

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF LOS ANGELES
AND
LOS ANGELES 2024 EXPLORATORY COMMITTEE
REGARDING THE CITY OF LOS ANGELES' CANDIDATURE
TO HOST THE 2024 OLYMPIC AND PARALYMPIC GAMES**

This Memorandum of Understanding (this “MOU”) is made and entered into as of the date of the last signature set forth below by and between the City of Los Angeles, a municipal corporation (the “City”), and Los Angeles 2024 Exploratory Committee, a California nonprofit public benefit corporation (“LA24”). Collectively, these entities shall be known herein as the “Parties” or individually as a “Party.”

WITNESSETH

WHEREAS, LA24 is a private corporation, separate and apart from the City, which is (i) organized under the Nonprofit Public Benefit Corporation Law of the State of California for charitable and public purposes and (ii) organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code;

WHEREAS, LA24 submitted a bid to the United States Olympic Committee (the “USOC”) in December 2014, and intends to submit a proposal (the “IOC Candidature”) to the International Olympic Committee (the “IOC”) in three stages during 2016 and 2017, for the City to host the 2024 Olympic and Paralympic Games (the “2024 Games”), which proposal will include a budget estimate for the privately-funded 2024 Games;

WHEREAS, as the host of the 1932 and 1984 Olympic Games, the City has substantial experience and expertise in hosting the Olympic Games and other national and international events of significant size;

WHEREAS, on August 13, 2013, the Los Angeles City Council (the “Council”), the governing body of the City, unanimously adopted a resolution reaffirming and reiterating its support for the City to be selected by the USOC as the United States’ candidature city for the 2024 Games;

WHEREAS, on August 13, 2015, the USOC announced that it was considering Los Angeles as the United States’ candidature city for the 2024 Games and had authorized its chief executive officer to work with the City to further explore the viability of its IOC Candidature;

WHEREAS, on August 28, 2015, the Council’s Ad Hoc Committee on the 2024 Summer Olympics (the “Ad Hoc Committee”) recommended that, among other things, the Council approve the Resolution (as such term is defined below) as a condition to the USOC’s selection of the City as the United States’ candidature city for the 2024 Games;

WHEREAS, on September 1, 2015, the Council unanimously adopted a resolution authorizing the Mayor of the City (the “Mayor”) and the President of the Council (the “Council President”) to execute the Joinder Agreement and to provide the USOC various confirmations, acknowledgments, and agreements relative to the 2024 Games (the “Resolution”);

WHEREAS, later that day, LA24 and the USOC entered into a Bid City Agreement, dated as of September 1, 2015 (as amended from time to time, the “Bid City Agreement”), which sets forth the terms under which LA24 will, in cooperation with the USOC, prepare and submit its IOC Candidature;

WHEREAS, pursuant to the Resolution, the City and the USOC entered into a Joinder Agreement dated as of September 1, 2015 (as amended from time to time, the “Joinder Agreement”), pursuant to which the City has agreed, among other things, to cooperate with LA24 and the USOC and to take such actions, including furnishing information and executing and delivering additional documents, as may be necessary or desirable to carry out the provisions of the Joinder Agreement and the Bid City Agreement;

WHEREAS, as part of the Resolution (and as recommended by the Ad Hoc Committee), the Council requested that the City Attorney, with assistance from the City’s Chief Administrative Officer (the “CAO”) and Chief Legislative Analyst (the “CLA”), negotiate a Memorandum of Understanding between the City and LA24 setting forth the general terms and parameters of the City’s role in bidding for the 2024 Games; and

WHEREAS, the Parties now wish to enter into this MOU for the purposes set forth in Section 2 below.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the Parties, and of the promises contained in this MOU, the Parties hereby agree as follows:

Section 1. Recitals. The recitals set forth above are fully incorporated into this MOU.

Section 2. Purpose. The purpose of this MOU is to set forth the general terms and parameters of the City’s role in bidding for the 2024 Games.

Section 3. Cooperation. The Parties shall cooperate with one another in good faith in connection with the development of LA24’s IOC Candidature.

Section 4. Voluntary. This MOU is voluntarily entered into for the purposes set forth in Section 2 above.

Section 5. Term. This MOU shall become effective on the date of the last signature set forth below by the Parties and, subject to earlier termination pursuant to Section 11 below, shall remain in effect until the earlier of (x) the date (which is expected to occur in September 2017) on which the IOC selects a city to host the 2024 Games (the “Games Vote”) or (y) December 15, 2017 (such period, the “Term”). The City acknowledges that, under the terms of the Bid City

Agreement, LA24 may not execute any agreement which creates any obligation for LA24 that must be performed after such date that is three (3) months following the Games Vote.

Section 6. Roles and Responsibilities.

(a) LA24 acknowledges that any commitment of City funds or financial guarantee related to the IOC Candidature or the 2024 Games will require the express authorization of the Council and the Mayor.

(b) LA24 further acknowledges that the City will have the right to review, and the Council will have the right to approve, the Host City Contract, the Joint Marketing Programme Agreement (as defined in the Bid City Agreement) and any other material agreement to which the City is a party that is related to the 2024 Games (collectively, including the Host City Contract and the Joint Marketing Programme Agreement, the “IOC Candidature Agreements”), prior to the execution of such IOC Candidature Agreements. LA24 will use good faith efforts to ensure that the Mayor, the City Attorney, the Council President and the members of the Council, and their respective designees (which designees include, with respect to the Council, the CAO and CLA), have an opportunity to review and discuss the proposed IOC Candidature Agreements and other aspects of the IOC Candidature (including, without limitation, the Organizing Committee for the 2024 Olympic Games (the “OCOG”) budget, the non-OCOG budget and the venue plan) with representatives of LA24 prior to the Council’s vote on whether to approve the IOC Candidature Agreements.

(c) The City hereby designates the Mayor, the CAO and the CLA (collectively, the “Liaisons”) as the City’s liaisons to LA24. LA24 will cooperate in good faith with the Liaisons in connection with the IOC Candidature.

(d) Representatives of LA24 will meet regularly with the Mayor, the City Attorney, the Council President and the Council (which designees include, with respect to the Council, the CAO and CLA) to update and gather input from the above listed stakeholders regarding potential venues (including any Athletes Village) that may be included in LA24’s final proposal to the IOC. To the extent the City and LA24 exchange confidential information related to the IOC Candidature (whether related to such venues or otherwise), the Parties will develop and implement reasonable and appropriate protocols to maintain the confidentiality of such information, to the extent permitted by applicable law, in order to ensure that LA24’s IOC Candidature is not disadvantaged in the IOC candidature selection process.

(e) The Parties will cooperate in good faith to seek support from other jurisdictions to participate in any financial liabilities or guarantees assumed by the City (and any such support shall be memorialized in a written agreement with such jurisdictions); provided, however, that the Parties acknowledge and agree that no jurisdiction (other than the City) will be required or requested to execute the Host City Contract.

(f) The Parties will cooperate in good faith to seek assurances from the U.S. Government that the 2024 Games will be designated a “National Special Security Event,” in which

case the U.S. Secret Service, under the direction of the Secretary of Homeland Security, would be responsible for the planning, coordination, and implementation of security operations at the 2024 Games.

Section 7. City Funding. The Parties acknowledge and agree that LA24 may not legally obligate the City to expend funds related to the IOC Candidature without first obtaining the approval of both the Mayor and the Council. LA24 does not anticipate that the City will be requested to expend funds related to the IOC Candidature during the Term.

Section 8. Budget Analysis. The City may retain an academic institution or a nationally-recognized accounting firm (the “Expert”) to analyze and prepare a written report (the “Report”) regarding the projections of revenues and expenditures contained in LA24’s proposed operating budget for the 2024 Games to be delivered prior to the date on which the Council will hold a vote to approve the Host City Contract (providing for reasonable time for review and comment). The Expert may, with prior written approval by CAO, retain subcontractors, to assist in development of the Report. All reasonable fees, costs and expenses of the Expert shall be funded by LA24.

Section 9. Transparency.

(a) LA24 is committed to providing City residents with an opportunity to provide LA24 with their comments, recommendations and feedback regarding the IOC Candidature. Accordingly, LA24 agrees to undertake community outreach efforts in each Council district, including representatives of LA24 attending at least one community meeting in each Council district. The dates and locations of such events will be determined by LA24 following input from the relevant Council members.

(b) LA24 will designate representatives of LA24 to make periodic appearances at meetings of the Council and the Ad Hoc Committee, as appropriate, and to participate in regularly-scheduled status update meetings and conference calls with the Liaisons or other appropriate City staff.

(c) LA24 will provide the City with copies of (i) LA24’s conflict of interest policy, (ii) LA24’s annual audited financial statements within thirty (30) days of LA24’s receipt of such financial statements from its outside auditor and (iii) LA24’s annual IRS Form 990 within thirty (30) days of the filing of such form with the IRS. The Parties acknowledge that, as of the date hereof, LA24’s fiscal year ends on July 31 and, accordingly, the first fiscal year for which LA24 will prepare audited financial statements will be the fiscal year ending July 31, 2016.

(d) LA24 will comply with all applicable City laws and ordinances.

Section 10. Indemnification. LA24 has agreed to indemnify, defend and hold harmless the City and its employees, volunteers, agents, consultants and independent contractors (collectively, the “City Indemnified Parties”) for certain matters as and to the extent set forth in the Indemnity Agreement dated October 6, 2015 by LA24 in favor of the City and the other City

Indemnified Parties (the “Indemnity Agreement”), a copy of which is attached hereto as Exhibit A. The Indemnity Agreement is hereby incorporated into this MOU by reference. LA24 hereby reaffirms its obligations under the Indemnity Agreement, and the Parties acknowledge and agree that (i) any indemnification request by a City Indemnified Party must be made in writing and (ii) the City, will cooperate with LA24 to provide LA24’s insurer(s) with information reasonably necessary in order for such insurer(s) to process the claim.

Section 11. Termination. This MOU will terminate upon the earliest of (i) the expiration of the Term as set forth in Section 5 above, (ii) the delivery by LA24 to the City of written notice of any termination of the Bid City Agreement or (iii) the express written agreement of each of the Parties.

Section 12. Dispute Resolution. Article IX of the Bid City Agreement shall be the sole method for resolving disputes between the Parties under this MOU and such Article shall be incorporated herein by this reference in its entirety *mutatis mutandis*. Notwithstanding the foregoing, the Parties agree that for any dispute arising between the Parties under this Agreement, the place of arbitration shall be the City of Los Angeles, State of California.

Section 13. General Provisions.

(a) Notices. Any notices, bills, invoices or reports relating to this MOU, and any request, demand, statement or other communication required or permitted hereunder, shall be in writing and shall be delivered to the Parties at their respective addresses set forth in Exhibit B. Parties shall promptly notify each other of any change of contact information, including personnel changes, provided in Exhibit B. Written notice shall include notice delivered via email or facsimile. A notice shall be deemed to have been received on (i) the date of delivery, if delivered by hand during regular business hours, or by confirmed facsimile or by email, or (ii) on the third (3) business day following mailing by registered or certified mail (return receipt requested) to the addresses set forth in Exhibit B.

(b) Relationship of Parties. The Parties are and shall remain at all times, as to each other, wholly independent entities. Neither Party shall have power to incur any debt, obligation or liability on behalf of the other Party unless expressly provided to the contrary by this MOU. No employee, agent or officer of a Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of the other Party.

(c) Assignment. Neither Party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Party. This Agreement shall be binding upon and inure solely to the benefit of each Party and its successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person (other than the USOC pursuant to Section 13(g)) any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement. Unless otherwise directed by the USOC or the IOC, if the City is elected to host the 2024 Games, LA24 shall use reasonable efforts to have the OCOG be the successor-in-interest to LA24.

(d) Amendment; Waiver. The terms and provisions of this MOU shall be binding upon both Parties and may not be amended, modified or waived, except by an instrument in writing signed by each of the Parties. Waiver by any Party to this MOU of any term, condition or covenant of this MOU shall not constitute a waiver of any other term, condition or covenant. Waiver by any Party of any breach or violation of any of the provisions of this MOU shall not constitute a waiver of any breach or violation of any other provision of this MOU, nor a waiver of any subsequent breach or violation of any provision of this MOU.

(e) Entire Agreement. This MOU constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.

(f) Non-Recourse. No obligation of LA24 or the City under this MOU constitutes an obligation of, and no recourse, claims, actions, rights to sue or other remedies shall be had against, any trustee, director, officer, employee, volunteer, agent, consultant, member, attorney, representative or independent contractor of LA24 or the City for any obligations arising out of this MOU. No trustee, director, officer, employee, volunteer, agent, consultant, member, attorney, representative or independent contractor of the LA24 or the City shall have any personal liability or obligation for any act or omission of the LA24 or the City, whether arising out of this MOU or otherwise in connection with any of the transactions contemplated hereby or thereby or any other matter related to the 2024 Games.

(g) USOC Requirement. The City acknowledges and agrees that the City has no right of recovery of any kind against the USOC, or any affiliate, director, officer, employee, consultant or independent contractor of the USOC, under this MOU, and that the City's sole and exclusive recourse or remedy for any claims, demands, actions, suits or other proceedings under this MOU shall be against the assets of LA24 only. The USOC shall be a third party beneficiary of this Section 13(g) with full rights of enforcement thereof.

(h) Counterparts. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument. This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original.

[The remainder of this page has intentionally been left blank; signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by their duly authorized representatives and affixed as of the date of signature of the Parties:

THE CITY OF LOS ANGELES

By: _____
ERIC GARCETTI
Mayor, City of Los Angeles

Date: _____

**LOS ANGELES 2024 EXPLORATORY
COMMITTEE**

By: _____
GENE SYKES
Chief Executive Officer

Date: _____

By: _____
HERB J. WESSON, JR
President, Los Angeles City Council
Councilmember, 10th District

Date: _____

By: _____
CASEY WASSERMAN
Chairperson

Date: _____

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____

Date: _____

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: _____

Date: _____

Exhibit A

Indemnity Agreement

[Attached]

Exhibit B

Addresses for Notices

THE CITY OF LOS ANGELES

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Los Angeles City Attorney
200 N. Main St., Suite 800
Los Angeles, CA 90012-4137
Email: Mike.Feuer@lacity.org
Facsimile: (213) 978-8312

Miguel A. Santana
City Administrative Officer
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Los Angeles, CA 90012-4137
Email: Miguel.Santana@lacity.org
Facsimile: (213) 473-7510

Sharon Tso
Chief Legislative Analyst
200 N. Main St., Room 255
Los Angeles, CA 90012-4137
Email: Sharon.Tso@lacity.org
Facsimile: (213) 485-8983

Holly L. Wolcott
City Clerk
200 N. Spring Street, Room 360
Los Angeles, CA 90012
Email: Holly.Wolcott@lacity.org
Facsimile: (213) 978-1027

LOS ANGELES 2024 EXPLORATORY COMMITTEE

Brian Nelson
General Counsel
10960 Wilshire Blvd.
Suite 1050
Los Angeles, CA 90024
Email: bnelson@la24.org

INDEMNITY AGREEMENT

City of Los Angeles
Los Angeles City Hall
200 North Spring Street
Los Angeles, California 90012

In connection with the Bid City Agreement dated September 1, 2015 (as it may be amended from time to time, the "Bid City Agreement") between the United States Olympic Committee (the "USOC") and Los Angeles 2024 Exploratory Committee (the "Bid Committee") and the related Joinder Agreement dated September 1, 2015 (as it may be amended from time to time, the "Joinder Agreement") between the City of Los Angeles, California (the "City") and the USOC, and in consideration of the City's obligations under the Joinder Agreement, the Bid Committee hereby agrees as follows:

Except to the extent caused by the City's gross negligence or willful misconduct, the Bid Committee agrees to defend, hold harmless and indemnify the City and its employees, volunteers, agents, consultants, and independent contractors (the "City Indemnified Parties") from and against any and all threatened, pending or completed actions, claims, suits or proceedings, whether civil, criminal, administrative or arbitrative or in the nature of an alternative dispute resolution in lieu of any of the foregoing, or any appeal of any of the foregoing or any inquiry or investigation that could lead to any of the foregoing (each a "Proceeding"), and any and all damages, costs, liabilities, penalties, fines or expenses with respect to such Proceedings (including costs of investigation, defense, legal fees and judgments), relating to or arising out of this Indemnity Agreement, the Bid City Agreement, the Joinder Agreement or any agreement ancillary hereto or thereto, any act or omission of the Bid Committee or the City, or any other aspect of the IOC Bid (as defined in the Bid City Agreement) or matters contemplated by this Indemnity Agreement, the Bid City Agreement or the Joinder Agreement, including any claims arising out of any Early Termination (as defined in the Bid City Agreement) (the indemnity provided for in this paragraph being referred to as the "Indemnification").

The Indemnification conferred by this Indemnity Agreement shall include the right to be paid or reimbursed by the Bid Committee for expenses incurred by a City Indemnified Party entitled to Indemnification under this Indemnity Agreement that was, or is threatened to be made, a named defendant or respondent in a Proceeding in advance of the final disposition of the Proceeding and without any determination as to such City Indemnified Party's ultimate entitlement to Indemnification; provided, however, that the payment of such expenses incurred by any such City Indemnified Party in advance of the final disposition of a Proceeding shall be made only upon delivery to the Bid Committee of a written affirmation by such City Indemnified Party of such City Indemnified Party's good faith belief that the standard of conduct necessary for Indemnification under this Indemnity Agreement has been met, and a written undertaking on behalf of such City Indemnified Party to repay all amounts so advanced if it shall ultimately be determined that such City Indemnified Party is not entitled to Indemnification under this Indemnity Agreement.

The Bid Committee acknowledges that performance by the City and its agents, servants and employees of their respective obligations shall be for public and governmental purposes and all privileges and immunities from liability enjoyed by California governmental entities and their agents, servants and employees shall extend to the City's performance of such obligations.

[Remainder of page intentionally left blank. Signature page follows.]

This Indemnity Agreement neither mitigates nor alters any obligation or liability of the Bid Committee to the USOC under the Bid City Agreement.

LOS ANGELES 2024 EXPLORATORY COMMITTEE

By: _____

Name: Casey Wasserman

Title: Chairperson

Dated: October 10, 2015