ exhibition space can accommodate, and generating bookings of not less than 3,000 total room nights with 1,500 room nights on peak and use of at least 3 hotels (provided,



however, with respect to any given year, if the LA Auto Show does not reach the threshold to be included within this definition of “City Wide Conventions”, the LA Auto Show shall nonetheless be entitled to the rights regarding use of the Event Center set forth herein as if the LA Auto Show was a City Wide Convention).

43.4.1 Terms of Macro-Booking Policy. LACC’s right to book the Event Center for City Wide Conventions shall be subject to the following terms and restrictions:

(a) LACC shall have the right to reserve use of the Event Center for a total of up to 30 days per year for City Wide Conventions which are booked by or on behalf of LACC at least 18 months in advance of such City Wide Convention. LACC may not reserve use of the Event Center for City Wide Conventions for more than a total of 30 days in any calendar year without the approval of Tenant in its sole discretion.

(b) LACC’s right to reserve the Event Center for City Wide Conventions shall be subject to availability after taking into account any events previously booked by Tenant at the Event Center as of the date of such attempted reservation by LACC; provided that Tenant shall not book more than 10 events during any calendar year more than 18 months in advance and any such dates booked more than 18 months in advance by Tenant shall only be in connection with large events (i.e. expected attendance in excess of 50,000) (“Major Events”). Tenant shall promptly notify LACC of any events booked at the Event Center more than 18 months in advance.

(c) The Macro-Booking Policy shall include, among other things, provisions for (i) policies regarding bookings and a process to challenge such bookings when a party desires to book a date requiring use of dates booked but not yet licensed for another event, (ii) the parties to provide each other with access to their respective booking calendars (view only) to better coordinate marketing efforts and communicate space availability (provided that neither party shall be obligated to disclose confidential or sensitive information regarding prospective bookings to the extent such party reasonably determines disclosure might be detrimental to its efforts to secure such event), and (iii) policies regarding staffing during events requiring use of both the Event Center and LACC facilities, including provision for equitable and efficient allocation of responsibilities and costs.

(d) Once LACC, or LACC’s client, enters into a written license to use the Event Center, such written license cannot be cancelled or altered without the mutual consent of Tenant and the applicable licensee.

(e) Notwithstanding anything to the contrary herein, Tenant shall have the right to deny a City Wide Convention’s use of the Event Center which seeks to reserve the Event Center more than three years in advance in the event such booking might interfere with Tenant’s efforts to secure an Extraordinary Event at the Event Center. “Extraordinary Event” shall mean NFL Super Bowls, NCAA Basketball Final Four, major political conventions, FIFA World Cup, Olympics, or other events of major national or international prominence.

(f) LACC’s rights to reserve up to 30 days per calendar year for City Wide Conventions shall be subject to the following scheduling limitations:

(i) From February 1 through July 31 each year, LACC shall have the right to reserve up to one City Wide Convention each month, with the duration of each such reservation not to exceed eight consecutive days (and not to include more than one Saturday and one Sunday).

(ii) In addition, if only one NFL team has contracted to play its home games at the Event Center, LACC shall have the right to reserve up to one additional City Wide Convention (for a duration not to exceed seven consecutive days) during the period from August through October 31. If two NFL teams have contracted to play their home games at the Event Center, LACC may not reserve any City Wide Conventions from August 1 through October 31 without the approval of Tenant in its sole discretion.

(iii) LACC shall not be permitted to book any City Wide Conventions at the Event Center from November 1 through January 31 without the approval of Tenant in its sole discretion, except that LACC may be permitted to book the LA Auto Show at the Event Center in November; provided that the dates reserved for the LA Auto Show shall not include (A) more than one Saturday and one Sunday in the event two NFL teams have contracted to play their home games at the Event Center or (B) more than two Saturdays and two Sundays in the event only one NFL team has contracted to play its home games at the Event Center.

(iv) The dates set forth in this clause (f) are based on NFL scheduling practices as of the date this Lease is executed. To the extent NFL scheduling practices are altered such that the NFL season begins or ends later or earlier, the parties shall negotiate in good faith to appropriately adjust such dates to conform to the modified scheduling practice.

(g) Notwithstanding the limitations in clause (f) above, LACC shall have the right to reserve for use on a year-round basis some or all of the nine event suites on the southern end of the 270' level of the Event Center (the "South Event Suites") for City Wide Conventions provided that (i) LACC shall only reserve the South Event Suites when LACC's meeting room inventory is insufficient in available space, configuration, or proximity to meet the needs of a City Wide Convention, (ii) LACC may not reserve the South Event Suites for a total of more than 45 days in any calendar year without the approval of Tenant, such approval not to be unreasonably withheld, and (iii) such use by LACC (or its clients) shall not interfere with NFL games or other Major Events as set forth in the following sentence. If LACC reserves the South Event Suites for a City Wide Convention that overlaps with an NFL game or Major Event at the Event Center, LACC shall cause its client to vacate the South Event Suites for the period commencing four hours prior to the scheduled start of the Event Center event and concluding two hours after the conclusion of such event.

(h) In the event LACC reserves dates in accordance with the above provisions and Tenant is subsequently presented with the opportunity to book a Major Event which requires dates reserved by LACC, LACC agrees to use reasonable efforts to attempt to reschedule its event or release the use of the Event Center where possible. Conversely, Tenant shall use reasonable efforts to reschedule its events where possible when LACC is presented with the opportunity to book a City Wide Convention that requires space in the Event Center.

(i) Any use of the Event Center (or any portions thereof including the South Event Suites) by LACC or its clients shall in all events be consistent with all other terms and conditions imposed by Tenant in connection with all other unrelated third party users of the Event Center convention and meeting space, including without limitation the payment by such third party users of a rental or use fee and a reimbursement to Tenant of its costs and expenses incurred in making such space available; provided, however, that solely in connection with the use of the Event Center for City Wide Conventions, Tenant shall only charge LACC or its client rent for its use of the Event Center consistent with customary convention industry discounts and such other policies as shall be set forth in the Macro Booking Policy; but in any event to the extent that LACC imposes rent or other similar charges on the event producer of such City Wide Convention; provided, further, that, in all events Tenant shall be reimbursed for its direct costs and expenses incurred (including staffing charges incurred for services rendered) in making such space available consistent with (but not to exceed) those costs and charges that LACC would have incurred in connection with its providing similar facilities to its clients.

**43.5 Non-Competition.** The parties agree that it is in their mutual best interest to enhance the existing financial performance of the LACC and its ability to attract the greatest number of events. Therefore, as shall be more particularly described in the Macro Booking Policy, Tenant agrees as follows:

(a) Except as may occur in active conjunction with LACC, Tenant agrees that it will not solicit the booking of the Event Center for any event which LACC has the capability to support and host in terms of space, functionality, availability, and services and which LACC has historically booked and hosted prior to the existence of the Event Center.

(b) Tenant and LACC shall strive to coordinate the booking and scheduling of events in their respective facilities so as to avoid or minimize to the greatest extent possible any conflicts between the facilities and the events held within such facilities, and to ensure as much complementary activity as possible; it being the mutual goal of the Parties to avoid and minimize LACC loss of business and market share due to any such potential conflicts.

(c) Tenant and LACC shall on a collaborative basis seek to attract and book new large scale City-Wide conventions and other similar events of sufficient size so as to be able to engage the facilities and services of both the Event Center and the LACC; provided, however, that once such any such new large scale event has been secured, either party shall have the right to seek to have its facility (or a portion thereof) serve as the venue for some of the events comprising a part of such large scale event.

In any event, based on all of the foregoing, Tenant, LACC, and L.A. Inc. (or its successor as named by the City) agree to collaborate and to seek a more detailed and integrated delineation of relative business and booking methodology and event activity within the Macro Booking Policy to be jointly developed by the parties.

**43.6 Non-Disruption.** Landlord and Tenant each commits in good faith to actively collaborate with the other in attempting to arrive at practical solutions in order to minimize any

disruptions to LACC events and LACC revenues to the greatest extent reasonably practicable during Tenant's construction of the Event Center. In particular, once Tenant has established and presented to Landlord its construction and mobilization schedule for the construction of the Event Center, Landlord will develop and present to Tenant a schedule of potential LACC events to be held during the period of construction of the Event Center. Based upon such schedules, the Parties shall thereafter work together on an on-going collaborative basis to jointly identify potential solutions intended to avoid or mitigate to the greatest extent possible such disruption to LACC revenue generating activities during such period; including without limitation, the parties shall explore such measures as seeking to adjust the scheduling of certain construction activities, providing alternative parking arrangements or temporary substitute venues, and the like. Only after having first jointly exhausted all potential avoidance or mitigation efforts, Tenant shall reimburse LACC for its clearly demonstrated losses actually suffered solely and directly as a result of the disruption to LACC revenue generating events as a result of Tenant's construction of the Event Center. In addition, as part of the parties' collaborative efforts to mitigate any such disruption, there may be instances where the parties mutually determine that economic incentives must be offered to contracted LACC clients (for space or date moves or both) throughout the construction process. To the extent the Parties mutually determine that such incentives are reasonably necessary, the actual cost to LACC of such incentives will be reimbursed to LACC by Tenant. Notwithstanding anything herein to the contrary, Landlord acknowledges that Tenant shall have no liability for any loss of revenue which may be attributable to general market conditions or the failure of LACC to attract or retain business due to competitive reasons unrelated to any disruption which may be caused by Tenant's construction of the Event Center.

**43.7 Event Center Admissions Fee.** Tenant shall have the right to impose and collect an admissions fee to be initially set at four percent (4%) on all paid tickets at Event Center events (the "Event Center Admissions Fee"); provided, however, that Tenant shall have the right from time to time during the Term to adjust the Event Center Admissions Fee (but in no event to exceed 5%). Tenant shall have the right to apply all Event Center Admissions Fee receipts towards the payment of Fixed Rent, and shall have the right to use any excess Event Center Admissions Fee receipts to satisfy any other monetary obligations of Tenant or any of its Affiliates to the City under any of the Other Agreements.

**43.8 Performance Under Protest.** If at any time a dispute shall arise as to the amount of any payment to be made by one party to the other under this Lease, then the party against whom the obligation to pay is asserted shall have the right to make payment "under protest. Such payment shall not be regarded as a voluntary payment. The party making the payment shall continue to have the right to institute suit for recovery of such sum. To the extent that it shall be determined that the party making the payment "under protest" was not required to make such payment, such party shall be entitled to recover such sum or so much of such sum as such party was not legally required to pay pursuant to this Lease, together with interest on such overpayment at the Prime Rate.

**43.9 No Third Party Beneficiaries.** Nothing in this Lease shall be deemed to confer upon any Person (other than Landlord, Tenant or Leasehold Mortgagees) any right to insist upon, or to enforce against Landlord or Tenant, the performance or observance by either party of its obligations under this Lease.

**43.10 Interpretation.** No inference in favor of or against any party shall be drawn from the fact that such party has drafted any portion of this Lease. The parties have both participated substantially in the negotiation, drafting and revision of this Lease with representation by counsel and such other advisers as they have deemed appropriate. Wherever required by the context of this Lease, the singular shall include the plural and the masculine shall include the feminine and vice versa. The words "include" and "including" shall be construed to be followed by the words: "without limitation."

**43.11 No Other Agreements or Representation.** No person acting on behalf of Landlord is authorized to make, and by execution hereof, Tenant acknowledges that no person has made, any representation, agreement, statement, warranty, guarantee or promise regarding this Lease, the Premises, or the transaction contemplated herein or the construction, hazardous materials, physical condition or other status of the Premises except as may be expressly set forth in this Lease. No representation, warranty, agreement, statement, guarantee or promise, if any, made by any person acting on behalf of Landlord which is not contained in this Lease shall be valid or binding on Landlord.

**43.12 Captions.** The captions of this Lease are for convenience and reference only and in no way affect this Lease.

**43.13 Entire Agreement.** This Lease and the Other Agreements constitute the entire agreement between Landlord and Tenant relating to Tenant's leasing of the Premises.

**43.14 Amendment.** Any modification or amendment to this Lease must be in writing signed by Landlord and Tenant and consented to by any Leasehold Mortgagee(s) having the right to consent to amendments or modifications of this Lease pursuant to the terms of this Lease.

**43.15 Partial Invalidity.** If any term or provision of this Lease or the application of such term or provision to any party or circumstance shall to any extent be invalid or unenforceable, then the remainder of this Lease, or the application of such term or provision to Persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected by such invalidity, and each remaining term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

**43.16 Successors and Assigns.** This Lease shall bind and benefit Landlord and Tenant and their permitted successors and assigns, but the foregoing shall not limit or supersede any transfer restrictions contained in this Lease.

**43.17 Governing Law.** This Lease and its interpretation and performance shall be governed, construed and regulated by the laws of the State, without regard to principles of conflict of laws, and the forum for all disputes arising hereunder shall be Los Angeles County, California.

**43.18 Obligation to Perform.** Wherever this Lease requires either party to perform any obligation, such party shall be entitled to discharge such obligation by causing it to be performed by some other Person, but the foregoing shall in no way limit, restrict or excuse Landlord's or Tenant's

obligations under this Lease or the restrictions on assignment, conveyance or transfer contained in this Lease.

43.19 **Counterparts.** This Lease may be executed in counterparts.

43.20 **Time Periods.** Whenever this Lease requires either party to perform any action within a specified period, or requires that a particular event occur within a specified period, if the last day of such period is not a Business Day, then the period shall be deemed extended through the close of business on the first Business Day following such period as initially specified.

43.21 **Attorneys' Fees.** In the event of any litigation involving the parties to enforce any provision of this Lease, to enforce any remedy hereunder, or to seek a declaration of the rights of either party, the prevailing party shall not be entitled to recover from the other party any attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action.

#### 44. **NOTICES**

All Notices shall be in writing and shall be addressed to Landlord and Tenant as set forth below. Notices shall be (a) delivered by courier service to the addresses set forth below, in which case they shall be deemed delivered on the date of delivery, as evidenced by the written report of the courier service, (b) sent by certified mail, return receipt requested, in which case they shall be deemed delivered three (3) Business Days after deposit in the United States mail, or (c) transmitted by facsimile transmission (promptly followed by delivery under option (a) or (b) above), in which case they shall be deemed delivered the first Business Day after delivery has been electronically confirmed by the recipient's facsimile machine, as evidenced by the written confirmation produced by the sender's facsimile machine. Either party may change its address, its facsimile machine number, or the name and address of its attorneys by giving Notice in compliance with this Lease. Notice of such a change shall be effective only upon receipt. Notice given on behalf of a party by any attorney purporting to represent a party shall constitute Notice by such party if the attorney is, in fact, authorized to represent such party. The addresses and facsimile machine numbers of the parties are:

Landlord:

The City of Los Angeles  
City Administrative Officer  
200 North Main Street  
Los Angeles, California 90012  
Fax No.: (213) \_\_\_\_ - \_\_\_\_\_

and

The City of Los Angeles  
Chief Legislative Analyst  
200 North Main Street  
Los Angeles, California 90012

Fax No.: (213) \_\_\_\_ - \_\_\_\_\_

and with copies to:

Los Angeles City Attorney's Office  
City Hall East, 8<sup>th</sup> Floor  
200 North Main Street  
Los Angeles, California 90012  
Fax No.: (213) \_\_\_\_ - \_\_\_\_\_  
Attn: Jane E. Usher  
Senior Assistant City Attorney

Tenant:

L.A. Event Center, LLC  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015  
Attention: Timothy J. Leiweke  
Fax No.: \_\_\_\_\_

and

L.A. Event Center, LLC  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015  
Attention: Ted Fikre, Esq.  
Fax No.: (213) 742-7294

with a copy to:

Friedman & Associates, Inc.  
9665 Wilshire Boulevard, Suite 810  
Beverly Hills, CA 90212  
Attention: Andrew Friedman, Esq.  
Fax No. (310) 553-7458

45. **MODIFICATIONS REQUIRED BY BOND COUNSEL.** If Bond Counsel concludes, or any government entity, Landlord, or Tenant determines, that the transactions described herein or in any of the Other Agreements may cause the Existing Securities or the Defeased Securities to lose their tax-exempt status, Landlord and Tenant shall meet and confer in good faith to seek reasonably practicable remedial actions and to implement such actions as are agreed to by Landlord and Tenant in order to preserve the tax-exempt status of the Existing Securities and the Defeased Securities; provided, however, that neither Landlord nor Tenant shall be required to make any modifications to

this Lease which shall cause an impact unacceptable to such party in its sole but good faith discretion.

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this Lease on the Effective Date.

**"LANDLORD"**

CITY OF LOS ANGELES, a  
municipal corporation of the State  
of California

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

ATTEST:  
JUNE LAGMAY, City Clerk

By: \_\_\_\_\_  
JANE E. USHER  
Senior Assistant City Attorney

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**"TENANT"**



L.A. EVENT CENTER, LLC, a  
Delaware limited liability company

By: \_\_\_\_\_  
TIMOTHY J. LEIWEKE  
Executive Vice President

Date: \_\_\_\_\_

