

CONSTRUCTION LICENSE AGREEMENT

This Construction License Agreement (this "Agreement") is made and entered into as of _____, 2013 (the "Effective Date") by and between (a) the City of Los Angeles ("City"), a municipal corporation, and (b) L.A. Event Center, LLC, a Delaware limited liability company ("EventCo") and L.A. Parking Structures, LLC ("ParkingCo", and collectively with EventCo, "Developer").

RECITALS

A. The City is the owner of that certain property located in the City and County of Los Angeles, California, described on Exhibit A attached hereto (the "Convention Center Property").

B. Developer and the City are parties to that certain Implementation Agreement (the "Implementation Agreement"), and certain "Other Agreements" (as defined in the Implementation Agreement) pursuant to which (i) a new, state-of-the-art, exhibit hall, meeting rooms and ancillary and supporting spaces ("New Hall") will be developed and constructed by L.A. Convention Hall, LLC, a Delaware limited liability company ("HallCo"), on behalf of the City to replace the spaces, functions, and facilities provided by the existing West Hall of the Convention Center, which is intended to be undertaken by HallCo, (ii) an event center, which will consist of a stadium sufficient to accommodate a National Football League ("NFL") team, concerts and other sports and entertainment uses, meeting and exhibit space ("Event Center"), will be developed, constructed and operated by EventCo, and (iii) two new parking structures ("New Parking Structures") will be developed, constructed and operated by ParkingCo to provide parking for the Event Center, the Convention Center and the existing Staples Center arena. Any capitalized terms used herein without definition shall have the meanings assigned thereto in the Implementation Agreement.

C. The Event Center and the New Parking Structures may be referred to collectively herein as the "Private Project". The construction work to be performed by Developer in accordance with the "Final Construction Drawings" (defined in the Implementation Agreement) for the Private Project shall be referred to collectively herein as the "Private Project Work".

D. In connection with the Private Project Work, Developer requires interim use of certain portions of the Convention Center Property (collectively, the "License Areas"), for exclusive use by Developer as to some portions of such License Areas (the "Exclusive-Use Areas") and for non-exclusive use by Developer as to other portions of such License Areas (the "Non-Exclusive Use Areas"), the location of such License Areas to be mutually determined by the Parties pursuant to Section 2 below. The City desires to grant to Developer a license for access to and use of the License Areas, in connection with the Private Project Work only, upon and subject to the terms and provisions of this Agreement.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in consideration of the mutual covenants set forth in this Agreement, the City and Developer do hereby covenant and agree as follows:

1. Private Project Work. As more particularly discussed in the Implementation Agreement, Developer shall perform the Private Project Work in accordance with the terms of the Implementation Agreement. Developer shall be responsible for performing the design work in connection with the Private Project Work in accordance with the terms of the Implementation Agreement, and shall obtain all necessary permits and authorizations related thereto. The City and Developer agree that the Private Project Work will be carried out in the location shown on the Final Construction Drawings for the Private Project.

2. Grant of Temporary License. The Developer and the City, each exercising their reasonable discretion, shall jointly identify and designate the License Areas, including the designation of which portions of the License Areas shall be Exclusive-Use Areas and which portions of the License Areas shall be Non-Exclusive Use Areas. For purposes of the Private Project Work only, the City hereby grants to Developer, subject to the terms and conditions of this Agreement, a license (the "License"): (i) to enter upon and use the License Areas in connection with the Private Project Work; (ii) to carry out the Private Project Work in accordance with the Final Construction Drawings for the Private Project upon the License Areas; (iii) to use existing roadways, driveways and pedestrian ways located on the Convention Center Property for vehicular and pedestrian ingress and egress to and from the License Areas; and (iv) to utilize those areas designated by the City for staging of the Private Project Work. Developer and its construction managers, consultants, architects, contractors and subcontractors retained in connection with the Private Project Work (collectively, "Representatives") shall be permitted to use this License.

3. Condition of the License Areas. At all times during the term of this Agreement and in connection with the access to the License Areas by Developer and/or its Representatives, Developer shall, at its own cost and expense, take any necessary actions to keep the License Areas, and the improvements and personal property of Developer and its Representatives thereon, and repair any damage to the improvements, personal property and facilities upon the Convention Center Property caused by Developer's or its Representatives' use of the License Areas.

4. Construction.

4.1 Natural Consequences. This Agreement shall be interpreted in light of the understanding of the parties that the Private Project Work contemplated by this Agreement will have natural and potentially adverse impacts on the operation of the Convention Center which the parties will seek to mitigate through construction management but which the parties agree are inevitable given the activities contemplated by this Agreement.

4.2 Construction Requirements. All Private Project Work undertaken by Developer or its Representatives upon any part of the License Areas shall be performed (and any construction license shall be exercised): (a) at the sole cost and expense of Developer; (b) at a time and in a manner that does not unreasonably impair or unreasonably interfere with the use, operation, occupancy or enjoyment of or ingress to and egress from the Convention Center Property; (c) in a good and workmanlike manner; (d) in a manner which provides adequately for the safety and convenience of all persons using the surface of the License Areas; (e) in conformity with (i) this Agreement, (ii) standard industry construction practices, (iii) a construction management plan to be mutually agreed upon by the parties after the Effective Date, and (iv) applicable Laws; and (f) in a manner so that all safety measures reasonably required to protect the City, LACC and their respective permittees from injury or damage that may be caused by or result from such Private Project Work are taken.

4.3 Liens; Stop Notices. Developer shall not permit any mechanics' or material supplier's liens, or other liens or stop notices to stand against any portion of the License Areas or the Convention Center Property for labor, material or services furnished to or on behalf of Developer. Developer shall be solely responsible for and shall promptly pay and discharge any and all liens arising out of the work done, or suffered or permitted to be done, by Developer or its Representatives in the License Areas and/or the Convention Center Property, within thirty (30) days after receiving notice of filing of any such lien (but in any case within fifteen (15) days after receipt of notice of commencement of foreclosure proceedings). The City is hereby authorized to post any notices or take any other action upon or with respect to the License Areas and the Convention Center Property that is or may be permitted by law to prevent attachment of liens or filing of stop notices with respect to the License Areas and the Convention Center Property; provided, however, that the failure of the City to take any such action shall not relieve Developer of any obligation or liability under this or any other section hereof. Developer shall have the right to contest the validity or amount of any such lien or stop notice, provided that such contest is made diligently and in good faith, and, with respect to each, Developer either furnishes security reasonably acceptable to the City to ensure that the lien, plus applicable costs and charges, will be paid if the contest is unsuccessful, or secures a bond sufficient to release such lien.

4.4 Utilities; No Interruption. Developer shall not interrupt any Convention Center utilities if such interruption would interfere with the orderly operation of the business conducted by the City on the Convention Center Property or the License Areas unless:

(a) Developer gives the City and Convention Center staff not less than fifteen (15) business days' prior written notice of the work to be undertaken, the scope, nature and extent of the work, the duration of the work, and the area in which the work is to be performed;

(b) Such interruption, if of a nature which could be disruptive to a Convention Center event, is not scheduled to occur during the hours upon which there is a scheduled Convention Center Event or set-up or take-down of any such event; and

(c) Developer shall undertake all reasonable efforts and utilize all reasonable diligence so that the period of construction and replacement of utility facilities on or affecting the License Areas or the Convention Center Property is as

short as reasonably practicable, so as not to unreasonably interfere with the use, enjoyment or operation of, or ingress to and egress from, the License Areas or the Convention Center.

The City may request that utility interruption work be carried on at such times and in such a manner as would minimize or prevent the disruption of the orderly development and operation of any business conducted by the City upon the Convention Center Property (including set-up or take-down of events thereon) and Developer shall comply with such request and shall bear the cost of any overtime or other additional expense incurred as a result of such request.

4.5 No Interference. Developer shall not use or permit uses upon the License Areas or the Convention Center Property which (a) unreasonably interfere with access to or operation of the entrances to the Convention Center, or (b) unreasonably interfere in any other way with the operations of the Convention Center. Developer shall not interfere with the lateral support or structural integrity of the License Areas, the Convention Center Property or any improvement constructed thereon. The City and Developer shall cooperate to effect the Private Project Work in a manner which provides appropriate pedestrian and vehicular (including, without limitation, truck, car and bus) access to affected Convention Center entrances. The intent of the parties is to cooperate in order to prevent unreasonable impairment of the use, operation, occupancy or enjoyment of, or ingress to or egress from the Convention Center Property and improvements thereon, while recognizing that the Private Project Work will have natural and potentially adverse impacts upon the Convention Center which the parties shall seek to mitigate and resolve.

5. License Fee. The City shall license the License Areas to Developer for the term and on the terms and conditions set forth herein for a license fee of One Dollar (\$1).

6. Limitations on the License. The License granted herein is subject to all title matters as of the date hereof.

7. Term. This Agreement shall terminate upon the earlier of (i) Completion of the entire Private Project, or (ii) December 31, 2025, unless otherwise extended by the parties.

8. Tests and Inspections. The City shall have the right at any time to inspect the License Areas so as to monitor compliance with this Agreement. If, in the City's judgment, any installation on, or use or condition of the License Areas is reasonably likely to have a material adverse effect on the License Areas, the Convention Center Property, adjacent property (whether or not owned by the City) or the City operations (considered in light of Section 4.1 above), the City shall be permitted to conduct any tests or assessments, including but not limited to environmental assessments, of, on or about the License Areas, as it determines to be necessary or useful to evaluate the condition of the License Areas. Developer shall cooperate with the City in any tests or inspections deemed necessary by the City.

8. Hazardous Substances. The parties acknowledge that Developer is subject to the provisions of Section 16.1 of the Implementation Agreement.

10. Indemnification. The Developer does hereby indemnify and agree to forever save and hold harmless the City and LACC, and their elected and appointed officials,

officers, agents and employees from and against any and all damages, claims, losses, demands, costs, expenses (including reasonable attorneys' fees and costs), obligations, liens, liabilities, actions and causes of action, known or unknown, threatened or actual, which any one or more of them may suffer or incur arising directly or indirectly with respect to (a) Developer's or its Representatives' entry upon or use of the License Areas; (b) Developer's or its Representatives' construction or operation of the Private Project Work or (c) any breach of this Agreement by Developer or its Representatives, except to the extent attributable to the active negligence or willful misconduct of the City or LACC. The provisions of this Section shall survive termination of this Agreement.

11. Restoration of Premises. The Private Project Work may affect existing improvements and/or require the installation of temporary facilities on the License Areas. On or before the Completion of the Private Project, Developer shall promptly remove any and all temporary structures, facilities and improvements constructed or located by Developer on the License Areas and remove any and all materials, tools or equipment used or stored and any trash or debris located on the License Areas. Upon Completion of the Project, Developer shall promptly remove any and all temporary structures, facilities and improvements, including, without limitation, all tools, materials and equipment used or stored and any trash or debris remaining on the License Areas. If any portion of the License Areas or the Convention Center Property, including improvements and fixtures, suffers damage by reason of the access and activities of Developer or its Representatives on the License Areas or the Convention Center Property, including but not limited to damage arising from any tests or investigations conducted upon the License Areas or the Convention Center Property, Developer shall, at its own cost and expense, immediately repair all such damage and restore the affected areas to as good a condition as before such damage or alteration occurred, or if it cannot be repaired, Developer shall replace such improvements upon the affected areas. The provisions of this Section shall survive termination of this Agreement.

12. Intentionally Omitted.

13. Assignment. Neither this Agreement nor the License granted by this Agreement may be sold, assigned, conveyed, transferred by operation of law or otherwise, in whole or in part, by Developer without the prior written consent of the City, which consent the City may withhold in its sole and absolute discretion and any assignment made without the City's consent shall be void and of no force or effect; provided, however, that Developer may assign this Agreement or the License granted herein to an Affiliate without consent of the City, upon provision of ten (10) days' written notice to the City of such intended assignment. The City shall have the right to assign this Agreement to a subsequent owner of the License Areas without notice to or consent of Developer. Any permitted sale, assignment, conveyance or transfer shall be subject to the terms and conditions hereof.

14. Insurance. Developer shall, at its sole cost and expense, maintain or cause to be maintained during the term of the Private Project Work, such policies of insurance having the coverages and limits and issued by such insurance companies, as specified in Article 15 of the Event Center Ground Lease. Such insurance shall apply to activities performed by or on behalf of Developer in or about the License Areas. Evidence of such insurance shall be provided by Developer to the City pursuant to Section 15.2.5 of

the Event Center Ground Lease prior to (a) entering the License Areas or (b) performing any work on the License Areas.

15. Damage or Destruction. In the event that any or all temporary facilities owned by Developer within the License Areas are damaged or destroyed by fire or other cause, Developer shall either, at its option, (1) raze and clear any such damaged facilities in order to maintain the License Areas in a clean and safe condition, in accordance with applicable law, or (ii) repair, restore, or reconstruct the damaged facilities. In the event any existing improvements owned by the City are damaged or destroyed by fire or other cause, and such fire or other cause is a direct result of Developer's or its Representatives' activities in the License Areas, Developer, at its own cost, shall restore such improvements to the condition existing on the Effective Date; provided that Developer may utilize all or any portion of the proceeds of insurance to do so.

16. Taxes and Fees. Developer shall be responsible for the payment of any and all possessory use fees and/or taxes and taxes and fees of any kind whatsoever imposed upon any and all of the temporary facilities owned or maintained by Developer and constructed or located on the License Areas and on any material, equipment or operations of Developer, its agents, employees or contractors on the License Areas; provided, however, that Developer shall not be responsible for taxes and fees, if any, related to the ownership of the real property which comprises the License Areas.

17. Default.

17.1 Developer Default. It shall be an "Event of Default" by Developer should Developer (a) use or allow the License Areas or the Convention Center Property or any rights granted to it under this Agreement to be used for purposes not herein permitted or (b) fail to comply with any other term, provision, agreement or requirement of this Agreement, and, in each case, fail to cure such default within the time set forth below. Should an Event of Default by Developer occur, the City shall provide written notice to Developer which shall specify the non-permitted uses of the License Areas or other Events of Default by Developer. Upon delivery of the notice specifying Developer's Event(s) of Default, Developer shall have thirty (30) days from the date of its receipt of such notice to cure the default, provided that if such Event of Default cannot reasonably be cured within such thirty (30) day period, then Developer shall have such time as is reasonably necessary to cure such Event of Default so long as Developer commences the cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion. Should any default result in a life threatening condition, Developer shall employ appropriate and timely measures to promptly cure the default. If such default is not cured within the cure period afforded Developer, then Developer will be liable to the City for any damages directly caused by such default and the City may thereafter (i) proceed by appropriate judicial proceedings at law or in equity to enforce performance or observance by Developer of the applicable provision of this Agreement, (ii) proceed by appropriate judicial proceedings to recover damages from Developer for breach of this Agreement, provided, however, that such right to recover damages shall be subject to Section 17.3 below, (iii) elect to cure such default, or (iv) pursue any other rights or remedies that may exist at law or in equity apart from this Agreement (except that in no event shall the City or its agents and employees have the right to terminate this License unless the Event Center Ground Lease and both of the New Parking Structures Ground Lease have been terminated in accordance with their terms solely as a

result of a breach or default by the respective tenants thereunder).

17.2 City Default. It shall be an "Event of Default" by the City should the City fail to comply with any term, provision, agreement or requirement of this Agreement, and, in each case, fail to cure such default within the time set forth below. Should an Event of Default by the City occur, Developer shall provide written notice to the City which shall specify the Events of Default by the City. Upon delivery of the notice specifying the City's Event(s) of Default, the City shall have thirty (30) days from the date of its receipt of such notice to cure the default, provided that if such Event of Default cannot reasonably be cured within such thirty (30) day period, then the City shall have such time as is reasonably necessary to cure such Event of Default so long as the City commences the cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion. Should any default result in a life threatening condition, the City shall employ appropriate and timely measures to promptly cure the default. If such default is not cured within the cure period afforded the City, then the City will be liable to Developer for any damages directly caused by such default and Developer may thereafter (i) proceed by appropriate judicial proceedings at law or in equity to enforce performance or observance by the City of the applicable provision of this Agreement, (ii) proceed by appropriate judicial proceedings to recover damages from the City for breach of this Agreement, provided, however, that such right to recover damages shall be subject to Section 17.3 below, (iii) elect to cure such default, or (iv) pursue any other rights or remedies that may exist at law or in equity apart from this Agreement.

17.3 Limitations on Damages. Whenever a Party has a right to damages for the default of another Party under this Agreement, (i) such damages shall be limited to direct (actual) damages for the default of the other Party under this Agreement, and (ii) each Party to this Agreement hereby expressly waives, releases and relinquishes any and all right to any expectation, anticipation, indirect, consequential, exemplary or punitive damages. No termination, revocation or cancellation of this Agreement shall release either Party from any liability or obligation under this Agreement, whether of indemnity or otherwise, resulting from any acts, omissions or events occurring prior to the date of any such termination or cancellation.

18. Notification by Developer. Developer agrees to promptly notify the City of the occurrence of any event on the License Areas caused by Developer or its agents, contractors, representatives or employees that has resulted in injury or death to any person, damage to property and/or the creation of any hazardous condition. In addition, Developer shall provide the City with a description of the actions it has taken or will take to avoid further injury or death and/or to eliminate the hazardous condition(s).

19. Failure to Vacate. If Developer fails to vacate the License Areas in accordance with this Agreement, in addition to any remedies available at law, including, without limitation, direct (actual) damages resulting from Developer's failure to vacate the License Areas as required hereunder (subject to Section 17.3 above), the City shall be entitled to specific performance of Developer's obligation to vacate the License Areas at the time and in the manner set forth herein.

20. Compliance with Law. Developer, in using the License Areas and any rights conveyed by this Agreement, shall promptly, at its expense, comply with all applicable

statutes, ordinances, rules, regulations and orders of every governmental agency having jurisdiction, including, without limitation, those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality as they relate to the operations of Developer on the License Areas.

21. Entire Agreement; Modification. This Agreement together with all the Agreements referenced herein contain the entire agreement of the parties and supersede any prior written or oral agreements between the parties concerning the subject matter of this Agreement. The terms and conditions of this Agreement shall not be modified, amended, waived, or repealed except by the written agreement of the parties.

22. Third Party Beneficiaries. There shall be no third party beneficiaries to this Agreement other than LACC and LACC shall be a third party beneficiary only to the extent set forth in Sections 4.2 and 10 of this Agreement.

23. Time of Essence. Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Agreement.

[signatures on next page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE CITY:

CITY OF LOS ANGELES

By: _____
Name: _____
Title: _____

Approved as to Form:

Attest:

CARMEN A. TRUTANICH
CITY ATTORNEY

June Lagmay, City Clerk

By: _____
[Name]
Assistant/Deputy City Attorney

By: _____
Deputy

“DEVELOPER”

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

By: _____
Name: _____
Title: _____

L.A. PARKING STRUCTURES, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A
CONVENTION CENTER PROPERTY

