MEMORANDUM OF UNDERSTANDING
(ARENA AT SEATTLE CENTER)

by and between

THE CITY OF SEATTLE,
a Washington municipal corporation,

and

OAK VIEW GROUP, LLC,
a Delaware limited liability company

Dated: December 6, 2017

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MEMORANDUM OF UNDERSTANDING
(ARENA AT SEATTLE CENTER)

This MEMORANDUM OF UNDERSTANDING (ARENA AT SEATTLE CENTER) ("MOU"), dated this 6th day of December, 2017 ("Effective Date"), is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation ("City"), and OAK VIEW GROUP, LLC, a Delaware limited liability company ("OVG"). The City and OVG are referred to in this MOU individually as a "Party" and jointly as the "Parties".

RECITALS

WHEREAS, on January 11, 2017, the City released a Request for Proposal (as amended, the "RFP") for the redevelopment of KeyArena (the "Arena") at Seattle Center as a world-class, multi-purpose sports and entertainment facility. The City developed the RFP with input from ten City departments and in consultation with constituencies throughout Seattle. The City's objectives for the redevelopment of the Arena include each of the following (collectively, the "Arena Objectives"):

A. To provide a world-class civic arena to attract and present music, entertainment, and sports events, potentially including National Basketball Association ("NBA") and National Hockey League ("NHL") events, to Seattle and the region;

B. To provide for Arena design and operations in a manner that integrates with and enhances connections to Uptown and adjoining neighborhoods and aligns with the Urban Design Framework;

C. To provide for design, permitting, development, demolition and construction of the Arena with minimal City financial participation;

D. To provide for the continuous, successful, and sustainable operation of the Arena as a world-class civic venue with minimal City financial participation;

E. To provide for mitigation of transportation impacts due to Arena construction and operations;

F. To provide Arena construction and operations in a manner that is equitable for workers and consistent with the City's Race and Social Justice Initiative; and

G. To provide for Arena design and operational integration with Seattle Center, contributing positively to the vibrancy of Seattle Center; and

WHEREAS, on February 23, 2017, the City formed an advisory body known as the Arena Community Advisory Panel (the "Advisory Panel") to provide counsel to the City to consider proposals responding to the RFP, comprised of ten (10) Advisory Panel members chosen based on their various expertise, including, but not limited to, music, sports, transportation, neighborhood interests, and design; and

WHEREAS, on April 12, 2017, OVG submitted to the City a proposal in response to the RFP entitled "Proposal for the Transformation of the Arena at Seattle Center" (as subsequently amended, the "OVG Response"); and

WHEREAS, between April 12, 2017 and June 2, 2017, each of (1) the Advisory Panel, (2) a City executive review team comprised of the Director of the Office of Economic Development, the Director of Seattle Center, and the Director of the City Budget Office (collectively, the "Executive Review Team"), and (3) a team of City staff members in the areas of design/constructability, finance, operations, social equity, and transportation (collectively, the "City Staff Review Team") carefully evaluated the various proposals in response to the RFP to determine, amongst other things, how the proposals met the Arena Objectives; and

WHEREAS, on June 2, 2017, the Advisory Panel submitted its Final Summary Report and Observations to the Mayor of the City and the Executive Review Team regarding the RFP proposals; and

WHEREAS, on June 7, 2017, based upon the input of the Advisory Panel, the Executive Review Team, and the City Staff Review Team, the City selected the OVG Response as the preferred proposal for the renovation of the Arena; and

WHEREAS, between June 7, 2017 and the Effective Date, OVG and the City have negotiated the terms of this MOU, which the Parties intend to be a binding and enforceable agreement of the Parties regarding: (A) the process to be followed by the Parties in order to complete necessary reviews, including all environmental reviews, to fulfill conditions precedent, and, as appropriate, to approve the Transaction Documents (as defined below), and (B) the Parties' commitment to negotiate the Transaction Documents in good faith consistent with the terms, conditions, and limitations of this MOU; and

WHEREAS, on August 14, 2017, the City Council adopted Resolution 31764, which set forth the City Council's expectations for the negotiation of, and approval process for, this MOU; and

WHEREAS, this MOU reflects the mutual understandings of the Parties regarding those actions, permits, approvals, and/or agreements lawful and necessary to accomplish the design, development, construction, lease, financing, management, operation, use, and occupancy of the Arena (collectively, the "Development Project"); and

WHEREAS, the premises to be leased to OVG will include certain areas beyond the Arena as described herein; and

WHEREAS, the Parties intend to actively participate and to work together collaboratively, in good faith and with due diligence, to carry out the process described herein and to negotiate the Transaction Documents consistent with the terms, conditions, and limitations of this MOU or as otherwise mutually agreed upon;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as to the following:

UNDERSTANDINGS

1. Purpose and Term of Agreement.

(a) Purpose; Binding MOU. This MOU sets forth the material terms of proposed agreements between the Parties with respect to OVG's proposed lease of the Arena, including OVG's design and construction of the Arena Tenant Improvements (as defined in Section 8(q)) and long-term operation of the Arena. Upon satisfaction of the conditions precedent set forth herein, the terms of this MOU shall be memorialized in a Development Agreement ("Development Agreement"), a Lease Agreement ("Lease Agreement"), and a Seattle Center Integration Agreement ("Seattle Center Integration Agreement"), as well as such ancillary documents as may be mutually agreed by the Parties as necessary to further implement the terms of those agreements (collectively, the "Transaction Documents"). The Parties intend this MOU to be a binding and enforceable agreement regarding: (i) the process to be followed by the Parties to complete review of the Development Project pursuant to the State Environmental Policy Act, Chapter 43.21C of the Revised Code of Washington ("RCW"), and the state and local implementing rules promulgated thereunder (collectively, "SEPA"), and (ii) the Parties' commitment to negotiate the Transaction Documents in good faith consistent with the terms, conditions, and limitations of this MOU. Each Party acknowledges that the other Party is devoting significant time and resources to prepare for the Development Project in reliance upon the commitments of each Party to negotiate the Transaction Documents in good faith, consistent with the terms, conditions, and limitations of this MOU.

(b) Term; Exclusivity. This MOU will terminate upon the earlier of the effective date of the Lease Agreement (the "Lease Execution Date") or three (3) years from the Effective Date of this MOU, provided that the term shall be automatically extended by an additional one (1) year (for a combined term of four (4) years) if the Permits and Approvals Schedule (as defined in Section 6(b)) has been delayed by SEPA review, regulatory process, or other causes beyond the reasonable control of the Parties. This MOU may also be extended by mutual written agreement of the Parties. During the term of this MOU and the term of the Lease Agreement, (i) the City shall not negotiate with any person or entity, other than OVG (or its designee or permitted assignee), regarding renovation or redevelopment of the Arena, or solicit or entertain bids or proposals to do so, and (ii) the City shall not provide financial support, benefits, or incentives (other than those that are generally available to any potential developer) with respect to the construction of any live entertainment venue with a capacity of more than 15,000 seats within the jurisdictional boundaries of the City of Seattle.

2. Location; Subdivision. The Arena is located on a portion of certain real property owned by the City and assigned King County Parcel No. 1985200003, with a street address of 334 1st Avenue North. The site for Arena renovations also includes real property owned by the City located south of the Arena and assigned King County Parcel Nos. 1989201515, with a street address of 232 1st Avenue North, and 1989201460, with a street address of 225 Warren Avenue North. Beginning on the Lease Execution Date, the leased premises will be the area depicted on Exhibit A (applicable during the construction period), and beginning on the Operating Term Commencement Date (as defined herein), the leased premises and the specific boundaries of the Arena will be the respective area depicted on Exhibit B, each attached hereto and incorporated herein by reference (during each applicable period, the "Premises"). As the design phase

progresses, the Parties agree to adjust the specific boundaries of the Premises, or to provide the City with reserved rights in the Premises, as needed to provide the City with vehicular access in the locations conceptually noted on Exhibits A and B, provided, however, that for the duration of construction of the Development Project maintenance of such vehicular accesses by the City will be coordinated between OVG and the City to enable temporary periodic closure for construction. The final Lease Agreement shall include a legal description of the Premises which shall comprise one or more legal lots or property rights which are insurable under an ALTA extended leasehold policy of title insurance, including a subdivision endorsement if applicable, and shall retain vehicular access rights in favor of the City over the locations conceptually shown on Exhibit B. Commencing on the Effective Date of this MOU and prior to finalizing the Transaction Documents, the Parties shall agree upon and complete a boundary line adjustment, short plat, condominium declaration, or other legally appropriate subdivision process which provides OVG with an insurable leasehold interest in the Premises (the "Subdivision Action"), it being understood by the Parties that the Subdivision Action shall be cōmpleted to afford OVG and the City sufficient time to complete the title and survey due diligence review process outlined in Section 11(a) below.

3. Project Description. The Arena will be designed and constructed in accordance with the Project Scope Narrative set forth on Exhibit C attached hereto and incorporated herein by reference. The Arena will be designed to host an NBA home team and an NHL home team, and is expected to host other sporting events, family shows, concerts, graduations, and civic and other events. It is not currently possible to precisely estimate the cost of the design, financing, development, construction, and equipping of the Arena since the design is not complete and costs will be incurred in the future, and subject to unknown inflation in the costs of materials and labor. On the basis of existing information OVG presently estimates that designing, financing, developing, constructing, and equipping of the Development Project (the "Project Cost") will be accomplished for an aggregate cost of approximately Six Hundred Million Dollars ($600,000,000). The City acknowledges that OVG seeks to develop design documents for the Development Project, and obtain City approvals thereof, that will result in a final cost in that approximate amount.

4. Cost Reimbursement. Upon approval of this MOU by the City Council and execution by the Parties, OVG shall reimburse the City for all reasonable and documented Development Costs up to a maximum amount of Three Million Five Hundred Thousand Dollars ($3,500,000), with each payment being due within thirty (30) days following OVG's receipt of a reasonably detailed invoice from the City. Within thirty (30) days of the Effective Date, the City will invoice OVG for any reimbursable Development Costs that have been incurred prior to the Effective Date. Thereafter, the City will invoice OVG on a monthly basis. The reimbursement of Development Costs is in addition to expenses payable by OVG in connection with the permitting activities described in Section 6 below and SEPA (as defined in Section 7) activities described in Section 7 below. As used herein, "Development Costs" means reasonable and documented out-of-pocket expenses actually incurred by the City directly in connection with the development, execution, and performance of this MOU, the Transaction Documents, and the transactions contemplated herein through the Lease Execution Date, including, but not limited to, all reasonable and documented out-of-pocket expenses for engineers and legal, financial, and other required

consultants paid by the City (but excluding the permitting expenses described in Section 6 and the SEPA expenses described in Section 7, which are separately reimbursable by OVG to City).

5. Project Financing. OVG intends to finance the Development Project from a combination of equity contributed by OVG and its investors, and federal historic tax credits (collectively, the "Equity Contribution"), and indebtedness from one or more institutional lenders through the sale or placement of senior and/or subordinated debt securities and/or under a senior credit facility (collectively, the "Debt Financing"). If and to the extent that (a) federal historic tax credits are unable to be obtained, (b) OVG is unable to obtain the Debt Financing, or (c) cost overruns result in an increase in the Project Cost, then OVG will arrange for the Equity Contribution to be increased to cover the full amount of the Project Cost. Any mortgage or other security instrument securing the Debt Financing will only encumber OVG's leasehold interest in the Premises, and will not encumber the City's fee interest in the Premises. Attached hereto as Exhibit F is OVG's current budget for Project Cost, and a current statement of OVG's sources and uses of funds showing each source of debt and equity. Prior to execution of the Lease Agreement and Development Agreement, OVG shall provide to the City's financial consultant (which is currently anticipated to be David Abrams of Inner Circle Sports), an updated budget for Project Cost, including sources and uses of funds showing each source of debt and equity. If and to the extent that the City requests that it be able to review any loan documents related to the Debt Financing, the City's review shall be conducted in an expeditious manner and shall be limited to providing the City a reasonable opportunity to confirm that (i) any lender party thereto is a Qualified Financial Institution (as defined in Exhibit G), (ii) the terms and conditions of such loan documents are not in conflict with OVG's obligations to the City as set forth in the Development Agreement and the Lease Agreement, (iii) any security instrument creating a lien to secure the Debt Financing encumbers only OVG's leasehold interest in the Premises and not the City's fee interest in the Premises, (iv) that the Mortgagee Protection Provisions have been accurately incorporated into the documents (including, without limitation, any agreed-upon notice provisions from lenders in favor of the City), and (v) the amount and cost (including capitalized interest) of the Debt Financing is consistent with the then-current Project Budget (defined below).

6. Permitting and Approval Process.

(a) Specified Permits and Approvals. At its sole cost and expense, OVG will obtain all permits and approvals necessary to complete the Arena Tenant Improvements, which are anticipated to include, but not be limited to, the permits and approvals set forth on Exhibit D attached hereto and incorporated herein by reference, including but not limited to environmental review described in Section 7 below (collectively, the "Specified Permits and Approvals"). At OVG's expense (which is separate from OVG's cost reimbursement obligation in Section 4 above), the City will provide dedicated City staff to facilitate the review and processing of applications for the Specified Permits and Approvals, with time for such dedicated City staff to be billed at the then-applicable rate schedules of the City. The City shall assemble an interdepartmental team, to include dedicated staff and officials from all departments with permitting authority over the Project, who will use good faith efforts to expedite the permitting process for the Project. With respect to the City's review and processing of applications for the Specified Permits and Approvals and all other regulatory permits and approvals, the City does not by this MOU waive or modify any of its authority or discretion in any context in which the City is acting in its capacity as a regulatory authority.

(b) Permits and Approvals Schedule. The schedule set forth on Exhibit E attached hereto and incorporated herein by reference (the "Anticipated Permits, Design, and Construction Schedule") sets forth the presently anticipated schedule for submissions, approvals, and actions regarding the Specified Permits and Approvals and design and construction actions discussed in Section 10(a) below. The Permits and Approvals Schedule may be updated from time to time upon OVG's request to City, with the approval of such request not to be unreasonably withheld, conditioned, or delayed. OVG acknowledges and agrees that delays in the processing, by the City acting in its regulatory capacity and not in its capacity as owner and lessor of the Premises, of the Specified Permits and Approvals or any other regulatory permits or approvals shall not result in the City assuming responsibility for any cost overruns associated with such delay.

(c) Seattle Landmarks Process. The Parties acknowledge that the Seattle Landmarks Preservation Board approved the designation of the existing Arena site and the Bressi Garage as City landmarks. Accordingly, aspects of the Premises are subject to preservation through a designating ordinance under Seattle Municipal Code ("SMC") Chapter 25.12, including associated controls and incentives agreement(s). OVG and the City will cooperate regarding the negotiation of the controls and incentives agreement(s) for the Bressi Garage and the Arena. Assuming that the Seattle City Council adopts a designating ordinance for the Arena and the Bressi Garage, OVG and the City will coordinate, confer, and work in good faith to obtain the certificates of approval necessary for the Development Project and to provide within the area depicted on Exhibit A for staging, laydown, and other temporary construction access areas as may be necessary to minimize disturbance to designated buildings and sites. The interdepartmental team under Section 6(a) will include a representative from the Seattle Center and the Landmarks Preservation Board, subject to the limitations with respect to the City's authority under SMC Chapter 25.12.

(d) Historic Tax Credits. The Parties further acknowledge that OVG has applied, with the support of the Washington State Historic Preservation Officer, for the Arena to be certified as historically significant and listed in the Washington Heritage Register and the National Register of Historic Places. OVG will continue pursuit of the official designations on those registers and the City, as owner of the fee simple interests in the sites of the Arena and the Bressi Garage, shall cooperate with all reasonable requests made by OVG and any official review board or approving agency for the appropriate status, execute any necessary documents, and approve or accept the designation when it occurs. Additionally, OVG represents that it intends to pursue federal historic tax credits to finance a portion of the Development Project. The City agrees to reasonably cooperate with OVG to complete the Transaction Documents in a manner which permits OVG to obtain historic tax credits for the Development Project. The City shall not be required pursuant to this Section 6(d) to agree anything that would constitute or result in any material changes to the terms of this MOU.

(e) Liquor Licensing. OVG shall have the exclusive right to sell alcohol to patrons in the Arena. OVG may sell alcoholic beverages and permit others to sell alcoholic beverages in the Arena only in compliance with applicable state and local laws. Final decisions as to whether alcoholic beverages may be sold at an Arena event shall be the sole responsibility of OVG. When alcoholic beverages are sold at an Arena event or elsewhere in the Arena, the decision to serve or refuse service of an alcoholic beverage to any individual shall be OVG's sole responsibility. All licenses and permits required for the sale of alcoholic beverages in the Arena

shall be held in OVG's or their designated concessionaire's name. OVG shall keep such licenses and permits for the Arena in full force and effect at all times throughout the Term and shall obtain proper permits to serve liquor at other areas within the Premises prior to such service. OVG shall prepare, file and process all applications for renewals of the licenses and permits with the Washington State Liquor and Cannabis Board and Seattle Center shall work cooperatively with OVG in the application process. At the termination of the Lease Agreement, OVG shall surrender all alcoholic beverage licenses for the Arena, it being acknowledged and agreed that such licenses are non-transferable.

7. SEPA. The Parties acknowledge that the Development Project is subject to review and potential mitigation under various laws, including SEPA. Before the City Council considers approval of any Transaction Documents, the City will complete an environmental impact statement ("EIS"), including a comprehensive traffic and historic resources impact analysis, and identification of possible mitigating actions. The City may not take any action within the meaning of SEPA except as authorized by law, and nothing in this MOU is intended to limit the City's exercise of substantive SEPA authority. OVG will pay for the preparation of the EIS, reimburse the City for the reasonable costs incurred by the City as part of the SEPA review, and will be responsible for funding any required mitigation imposed through substantive SEPA authority.

8. Lease Agreement; Rent; Rent Adjustments. The Lease Agreement will provide for the following terms, and will also include all other terms set forth in this MOU that are applicable during the Term of the Lease Agreement:

(a) Term. The initial term of the Lease Agreement (the "Initial Term") will commence upon satisfaction of the conditions set forth in Sections 21 and 22 and execution of the Lease Agreement and the Development Agreement (the "Initial Commencement Date"), and shall expire thirty-nine (39) years after the date of the first event held at the Arena (the "Operating Term Commencement Date"). The Lease Agreement will provide for two (2) options of eight (8) years each (each, an "Extension Term") whereby OVG may (but shall not be obligated to) elect to extend the Initial Term of the Lease Agreement, conditioned upon (i) the Arena being, at the time of exercise, the designated home arena for an NHL or NBA major league team, (ii) not less than twenty four (24) months prior written notice of unconditional exercise, (iii) at the time of exercise no uncured event of default by the Tenant under the Lease Agreement or under any mortgage on OVG's leasehold interest in the Premises, and (iv) compliance with the applicable terms described in Section 12(b)(ii). NHL and NBA teams as used in this MOU means member franchise teams of the NHL and NBA, and not any other types of teams associated with the NBA or NHL (such as, for example, WNBA teams), and not minor league, developmental or other teams (for example, an NBA G-League team).

(b) Permitted Uses. The Premises shall be used only for the development, construction, operation, and maintenance of a live event venue for concert, sports, entertainment and other performance events, which events may also include social and civic events; movie premieres; e-sports competitions, vehicular competitive events and recreation and leisure events; convention and trade shows; and accessory uses associated with the efficient operation or conduct of any of the aforementioned permitted uses including restaurants; concessions; retail; movie set locations; live telecasts; filming of commercials and documentaries; children's activities; game and video arcades and comparable family recreation centers; and public parking (collectively, the

"Permitted Uses"). Notwithstanding the foregoing, "Permitted Uses" shall expressly exclude uses, events or retail areas showcasing guns, pornography or "adult" entertainment, or primarily dedicated to the sale of paraphernalia related to tobacco products, marijuana (or marijuana products), or illegal drugs (each, a "Prohibited Use").

(c) Defined Terms. As used in this Section 8, the following terms will be defined as follows:

(i) "Admission Tax" means the admission tax imposed pursuant to SMC Chapter 5.40 or any successor provision.

(ii) "Annual Transportation Payment" means the amount of One Million Twenty-Five Thousand Six Hundred Forty-One Dollars and Two Cents ($1,025,641.02) per year, which amount represents the sum of Forty Million Dollars ($40,000,000) amortized and payable over thirty-nine (39) years, beginning on the Initial Commencement Date.

(iii) "Baseline Rent Payment" means an annual payment beginning on the Rent Commencement Date and thereafter payable throughout the Term, as determined and described below. Baseline Rent Payments shall be made on a calendar year basis, with the Baseline Rent Payment for the period beginning on the Rent Commencement Date and continuing through December 31 of such calendar year being an amount that is the Baseline Historic Average described below, adjusted by the Escalator for the period from January 1, 2018 until January 1 of the calendar year in which the Rent Commencement Date occurs, with such adjusted annual amount then being prorated from the Rent Commencement Date through December 31 of such year. For each succeeding calendar year during the Term, the Baseline Rent Payment shall be the amount payable in the preceding calendar year (with the full (and not prorated) annual amount being deemed the amount payable in the first calendar year), as adjusted by the Escalator for a calendar year applicable escalation period; provided, with respect to each of the first ten (10) full calendar years after the initial calendar year in which a Baseline Rent Payment is due, such amount shall then be reduced by Three Hundred Fifty Thousand Dollars ($350,000).

The Parties shall jointly engage a mutually-agreed "Big Four" accounting firm (the "Accounting Firm") to determine the four (4)-year trailing historical annual average amount of the facility revenues that the City shall have received from the operation of the Arena and related business operations as set forth below for the complete calendar years 2014, 2015, 2016, and 2017, calculated based on the following existing revenue streams: (A) the City's net revenues from the operation of the Arena, excluding tax revenues attributable to Arena operations with respect to the applicable taxes in the Baseline Tax Guaranty Payment; (B) the City's net parking revenues from the operation of the First Avenue North parking garage; and (C) the City's net revenues from sales of Seattle Center Sponsorship Rights (without duplication of any amounts already included in clauses (A) and (B) above). For each of calendar years 2014, 2015 and 2016, the amount for such calendar year shall be escalated by the Escalator for an applicable escalation period that is the number of calendar years from December 31 of such year until December 31 of calendar year 2017 (said four (4)-year trailing historical annual average, as so escalated, being the "Baseline Historic Average"). As the books and records for 2017 will not be closed by the City prior to approval of this MOU by City Council, the Accounting Firm shall have determined and submitted to the Parties the historical annual average as computed as provided above for years

2014, 2015, and 2016 prior to approval of this MOU by City Council as a base of reference for the Parties for the approval process. Promptly after the books and records are closed by the City for 2017 (anticipated to be on or about April 30, 2018), the Accounting Firm will determine the historical annual average for the four (4) complete calendar years by including the calendar year 2017 to such average to arrive at the Baseline Historic Average. In order to provide guidance to the Accounting Firm for the historical average determinations, the Parties will provide to the Accounting Firm the Parties' mutually agreed upon framework for determination of revenue and expense inclusions, and any relevant netting, and City will provide the Accounting Firm with relevant financial and other information in order for the Accounting Firm to make its determinations. The Accounting Firm's audit team for the matters described above shall include at least one team member based in the Accounting Firm's Seattle, Washington office.

(iv) "Baseline Tax Guaranty Payment" means the annual tax receipt shortfall payments, if any, calculated on a tax by tax basis for each of the taxes described in the definition of Baseline Tax Threshold; calculated for each tax as the positive difference (if any) between the Baseline Tax Threshold for such tax *less* the applicable tax revenues received by the City during a calendar year of the Lease Agreement for such tax. Baseline Tax Guaranty Payments shall be made on a calendar year basis with respect to the prior calendar year's tax revenues received by City and corresponding Baseline Tax Thresholds; provided that as applicable to the partial calendar year that commences on the Operating Term Commencement Date, the tax revenues received and corresponding Baseline Tax Thresholds shall be prorated for the number of days from the Operating Term Commencement Date through December 31 of such year to determine the Baseline Tax Guaranty Payment with respect to such partial calendar year. If City tax receipts for a tax for a calendar year are less than the Baseline Tax Threshold for such tax for such calendar year, a shortfall payment is due to City by OVG. The aggregate sum of all tax shortfall payments, if any, is the Baseline Tax Guaranty Payment for a calendar year of the Lease Agreement. For clarity, tax revenue receipts in excess of the Baseline Tax Threshold for any tax are not netted against any tax shortfall payments, but instead are part of the computation of the Rent Adjustments (as defined in Section 8(g)(ii) below).

(v) Baseline Tax Threshold is a tax revenue receipts threshold for each of the following taxes determined for a calendar year as described below and as escalated as provided below: (A) City's portion of Sales Tax revenues attributable to Arena operations; (B) Business and Occupation Tax revenues attributable to Arena operations; (C) Admission Tax revenues attributable to Arena operations; (D) City's portion of Leasehold Excise Tax revenues attributable to the Arena; and (E) Commercial Parking Tax and City's portion of Sales Tax revenues attributable to the First Avenue North parking garage, the Fifth Avenue North parking garage, and the Mercer Street parking garage. The foregoing amounts are intended by the Parties to represent the tax revenues the City receives in a calendar year from the current operation of the Arena and related business operations as set forth above (regardless of whether a City or State of Washington assessed tax) as measured, for each tax, using a four (4)-year trailing historical annual average using the complete calendar years 2014, 2015, 2016, and 2017. For each of calendar years 2014, 2015 and 2016, the amount for such calendar year shall be escalated by the Escalator for an applicable escalation period that is the number of calendar years from December 31 of such year until December 31 of calendar year 2017 (said four (4)-year trailing historical annual average, as so escalated, being the "Baseline Tax Threshold"). For the calendar year in which the Operating Term Commencement Date occurs, such Baseline Tax Threshold shall be adjusted by the Escalator

for the period from January 1, 2018 until January 1 of the calendar year in which the Operating Term Commencement Date occurs, with such adjusted annual amount then prorated for purposes of the Baseline Tax Guaranty Payment (as provided in the definition thereof) from the Operating Term Commencement Date through December 31 of such year. For each succeeding calendar year during the Term, the Baseline Tax Threshold amount shall be the amount determined for the preceding calendar year (with the full (and not prorated) annual amount being deemed the amount determined for the first partial calendar year), as adjusted by the Escalator for a calendar year applicable escalation period. The Accounting Firm shall determine the initial Baseline Tax Thresholds for each tax using the process as described above for determining the initial Baseline Rent Payment. Certain of the taxes above (specifically Sales Tax and Leasehold Excise Tax) are subject to apportionment between the State of Washington, the City, and other municipalities, and the tax revenue receipts for the City for purposes of this Section 8 are the City's allocable portion of such tax receipts.

(vi) "Business and Occupation Tax" means business license taxes imposed pursuant to SMC Chapter 5.45 or any successor provision.

(vii) "Commercial Parking Tax" means commercial parking taxes imposed pursuant to SMC Chapter 5.35 or any successor provision.

(viii) "Escalator" shall be the lesser of (x) three percent (3%), or (y) the positive (but not any negative) percentage change in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for all Urban Consumers (Seattle-Tacoma-Bremerton Local Area) ("CPI") for the applicable escalation period. The applicable escalation period shall be the preceding calendar year, or as expressly provided in Sections 8(c)(iii) and (v) and 8(g)(ii), the number of calendar years as therein determined. If publication of such Index is discontinued or is published less often than bi-monthly, or if the basis of calculating the Index is materially changed, the City, with the reasonable approval of OVG, shall substitute for the Index comparable statistics as computed by an agency of the United States Government or, if none is available, by a substantial and responsible periodical or publication of recognized authority most closely approximating the result which would have been achieved by the Index.

(ix) "Leasehold Excise Tax" means leasehold excise taxes imposed pursuant to SMC Chapter 5.56 or any successor provision.

(x) "MSG" means MSG Sports & Entertainment, LLC, a Delaware limited liability company.

(xi) "Operating Costs" means all expenses or obligations of whatever kind or nature for the management, operation, or maintenance of the Premises, including, but not limited to, all reasonable costs of the City related to the Seattle Center Representative and OVG's expenses (to the extent not duplicative of other expenses enumerated herein); all payments to be made by OVG or its affiliates under the terms of this MOU or the Transaction Documents, including but not limited to: impositions; expenses related to parking areas (if applicable); box office expenses; all expenses incurred to obtain revenues from the Premises; salaries, wages and benefits of personnel working at the Premises including personnel employed by OVG or through its affiliates or service contractors; human resource support services and training and development

expenses; contract labor expenses; maintenance and repairs; utilities; deposits for utilities; telephone expenses; expenses incurred under use or license agreements with licensees or other users of the Premises; telescreen, video and/or scoreboard operation expenses, dues, memberships and subscriptions; security expenses; police, fire, emergency services and other public safety expenses related to the Premises (the estimate and pro ration of which in the event of multiple venue events shall be set forth in the Transaction Documents or as otherwise mutually agreed upon by the Parties); other event-handling activities at the Premises; all expenses payable by OVG under any license agreements with the NBA, WNBA or NHL teams or other tenants; audit fees; legal fees; other professional fees; fees payable to concessionaires or other subcontractors; refuse removal expenses; cleaning expenses; taxes (but excluding any taxes, fees or charges OVG may be obligated to collect and submit to a taxing or other government authority on behalf of others); building maintenance supplies; ticket commissions; insurance premiums; data processing expenses; advertising expenses relating to Arena or other Premises advertising and sponsorships; maintenance of advertising and signage relating to all advertising, sponsorships and naming rights; marketing; public relations expenses; expenses and losses (to the extent not duplicative of other expenses enumerated herein) incurred in the production and promotion of events at the Premises; pest control; office supplies; employment fees; freight and delivery expenses; expenses for leasing of equipment; credit and debit facilities and telecheck fees and expenses; Premises-related travel, lodging and related out-of-pocket expenses for officers, employees and directors of OVG or an affiliate; and all damages, losses or expenses incurred by the OVG, its affiliates as the result of any and all claims, demands, suits, causes of action, proceedings, judgments and liabilities, including reasonable attorneys' fees incurred in litigation or otherwise, assessed, incurred or sustained by or against any of them. Operating Expenses do not include any payments to third party lenders. This definition is intended for clarification with respect to OVG's general obligations regarding Premises cost responsibilities in Section 8(h) below and is not intended to be used for other purposes, including making net revenue determinations for Baseline Rent Payments and Rent Adjustments (including net revenues from Seattle Center Sponsorship Rights sales or net parking revenues).

(xii) "Rent Commencement Date" means the Operating Term Commencement Date, provided, however, that if the Operating Term Commencement Date has not occurred within twenty-four (24) months from the date of issuance of the first building permit for the Arena for any reason other than delays caused by the actions or inactions of the City (acting in its proprietary and/or regulatory capacity), then the City shall provide written notice of same to OVG, at which time the Rent Commencement Date shall be the earlier to occur of (1) the date that is six (6) months from the date of such City notice or (2) the Operating Term Commencement Date.

(xiii) "Sales Tax" means the retail sales and use tax imposed pursuant to SMC Chapter 5.60.

(xiv) "Seattle Center Sponsorship Rights" means those certain sponsorship rights to be mutually identified and agreed upon by the Parties as part of the Parties' process for providing framework information to the Accounting Firm for its determination of the initial Baseline Rent Payment, which identified sponsorship rights, along with such other parameters, approvals, limitations and restrictions as mutually agreed upon by the Parties in connection with such process, will be part of the rights to be assigned or granted to OVG as a

material term of the Transaction Documents. Without limiting the generality of the foregoing, the rights granted will not include campus naming rights, temporary sponsorships for events, or violate the sponsorship rights of Seattle Center tenants and resident organizations.

(xv) "Utility Costs" means all charges for utilities used or consumed at or by the Premises during both construction and operations, including, but not limited to, gas, electricity, water, sewer, storm water, garbage and recycling collection, and telecommunication services. For the avoidance of doubt, "Utility Costs" shall not include any capital costs associated with utility separation as set forth in Section 10(e) below. To the extent utilities are not separated as provided under Section 10(e), the Parties will establish a proration or allocation of ongoing operation and maintenance costs associated with any utilities which are not separated and that are used in the construction and operation of the Premises through mutually agreeable terms in the Transaction Documents.

(d) Annual Baseline Rent Payment. On or before the sixtieth (60th) day following the Rent Commencement Date (or December 31 of such calendar year if earlier), and thereafter in each succeeding calendar year during the Term on or before February 15 of such calendar year, OVG shall remit the Baseline Rent Payment to the City in full, without deduction or offset.

(e) Annual Baseline Tax Guaranty Payment. On or before June 1 of each calendar year of the Term, OVG shall remit the Annual Baseline Tax Guaranty Payment for the prior calendar year to the City in full, without deduction or offset.

(f) Annual Transportation Payment. On or before the sixtieth (60th) day following the Initial Commencement Date and thereafter on or before each annual anniversary thereof during the Initial Term of the Lease Agreement until paid in full, OVG shall remit the Annual Transportation Payment to the City in full, without deduction or offset, to be deposited into the City Transportation Infrastructure Fund (as defined in Section 16(b) below).

(g) Lease Consideration; Rent Adjustments.

(i) Additional Lease Consideration. OVG's design, construction and completion of the Arena Tenant Improvements (as defined in Section 8(q) below), are at OVG's sole expense and risk, and are a fundamental purpose of this MOU and the transactions contemplated hereby. In addition to the completion of the Arena Tenant Improvements and the payments of the Baseline Rent Payment, the Baseline Tax Guaranty Payment, and the Annual Transportation Payment, the City shall receive additional consideration and financial benefit due to OVG's significant investment in renovation and operation of the Arena, including, without limitation: shifting of construction risk and potential cost overruns; assumption of operation risk, responsibility and associated costs such as Utility Costs, security, routine maintenance, and insurance; and historical preservation of landmark sites. As additional consideration, the City shall receive funding for arts; rent-free use of the Arena for fourteen (14) days per year; transportation and community benefits to be more fully described in the Transaction Documents; technology improvements coordinated with Seattle Center; enhanced activation of the Arena and adjacent Seattle Center areas used by the public; enhanced prospects for attracting NBA

and NHL teams; and other benefits as set forth in the Development Agreement, the Lease Agreement, and the Seattle Center Integration Agreement.

(ii) Rent Adjustments. OVG shall be entitled to an annual rent adjustment (the "Rent Adjustment") payable with respect to each calendar year of the Term, commencing with respect to the partial lease year in which the Rent Commencement Date occurs. Each Rent Adjustment will be calculated as set forth in Section 8(g)(iii) below and payable as set forth in Section 8(g)(iv) below. A Rent Adjustment is calculated with respect to specified revenue amounts exceeding corresponding threshold amounts as set forth on Exhibit L (the "Rent Adjustment Thresholds") for periods from and after the Rent Commencement Date. The Rent Adjustment Thresholds are intended by the Parties to represent tax and facility revenues the City receives from the current operation of the Arena and related business operations as set forth in Exhibit L as measured, for each Rent Adjustment Threshold, using a four (4)-year trailing historical annual average using the complete calendar years 2014, 2015, 2016, and 2017, as escalated for each of calendar years 2014, 2015 and 2016, by the Escalator for an applicable escalation period that is the number of calendar years from the December 31 of such year until December 31 of calendar year 2017. For the calendar year in which the Rent Commencement Date occurs, such initial average amount shall be adjusted by the Escalator for the period from January 1, 2018 until January 1 of the calendar year in which the Rent Commencement Date occurs. As of January 1 of each succeeding calendar year during the Term, the Rent Adjustment Threshold amount for the prior calendar year shall be adjusted by the Escalator. The Accounting Firm shall determine the initial Rent Adjustment Thresholds for each threshold amount using the process as described in Section 8(c)(iii) for determining the initial Baseline Rent Payment.

(iii) Allocations. Rent Adjustments will be calculated on a calendar year basis. For each calendar year of the Term beginning with the calendar year in which the Rent Commencement Date occurs, the amounts, if any, set forth as items 1 through 7, inclusive, on Exhibit L will be aggregated and the total amount allocated (A) seventy-five percent (75%) to OVG and twenty-five percent (25%) to the City with respect to the first ten (10) calendar years of the Term, and (B) thereafter and for all subsequent calendar years of the Term, fifty percent (50%) to OVG and fifty percent (50%) to the City. For each calendar year of the Lease Agreement, the amount, if any, set forth as item 8 on Exhibit L will be allocated one hundred percent (100%) to OVG. The foregoing amounts allocated to OVG for each calendar year of the Lease Agreement will be the "Rent Adjustment" for such year. The first year's Rent Adjustment shall be calculated based on the period between the Rent Commencement Date and December 31 of that same calendar year, with the Rent Adjustment Thresholds prorated for the number of days between the Rent Commencement Date and December 31 of that same calendar year. For clarity, items set forth on Exhibit L with respect to periods prior to the Rent Commencement Date are not subject to the Rent Adjustment and are intended to be retained solely by the City. Further, all taxes related to Arena construction (including, without limitation Sales Tax and Business and Occupation Tax) are also intended to be retained solely by the City.

(iv) Payment. Rent Adjustments shall be calculated with respect to each calendar year occurring during the Term as provided in Section 8(g)(iii) above, and shall be payable as set forth below. On or prior to April 30 of each year, City will deliver to OVG a statement setting forth, for the prior calendar year and for each of the items on Exhibit L, the Rent Adjustment Threshold and excess, as applicable, for each item, and a reasonably detailed

calculation of each such item. During the period from May 1 through May 31, the City shall make available to OVG and its representatives at the City's offices the City's supporting information for such statement and calculations, and relevant City personnel to answer questions from OVG or its representatives. OVG shall have the right, exercisable upon written notice to City and following at least thirty (30) days' advance notice to City to be delivered to City prior to May 31, to inspect, copy, and audit City's accounting records for the time period covered by such statement and calculations, at OVG's sole cost and expense. If OVG reasonably identifies any issues related to the calculation of Rent Adjustments, then OVG shall give prompt written notice of same to City, and City and OVG shall meet and confer in good faith within thirty (30) days of such notice to resolve such issues.

A. The Rent Adjustment with respect to the first calendar year or partial calendar year that commences on the Rent Commencement Date shall, if applicable, be paid by the City to OVG on or before June 1 of the second calendar year of the Term.

B. The Rent Adjustment with respect to the second calendar year of the Term shall, if applicable, be paid by the City to OVG as follows: (I) on or before December 1 of such year, an estimated partial Rent Adjustment amount calculated as the annualized total Rent Adjustment Payment for the preceding calendar year of the Term divided by two (2) (an "Advance"), and (II) on or before June 1 of the following year, the Rent Adjustment calculated with respect to the applicable calendar year of the Term less the Advance paid in the prior December.

C. The Rent Adjustment with respect to each succeeding calendar year of the Term shall, if applicable, be paid by the City to OVG as follows: (I) on or before December 1 of such year, an estimated partial Rent Adjustment amount calculated as the annualized total Rent Adjustment Payment for the preceding calendar year of the Term divided by two (2), increased by two and one half percent (2.5%) (also, an "Advance"), and (II) on or before June 1 of the following year, the Rent Adjustment calculated with respect to the applicable calendar year of the Term less the Advance paid in the prior December.

D. In the event there are negative calculations of amounts with respect to June 1 payments, OVG shall pay such amount to City. In the event there are negative calculations with respect to Advances, no Advance shall be paid to OVG.

(v) Rent Adjustment Changes. The Parties have negotiated the Rent Adjustment based upon a formula derived in part from the amount of certain tax revenues received by the City as of the Effective Date, as adjusted as set forth in Section 8(g)(ii) above. During the Term of the Lease Agreement, if, due to a change in applicable laws, there is a material change to any tax on which a component used to calculate the Rent Adjustment is based, the Parties will negotiate in good faith a replacement Rent Adjustment component for the affected component that closely approximates the intent and economic effect of the affected component.

(h) Operating Costs and Debt Service. Under the Lease Agreement, OVG shall be solely responsible for and shall pay one hundred percent (100%) of all Operating Costs and all debt service under OVG's Debt Financing.

(i) Utilities. Under the Lease Agreement, OVG shall be solely responsible for and shall pay one hundred percent (100%) of all Utility Costs.

(j) Concessions. Subject to the requirements in this Section 8(j), OVG will have the right to choose its concession partners (if any) and shall retain all revenues (other than taxes and assessments) and income from the sale of all food, beverages, and merchandise relating to the Arena, whether such sales are onsite, from other locations, on-line, or through other means or methods. The Lease Agreement shall require that OVG include women and minority businesses, local vendors and purveyors, and other local participation in concessions supply and support operations.

(k) No Security Deposit. The Lease Agreement shall not contain any requirement for the posting of a security deposit.

(l) Agreements with Permitted Mortgages. The Parties acknowledge that the Lease Agreement may attach (i) a form of non-disturbance and attornment agreement to be entered into between the City and OVG's lenders consistent with the provisions of Exhibit G hereto ("NDA") and (ii) a form of estoppel certificate ("Lender Estoppel Certificate") from City in favor of OVG's lenders and equity investors, each of which shall be in form and substance reasonably satisfactory to the City and OVG's lenders. The Lender Estoppel Certificate shall contain certifications from the City (A) that there are no defaults under the Lease Agreement by City or OVG and there are no conditions that, with the passage of time or the giving of notice, or both, would constitute a default by City or OVG thereunder; (B) that all obligations of OVG required to be performed to date under the Lease Agreement have been performed; (C) that there are no counterclaims against the enforcement of any of City's or OVG's obligations under the Lease Agreement; (D) that the lender satisfies the requirements of a Qualified Financial Institution; (E) that the Lease Agreement is unmodified and in full force and effect in accordance with its terms and has not been assigned, supplemented, modified, or otherwise amended; (F) confirming the effective date of the Lease Agreement; (G) confirming the expiration date of the Lease Agreement; (H) that City has not assigned, conveyed, transferred, sold, encumbered, or mortgaged its interest in the Lease Agreement, the Arena, or the Premises, that there are currently no mortgages, deeds of trust, or other security interests encumbering City's fee interest in the Premises, and that no third party has an option or preferential right to purchase all or any part of the Premises; (I) that City has not received from a governmental agency any written notice that City is in violation of any governmental law or regulation applicable to its interest in the Arena, including, without limitation, any environmental laws or the Americans with Disabilities Act; (J) that City has not received notice of any other Leasehold Mortgagee; and (K) that the lender has satisfied the requirements of a "Leasehold Mortgagee," as such term shall be defined in the Lease Agreement, and is entitled to all of the rights, protections, and privileges afforded such Leasehold Mortgagee under the Lease Agreement. Certifications (A) and (B) may be subject to customary "knowledge" limitations.

(m) Construction and Completion Obligation. Pursuant to the City's financial due diligence condition to entering into the Transaction Documents (Section 21(c)), the City and its financial advisors will complete their due diligence on the budget as updated and current as of the time of entering into the Transaction Documents, including the construction contract,

completion bond and the adequacy of contingencies, as well as the sources of the debt and equity financing.

Upon the City's approval of such due diligence and specifically of the budgeted construction contingencies and the amount of budgeted equity (upon such approval, the "Budgeted Equity"), OVG will cause, as a condition to execution of the Transaction Documents, the amount of such Budgeted Equity, less amounts of Budgeted Equity that shall have been actually spent to date on the Development Project (provided such spent amounts are included in the total costs in such approved budget) to be secured by a "Development Agreement Backstop", being any combination of (i) cash actually funded into an escrow account for the benefit of the lender and the City pursuant to documentation that prevents such cash from constituting an asset of the investor's bankruptcy estate in a bankruptcy of the applicable investor, and that is pledged to secure the obligations of the Developer under the Development Agreement, (ii) a letter of credit from a Qualified LC Issuer (defined below), with the City as beneficiary or joint beneficiary and with draw conditions acceptable to the City securing the construction and lien-free completion obligations of the Developer under the Development Agreement, or (iii) any other documentation that evidences the obligor's ability to honor its equity commitment and that creates a perfected security interest in favor of the City, securing the construction and lien-free completion obligations of the Developer under the Development Agreement, all of which documentation has been approved in writing by the Mayor or his or her designee in his or her absolute discretion.

The Development Agreement Backstop shall in no event extend to any other obligation of the Tenant under the Lease Agreement or any Transaction Document other than the Development Agreement, including (without limiting the generality of the foregoing) any obligation arising or accruing during the operations phase of the Development Project once the Arena construction has been completed in accordance with the Development Agreement.

For purposes of clause (ii) above, the term "Qualified LC Issuer" shall mean a commercial bank incorporated under the laws of the United States or any state thereof that has combined capital and surplus and undivided profits of not less than $500,000,000 and a long-term corporate credit rating of "A" or better by Standard & Poors (or comparable rating by another nationally recognized rating agency).

(n) Mortgagee Protection Provisions. The Lease Agreement shall contain mortgagee protection provisions in the form of those in Exhibit G attached hereto and incorporated herein by reference (collectively, the "Mortgagee Protection Provisions").

(o) Insurance Requirements. The Transaction Documents shall incorporate the City's insurance requirements as more particularly set forth on Exhibit H attached hereto and incorporated herein by reference.

(p) Assignment or Designation. OVG shall neither assign its right, title, and interest in this MOU, either in whole or in part, nor designate another entity to execute the Transaction Documents, without the prior written consent of the City, except to any direct or indirect subsidiary of OVG, provided that no such assignment shall release OVG from its obligations under this MOU. No consent of City hereunder shall relieve OVG or its successors of

the obligation to obtain City's consent to any subsequent assignment or transfer under this Section 8(p).

The Development Agreement may be executed as Developer by OVG or by any direct or indirect subsidiary of OVG, provided that the same entity must also be the Tenant under the Lease, and provided further that if the Development Agreement is not executed by OVG, OVG (whether or not it has assigned the MOU) shall sign a joint and several joinder to the Development Agreement agreeing to perform all obligations of the Developer under the Development Agreement.

Until construction has been completed in accordance with the Development Agreement the Developer may not transfer its interest in the Development Agreement or the Lease, except to a Leasehold Mortgagee of the Premises that is a Qualified Financial Institution (as "Leasehold Mortgagee" and "Qualified Financial Institution" are defined in Exhibit G), without the approval by the City in its discretion.

(q) Ownership of Arena Tenant Improvements, Surrender. OVG and the City shall inventory existing City-owned furniture, fixtures and equipment at the Arena and identify which items shall be provided for use by OVG. Such items shall be provided in as-is/where-is condition. OVG will install all other tenant improvements and furnishings as described on Exhibit C, including without limitation the seating, suite furnishings, offices, locker rooms, press areas, basketball/hockey floor, ice-making systems and equipment, dasher board systems, sound systems, scoreboards, ribbons, concession equipment, training equipment, and other items (collectively, the "Arena Tenant Improvements"). For federal income tax purposes, OVG will own all or a portion of those Arena Tenant Improvements, to be more particularly described in the Transaction Documents, and which description may be amended from time to time by the mutual written agreement of the Parties. The initial Arena Tenant Improvements will be commensurate with the construction of a first-class arena as set forth in the Design Standards and Operating Standards. The Arena Tenant Improvements (but not any WNBA, NBA or NHL team-owned equipment or fixtures) will become the property of the City upon the termination of the Lease Agreement without any further obligation on the part of the City. Upon termination of the Lease Agreement, OVG will be obligated to surrender the Premises and the Arena Tenant Improvements to the City in a condition consistent with the program of capital repairs, replacements, and improvements required pursuant to Section 12 and in a state of repair comparable to facilities of a similar age and suitable for continued uninterrupted use by NBA and NHL teams and as a major entertainment facility. The Arena Tenant Improvements will be surrendered by OVG upon expiration or termination of the term of the Lease Agreement, including any extensions thereof, and shall at the time of such surrender be unencumbered by liens or third party obligations.

(r) Pursuit of NBA and NHL Franchises. During the term of this MOU and the Lease Agreement, OVG shall use commercially reasonable efforts to pursue an NBA team and an NHL team to be the resident home teams and play their home games at the Arena. City will cooperate in good faith in such activities as reasonably requested by OVG from time to time and as agreed to by City, at OVG's cost. As between City and OVG, OVG (and not the City) will bear all costs of improvements to or enhancements of the Arena that may be required by the NBA, NHL or any other third party, as applicable, in connection with obtaining and maintaining such team(s). Subject to NBA approval and applicable rules, regulations, requirements, and agreements of the

NBA, OVG or an affiliate of OVG shall use commercially reasonable efforts to acquire from the current owner thereof the "Seattle Sonics / Supersonics" name. Each team lease will provide (a) a term running concurrently with the Initial Term (or balance thereof, as applicable), (b) that the team will play all its home games at the Arena, (c) for the execution and delivery of a nonrelocation agreement for the benefit of the City, and (d) that the team be domiciled in Seattle, Washington, it being expressly understood that "domiciled" has the meaning given under Seattle Municipal Code 5.45.076. Accordingly, the team shall maintain its corporate headquarters in Seattle, Washington, but the team shall neither be required to maintain its training facilities in Seattle, nor be required to have its players and/or staff live in Seattle.

(s) Defaults. The following events shall constitute an "Event of Default" of the Lease Agreement:

(i) With respect to any non-monetary obligations of either Party under the Lease Agreement or any monetary obligation of a Party under the Lease Agreement that is not a sum certain, a Party shall have failed to perform or comply in any material respect with such obligation and such failure shall have continued for thirty (30) days after notice thereof from the non-defaulting Party, or if the curing of such non-monetary default is reasonably feasible by the defaulting Party, but not within such 30-day period, the defaulting Party shall not have commenced the curing of such failure within such thirty (30) day period, or having so commenced, shall thereafter have failed or neglected to prosecute or complete the curing of such Event of Default with diligence and dispatch within ninety (90) days after the original notice thereof; or

(ii) Either a Party shall have made a general assignment for the benefit of creditors, or shall have admitted in writing its inability to pay its debts as they become due or shall have filed a petition in bankruptcy, or shall have been adjudicated bankrupt or insolvent, or shall have filed a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall have filed an answer admitting, or shall have failed reasonably to contest, the material allegations of a petition filed against it in any such proceeding, or shall have sought or consented to or acquiesced in the appointment of any trustee, receiver or liquidator for such Party; or

(iii) Either (i) within ninety (90) days after the commencement of any proceeding against a Party or any trustee, receiver or liquidator of such Party seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law, rule or regulation, such proceeding shall not have been dismissed, or (ii) if, within ninety (90) days after the appointment without the consent or acquiescence of either a Party or any trustee, receiver or liquidator of such party or of any material part of its properties, such appointment shall not have been vacated; or

(iv) With respect to any monetary obligation of a Party under the Lease Agreement that is a sum certain, such Party shall have failed to pay such amount within ten (10) business days after written notice thereof from the other Party.

(t) Remedies; Default Interest. Upon the occurrence of any uncured Event of Default under the Lease Agreement, City shall have customary remedies under the Lease Agreement both at law and in equity, including eviction and termination remedies, provided that

such remedies are subject to and must be exercised consistent with the Mortgagee Protection Provisions. In addition, upon the occurrence of any monetary default City shall also have the right to interest at four (4) points over the prime rate (subject to applicable usury laws then in effect in the State of Washington) on amounts past-due.

(u) Alterations and Improvements. The Lease Agreement shall include customary terms requiring the City's prior written approval, in its capacity as owner and lessor of the Premises, for all material alterations or improvements to any part of the Premises, other than the initial alterations to the Arena provided for under the Development Agreement as part of the Development Project. In addition to compliance with regulatory permits and approvals, the City as lessor may condition its approval in its reasonable discretion, including but not limited to OVG's compliance with terms, conditions and standards substantially similar to the requirements set forth in Section 14.

9. Parking Garage Operation.

(a) The First Avenue North garage shall be included in the Premises upon the Operating Term Commencement Date and shall thereupon be maintained and operated in accordance with the terms of the Lease Agreement, and accordingly upon the Operating Term Commencement Date, OVG shall bear expenses and be entitled to revenues relating to the First Avenue North garage. Until the Operating Term Commencement Date, the First Avenue North garage shall be excluded from the Premises, and the City shall retain operation of and revenues from the First Avenue North garage.

(b) The Seattle Center Integration Agreement will include provisions regarding parking coordination and integration as provided in Section 18(a) below, as well as provisions for temporary construction parking licenses or other parking arrangements as noted on Exhibit A and as may be required during the construction phase of the Development Project.

(c) All parking revenues received by the City on account of any parking use of the Fifth Avenue and Mercer Street parking garages, including all amounts paid by direct customers at the Fifth Avenue and Mercer Street parking garages, and all amounts paid by OVG pursuant to Section 9(b) above, but not including any commercial parking tax or other tax receipts, shall constitute "Parking Receipts". If OVG charges a stated amount for an OVG-provided parking pass that exceeds the generally applicable rate for the day and time used, then such excess shall also constitute "Parking Receipts"; provided that the foregoing shall not apply to a parking pass that is bundled, without a separately specified parking charge, with an Arena ticket. If OVG charges a stated amount for an OVG-provided parking pass that is less than the generally applicable rate for the day and time used that shortfall shall not constitute a negative Parking Receipt nor shall it reduce the amount payable by OVG to the City on account of such parking pass. For purposes of items 1 and 2 of Exhibit L, "Net Parking Receipts" for an applicable garage shall be an amount equal to the Parking Receipts for such garage, less costs of operations, the framework for which shall be as determined by the Parties as part of the Parties' process for providing framework information to the Accounting Firm for its determination of the Rent Adjustment Thresholds.

10. Development Agreement. The Development Agreement will provide for the following terms, and will also include all other terms set forth in this MOU that are applicable to the design and reconstruction of the Arena:

(a) Design and Construction, Schedule. OVG shall cause the Arena to be designed in accordance with Section 14 and to be constructed in accordance with the approved Final Design, the Design Standards, the Permits and Approvals, and all applicable laws, and to be completed and opened for events in accordance with the Permits, Design, and Construction Schedule attached as Exhibit E, as it may be revised from time to time with the written approval of the City and as it may be extended by Force Majeure. "Force Majeure" shall mean, whenever any time period or deadline is set forth in the Design and Construction Schedule, such period or deadline shall be extended by the number of days that completion of an obligation is actually delayed due to acts of nature or of the public enemy; governmental action or inaction not reasonably anticipated, including by the City in its capacity as a regulatory authority; acts of terrorism; fires; floods; tidal waves; epidemics; quarantine restrictions; freight embargoes; earthquakes; unusually severe weather; strikes or other substantial interruption of work because of labor disputes; inability to obtain materials or acceptable substitute materials on a timely basis, not reasonably anticipated; failure or delay in delivery of utilities serving the Premises not caused by, or outside the reasonable control of, the party claiming an extension; previously unknown environmental conditions discovered on or affecting the Premises or any portion thereof, in each case including any delay caused or resulting from the investigation or remediation of such conditions; existing unknown or newly discovered geotechnical conditions, including any delay caused or resulting from the investigation or remediation of such conditions; litigation that enjoins construction or other work on the Premises or any portion thereof, causes a lender to refuse to fund, disburse or accelerate payment on a loan, or prevents or suspends construction work except to the extent caused by the party claiming an extension; and any action or proceeding before any judicial, adjudicative, or legislative decision-making body, including any administrative appeal, that prevent the action that is being delayed, brought by a third party that challenges any Required Permit or Approval or other approval, action or consent required to implement the Development Project, provided the foregoing events shall only be considered Force Majeure to the extent the same (i) do not arise from the acts or negligent omissions of the Party claiming Force Majeure delay and (ii) are not within the reasonable control of such Party. OVG shall provide prompt notice to the City of any claim of Force Majeure.

(b) Budget. OVG shall maintain a budget for the Project Cost (the "Project Budget"), and shall provide updates of the Project Budget to the City on a monthly basis. The City has the right to confirm the adequacy of Development Project funding pursuant to Section 21(c), and with respect to any material change to the Project Budget thereafter. OVG shall also cause the Seattle Center Representative and the City's financial and construction consultants to be invited to all construction coordination/progress update meetings.

(c) Conclusion of Arena Events; Relocation of Tenants; Relocated Services. As of the date of this MOU, the City is not scheduling events at the Arena past September 30, 2018, it being understood that OVG and the City shall meet and confer as of April 1, 2018 to assess whether events may be scheduled later than such date. The Development Agreement shall establish the date certain upon which OVG shall have use of the building. Additionally, the Development Agreement shall include a schedule and plan for the relocation of City tenants

currently in the Blue Spruce building, for temporary relocation of Pottery Northwest during construction, and for relocation of Arena licensees/tenants, and for the Seattle Center maintenance facility, as necessary for construction of the Arena Tenant Improvements, and establish a plan for First Avenue North Garage operations during construction. The relocation plan shall also address the following: (i) a schedule for notification and coordination between the City and OVG regarding relocation of home games played by Seattle University and the Seattle Storm under current facility use agreements with the City, (ii) coordination of removal of the Seattle Storm and Seattle University property from Arena, (iii) use or removal of City-owned basketball equipment, (iv) the process for notification and coordination between the City, OVG and the impacted tenants and licensees, and (v) other matters necessary for a coordinated relocation plan.

(d) Construction Requirements. The Development Agreement shall establish the requirements for use of the Seattle Center campus during construction, including but not limited to requirements for construction fencing locations, scheduling, access routes to and from the campus, temporary sidewalk use, staging areas, coordination with Seattle Center to minimize interruptions and impacts to Seattle Center events and festivals during the construction period, project management coordination, designation of representatives for communications and decision-making regarding issues which come up during construction, and on-site project management costs.

(e) Utility Separation. The scope of OVG's obligations with respect to separating and relocating utilities and building systems in the Arena which also are utilized by other parts of the Seattle Center campus, including electrical and low voltage wiring, mechanical, plumbing and drainage piping, shall be set forth in the Seattle Center Integration Agreement consistent with OVG's obligation to pay for all Development Project Costs and all Utility Costs associated with the Development Project and Premises.

(f) Existing Arena FF&E. Prior to the commencement of construction activities at the Arena, the Parties shall jointly develop a schedule of furniture, fixtures, and equipment (if any) currently located at the Premises that the City would like to relocate to or reuse in another location (collectively, the "Existing Arena FF&E"), and the Parties shall agree upon appropriate and reasonable arrangements for the removal of such Existing Arena FF&E prior to construction. To the extent that any furniture, fixtures, and equipment are not included on the Existing Arena FF&E schedule, OVG shall have sole discretion over whether such items are disposed of, recycled, relocated, or reused, at OVG's cost and expense.

11. Due Diligence of Premises.

(a) Title and Survey. (i) Except for Permitted Title Exceptions (as defined in this Section 11(a)), any encumbrances imposed pursuant to the Specified Permits and Approvals process, and such other matters as OVG shall cause or otherwise approve in writing, including but not limited to any encumbrances approved pursuant to Section 18, OVG shall lease the Premises pursuant to the terms and conditions of the Lease Agreement, free and clear of (A) possession by others; (B) liens, encumbrances, covenants, assessments, easements, leases, licenses, or other use agreements, but subject to the exclusives described in Section 18(f) and the existing leases and use agreements, to the extent that they continue pursuant to the terms of Sections 10(c) and 20(h); and (C) delinquent charges and assessments.

(ii) Within five (5) business days after the completion of the Subdivision Action (the "Title Review Commencement Date"), OVG shall, at its sole cost and expense: (A) order an ALTA/NSPS survey of the Premises (the "Survey") by a licensed surveyor or registered professional engineer; and (B) cause Chicago Title Insurance Company (the "Title Company") to prepare and furnish an updated commitment for title insurance (the "Title Commitment") for the Premises to OVG and City, together with copies of all instruments referred to thereon as exceptions to title. The Survey (and all related survey certifications) shall be addressed to both OVG and City. OVG shall deliver two (2) originals of the Survey to City promptly upon receipt thereof by OVG.

(iii) OVG shall have until the date that is twenty-one (21) days following OVG's receipt of the draft Survey and Title Commitment (the "Title Objection Date") to give City a written notice (the "Title Objection Notice") that sets forth in reasonable detail any objections that OVG has to title or survey matters affecting the Premises (the "OVG Title Objections"). If OVG fails to include an objection to any title or survey matter affecting the Premises in the Title Objection Notice, or if OVG fails timely to give City a Title Objection Notice, then any such matters shall be "Permitted Title Exceptions" and OVG shall have no further right to object to such matters. City shall have fourteen (14) days from its receipt of the Title Objection Notice ("City's Title Election Period") to give OVG notice as to whether City elects to cure the OVG Title Objections by the Lease Execution Date. If City fails to give OVG written notice of such election before the end of City's Title Election Period, then City shall be deemed to have elected not to cure the OVG Title Objections. If City elects or is deemed to have elected not to cure any one or more of the OVG Title Objections, then such OVG Title Objections shall constitute Permitted Title Exceptions, and OVG shall have fourteen (14) days from City's Title Election Period ("OVG's Title Termination Period") to determine whether to take title to the Premises subject to such matters or to terminate this MOU upon notice to City. If OVG fails to give City written notice of termination before the end of OVG's Title Termination Period, then OVG shall be deemed to have waived the OVG Title Objections and, as of the Lease Execution Date, to have assumed all risk, liability, and cost associated with the same. If City elects to cure any one or more of such OVG Title Objections, then City shall have until ten (10) business days prior to the Lease Execution Date to cure the same.

(iv) If, after the Title Objection Date but before the Lease Execution Date, OVG first receives an update of the Title Commitment that takes exception for matters that are not Permitted Title Exceptions, that are not caused or approved by OVG, and that can reasonably be expected to materially and adversely affect the development of the Premises, then OVG shall have the right to give City a written notice (a "OVG Intervening Title Objection Notice") that sets forth such matters in reasonable detail ("OVG Intervening Title Objections"); provided, however, that: (A) any OVG Intervening Title Objection Notice (together with copies of the applicable updated title commitment or title report and the applicable underlying exception documents referenced therein) must be provided to City within fifteen (15) business days after OVG receives the same (but in no event later than the Lease Execution Date), and (B) OVG shall have no right to give a OVG Intervening Title Objection Notice with respect to any matters disclosed to OVG in writing prior to the Title Objection Date. If OVG fails to include an objection to any intervening title or survey matter affecting the Premises as of the effective date of the updated Title Commitment in a OVG Intervening Title Objection Notice, or if OVG fails timely to give City a OVG Intervening Title Objection Notice, then any such matters shall be Permitted Title Exceptions, and OVG shall have no further right to object to such matters. City shall have

fourteen (14) days from its receipt of a OVG Intervening Title Objection Notice ("City's Additional Title Election Period") to give OVG a written notice ("City's Intervening Title Notice") that identifies the OVG Intervening Title Objections, if any, that City will cure by the Lease Execution Date, the City having no obligation to cure. If City does not give City's Intervening Title Notice by the end of City's Additional Title Election Period, then City shall be deemed to have elected not to cure the matters set forth in the applicable OVG Intervening Title Election Notice. Any OVG Intervening Title Objections that are not identified in a City's Intervening Title Notice as matters that City will cure by Closing, or OVG Intervening Title Objections that City is deemed to have elected not to cure, shall constitute Permitted Title Exceptions, and OVG shall have until the earlier of (1) fifteen (15) business days after the expiration of City's Additional Title Election Period and (2) the Lease Execution Date (the earlier of such dates, the "OVG Title Election Date") to give City written notice that OVG elects either to waive the applicable OVG Intervening Title Objections or to terminate this MOU, and if OVG gives City a written termination notice by the OVG Title Election Date, this MOU shall terminate, and OVG and City shall have no further obligations or liabilities under this MOU. If OVG fails to give City such written notice of termination before the end of the OVG Title Election Date, then OVG shall be deemed to have waived the OVG Intervening Title Objections and assumed all risk, liability, and cost associated with the same. If OVG timely gives City a OVG Intervening Title Objection Notice in accordance with the above provisions and City elects to cure the OVG Intervening Title Objections, then (A) the OVG Intervening Title Objections that are identified in a City's Intervening Title Notice as matters that City will cure by Closing shall not constitute Permitted Title Exceptions, and (B) City shall have until ten (10) business days prior to the Lease Execution Date cure such matters.

(v) OVG shall be entitled to request that the Title Company provide such endorsements to OVG's title insurance policy as OVG may reasonably require (including, without limitation, a subdivision endorsement), provided that such endorsements or amendments shall be at no cost to, and shall impose no additional liability on, City; provided further, however, that City shall execute for the benefit of the Title Company a customary owner's affidavit.

(b) Environmental. The City represents that Seattle Center is the City department with primary record-keeping responsibilities relating to the City's ownership and operation (but not regulation) of the Arena, and that to the actual knowledge of Jill Crary, Seattle Center Redevelopment Director, the Environmental Reports listed on Exhibit K constitute all Environmental Reports regarding the Premises that are in the possession of Seattle Center, expressly excluding any such Environmental Reports received by the City in its regulatory capacity or any other capacity other than Seattle Center, that mention the Arena but were prepared as part of a broader area-wide study or as part of a neighboring development proposal and which are not specific to the Arena or Seattle Center. "Environmental Reports" as used herein means written final reports prepared by a third-party professional environmental firm and dated on or after July 18, 1986. Commencing on the Initial Commencement Date and throughout the term of the Lease Agreement, OVG shall bear all costs and expenses of remedying any and all environmental contamination by a Hazardous Substance, the presence of which contamination is discovered in preparation for or during, or caused by OVG during any construction, renovation, or maintenance undertaken by or for OVG or during the Term of the Development Agreement or Lease Agreement. As used herein, the term "Hazardous Substance" means any matter including petroleum products and by-products, asbestos, infectious waste and any other materials, which is now or hereafter designated as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental

Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or that is now or hereafter regulated by applicable Environmental Laws; and the term "Environmental Law" means, as amended from time to time, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act of 1980, 42 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 93 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder from time to time.

(c) Acknowledgment of Access Agreement. Subject only to the express representations and covenants in this MOU, OVG agrees to accept the Arena in its as-is condition. OVG acknowledges that pursuant to that certain KeyArena Access Agreement dated August 31, 2017 (the "Access Agreement"), OVG has been granted access to the Arena that is sufficient for OVG's inspection, testing, and due diligence purposes. Nothing set forth in this MOU shall be deemed to modify, amend, or terminate the Access Agreement or any of the provisions set forth therein.

12. Capital Improvements.

(a) Capital Improvements. Except as set forth herein, OVG will, at its sole cost and expense, make all Capital Expenditures relating to the Arena or its use. "Capital Expenditures" means the purchase, installation, improvement, repair or replacement of items or systems in the Arena and Arena Tenant Improvements with a life expectancy of at least three years, at a cost of Five Thousand Dollars ($5,000) per item or system, including labor costs, and that are necessary or appropriate to maintain the Arena throughout the term of the Lease in good repair in accordance with the Schematic Design Package, Design Standards, and Operating Standards (as defined below) or which may be required by applicable law, including but not limited to, all capital improvements necessary to maintain the structural integrity of the Arena.

(b) Timing of Capital Improvements.

(i) Minimum Capital Expenditure Investment. During the first ten (10) years of the Initial Term, OVG commits to expending no less than One Million Dollars ($1,000,000) per year on Capital Expenditures relating to the Arena. During the remaining twenty-nine (29) years of the Initial Term, OVG commits to expending no less than Two Million Dollars ($2,000,000) per year on Capital Expenditures relating to the Arena.

(ii) Extraordinary Capital Expenditure Investment. During the first twenty (20) years of the Initial Term, in addition to the minimum Capital Expenditures described in Section 12(b)(i) above, OVG shall make such additional Capital Expenditures as might be required by the terms and conditions of any leasehold financing encumbering OVG's leasehold interest in the Premises. Between the twenty-first (21st) and thirtieth (30th) year of the Initial Term, in addition to the minimum Capital Expenditures described in Section 12(b)(i) above, OVG commits to expending no less than Fifty Million Dollars ($50,000,000) on Capital Expenditures (the "First Extraordinary CapEx Investment"). In addition, between the thirty-first (31st) and forty-seventh (47th) year of the Term, in addition to both the minimum Capital Expenditures described in Section 12(b)(i) above and the First Extraordinary CapEx Investment, OVG commits to expending no less than Fifty Million Dollars ($50,000,000) on Capital Expenditures (the "Second Extraordinary CapEx Investment"). Expenditure of the First Extraordinary CapEx Investment shall be a condition precedent to the City granting the first 8-year extension of the Term, and expenditure of the Second Extraordinary CapEx Investment shall be a condition precedent to the City granting the second 8-year extension of the Term. Notwithstanding the foregoing, if, at any time from and after the commencement of the twenty-first (21st) year of the Initial Term, OVG and the City mutually agree upon the scope and timeline for a major renovation program for the Arena that would have a project budget of at least Two Hundred Fifty Million Dollars ($250,000,000) (a "Qualified Future Renovation"), then such agreement as to the Qualified Future Renovation shall replace the requirements for both the First Extraordinary CapEx Investment and the Second Extraordinary CapEx Investment and shall satisfy the condition precedent set forth in Section 8(a)(iv) to the City granting both the first 8-year extension of the Term and the second 8-year extension of the Term.

13. Management, Operations, and Use.

(a) Operating Expenses. OVG will control and will be solely responsible for all day-to-day operations and maintenance of and repairs to the Arena and shall throughout the Term maintain the Arena to a standard ("Operating Standard") suitable for professional basketball and ice hockey arenas in the NBA and NHL, serving as the home facility for NHL and NBA teams, and not less than consistent with the standards of quality and performance that exist at the pertinent time for (i) United Center (Chicago), (ii) Pepsi Center (Denver), and (iii) TD Garden (Boston) (collectively, the "Benchmark Arenas"). In the event that any of the Benchmark Arenas shall be closed or shall permanently cease to host NBA or NHL home games or shall, as generally recognized in the industry, cease to be maintained and operated to the standards generally recognized in the industry as first class multi-purpose sports and entertainment arenas, such arena shall cease to be a Benchmark Arena and the Parties shall agree in good faith upon a replacement Benchmark Arena that is a first class multi-purpose sports and entertainment arena that meets at the time of such replacement the Operating Standard.

(b) Operations. OVG will throughout the Term operate and manage the Arena in accordance with the Operating Standards, as they may be amended from time to time by the mutual agreement of the Parties. OVG will not enter into any multi-year contracts or grant any rights with respect to the operation of the Arena that would extend beyond OVG's occupancy under the Lease Agreement unless such agreements contain provisions reasonably acceptable to the City regarding assignment or termination to be set forth in the Transaction Documents. OVG will provide the City with a copy of any such contract.

(c) Community Events. From and after the Event Commencement Date, OVG shall provide City with the rent-free use of the Arena, including the loading dock and associated parking spaces, but not the exclusive use spaces for the Seattle Storm, or, if applicable, resident NHL or NBA tenants, for up to fourteen (14) days per calendar year (each a "Community Event"). Subject to any priority calendar holds by resident NHL or NBA teams, as applicable, Community Events shall include (i) up to six (6) consecutive days during Labor Day weekend for the annual Bumbershoot Festival, including one (1) day immediately preceding the first gated festival day for move-in purposes and until 11:59 p.m. on the day following the last gated festival day for move-out purposes, provided, that for the annual Bumbershoot Festival, the only NHL or NBA priority calendar holds that shall apply are those required by the NHL or NBA to be held and observed by all member franchises, (ii) up to eight (8) consecutive days during an annually recurring time period for the annual four (4) day Seattle/King County Clinic, held over a weekend including two (2) days immediately preceding the clinic and until 11:59 p.m. on the second day following the clinic for move out, and (iii) use of remaining days of the fourteen (14) day allocation, if any, for other Community Events. Community Events, other than the Bumbershoot Festival and the Seattle/King County Clinic, shall occur on days that the Arena is available or can be made available. The Parties acknowledge that a festival event such as the Bumbershoot Festival, while a Community Event, is designed in part to earn a profit and may compete with the operations or booking opportunities of the Arena. Community Events, other than Bumbershoot and the Seattle/King County Clinic, shall not be designed to earn a profit or otherwise compete with the operations or booking opportunities of the Arena. The Seattle Center Integration Agreement shall contain mutually agreeable terms regarding advance booking, event duration, and provision for event costs, including without limitation City's self-insurance or procurement of event insurance and provisions for security and trash removal. City and OVG shall enter into a separate rental agreement that shall govern City's use for Community Events.

(d) Event Day Services; Safety and Security. The Seattle Center Integration Agreement shall include provisions for how OVG and City shall regularly coordinate and cooperate in good faith regarding reasonable and appropriate levels of security associated with events at the Arena. Services and associated fees will be subject to separate agreements with appropriate service providers. The Arena shall be designed and operated at OVG's cost with a goal of qualifying for a SAFETY Act designation and certification by the U.S. Department of Homeland Security or achieving equivalent standards for anti-terrorism security measures.

14. Arena Design, Development, and Construction.

(a) General Parameters. OVG will develop, design, and construct the Arena as a first-class Arena as set forth in and consistent with the Project Scope Narrative and the Design Standards (defined below). To the extent that the Scope Narrative does not include the development of the "South Parcel" and the Bressi Garage, the same process and standards shall be applied to any future redevelopment of the "South Parcel" and the Bressi Garage.

(b) Design and Approval Process. In addition to all City regulatory reviews for the Development Project, including those relating to design, environmental, and landmarks, the design documents (including plans and specifications) shall be subject to the review and approval of the City in its capacity as the owner and lessor of the Premises, acting through the Seattle Center Department, which has jurisdiction over the Premises. As a result, the Parties agree

that it will be mutually beneficial to coordinate design development between OVG, the City's regulatory agencies, and the Seattle Center Department. The Parties will follow the process in this section to coordinate the review and approvals of the design documents through completion of the Final Design, and final approved Development Project budget and Design and Construction Schedule. OVG, in regular consultation with the Seattle Center Representative, shall direct and cause the architect to prepare and develop the design documents in accordance with and consistent in all material respects with the Project Scope Narrative, Design Standards and this MOU, except for changes approved in writing by the Seattle Center Representative. OVG shall cause the design documents to be developed and delivered to City in the phases described in the Design and Construction Schedule and by the respective deadlines therefor set forth in the Design and Construction Schedule. OVG agrees that City has the right to approve each such phase of the design documents, including the final construction design documents ("Final Design"), in accordance with the terms hereof, such approval not to be unreasonably withheld, conditioned, or delayed so long as such design documents are consistent in all material respects with the Project Scope Narrative, Design Standards, this MOU, and phases of design documents previously approved.

(c) Design Standards. While the preliminary design documents are subject to further revision and approvals as provided above, the Parties agree that all design documents, including the Final Design of the Arena, shall meet the following design standards (the "Design Standards"):

(i) conform to the Project Scope Narrative, and facilitate ongoing compliance with the Operating Standard;

(ii) comply with all applicable laws, including but not limited to the requirements of the Americans with Disabilities Act (ADA), taking into consideration Title II and III. In cases where the Title II and III standards differ, the design shall comply with the standard that provides the highest degree of access to individuals with disabilities. Additionally, in cases where the provisions of the ADA exceed requirements contained in building codes and other regulations, the ADA requirements shall control;

(iii) comply with current and currently-anticipated NHL and NBA specifications, standards and requirements for new arenas. OVG will obtain advance acknowledgements from both the NBA and the NHL indicating that the Final Design of the Arena has been completed in a manner sufficient to permit an NBA and NHL team to play home games at the Arena;

(iv) be consistent with the Seattle Center Century 21 Master Plan (the "Master Plan") and the Uptown Urban Design Framework Guiding Principles;

(v) comply with the City of Seattle Landmarks Preservation Board controls and incentive agreement, certificate of approval processes, and any design requirements imposed as a result of the designation of the existing arena and other facilities within the Project Site (as defined in the Project Scope Narrative) as historic landmarks;

(vi) comply with the sustainability standards described in Section 14(d) below and, additionally, where connecting to Seattle Center campus infrastructure, comply with the Seattle Center's Site Standards (as last updated in June 2016);

(vii) complete successful review by Seattle Design Commission;

(viii) provide 360-degree pedestrian access around the circumference of the Arena, and to the maximum extent feasible, for the exterior pedestrian walkways, landscaping and hardscaping and other exterior amenities in the Project Site to remain available for public use and enjoyment, festivals, and other uses consistent with Seattle Center's purpose and Master Plan; and

(ix) provide vehicular access to the upper and lower Northwest Rooms Courtyard.

(d) Sustainability. The Arena will be designed and constructed to comply with applicable City requirements for sustainable construction and will strive to utilize the most modern practices of sustainable design and construction available at the time of construction in accordance with OVG's business interests, including meeting a LEED Gold rating or achieving equivalent standards for energy use, water use, storm water management, construction waste diversion, and bicycle facilities.

(e) Cost Allocation. As between OVG, on the one hand, and the City, on the other hand, OVG (a) will be solely responsible for the cost of design, permitting, and construction of the Arena, including any cost overruns and any remediation of any hazardous materials on the Premises (to the extent any such hazardous materials are required to be remediated by a state or federal agency with jurisdiction in connection with the Development Project), and (b) will be solely responsible for any defects related thereto. Notwithstanding the foregoing, OVG shall not be responsible for costs that are attributable to Arena enhancements that are requested by the City in its capacity as owner and lessor of the Premises and that constitute changes in the scope of the Development Project, provided such costs payable by the City are set forth in a written Change Order that is approved in writing by the City. OVG shall not be required to accept any Arena enhancements that are requested by the City in its capacity as owner and lessor of the Premises and that constitute changes in the scope of the Development Project unless the Parties mutually agree upon a Change Order therefor. Nothing herein shall create any obligations on the part of OVG to any third parties. OVG shall require its general contractor for the Development Project to provide a payment and performance bond in a penal sum equal to the construction contract price and conditioned on the completion of the Development Project and payment of all laborers, mechanics, subcontractors, material suppliers, and all persons providing provisions and supplies for the work. The City shall be a co-obligee under the bond. No part of the cost of the construction of the Arena Tenant Improvements shall ever become an obligation of the City.

(f) Liens. OVG agrees that the Premises shall be kept free from any liens of mechanics, materialmen, laborers, surveyors, engineers, architects, artisans, contractors, subcontractors, suppliers, or any other lien of any kind whatsoever (a "Lien") that shall be created against or imposed upon the Premises (other than Permitted Liens). In the event any such Liens shall be asserted or filed by any persons, firms, or corporations performing labor or services or

furnishing material or supplies in connection with the Development Project, OVG shall pay off in full, bond over as described below, or cause the same to be discharged of record within sixty (60) days of notification thereof. OVG reserves the right to contest the validity or amount of any such Lien in good faith provided that, within sixty (60) days after the filing of such Lien, OVG discharges said Lien of record or records a bond which is consistent with the requirements of RCW 60.04.161. In the event OVG shall fail to so remove any such Lien, City may take such action as City shall reasonably determine to remove such Lien and all costs and expenses incurred by City including, without limitation, amounts paid in good faith settlement of such Lien and attorneys' fees and costs, together with interest thereon, shall be paid by OVG.

(g) Representatives. The Seattle Center Director, acting as the City official representing the City as owner and lessor of the Premises, shall designate from time to time in writing an individual who shall serve as the Seattle Center Representative for the purposes of communicating with the OVG Representative regarding matters related to the design and construction of the Arena (the "Seattle Center Representative"), not including matters in which the City is acting in its regulatory capacity. The initial Seattle Center Representative shall be Jill Crary. Within ten (10) business days of the Effective Date of this MOU, OVG shall designate an individual who shall serve as the OVG representative for the purposes of communicating with the Seattle Center Representative regarding any and all matters related to the construction of the Arena ("OVG Representative"). The initial OVG Representative shall be Shaun Mason of ICON Venue Group (OVG's project manager). The Seattle Center Representative will coordinate with OVG on all design approval processes including Seattle Center Director reviews, Seattle Design Commission, Landmarks Preservation Board, Seattle Department of Construction and Inspection reviews, City Council presentations, and other public meeting presentations as scheduled. Regular reviews with the Seattle Center Director will be scheduled by the Seattle Center Representative at each phase; Concept, Schematic, Design Development and Construction Drawings.

OVG will use commercially reasonable efforts to involve and keep the Seattle Center Representative informed on a timely basis of significant aspects of the design and construction of the Arena as it pertains to exterior elements, including public plaza and common areas, surrounding rights of way, wayfinding, and integration with the Seattle Center campus. In order to enable the Seattle Center Representative to attend, become informed about the status of the Development Project, participate in discussions, and present the City's non-binding recommendations with respect to matters being discussed, the OVG Representative will schedule regular meetings with senior design and construction staff of OVG and other design and construction principals to discuss major issues related to the development and construction of the Arena. The Seattle Center Representative will be notified of the time and place of such meetings. The OVG Representative will also participate in such separate meetings with the Seattle Center Representative as the Seattle Center Representative may reasonably request with at least five (5) business days' prior notice. The OVG Representative will also timely provide the Seattle Center Representative with copies of significant construction-related documents including schedule updates, meeting minutes, permit applications, requests for information ("RFIs"), responses to the RFIs, change order proposals and design changes. The Seattle Center Representative will be entitled to disclosure of all material matters relating to the Development Project as more fully described in Section 10(b). Subject to generally-applicable Development Project safety rules, the Seattle Center Representative shall at all times have reasonable access to the Arena and Project Site. The Seattle Center Representative's recommendations, or other actions performed by the

Seattle Center Director (or designee) or the Seattle Center Representative as described herein, will not in any manner cause the City to bear any responsibility for the design or construction of the Arena or any defects related thereto.

(h) Contracting. OVG's contracts for construction of the Arena (collectively, "Arena Contracts") will be with contractors who have had extensive experience constructing significant sports and entertainment facilities and are otherwise acceptable to OVG. Arena Contracts will be consistent with industry standards and provide for substantial liquidated damages in case of late completion and require payment and performance bonds in favor of OVG and the City in the contract sum and consistent with industry standards. The Arena Contracts and the project budget will also include retainage provisions, contingency amounts and other appropriate cost overrun and completion protections consistent with industry standards and as reasonably determined by OVG, it being understood, as between OVG, on the one hand, and the City, on the other, that any cost overruns will be the sole responsibility of OVG. All contracts for the construction of the Arena shall require the payment of wages at the prevailing rate established by the Washington State Department of Labor and Industries per the Washington State Prevailing Wage Statute (RCW Chapter 39.12) for the specific categories of work performed. The selection of and contracts with the contractor, principal subcontractors, principal engineers, architects, design and other consultants and significant suppliers will be subject to review by the Seattle Center Representative, but OVG will have the final decision-making authority with respect to such matters.

(i) Engagement of Minorities and Women. The Development Project shall promote and include the racial and ethnic communities of the City of Seattle, it being understood that part of the Development Project's economic and community contribution is to engage local minority workers and businesses who are historically disenfranchised, as well as low-income workers and businesses. All Parties agree upon the importance of effective strategies and programs to include local minority and woman workers and firms in Arena design and construction, with an ongoing commitment by OVG to use reasonable efforts to use such local workers in the operations and maintenance aspects of the Arena. To that end, OVG commits to using the City of Seattle's Women and Minority Owned Businesses ("WMBE") Construction Public Works WMBE Inclusion Plan dated March 6, 2017 prior to the start of construction. This includes using specific strategies such as the use of the "Worksheet of Possibilities" that helps bidders analyze what work or supply could be subcontracted to WMBE firms, the use of the "Contract Commitment Log" that documents (i) WMBE firms the prime contractor commits to subcontract with and (ii) contract amounts awarded to WMBE firms. The City of Seattle's Department of Finance and Administrative Services ("FAS") shall monitor for compliance with the WMBE Inclusion Plan on the Development Project.

(j) Project Labor Agreement; City Priority Hire Program. OVG and its contractors and subcontractors of every tier shall become signatory to the City of Seattle Community Workforce Agreement ("CWA") by addendum, or if impracticable, a project labor/community workforce agreement with the same terms as the CWA. OVG's agreements with its contractors and subcontractors of every tier shall also include priority hiring terms consistent with all additional elements of the City of Seattle's Priority Hire Ordinance at Chapter 20.37. The Development Agreement shall detail the plan for OVG's implementation of the OVG CWA and priority hiring. FAS shall monitor for compliance with the OVG CWA and priority hiring terms.

(k) Qualified Workers. Prior to the beginning of construction, OVG and the City shall develop a plan for the retention of Qualified Workers. "Qualified Workers" means (i) City employees who are working at the KeyArena at the time construction begins, or who have been re-assigned for some period of time between the Effective Date and the Operating Term Commencement Date, and (ii) workers employed by contractors and subcontractors providing KeyArena services as of the Initial Commencement Date. While the specific scope and eligibility of Qualified Workers and the other details of the plan are to be determined, the plan shall, at a minimum, specify a method for identifying Qualified Workers based upon reasonable staffing levels consistent with current practice, prior to closing of the Arena for the Development Project, and shall obligate OVG to offer eligible Qualified Workers an equivalent job at the reconstructed Arena at a specified time prior to its opening. The terms and conditions of the plan for retention of Qualified Workers shall be included in the Development Agreement, and as applicable, the Lease Agreement.

(l) Insurance and Indemnification. All contracts for the design and construction of the Arena will include provisions for insurance consistent with the requirements of Exhibit H attached hereto and incorporated herein by reference. Upon completion of construction of the Arena and during the term of the Lease Agreement, OVG will continuously maintain insurance consistent with the requirements of Exhibit H attached hereto and incorporated herein by reference. The City will be additional insured or loss payee on all insurance policies and will approve the forms and limits of liability of all policies. The Lease Agreement shall contain indemnification provisions providing that OVG shall defend, hold harmless, and indemnify the City for any costs, expenses, or losses arising from the design, construction, and operation of the Arena, it being understood that such indemnity shall not extend to claims (i) brought against the City by any tenants of Seattle Center in connection with relocation, and (ii) arising as a result of the City's breach of its representations and warranties set forth in this MOU or in the Transaction Documents.

15. Labor Harmony Agreement. OVG acknowledges that for the duration of the term of the Lease Agreement, the reconstructed Arena will be a source of tax and other revenues to the City, and that the City has an interest in ensuring that the operation of the reconstructed Arena is not disrupted by labor disputes. As a result, the Lease Agreement will include an ongoing requirement that OVG enter into one or more labor harmony agreements (each a "Labor Harmony Agreement") if labor organizations which represent workers in Seattle that have indicated or may indicate their intent to organize operation and maintenance workers at the Arena. Such labor organizations may include, but not be limited to, the International Union of Painters and Allied Trades District Council No. 5, Unite Here Local 8, IATSE Local 15, Professional Technical Employees Local 17, Journeyman Apprentices of Plumbing Pipe Fitting Industry Local 32, International Brotherhood of Electrical Workers Local 46, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local No. 104, Teamsters Local 117, Public Service and Industrial Employees, Local 1239, International Union of Operating Engineers Local 286, Seattle Building & Construction Trades Council, Sheetmetal Workers Local 66, and the Pacific Northwest Regional Council of Carpenters Local 30. Each Labor Harmony Agreement shall contain provisions under which the labor union, for itself and its members, agrees to limit the right to engage in concerted economic action at the Arena aimed at bringing economic pressure to bear against the City and OVG, including limitations of activities such as striking, picketing, lock outs, boycotting or any other disruptive labor action. OVG shall maintain its Labor

Harmony Agreements for the duration of the term of the Lease Agreement to ensure the City's uninterrupted revenues, whether arising directly or indirectly, from the operation of the Arena. OVG shall provide a copy of each executed Labor Harmony Agreement to the City promptly following its execution. OVG shall ensure that the obligation to enter Labor Harmony Agreements is included in all agreements with concessionaires, contractors, sub-contractors, sub-concessionaires, operators, assignees, or developers acquiring the right to develop or operate business opportunities at or within the Arena.

16. Transportation.

(a) Mobility Action Plan Purpose and Goals. OVG and the City shall work collaboratively and in good faith, with the City managing the project, to develop a North Downtown Mobility Action Plan (the "MAP") that meets the purpose and goals set forth on Exhibit J attached hereto and incorporated herein by reference. The MAP might also include those suggested transportation solutions identified in the OVG Response which may contribute to improving mobility for all modes in the North Downtown area. The MAP is a planning and project identification document, and shall be included as an exhibit to the Lease Agreement. OVG shall pay for a transportation consultant separate from the SEPA/EIS process to develop and conduct this mobility planning effort, provided that OVG's obligation hereunder shall not exceed Two Hundred Fifty Thousand Dollars ($250,000) and provided further that OVG shall have the right to approve the scope of such consultant's engagement, such approval not to be unreasonably withheld, conditioned, or delayed. This MAP planning effort is separate from and does not replace or supplement the environmental impact analysis that will occur under SEPA as set forth in Section 7.

(b) City Transportation Fund Established. The City will establish a separate fund or account ("City Transportation Fund") to be managed in the sole discretion of the City, considering input from stakeholders affected by the Development Project, and used to fund transportation improvements in the neighborhoods surrounding Seattle Center. The City Transportation Fund will fund some of the projects identified in the MAP, including projects that may improve network connectivity for people of all ages and abilities to walk and bike, enhance transit service and connectivity, and improve overall traffic management in the Seattle Center area. The City will seek other public and private partners and funding for the purposes of advancing the objectives of the City Transportation Fund, including but not limited to King County and the Port of Seattle. OVG commits Forty Million Dollars ($40,000,000) towards this City Transportation Fund as set forth in Section 8(f) of this MOU. The City Transportation Fund will not be made available to OVG to fund mitigation obligations identified as part of the environmental impact analysis that will occur under SEPA as set forth in Section 7.

17. Signage. The City and OVG will enter into a mutually agreeable comprehensive initial sign plan for the Premises to provide for the orderly, efficient, and harmonious design and placement of exterior and exterior facing signs, sign structures, and other exterior devices (collectively, "Signage"), including, without limitation, Signage activation, that allow for operation of an active entertainment use such as the Arena. Signage and Signage activation is subject to City approval. The sign plan will promote the use of clear graphics; coordination with the architectural elements of the building(s) on or near which the Signage is located; coordination with the Seattle Center campus Signage and enhancement of overall site aesthetics by regulating

the number, size, location and type of Signage. Signage visible from the public right of way is subject to the City's sign code requirements. Exterior Signage visible on the Seattle Center campus is subject to Seattle Center rules and regulations, including the approval of the Seattle Center Director. OVG will also coordinate with the City and the Seattle Center to ensure Signage promotes accessibility for all, including the disabled and those with Limited English Proficiency ("LEP"), in compliance with the City's forthcoming language access strategy, as well as applicable federal, state, and local laws. The initial sign plan will be included in the Development Agreement, and the process for updating and revising the sign plan over the term of the Lease Agreement will be addressed in the Seattle Center Integration Agreement.

18. Seattle Center Integration. OVG and the City acknowledge that both Parties have a mutual interest in ensuring that the design, construction, and operation of the reconstructed Arena integrates into the physical space and operations of the greater Seattle Center campus in a manner that benefits the campus, its anchor tenants, and the public. In addition to the provisions elsewhere in this MOU which address how the design and construction of the Arena Tenant Improvements integrate with Seattle Center, the key topics relating to Seattle Center integration in this Section 18 shall be included in the Lease Agreement, Development Agreement, or Seattle Center Integration Agreement, as appropriate.

(a) Seattle Center Integration Agreement. OVG and the City agree to enter into a Seattle Center Integration Agreement that shall be guided by the goals and principals and address the key issues set forth on Exhibit J, and which agreement shall have a term that runs concurrently with the Lease Agreement.

(b) Parking and Traffic Management. OVG shall manage the First Avenue North parking garage and the new parking garage to be constructed by OVG primarily in support of the Arena and its tenants and events. Seattle Center shall manage the Mercer Street parking garage and the Fifth Avenue North garage in support of the entire Seattle Center campus, its tenants and events, including the Arena. Seattle Center and OVG acknowledge that campus parking operations will need to adjust to address the impact of Arena events while maintaining service to the balance of the campus. OVG and Seattle Center shall agree as part of the Seattle Center Integration Agreement upon appropriate terms regarding coordination of management and operations of the parking garages which may include, but not be limited to (1) event scheduling and staggering of event start and end times; (2) bundling of parking and Arena tickets; (3) customer service (4) technology integration; (5) operations and traffic control on Arena event days; (6) team parking; (7) sponsorship integration; and (8) parking rates. Such parking agreement may include: (i) the right for OVG to directly provide directly to its patrons parking passes for the Fifth Avenue and Mercer Parking Garages, subject to terms, conditions, and limitations to be agreed upon as provided above; (ii) if such OVG-provided parking pass is used at either the Fifth Avenue North parking garage and Mercer Street parking garage, for each such pass OVG shall be charged at the generally applicable rate for the day and time used; and (iii) amounts so charged to OVG shall be invoiced to OVG by the City on a monthly basis and paid by OVG when due.

(c) Future Availability of Parking Garages.

(i) Fifth Avenue North Parking Garage. The Parties acknowledge that the City's right, title, and interest in the real property underlying the Fifth Avenue North parking

garage arises pursuant to that certain Ground Lease (Garage) dated July 16, 2008 by and between the City and Iris Holdings, LLC ("Iris"), as amended (as may be further amended from time to time, the "Fifth Avenue North Lease"). The Fifth Avenue North Lease is currently set to expire on July 15, 2058, or such earlier date as described in Section 2 thereof (the "Fifth Avenue North Lease Expiration Date"). Notwithstanding anything to the contrary set forth in this MOU, OVG acknowledges and agrees that the City cannot make any commitments as to the availability of the Fifth Avenue North parking garage for Arena parking or as to the future availability of Parking Receipts or Commercial Parking Tax revenues from the Fifth Avenue North parking garage beyond the Fifth Avenue North Lease Expiration Date, as such date might be further extended by mutual agreement of the City and Iris.

(ii) Mercer Street Parking Garage. The City covenants and agrees that it shall not voluntarily demolish or demolish and rebuild the Mercer Street parking garage at any time prior to the earlier of January 1, 2035, or extension of light rail to a station within an approximately one-half (1/2) mile walkshed of the Arena.

(iii) Limitations. The obligations of the City as applicable to the Fifth Avenue North and Mercer Street parking garages, including as provided above and as applicable to the Rent Adjustment, are subject to the following:

(A) Loss of use of either parking garage due to any Force Majeure event affecting such parking garage;

(B) Loss of use of either parking garage due to any repair, replacement, or renovation to such parking garage as reasonably determined by the City in order to adequately and safely maintain such parking garage, or closure or demolition of either parking garage if repair, replacement, or renovation is required and is not cost-effective as reasonably determined by the City;

(C) Loss of use of the Mercer Street Parking Garage if replaced by a replacement garage with a capacity of not less than 800 spaces.

provided, that in the event that the City intends to permanently close the Mercer Street parking garage, no later than one (1) year prior to such closure the City shall provide notice to OVG of such closure and meet and confer with OVG regarding same, and provided, further, that in the event of the loss of use by OVG of either parking garage, the City agrees to cooperate in good faith with OVG to identify opportunities whereby OVG may obtain replacement parking as part of the City's negotiations to seek its own replacement parking for the broader Seattle Center campus.

(d) Signage and Wayfinding. The Signage Plan principles and approval rights identified in the Development Agreement will be maintained and OVG and Seattle Center shall agree upon appropriate terms for repair, replacement, updating, and revisions to the Signage Plan during the term of the Lease Agreement.

(e) Mitigation of Impacts to Seattle Center and Its Users.

(i) **Skate Park, Maintenance Facility and Other Seattle Center Amenities.** In consideration of the City's needs to relocate the Seattle Center Skate Park ("Skate Park"), the Seattle Center Campus Maintenance Facility and associated support spaces ("Maintenance Facility"), and Seattle Center public restrooms and other Seattle Center public amenities affected by the Development Project as identified by the City, OVG shall remit to the City an aggregate amount of One Million Five Hundred Thousand Dollars ($1,500,000), to be allocated by the City in the City's sole discretion to be utilized by City for such projects. Such amount shall be payable in two installments of Seven Hundred Fifty Thousand Dollars ($750,000) each, with the first payment due upon commencement of construction, and the second payment due upon the Operating Term Commencement Date. OVG shall have no further responsibilities of obligations with respect to the Skate Park, the Maintenance Facility, or such other City-identified amenities, including without limitation any obligation to locate an alternative site for such facilities or to fund or cause the completion of any construction activities in respect of such relocation or any ongoing operations.

(ii) **Pottery Northwest.** As provided under Section 10(c), the Development Agreement will address the schedule and plan for temporary relocation of Pottery Northwest during construction, which shall be at OVG's cost and expense. The Seattle Center Integration Agreement shall provide a schedule for the subsequent return of Pottery Northwest to the Premises, the relocation costs for which being at OVG's cost and expense. The Seattle Center Director, or the Director's designee, shall cooperate with OVG and representatives of Pottery Northwest in developing appropriate and cost-effective plans for such relocations.

(iii) **Other Tenants.** OVG shall pay City Five Hundred Thousand Dollars ($500,000) for short-term and long-term solutions developed by Seattle Center for displaced tenants other than the Skate Park and Pottery Northwest. Such amount shall be payable in two installments of Two Hundred Fifty Thousand Dollars ($250,000) each, with the first payment due within thirty (30) days after approval of this MOU by City Council and execution of same, and the second payment due within thirty (30) days of commencement of construction of the Arena.

(f) Accommodation of Existing Exclusivities. Set forth on Exhibit M are exclusive arrangements pursuant to contractual arrangements with third parties existing as of the Effective Date that will continue beyond the Operating Term Commencement Date regarding the Seattle Center that also affect the Premises.

19. Community Fund. OVG shall cause the establishment of a non-profit charitable foundation (the "Charitable Foundation") to administer a community fund (the "Community Fund") to provide resources for organizations that serve the greater Seattle area and the communities surrounding Seattle Center. The Charitable Foundation shall commit at least Twenty Million Dollars ($20,000,000) in donations (the "Charitable Funding Commitment") to be administered in connection with the Community Fund, it being understood that at least fifty percent (50%) of such donations shall be in cash (inclusive of any NHL and/or NBA team franchise contributions), and that the balance of the donations may be either cash or in-kind. Consistent with the public pledge made by OVG, from the Charitable Funding Commitment Ten Million Dollars

($10,000,000) in cash or in-kind donations has been committed to YouthCare, a Washington corporation, over a twenty (20) year period commencing on the Operating Term Commencement Date pursuant to a separate written agreement to fund and support programs and services related to youth homelessness. For the remainder of the Charitable Funding Commitment, OVG shall cause the Charitable Foundation to cooperate in good faith with Seattle Center's resident organizations and stakeholders in the surrounding neighborhood for input and guidance to identify appropriate beneficiaries for disbursement.

20. Additional Provisions.

(a) Naming Rights. OVG will have the right to designate the name of the Arena, and to name other areas within the boundaries of the Premises. The name of the Arena is subject to the prior approval of the Seattle Center Director, which approval will not be unreasonably withheld, conditioned, or delayed. Unless the City agrees otherwise, the name given to the Arena will not include reference to any state, local or other municipality name unless such reference is to "Seattle." Names for other areas within the boundaries of the Premises shall not relate or refer to guns; pornography or "adult" entertainment; tobacco; marijuana (or marijuana products) or illegal drugs or paraphernalia; or otherwise contain vulgar or obscene language.

(b) Community Benefits Agreement. OVG shall enter into a Community Benefits Agreement ("CBA") with appropriate community organizations to foster equity and social justice and provide benefit to the communities that will be affected by the Arena, including without limitation opportunities to support and enhance programs and services for youth, arts, music, and culture. OVG shall communicate and collaborate with a variety of community organizations, community members, neighborhood organizations (such as Uptown Alliance, Uptown Arts and Culture Coalition, Project Belltown, or their successors), and the City to identify the appropriate issues to be addressed by the CBA. The CBA shall also provide the structure for meaningful ongoing community dialog and partnership with OVG once the Arena is operational, including with respect to wayfinding signage issues that may impact surrounding neighborhoods. Terms of the CBA shall be incorporated into the Development Agreement, and if appropriate, the Lease Agreement. Community benefits will be both during development of the Arena and during the term of the Lease Agreement.

(c) Community Outreach Program. In connection with its development of the Arena, OVG shall hire a full-time community liaison who will run day-to-day outreach operations. This individual will coordinate efforts with Tabor 100, the City, and other local community organizations to ensure that OVG's hiring practices minimize barriers to entry for WMBEs and underrepresented communities. During design and construction, the community liaison will provide information and access to prioritize hiring women and minorities. During operations, the community liaison will partner with local schools, colleges, and universities, along with community groups, to create job shadowing opportunities and mentoring connections that highlight women and minorities in leadership.

(d) WNBA Team. The Parties hereby affirm the value and importance of maintaining the presence of a Women's National Basketball Association ("WNBA") team in the Seattle region. The current WNBA team is the Seattle Storm. The Parties shall use reasonable efforts to support the Seattle Storm or any successor WNBA team operating in Seattle at the Arena.

(e) Funding for Art; Deaccession of Affected Public Artworks. The Development Agreement shall identify which City art installations located at the Premises require relocation or removal and deaccessioning. The removal of any City public art installations from the Premises shall be governed by the existing deaccession ordinance and the policies and procedures of the Seattle Office of Arts & Culture ("ARTS") and shall be coordinated with ARTS and the Seattle Arts Commission. OVG shall be responsible for all associated costs. Additionally, as part of the design process, OVG shall meet with the Seattle City Office of Arts and Culture to develop a plan for the inclusion of public art in the Development Project. Public art shall have a broad definition beyond objects, and include live performance and programming. The Project Budget shall include funding for public art which is comparable to the requirements applicable to public works under the City's "One Percent for Art Program" at SMC Chapter 20.32. The plan and funding for public art shall be included in the Development Agreement.

ARTS will work with OVG and other City departments to facilitate the investment of one percent (1%) of the Arena's capital construction costs into the cultural ecology of Uptown and Belltown. Working closely with the Arena Community Advisory Group, Uptown Arts and Cultural District, and the Seattle Arts Commission, ARTS will develop a competitive granting program to distribute funds, which could include matching funding, and a public art experience suitable for the site, including infrastructure and programming that can support the vibrant arts community in Uptown and Belltown. These investments will be made with a lens of equity and social justice.

(f) Affordable Housing In-Lieu Fee. The Parties acknowledge that between the time of the negotiation of this MOU and the final Transaction Documents, the Development Project may by operation of law become subject to the affordable housing impact mitigation requirements under SMC Chapter 23.58B. If the Development Project does become subject to the requirements of SMC Chapter 23.58B, then the Parties shall mutually agree upon the baseline square footage and the incremental new square footage of the Development Project for purposes of any calculations pursuant to such section. If for any reason the Development Project does not become subject to the requirements of SMC Chapter 23.58B, then OVG and the City shall agree in the Transaction Documents upon an amount and payment terms for a comparable in-lieu affordable housing fee that will represent OVG's contribution towards the City's broader initiatives to provide affordable housing to Seattle residents, including local artists and musicians who are often disproportionately impacted by rising housing prices.

(g) Interim Operating Covenants. Between the Effective Date of this MOU and the Lease Execution Date, City shall continue to operate and manage the Premises in the ordinary course as historically operated and in accordance with applicable laws, and will not voluntarily (i) grant or convey any easement, lease, license, permit, encumbrance or any other legal or beneficial interest or occupancy right in or to the Premises except as provided in Section 10(c); (ii) enter into any agreements for the sale, transfer or encumbrance of the Premises; (iii) solicit offers for the purchase or transfer of the Premises, in each case without the prior written consent of OVG; (iv) construct or remove any improvements on the Premises except in the ordinary course of business or if not intended by OVG to be retained; or (v) enter into any new agreements with respect to the Premises that could bind OVG or the Premises after the Lease Execution Date (except as expressly permitted below) or materially adversely impact OVG's pursuit of the Specified Permits and Approvals. City shall promptly notify OVG in writing in the event City

receives notice or becomes aware of any potential or threatened condemnation of any portion of the Premises, any material casualty damage to the Premises, or any material defaults under any agreements pertaining to the Premises that extend beyond September 30, 2018. City shall continue to operate and manage Seattle Center campus sponsorships that include Seattle Center Sponsorship Rights in the ordinary course as historically operated and in accordance with applicable laws; provided, however, that any Seattle Center campus sponsorships entered into after the Effective Date that include Seattle Center Sponsorship Rights extending beyond the Operating Term Commencement Date shall include, and the Seattle Center Integration Agreement will provide, the option for City to either (A) assign the agreement (or portion thereof containing Seattle Center Sponsorship Rights) to OVG, with OVG assuming the associated rights and obligations, or (B) terminate the agreement (or portion thereof containing Seattle Center Sponsorship Rights) effective as of the Operating Term Commencement Date, with City being responsible for such termination obligations. Further, the Seattle Center Integration Agreement will provide for a process for OVG and Seattle Center to cooperatively determine the option to be selected by City for such agreements. Notwithstanding the foregoing, the Parties acknowledge that some Seattle Center campus sponsorships may not be assignable or terminable and that such sponsorships will be identified and terms addressing such sponsorships will be included in the Seattle Center Integration Agreement.

(h) Seattle Storm Lease. Effective as of the Operating Term Commencement Date, OVG shall either (a) assume from the City all of City's rights and obligations pursuant to that certain Facility Use Agreement dated on or about July 18, 2017 by and between Force 10 Hoops, LLC ("Storm Tenant") and the City (the "Existing Seattle Storm Lease") or (b) enter into a new lease with Storm Tenant on terms and conditions negotiated between OVG and Storm Tenant (in which event the City will agree to terminate the Existing Seattle Storm Lease). City agrees that it shall not enter into any amendment to the Existing Seattle Storm Lease without the express prior written consent of OVG, such consent to be granted or withheld in OVG's sole discretion. City shall also provide to OVG copies of any material notices delivered to any party pursuant to the terms and conditions of the Existing Seattle Storm Lease, including without limitation any notices of default.

(i) Affordability and Access. OVG acknowledges the importance of providing opportunities for patrons of all income-levels to enjoy programming at the Arena and to have a positive and memorable fan experience. Accordingly, in determining the quantity and placement of standard versus premium seating at the Arena, OVG shall use commercially reasonable efforts to have seats at a range of price points that are equitably distributed throughout the Arena bowl. Furthermore, OVG shall collaborate in good faith with its anchor tenants and its community partners to identify regular opportunities to make reduced-priced tickets available in furtherance of promoting greater access to Arena events.

21. City Conditions Precedent. The obligations of the City under this MOU to enter into the Transaction Documents are expressly conditioned on the following conditions precedent:

(a) SEPA Review. The SEPA review associated with any City actions as described in Section 7 of this MOU shall have been completed through issuance of a Final EIS.

(b) City Council Consideration of SEPA Review. The City Council shall have considered the SEPA review in connection with any City actions as described in Section 7 of this MOU and determined in good faith whether it is appropriate to add or amend any required mitigation measures based on the SEPA review.

(c) Adequacy of Funding. The City and its financial advisors shall have approved and confirmed, pursuant to Sections 5 and 8(m), that OVG's Project Budget and funding, including the amount of the Budgeted Equity and sources and uses of funds, is sufficient to cover the Project Cost, such approval not to be unreasonably withheld, conditioned, or delayed, provided that OVG shall arrange for the City and its financial advisors to have reasonable access to such information as might be reasonably required to make such confirmation.

(d) Consistency with MOU. The Transaction Documents shall be consistent in all material respects with the terms and conditions of this MOU and shall otherwise be in form and substance reasonably acceptable to the City.

(e) City Council Authorization. The City Council shall have authorized the forms of the Transaction Documents (the "City Council Authorization"), it being understood that the Parties intend this MOU to be a binding and enforceable agreement as to the material terms of such Transaction Documents as more particularly set forth in Section 1(a) above.

(f) No Material Default. There shall be no material uncured Event of Default with respect to OVG's obligations under this MOU.

22. OVG Conditions Precedent. The obligations of OVG under this MOU to enter into the Transaction Documents are expressly conditioned on the following conditions precedent:

(a) Consistency with MOU. The Transaction Documents shall be consistent in all material respects with the terms and conditions of this MOU and shall otherwise be in form and substance reasonably acceptable to OVG.

(b) Permitting. The City Council Authorization shall have occurred and the Transaction Documents, together with any of the Specified Permits and Approvals that have issued before or concurrent with the City Council Authorization, shall be Finally Approved. "Finally Approved" shall mean all periods to challenge, review or appeal (including by litigation or referendum) of this MOU, the City Council Authorization, or any of the Specified Permits and Approvals that have issued before or concurrent with the City Council Authorization have expired without any challenge, review or appeal, or if there is a challenge, review or appeal, a final non-appealable resolution of the challenge or appeal is issued upholding the approval of (as applicable) this MOU, the City Council Authorization, and any of the Specified Permits and Approvals issued before or concurrent with the City Council Authorization without any material changes to the Arena or the original conditions of approval or required SEPA mitigation measures.

(c) Title Insurance. OVG shall have received an irrevocable commitment from a title company acceptable to OVG for a 2006 ALTA extended leasehold policy of title insurance, insuring OVG's leasehold interest in the Premises, subject only to the Permitted Title Exceptions and otherwise in form and substance reasonably acceptable to OVG (a "Title Policy").

(d) No Material Default. There shall be no material uncured Event of Default with respect to the City's obligations under this MOU.

23. No Third-Party Beneficiaries. No third party shall be or deemed to be a third-party beneficiary of this MOU, such agreement being only between OVG and the City.

24. Counterparts. This MOU may be executed in one or more counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument. Counterpart signature copies of this MOU may be delivered by facsimile or email/.pdf and shall be deemed effective upon delivery, provided that originally executed copies shall be delivered by such party via overnight courier the following business day.

25. Oral Agreements and Commitments. The Parties acknowledge that oral agreements or oral commitments to lend money, extend credit, or forbear from enforcing repayment of a debt are not enforceable under Washington law.

26. Time is of the Essence. Time is of the essence of this MOU and all covenants and deadlines hereunder.

27. Limitation on Damages. Notwithstanding anything to the contrary contained herein, neither OVG or the City shall be responsible for payment to the other party of consequential, special, or punitive damages in any way arising from this MOU or any claim of breach or failure under this MOU and the Transaction Documents shall include a similar limitation.

28. Notice Provisions. All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service or mailed in the United States mail postage prepaid and, if mailed, shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:

City: City of Seattle, Mayor's Office
City Hall
Attn: Chief of Staff
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4947

Copies to: City of Seattle, City Attorney's Office
Attn: Civil Chief
701 Fifth Avenue, Suite 2050
Seattle, WA 98104-7097

Copies to: City of Seattle Council
City Hall
Attn: Council President
600 Fourth Avenue, 2nd Floor
P.O. Box 34025
Seattle, WA 98124-4024

Copies to: City of Seattle Council
City Hall
Attn: Central Staff Director
600 Fourth Avenue, 2nd Floor
P.O. Box 34025
Seattle, WA 98124-4024

Copies to: Seattle Center
Seattle Center Armory
Attn: Seattle Center Director
305 Harrison Street
Seattle, WA 98109

OVG: Oak View Group, LLC
Attn: Timothy J. Leiweke
1100 Glendon Avenue, Suite 2100
Los Angeles, CA 90024

Copies to: Oak View Group, LLC
Attn: Francesca Bodie
1100 Glendon Avenue, Suite 2100
Los Angeles, CA 90024

Copies to: Oak View Group, LLC
Attn: Christina Song, Esq., General Counsel
1100 Glendon Avenue, Suite 2100
Los Angeles, CA 90024

Copies to: Gibson, Dunn & Crutcher LLP
Attn: Douglas M. Champion, Esq.
333 South Grand Avenue, 49th Floor
Los Angeles, CA 90071-3197

Copies to: Perkins Coie LLP
Attn: Kristine Wilson, Esq.
1201 Third Avenue, Suite 4900
Seattle, WA 98101-3099

29. Representations and Warranties.

(a) OVG Representations and Warranties.

(i) OVG is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware and has the power, right, authority, and legal capacity to execute and deliver this MOU, the Transaction Documents, and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business now conducted or proposed to be conducted by it. OVG has taken all limited

liability company action required to execute, deliver, and perform this MOU and the transaction, and has caused this MOU to be executed by its duly authorized officers.

(ii) Neither the entry into nor the performance of this MOU, or the entering into of the Transaction Documents, by OVG will (A) violate, conflict with, result in a breach under, or constitute a default under, any corporate charter, certificate of incorporation, by-law, partnership agreement, limited liability company agreement, indenture, contract, agreement, permit, judgment, decree, or order to which OVG is a party or by which OVG is bound, or (B) require the consent of any third party other than as has already been obtained.

(iii) There are no judgments, orders or decrees of any kind against OVG unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending, threatened, or reasonably anticipated which could be filed before any court or administrative agency which has, or is likely to have, a material adverse effect on the ability of OVG to perform its obligations under this MOU.

(iv) OVG has not filed any petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any law relating to bankruptcy or insolvency, nor has any such petition been filed against OVG. No general assignment of OVG's land or other assets has been made for the benefit of creditors, and no receiver, master, liquidator, or trustee has been appointed for OVG or any of its land or other assets. OVG is not insolvent and the consummation of the transactions contemplated by this MOU shall not render OVG insolvent.

(b) City Representations and Warranties.

(i) City is a municipal corporation duly formed, validly existing, and in good standing under the laws of the state of Washington; has the power, right, authority, and legal capacity to execute and deliver this MOU and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business proposed to be conducted by it under the terms of this MOU and the Transaction Documents.

(ii) Neither the entry into nor the performance of this MOU, nor the entering into of the Transaction Documents, by City will (A) violate, conflict with, result in a breach under, or constitute a default under, any agreement, indenture, contract, agreement, permit, judgment, decree, or order to which City is a party or by which City is bound, or (B) require the consent of any third party other than as has already been obtained. Notwithstanding the foregoing, the Parties acknowledge and agree that the NCAA regional tournament scheduled for March 2019 is an exception to this representation unless and until such tournament is rescheduled.

(iii) To City's knowledge, after reasonable investigation, and except as otherwise disclosed to OVG in writing, there are no judgments, orders, or decrees of any kind against City unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending or threatened in writing which has, or is likely to have, a material adverse effect on the ability of City to perform its obligations under this MOU. To

City's knowledge, after reasonable investigation, City has not received written notice from any other governmental agency pertaining to any pending or uncured violation of any law or regulation affecting the Premises.

(iv) To City's knowledge, after reasonable investigation, copies of all documents heretofore delivered by City to OVG are true, correct, and complete copies of such documents in all material respects.

(v) City is not a party to any purchase and sale agreement or option, right of first refusal, right of first offer or similar agreement to sell or lease all or any portion of the Premises (other than this MOU).

(vi) City has not granted any written leases, licenses, or other rights of occupancy to third parties with respect to the Premises, except as set forth in the Permitted Title Exceptions.

(vii) To City's knowledge, after reasonable investigation, City has not received any written notice of any pending or threatened governmental condemnation proceedings, and there are no pending or threatened governmental condemnation proceedings, in each case, which would affect the Premises or any portion thereof, or any interest therein.

30. Estoppel Certificate. Within thirty (30) days after request by any Party (which request may be from time to time as often as reasonably required by a Party but not more than once every six (6) months), the non-requesting Party shall execute and deliver to the requesting Party, without charge, an estoppel certificate (the "Estoppel Certificate") related to the facts pertaining to this MOU in such form as the requesting Party may reasonably request and as reasonably approved by the non-requesting Party. Any such Estoppel Certificate may be conclusively relied upon by any lender, investor, or subtenant. If any Party fails to respond to such request within such thirty (30) day period, then the requesting Party may deliver a second notice to the other Party stating that the failure of the other Party to respond to such request within five (5) business days after receipt of such second request will result in a deemed approval with respect to the requested matters. The failure to deliver such statement within that five (5) business day period shall (with respect to third parties relying upon such Estoppel Certificate), without limiting any other remedy which the requesting party may have as a result of such failure, be conclusive upon the Party which fails to deliver such statement that this MOU is in force and effect with only such modifications as have been identified by the requesting Party, and that there are no outstanding defaults in the performance of the requesting Party.

31. Governing Law. This MOU is, and the Transaction Documents will be, governed by the laws of the State of Washington. Venue for any action under the Transaction Documents, including any bankruptcy proceeding, will be in King County, Washington. The terms of this MOU are not intended to establish or to create any rights in any persons or entities other than the Parties and the respective approved successors or assigns of each of the Parties. Should any part, term, portion, or provision of this MOU, or the application thereof to any person or circumstances be held to be illegal or in conflict with any governmental restrictions, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions, or

the application thereof to other persons or circumstances, shall be deemed severable and the same shall remain enforceable and valid to the fullest extent permitted by law.

32. Non-Discrimination. Without limiting OVG's general obligation for compliance with all applicable laws and regulations, for the duration of the Development Agreement and the Lease Agreement, OVG shall comply with all equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to SMC Chapters 14.04, 14.10, and 20.42, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.

37. Entire Agreement. This written MOU and the exhibits contain all of the representations and the entire agreement with respect to the subject matter hereof. Each of the Parties hereby expressly acknowledges that it has not relied on any statement, correspondence, memorandum, agreement, proposal, oral presentation, warranty or representation not contained in this MOU. Except as otherwise specified in this MOU, any prior statements, correspondence, memoranda, agreements, proposals, oral presentations, warranties, or representations by any person are superseded in total by this MOU.

[SIGNATURES FOLLOW ON NEXT PAGE]

Executed as of the date first written above

City:

THE CITY OF SEATTLE,
a Washington municipal corporation

_____
By: Jenny A. Durkan
Its: Mayor

OVG:

OAK VIEW GROUP, LLC,
a Delaware limited liability company

_____
By: Timothy J. Leiweke
Its: Chief Executive Officer

Exhibit A

Depiction of Premises (Prior to Arena Opening)

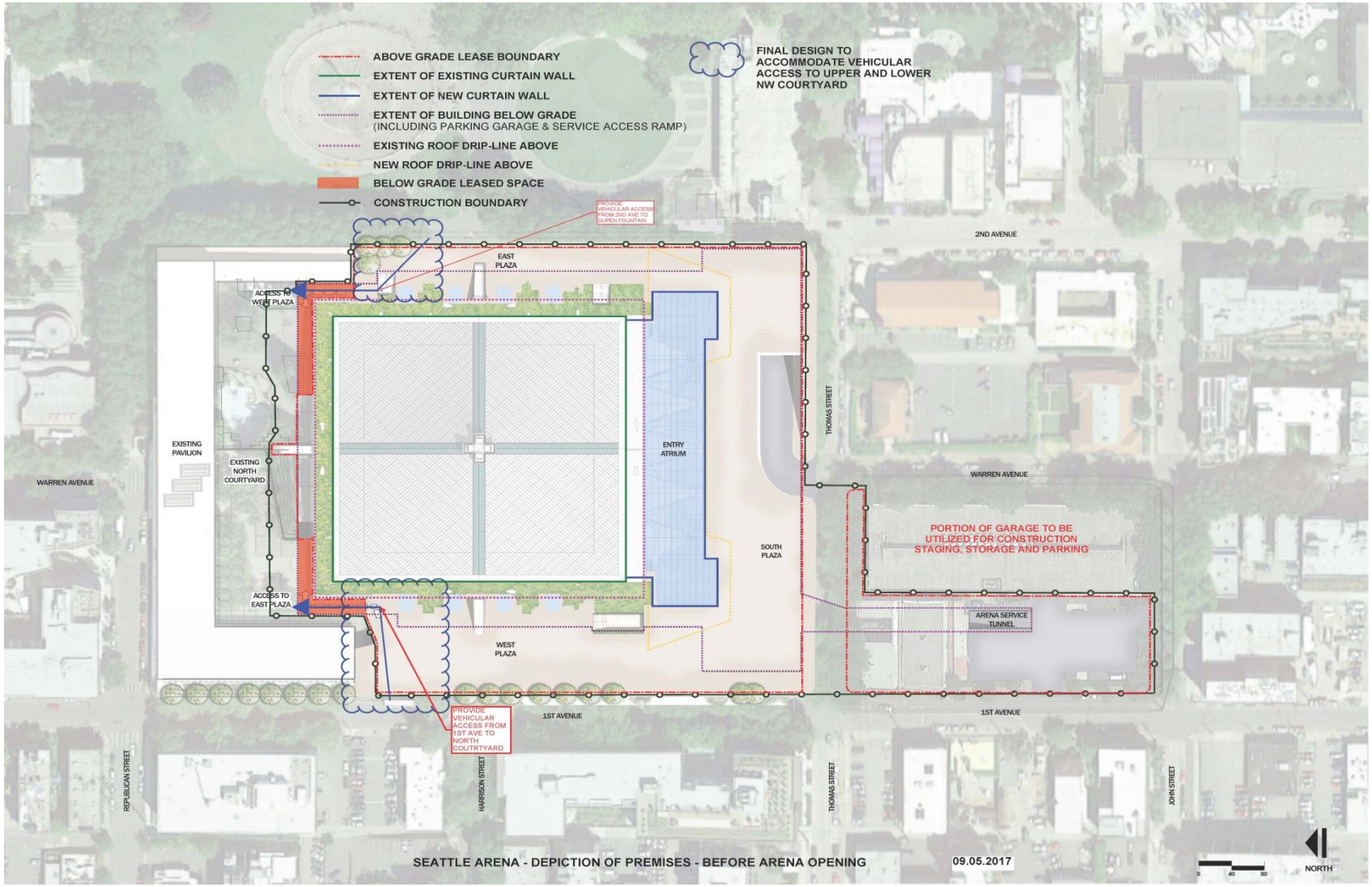


Exhibit B

Depiction of Premises (After Arena Opening)

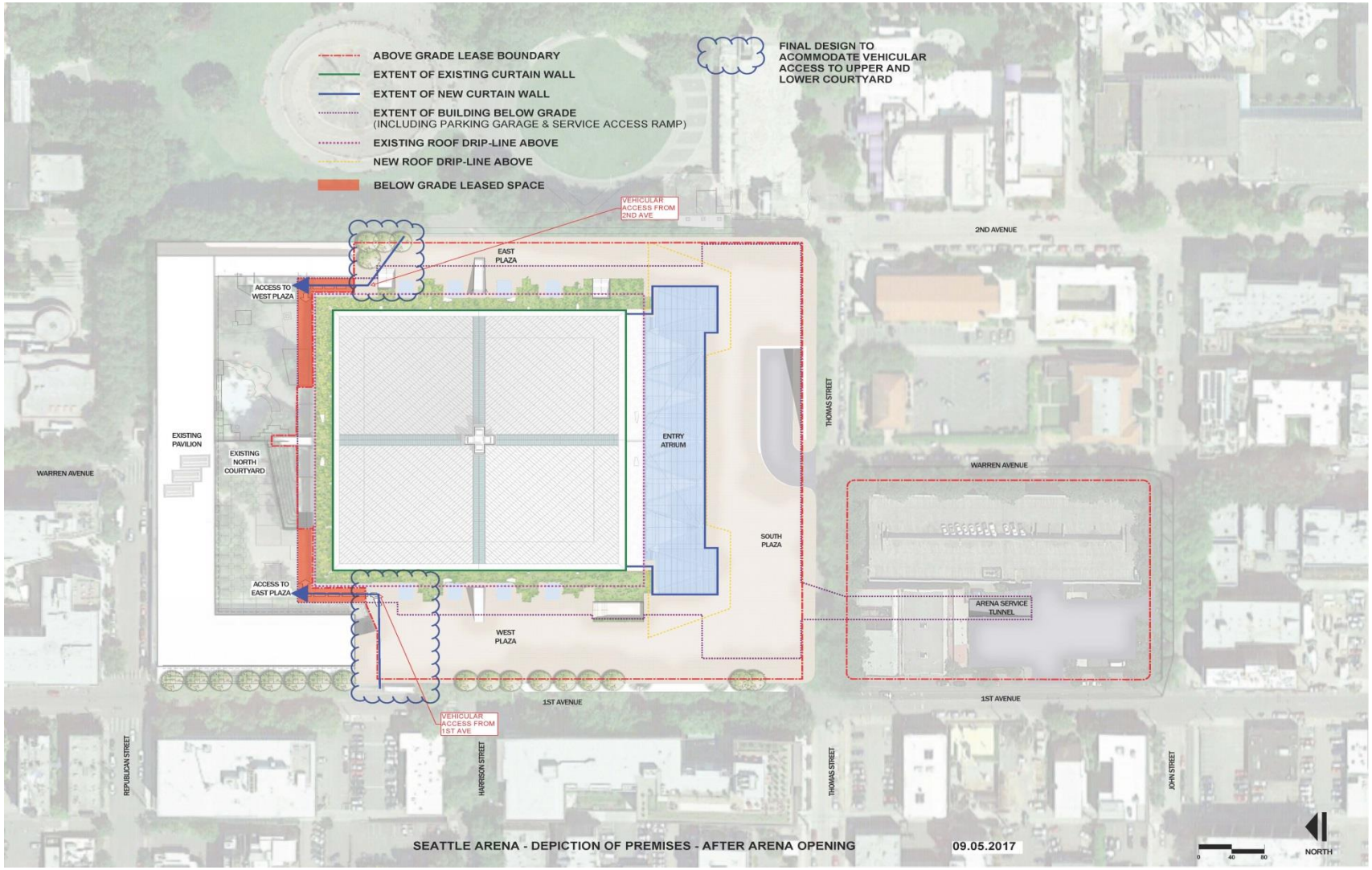


Exhibit C

Project Scope Narrative

Summary. The Project is the renovation of the arena at Seattle Center (the "Arena") to transform the complex to create a first-class, state-of-the-art, multi-purpose entertainment and sports center that will host concerts, sporting events, family shows, community-oriented events, and numerous other events, and that will be competitive for acquiring a professional NHL and/or NBA franchise. The Project will create completely redesigned and reconstructed interiors within the Arena's existing building envelope and provide a truly unique and intimate experience for sports and entertainment events while also meeting NHL and NBA league standards. Other improvements include a new atrium lobby south of the historic roof superstructure and an approximately 450-car, below-grade parking structure south of the new atrium and north of Thomas Street. Additionally, a new vehicular service-level access ramp and tunnel to the arena truck dock and marshalling area will be built within the southern block bounded by 1st Avenue, John Street, Warren Avenue, and Thomas Street.

Background. The City submitted a request for proposals ("RFP") seeking proposals from qualified parties interested in redeveloping and operating the Arena. The area available for redevelopment includes the existing KeyArena, as well as the 1st Avenue North parking garage and adjacent parking lot and support areas located on City-owned property on the Seattle Center campus more completely described and depicted in Exhibit A (the "Project Site").

OVG responded to the RFP, and its bid for Arena redevelopment was selected by the City for further consideration and negotiation of business terms upon which (a) the City would offer the Project Site for lease by OVG and (b) OVG, as tenant, would obtain necessary permits and approvals and construct leasehold improvements and operate the Arena, fulfilling the objectives of creating the world-class arena venue and revitalizing the Seattle Center.

Under this Proposal, the City will undertake a decision to lease the Project Site to OVG, to enter into a site-specific development agreement with OVG, and to permit construction activities that will directly modify the environment as proposed and privately financed by OVG.

Seat Capacity. Seating capacities will range from approximately 17,100 for hockey games to approximately 18,350 for basketball games, and up to approximately 19,100 for concert configurations. Seating will be available at a range of price points, including both more affordable seating types as well as premium seating types, including event level suites, club seating, suites, opera boxes, and private clubs.

Preservation of Iconic Roof and Aesthetics Enhancement. While the redevelopment will increase the overall square footage of the Arena (to approximately 680,000 square feet) to meet NHL/NBA/concert requirements, the redesign will be done in such a way as to honor and respect the original 1962 structure. The new construction will add approximately 275,000 square feet to the Arena, most of it below grade, and the iconic Paul Thiry-designed roof and exteriors of the Arena will be retained. The design will comply with a City of Seattle Landmarks Preservation Board controls and incentives agreement to be negotiated with Seattle Center and OVG, the related

certificate of approval processes, and any design requirements imposed as a result of the designation of the existing Arena and Bressi Garage as historic landmarks. The project design will also be subject to Seattle Design Commission review. The design will renovate the north, east, and west elevations of the Arena to their original design by removing the below-grade entrances and associated stairs. Entrances will be provided at the south end in a new atrium structure. New truck docks and marshalling will be provided below-grade, out of sight. The result will be a world-class venue that respects the scale of the historic structure, the Seattle Center campus, and the surrounding neighborhood.

Seattle Center Integration. When complete, the design will address the City's concerns regarding the Arena's integration with Seattle Center and the surrounding neighborhood. The design must be consistent with the Seattle Center Century 21 Master Plan and the Uptown Urban Design Framework Guiding Principles, accommodate vehicular access to the upper Northwest Rooms plaza via First Avenue and the lower Northwest Rooms plaza via vacated Second Avenue, provide an enhanced active and passive pedestrian experience in the Northwest Courtyard, and provide a 360-degree pedestrian access around the circumference of the Arena, and to the maximum extent feasible, the exterior pedestrian walkways, landscaping and hardscaping and other exterior amenities in the Project site should remain available for public use and enjoyment, festivals, and other uses consistent with Seattle Center's purpose and Master Plan.

Accessibility. Design throughout the facility shall comply with the requirements of the Americans with Disabilities Act (ADA), taking into consideration Title II and III. In cases where the Title II and III standards differ, the design shall comply with the standard that provides the highest degree of access to individuals with disabilities. Additionally, in cases where the provisions of the ADA exceed requirements contained in building codes and other regulations, the ADA requirements shall control. Services and signage will be provided to address the needs of persons with limited English proficiency and to provide way-finding through Seattle Center.

Sustainability. The design will comply with applicable City requirements for sustainable construction and will strive to utilize the most modern practices of sustainable design and construction available at the time of construction in accordance with OVG's business interests, including meeting a LEED Gold rating or achieving an equivalent standard for energy use, water use, storm water management, construction waste diversion and bicycle facilities. Additionally, where applicable the design will comply with the Seattle Center's Site Standards.

Functional Requirements. The functional requirements for the Project are presented in the following nine categories:

1. Spectator Facilities
2. Food Service
3. Retail Facilities
4. Circulation
5. Event Facilities
6. Team Facilities
7. Administrative Offices

8. Media Facilities
9. Operations Support

The square footage, seating capacity, suite, loge box and opera box quantities and linear dimension projections identified in the Program are based on the assumptions described within this report. These numbers are approximate and may change during the design process as the information and assumptions are refined.

1. SPECTATOR FACILITIES

Spectator Seating

A variety of seating types and price ranges will be provided throughout four levels of the facility. Seating capacities will vary depending on the event type, with the values below representing approximate design targets:

- Hockey/Arena Football: 17,100
- Basketball: 18,350
- End Stage Concerts: 16,940
- Center Stage Concerts: 19,125

The seating bowl will be designed so as to provide a minimum of 8,650 seats in the lower bowl for NHL hockey configuration and 9,900 seats for NBA basketball configuration. The average number of seats between aisles shall be 18 or 20 in the lower bowl (based on 20" minimum seats). Aisles shall be minimum 48" wide.

Minimum sightline clearance shall be 2-1/4" above the eye level of the spectator in the preceding row. Sightlines will be designed to a focal point defined by the arena hockey dasherboard systems. Variable rise platforms in the lower seating bowl will provide superior sightlines for hockey and basketball without compromise.

Tread depth will be a minimum of 34" in the lower deck and 33" in the upper deck. Riser heights will range between 6.5" minimum to 25" maximum in the general seating areas.

Seating types include the following:

- Lower bowl seating will consist of minimum 20" wide self-rising upholstered chairs. All seating rows should be un-broken rows of seating. Treads will be 34". Cupholders will be provided for every seat.
- Club Seating sections will have increased chair width to a minimum 21" selfrising upholstered chairs with cupholders.
- Suite seats will be minimum 24" wide self-rising upholstered chairs on 38" deep treads.
- Accommodations for wheelchair and differently-abled patrons and their companions will be provided in accordance with the ADA and local code regulations.
- Typical seats will have cast iron or aluminum standards and upholstered seats. End standards shall incorporate a custom logo in relief, through an applied system.

Seating sections are provided in a variety of means:

- Retractable and variable rise (seven rows on the sides and 19 rows on the ends) seating sections will be used in the lower bowl in order to maximize sightlines for all event configurations and provide additional floor space (39,000 SF) for exhibitions and other events.
- Folding chairs (interlocking) will be employed on the floor level for temporary seating during concert events.

Suites

The facility will be designed to incorporate sixteen (16) event level suites and forty (40) sideline suites above the main concourse.

Standard suite amenities include seating for 12 or 14 persons within the seating bowl environment and a drink rail or table seating providing another 4 persons inside the sideline suites. Each suite will have a small serving area with sink, lockable cabinetry, full-size lockable refrigerator, buffet counter approximately 7' to 8' long with direct lighting and electrical outlets on separate circuits for electrical chafing dishes or warming plates, and space for trash container. A coat closet or dedicated space for coats will be provided.

Opera Boxes

Eighteen (18) 12-seat opera boxes will be provided on the private suite level at the shoot twice end of the hockey ice sheet.

Hospitality Rooms

A club at the event level for the Ice/Courtside Lounge seat patrons will be provided. It will accommodate 250 to 275 persons.

A Main Concourse Club Lounge for premium club seat-holder use is located on the west side of the main concourse with a view to the event floor, and direct access to the club seating areas.

Restrooms

Fixture counts are based on an assumed 50% male and 60% female spectator attendance distribution. Restrooms will be distributed around the concourses for easy access from the seating bowl.

- Men’s water closets 1:250
- Men’s urinals 1:90
- Women’s water closets 1:60
- Men’s and women’s lavatories 1:150

All-gender, family toilet rooms for use by families with small children and restrooms for disabled persons requiring assistance will be provided in locations convenient to the disabled seating areas.

The total number of all-gender restrooms will meet or exceed City standards established for City buildings at the time of completion of the Construction Documents.

Due to the high number of events that are anticipated to utilize floor level seating, additional public restrooms are included on the Service Level to support approximately 1,400 temporary seats.

Restrooms will be provided on the suite corridors for use by suite holders. Planning ratios provide twice as many fixtures as provided for the general public. Finish materials in these restrooms will be at a higher level than in restrooms located on the public concourses.

Guest Services

A First Aid room will be provided for treatment of patrons. This space will include room for a cot, hand sink, lockable cabinets, under counter icemaker, under counter refrigerator, small storage closet and a unisex toilet room. This room will be readily identifiable by spectators, and will be located close to an elevator for access to ambulance parking at the service level or have direct access to the street level.

Guest Service desks will be distributed around the facility, located to provide maximum access to guests. These desks are provided to collect lost and found items, answer questions, and administer the Assistive Listening Device program.

2. FOOD SERVICE AND RETAIL FACILITIES

There are two primary types of food service offered: General Concessions and Premium Catering.

Each General Concession area requires its own type of back-of-house space and front-of-house sales areas. Kitchen and pantries are provided and sized to support concession sales and catering services.

Concession Stands

Concession stands will be distributed to meet demand and be positioned on the concourses to minimize congestion. For concerts and other events utilizing arena floor seating, portables may be placed on the arena floor in compliance with WSLCB requirements.

Total points of sale (POS) are determined using a ratio of one point of sale for every 125 spectators.

Approximately 50% of the permanent concession stands will be vented to allow for full cooking.

Vendor Stations

Vendor commissaries will be distributed on the main and upper deck concourses. These outlets will be situated behind and connected with larger concession stands to share ice storage and food preparation equipment.

Eating Areas

Food courts are provided at the east, west and south sides of the main concourse for patrons. This space is anticipated to have small stand up tables, television monitors and is an extension of the main concourse.

Kitchens/Commissary/Pantries

Food service support consists of a main kitchen, a commissary for storage, and serving pantries near the suites.

Kitchen and commissary storage is located on the event level in close proximity to the Loading Dock and the service elevator(s).

Trash Removal

The trash compactor room is located at the loading dock and is a shared space for the arena's trash removal needs.

3. RETAIL SALES

A permanent retail store will be provided for sale of team memorabilia and merchandise for the professional teams. This store will be located so that access can be made from both inside and outside the arena and is adjacent to the ticket office.

Electrical power connections and data outlets will be provided for portable carts that can be distributed throughout the main and upper concourses to supplement event day sales and to support Program Sales. These carts will also be utilized by touring groups who wish to sell souvenirs and recordings during concert events.

4. CIRCULATION

Immediate access to the event floor by spectators will be limited to event level suite-holders, concert seating and exhibition attendees. The concourses will facilitate the orderly and convenient circulation of capacity crowds.

The concourse will provide queuing space for lines without restricting pedestrian movement. Concourse signage will provide clear, concise directional information.

Entry Atrium Lobbies

There will be two main public entrances located on the southeast and southwest sides of the arena. Each entry lobby is connected to a linear atrium south of the historic superstructure roof.

The ticket office will be located adjacent to the southwest entrance, with a weather protected vestibule large enough for circulation and queuing for ticket purchase prior to each event.

One entry point/turnstile will be provided for every 1,000 spectators.

Concourses

The main concourse will have approximately 24 to 28 feet clear width to facilitate spectator circulation. Concession stands, novelty stands, and restroom entrances will be located so that queuing will not conflict with concourse traffic. The height of the main concourse will be sufficient to convey an overall sense of spaciousness and high quality.

Suite Corridor

An exclusive corridor will provide access to the private suites that are located on a separate, private level. Access to this corridor is controlled through the strategic location of elevators, escalators and stairs. A higher level of finish will be specified for this corridor.

Service Corridor

A service corridor, minimum 12' wide, will circle the event level, providing access to locker rooms and other back-of-house spaces. Locker rooms and media support spaces will be loaded onto one portion of the service corridor, creating a “talent corridor.” Star dressing rooms will be accessed by a private, secure corridor.

Vertical Circulation

Stairs are distributed throughout the facility. All stairs will conform to the applicable code requirements for egress widths, exit distances, etc. There will be four elevators accessing all levels of the Arena. Areas of Refuge will be provided as required.

5. EVENT FACILITIES

Event Floor

The Event Floor will be designed to accommodate a range of events, including basketball, hockey, arena football, volleyball, end-stage/center-stage concerts, and trade shows. Floor finish will be sealed concrete.

- The ice rink will be 85' x 200', with operational inserts that reflect standard requirements for family shows and mixed programming.
- The arena football field will be 85' x 198'.
- Basketball will be played on a portable floor, 60' x 112' in size.
- The portable stage will be 60' deep x 80' wide, with 12' x 12' sound wings at the downstage corners.

Space for player benches and officials’ boxes will be provided as follows:

- Hockey players benches: 2
- Arena Football players benches: 2
- Penalty benches: 2
- Penalty timekeeper bench: 1

The event floor will be designed to support a load of 350 pounds per square foot, with ice making capabilities. The floor will be designed to support the "HS" rating for over the road vehicles. Threaded inserts will be located in the floor in a grid pattern to accommodate a variety of events. Provisions will also be made for water, drainage, electrical power, PA and broadcast needs.

Rigging / Scoreboard / Spotlights

Accommodations to create a scalable, reduced-house venue for shows and concerts will be provided, including rigging, sound systems, and aisle lighting. The roof system will be designed to support a curtaining system that divides the seating bowl transversely, with curtains extending from near the roof structure to the event floor.

An arena reduction system will also be designed and included in the arena. The dual center-hung scoreboards will be an all-electronic LED system consisting of a minimum six, 16:9 aspect ratio video boards with live action, instant replay, game scoring information, fixed and electronic advertising, naming rights sponsor identification (if required) and messaging.

The hoisting system will be designed to maximize the stored height of the scoreboard. Two (2) levels of LED boards will be provided on the fascia of the interior seating bowl. These LED boards shall serve as the guardrail. Sightlines for the facility will be designed for fascia displays to be surface mounted on the pre-cast risers and for the displays to be a minimum of 32 inches high.

Auxiliary boards will be provided within the seating bowl to provide scoring and game in progress information (if this data is not shown on the fascia displays). Game clocks and other requested scoring information will be placed in team locker rooms, official locker rooms, coaches' rooms, writing press work room, press lounge and auxiliary locker rooms. Shot clocks will be provided at each basketball goal and goal lights behind each goal Spares of required shot clocks and controllers will be provided.

Spotlights will be located with appropriate power and intercom cabling at a minimum, at the following locations. Each location will be placed and designed so that the spotlight at each location can view the entire event floor with the seats retracted. Spotlights located on the catwalk or in front of any rails, may require removable section of railing for full-range of view for the spotlight.

- End opposite the end stage location (number of positions TBD)
- Behind the end stage location (number of positions TBD)
- At each corner of the arena
- At center ice/center court
- At selected ADA platforms within the bowl

Acoustic Treatment Requirements

The arena will be designed to support concerts, sports and other multi-purpose events. The existing acoustical panels will be replaced with a new design which will be fine-tuned for the new seating bowl.

Catwalk

The catwalk will be modified to work with the new seating bowl geometry.

Broadcast Requirements

The new arena is to be configured to support NHL, NBA, WNBA, and NCAA TV camera, TV truck and crew requirements, in regards to cabling, camera positions, truck parking.

Transmission will be as follows:

- Local – Local TV stations (ENG) will be provided parking and technical locations that will allow for access to, and live broadcast from the facility.
- National – Space will be provided for a minimum of five, full-sized TV production trucks, plus two crew trailers at the loading dock. Camera positions are in accordance with NBA and NHL published requirements. These requirements also satisfy NCAA needs.
- Radio – Provisions for radio broadcasters and transmission out from the arena will be provided courtside for basketball, in the hockey press box and from overflow/international feed locations.

6. SECURITY SYSTEM

The security system will include provisions for a complete and fully functional integrated system utilizing access control, intrusion detection, and video surveillance. In general, the system will be used to monitor the site, facility perimeter and key internal areas using intrusion monitoring points (motion detection and door status) and video surveillance (cameras).

7. TEAM FACILITIES

Team facilities include locker rooms for professional team tenants (WNBA and future NHL/NBA), along with additional locker rooms for visiting teams, tournament participants, and officials. Support spaces such as a family lounge, a weight room, and laundry facilities are also provided.

NHL Hockey Lockers

A dedicated locker room suite will be designed for use by a future NHL team, with direct access to the team bench. The locker room will meet or exceed requirements of the NHL. It is assumed that the team will practice off-site and their administration offices will be off-site as well.

This suite includes a changing room with (26) 24" wide lockers for street clothes, a locker room with twenty-four (24) 30" wide x 72" high lockers and two (2) 42" wide x 72" high lockers, a shower room, drying/grooming area, coaching staff offices, team equipment room, skate sharpening and stick work room, and a treatment room sized for four taping tables, hydrotherapy tubs, rehab machines, a trainer’s office and laundry facilities.

NBA Basketball Lockers

This suite includes a lounge/meeting room, a locker room with between sixteen and eighteen (16-18) 36" wide x 72" high lockers, a shower room, drying/grooming area, coaching staff offices,

team equipment room, treatment room and laundry facilities. It is assumed that the team will practice off site and their administration offices will be off-site as well.

WNBA Basketball Lockers

This suite, at a minimum, will be tailored to the needs of the Seattle Storm and includes a lounge/meeting room, a locker room with (16-18) 36" wide x 72" high lockers, a shower room, drying/grooming area, coaching staff offices, team equipment room, treatment room and laundry facilities. It is assumed that the team will practice off site and their administration offices will be off-site as well.

Visiting and Auxiliary Lockers

One Visiting Team locker room will be provided for use by the visiting NBA/WNBA professional teams, and a second locker room will be provided for use by the visiting NHL teams. These rooms will also be available for use during tournaments, which require four locker rooms to handle back-to-back games.

This locker room includes (25) 36" wide x 72" high lockers, a shower room, drying/grooming area, coaching staff offices, a small team equipment room, and a small treatment area.

Two additional auxiliary locker rooms will include (25) 24" wide x 72" high lockers, a shower room, and drying/grooming area. Road crews and other show personnel will also use these rooms during entertainment events.

Officials Lockers

Separate locker rooms will be provided to accommodate either a co-ed officiating crew, or two separate crews during tournaments.

Entertainment Facilities

There will be six star dressing rooms dedicated for use by the star performers at entertainment events. These rooms will be complete with costume closets, makeup counters, 4'0" doors, private toilets, showers, and lights on a local dimmer switch.

A connecting Green Room will serve as a staging and hospitality area for entertainers. A unisex toilet room will be included within this area.

8. ADMINISTRATIVE FACILITIES

Arena Management Offices

An office suite is provided for facility administration. Office support spaces such as a conference room, copy room, storage room, IT Closets and staff toilets will also be provided.

Box Office

The box office will be designed to include secure sales windows (with amplified communication devices) and pass drawers, ticket racks, cash drawers, and electronic security/surveillance equipment.

Ticket windows will be located in a vestibule that provides protection from the elements but does not allow entrance to the Concourse. The number of ticket windows is based on a ratio of one window per 1,500 spectators, serving both game-day ticket purchases and will-call ticket pick-up.

Offices and work areas are located adjacent to the ticket windows.

Press Support

A press workroom will be provided on the service level. This room will be located near the stage end of the event floor.

An interview room will be located on the service level for post-game interviews and formal press conferences. This room is sized to seat +50 attendees in front of a dais, with camera platforms at the rear of the room. This room will be located close to the press workroom and the team locker rooms.

Press Box

While basketball events generally locate press and statisticians on the event floor level, arena football and hockey events require a press box at the top of the seating bowl. There shall be approximately 125 regular season print media stations, with 18" deep counters. Each station will be 2' in width.

Seven booths will be provided for both TV and radio broadcast. Additional booths for video/audio, replay, off-ice officials, home/visiting general managers and security are provided with direct views to the event floor.

Control Rooms

Space for control equipment and patch panels will be provided and located on the event level near the loading dock.

Broadcast Camera Locations - The TV camera locations, in accordance with NBA and NHL guidelines are well defined in terms of quantity and location, including required angles to the playing surface, height above the playing surface and distance away from the side line or dasher board. All required locations, based on recent NBA and NHL facilities are accommodated, along with access to:

- Locker room, locker room corridor, entrance to the ice and interview rooms.
- “Front Door” and other “beauty shots.”

9. OPERATIONS SUPPORT

Event Personnel

Offices are provided for use by outside show personnel.

Staff check-in, uniform distribution, and locker rooms are provided for use by event staff for both facilities.

Building Staff

An office suite is provided for the Operations staff.

Two locker rooms with full-height lockers and toilet/shower facilities are provided for these daily staff members.

Event Storage

Separate rooms are provided for basketball court equipment (which must be environmentally-controlled), hockey equipment (dashers, dasher glass), ice floor cover, football/lacrosse turf, seating infill sections, folding chairs, and concert equipment.

The athletic equipment rooms are located at the opposite end of the floor from stage end in order to facilitate set-up and changeover operations.

Loading Dock/Staging Area

Eight loading docks will be provided, along with one 20' wide by 20' high drive-through door for vehicular access to the event floor. Two docks will be dedicated for food service operations. Standard door size to be minimum 10' high x 14' wide.

Dock levelers will be provided at all positions.

The loading dock will be adjacent to the south end-stage of the event floor, with access vomitory sized at a minimum 24' wide and 16' clear height.

Show Power Rooms – Two at each corner of the stage end shall have a show power room with a 1600 amps service at 120/208 volt that have 400 amp and 200 amp Cam-lok connectors.

Broadcast Connect Room – This room will be immediately adjacent to the TV truck parking location and be approximately 12 ft. wide and 10 ft. deep with an overhead, coiling door to allow access to the cable termination racks. A secondary room, of similar size, is provided for ENG cabling racks and equipment.

TV Truck Parking – As noted above, space is provided for a minimum of five TV production trucks (a triple broadcast, plus support graphics and audio trucks).

Power for each of the five trucks will consist of two (2) 200 A, 208 V, five wire, disconnects. Satellite uplink trucks are to be located on-grade, with a view to the southern sky.

Ice Support

New ice plant equipment will be provided to support the ice rink and meet NHL standards. Separate rooms will be provided to store two Zamboni machines and equipment, ice paint, and ice melt pit.

Security Office / Command Center

A security suite will be located with visual control of the loading dock and staff entry. The suite is sized to accommodate two private offices, holding cells, storage, locker area, small break-room and a security control room. The main fire command center will also be located here.

Maintenance and Janitorial

One shop area will be provided for carpenters, electricians, and plumbers. A large storage room will be directly adjacent, with overhead door sized for forklift access.

A separate storage room will be provided for additional general building storage. This room will also have an overhead door sized for forklift access.

A trash/recycle room is provided near the trash container for holding bagged trash during events. This room will be finished with waterproof wall, ceiling, and floor materials, proper ventilation, floor drains and a hose bib. Trash storage rooms will also be provided at both the main and upper concourses, near the freight elevators.

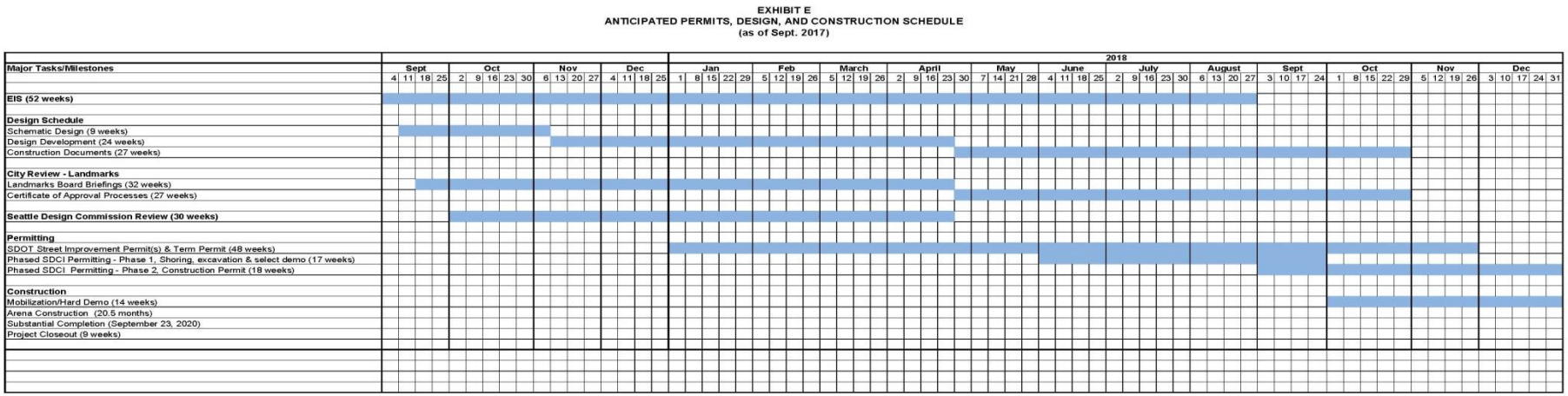
Exhibit D

List of Specified Permits and Approvals

- The Subdivision Action, as described in Section 2 of this MOU
- Adequacy of the Environmental Impact Statement
- Street Improvement Permit, Tunnel (Term Permit)
- Utility Extension Agreements
- Water Service Availability Certification
- Sewer Service Availability Certification
- Certificate(s) of Approval from Landmarks Preservation Board
- Controls and Incentives Agreement

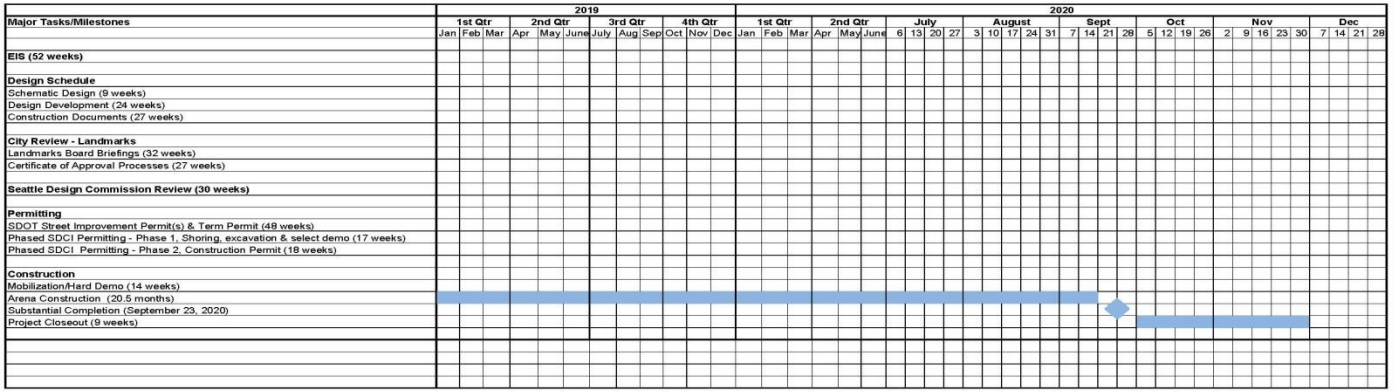
Exhibit E

Anticipated Permits, Design and Construction Schedule



Print Date:9/18/2017

EXHIBIT E
ANTICIPATED PERMITS, DESIGN, AND CONSTRUCTION SCHEDULE
(as of Sept. 2017)



Print Date:9/19/2017

Exhibit F

Project Budget; Sources/Uses of Funds

ARENA AT SEATTLE CENTER
DETAILED BUDGET

ACCT #	BUDGET ITEM		Baseline Budget
100.	**START-UP EXPENSES**		
	SUBTOTAL~ START-UP EXPENSES	$	**1,700,000**
200.	**SALES & MARKETING**		
	SUBTOTAL~ SALES & MARKETING	$	**2,800,000**
300.	**LAND ACQUISITION & SITE DEVELOPMENT**		
320	Title, Fees, Interest, Miscellaneous		TBD
325	Land Title and Condominium Surveys		50,000
330	Hazardous Material Remediation		TBD
340	Property Taxes, Land carrying costs		TBD / OVG Cost
350	City of Seattle Development Costs		3,500,000
360	Affordable Housing Contribution		2,500,000
370	Street Closures / Utility Relocation / Seattle Center Integration		TBD
380	Site Demolition		4,000,000
390	Public Art		3,512,500
391	Skate Park, Maintenance Facility & Other Seattle Center Relocations		1,500,000
392	Pottery NW Relocation		TBD
393	Other Tenant Relocations		500,000
	SUBTOTAL~ LAND ACQUISITION & SITE DEVELOPMENT	$	**15,562,500**
400.	**DESIGN/PROFESSIONAL SERVICES**		
401	Innovative Technology Consultant and Digital Integrated Systems		OVG Cost
405	Basic Design & Engineering Services - Populous		22,884,266
406	Basic Design & Engineering Services - Other Architects		10,000,000
410	Additional Services - Arch/ & Engineering (10% of 405 & 406)		3,288,427
415	Reimbursable - Architecture & Engineering (5% of 405 & 406)		1,644,213
420	Structural Engineer		Incl w/405
421	MEP Engineer		Incl w/405
422	Civil Engineer		Incl w/405
423	Technical Systems Engineer		Incl w/405
424	ADA Consultant		Incl w/405
425	Landscape Design		Incl w/405
426	Graphics Design (Directional)		Incl w/405
427	Graphics Design (Experiential)		Incl w/405
428	Foodservice Design		Incl w/405
430	Traffic and Parking Studies		200,000
431	Mobile Action Plan		250,000
433	Environmental Testing		50,000
434	Geotechnical Report/Ground Water Analysis		200,000
435	Seismic Study		Incl w/434
436	Surrounding Building Testing & Inspections		TBD
440	LEED Design and Commissioning Consultants		200,000
450	Other Design Related Consultants		100,000
460	Site Surveying (Boundary & Topographic)		75,000
461	SDOT Right-of-Way Survey		100,000
470	Historic Preservation Consultant Fee - HRG		80,000
471	Historic Preservation Consultant Reimbursable Costs - HRG		10,000
	SUBTOTAL~ DESIGN/PROFESSIONAL SERVICES	$	**39,081,905**
500.	**LEGAL & GOVERNMENTAL SERVICES**		
	SUBTOTAL~ LEGAL & GOVERNMENTAL SERVICES	$	**1,625,000**
600.	**PROJECT ADMINISTRATION**		
	SUBTOTAL~ PROJECT ADMINISTRATION	$	**12,199,861**
700.	**CONSTRUCTION**		
701	Preconstruction Services Fees	$	815,625
710	Construction Direct Costs (Arena Renovation and Site Development	$	326,250,000
711	CM/GC Fee		Incl.

ARENA AT SEATTLE CENTER
DETAILED BUDGET

ACCT #	BUDGET ITEM	Baseline Budget
712	CM/GC General Conditions	Incl.
713	CM/ GC General Requirements	Incl.
714	CM/GC Bonds & Insurance	Incl.
715	CM/GC Design Phase Contingency	Incl.
716	CM/GC Construction Phase Contingency	Incl.
720	Interior Demolition	Incl.
725	Parking Garage (Below Grade)	$ 25,000,000
727	South Parcel Building / Pottery NW	TBD / Separate Developer Budget
740	Hard Construction Cost (Technology Premium)	Incl.
	SUBTOTAL~ CONSTRUCTION	**$ 352,065,625**
750. SYSTEMS & EQUIPMENT		
755	Concession Equipment, POS	$ 10,000,000
756	Concession Menu Boards, Condiments Stands, Misc.	$ 2,000,000
757	Concession Personal Equipment, Service Wares, Smallwares and POS	$ 1,500,000
760	Scoreboard & Video Systems	$ 10,000,000
761	Video Production & Control Room	$ 4,000,000
762	Audio Systems	$ 3,250,000
763	MATV	$ 2,000,000
764	Broadcast Cable	$ 2,000,000
765	Security / CCTV	$ 1,750,000
766	Distributed Antenna System	$ 1,000,000
767	Wi-Fi System (High End)	$ 1,500,000
768	IPTV	$ 2,500,000
769	Network Structured Cabling & Converged Network	$ 3,000,000
770	Display Systems - Sponsorship	$ 2,000,000
771	Renewable Energy Systems & Equipment	TBD
790	Other General Arena FFE	$ 5,000,000
	SUBTOTAL~ SYSTEMS & EQUIPMENT	**$ 51,500,000**
800. PERMITS, TESTING, FEES, and SPECIAL TAXES		
801	Building Permit Fees/Approvals	$ 4,400,820
822	Health Department Fees	$ 250,000
823	Street Closures and Traffic Mitigation Fees	TBD
830	Owners Testing Fees (Testing & Inspections)	$ 1,000,000
840	Electric and Gas Fees (Tap Fees)	TBD
841	Utility Deposits	TBD
850	Sales Tax	40,000,000
	SUBTOTAL~ PERMITS, TESTING, FEES, and SPECIAL TAXES	**$ 45,650,820**
900. INSURANCE, FINANCING & TRANSACTION COSTS		
	SUBTOTAL~ INSURANCE, FINANCING & TRANSACTION COSTS	**$ 38,856,197**
TOTAL PROJECT COSTS - Subtotal before Contingency		**$ 561,041,908**
1000. CONTINGENCY		
	SUBTOTAL~ CONTINGENCY	**$ 38,958,092**
ESTIMATED TOTAL PROJECT COSTS		**$ 600,000,000**

Oak View Group

($ in millions)

OVG
OAK VIEW GROUP

Sources of Funds

ArenaCo Takeout Financing	$ 196.9
Historic Tax Credit	50.0
Equity	353.1
Total Sources of Funds	**$ 600.0**

Uses of Funds

Hard Costs & Soft Costs	$ 486.4
Below Grade Parking Garage	25.0
Affordable Housing Contribution	2.5
Public Art	3.5
City of Seattle Development Costs	3.5
Skate Park and Maintenance Facility Relocation	1.5
Tenant Relocation	0.5
Mobile Action Plan	0.3
Interest During Construction	12.5
Cost of Issuance (Construction Loan / Takeout)	11.2
Debt Service Reserve Fund (Takeout Financing)	14.1
Remaining Contingency	39.0
Total Sources of Funds	**$ 600.0**

Prepared by: Oak View Group

Exhibit G

Mortgagee Protection Provisions

1.1 Right to Obtain Leasehold Mortgages. Notwithstanding anything to the contrary contained in the Lease Agreement, OVG shall have the right, without the City's consent, to execute and deliver one or more leasehold mortgages encumbering OVG's leasehold interest in the Premises (the "Leasehold Estate") at any time and from time to time provided that (A) no such leasehold mortgage shall encumber the City's fee interest in the Premises (the "Fee Estate"), (B) the proceeds from the debt secured by such leasehold mortgage will not be used for purposes other than the design, development, construction, financing, management, maintenance, repair, replacement, leasing, or operation of the Arena, and (C) each leasehold mortgagee must be a Qualified Financial Institution (each, upon satisfaction of such conditions and notice pursuant to Section 1.4, a "Leasehold Mortgage") and the holder thereof a "Leasehold Mortgagee." The City shall not be required to join in or subordinate the Fee Estate to any Leasehold Mortgage and no such Leasehold Mortgage shall extend to or affect the Fee Estate. Each Leasehold Mortgage shall provide that the Leasehold Mortgagee shall send to the City copies of all notices of default sent to OVG in connection with the Leasehold Mortgage or the debt secured thereby, provided that the failure to provide any such notice shall not affect the validity of the notice as against OVG. As used herein, the term "Qualified Financial Institution" shall mean an institution that, as of the closing date of the Leasehold Mortgage, is (a) a nationally chartered bank, national association, federal association bank, savings and loan association, investment bank, state chartered bank, non-bank entity whose primary business is commercial lending, pension fund, insurance company, or other institutional lender which is duly established and regularly in the business of financing the size and type of development contemplated by this MOU, and that has a credit rating of at least "BBB" and a minimum of One Billion Dollars ($1,000,000,000) of assets on its most recent balance statement, and that intends to make a loan for its own portfolio and not for securitization, or (b) any other entity that the City Manager or his or her designee approves in writing.

1.2 Effect of a Leasehold Mortgage. Notwithstanding anything to the contrary in the Lease Agreement, OVG's making of a Leasehold Mortgage shall not be deemed to constitute an assignment of the Leasehold Estate, nor shall any Leasehold Mortgagee, as such, or in the exercise of its rights under the Lease Agreement, be deemed to be an assignee or transferee or mortgagee in possession of the Leasehold Estate so as to require such Leasehold Mortgagee, as such, to assume or otherwise be obligated to perform any of OVG's obligations under the Lease Agreement except when, and then only for so long as, such Leasehold Mortgagee has acquired ownership and possession of the Leasehold Estate pursuant to a Foreclosure Event (defined below) or control of the Leasehold Estate through a receiver (as distinct from its rights under the Lease Agreement to cure defaults or exercise Mortgagee's Cure Rights (defined below). No Leasehold Mortgagee (or other Person acquiring the Leasehold Estate pursuant to a Foreclosure Event) shall have any liability beyond its interest in the Lease Agreement nor shall Leasehold Mortgagee (or any person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) have recourse liability under the Lease Agreement unless and until such time as it becomes the owner of the Leasehold Estate, but any such person shall otherwise be subject to all terms, conditions and remedies under the Lease Agreement. Without further notice to or consent from the City, the City recognizes and agrees that a Leasehold Mortgagee may acquire directly, or may cause its assignee,

nominee, or designee to acquire, the Leasehold Estate through a Foreclosure Event and such party shall enjoy all the rights and protections granted to Leasehold Mortgagee under the Lease Agreement, subject to all terms and conditions of the Lease Agreement except as expressly modified herein, with the same force and effect as if such party were the Leasehold Mortgagee itself.

1.3 Foreclosure; Further Assignment. Notwithstanding anything to the contrary in the Lease Agreement, any Foreclosure Event, or any exercise of rights or remedies under any Leasehold Mortgage, shall not in itself constitute a violation of the Lease Agreement or require the consent of the City; provided that Leasehold Mortgagee has delivered notice to City as required in Section 1.1 above. If a Leasehold Mortgagee or a successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof acquires OVG's Leasehold Estate following a Foreclosure Event, or if a Leasehold Mortgagee or a successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof enters into a New Agreement (as defined below), such Leasehold Mortgagee or successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof, successor, assign or Affiliate of Leasehold Mortgagee (any of the foregoing, a "New Operator") shall enjoy all of the rights and protections granted to Tenant under the Lease Agreement, subject to all terms and conditions of the Lease Agreement except as expressly modified herein, with the same force and effect as if such successor, assign or Affiliate were the Tenant itself and may thereafter assign or transfer the Lease Agreement or such New Agreement without prior consent of the City, provided the assignee or transferee promptly notifies City in writing of such assignment or transfer and expressly agrees in writing to assume and to perform all of the obligations under the Lease Agreement or such New Agreement, as the case may be, from and after the effective date of such assignment or transfer, and provided the credit and operating experience of the assignee or transferee is reasonably acceptable to the City. No Leasehold Mortgagee (or person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) shall have any liability beyond its interest in the Lease Agreement nor shall Leasehold Mortgagee (or person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) have recourse liability under the Lease Agreement unless and until such time as it becomes the owner of the Leasehold Estate, but any such person shall otherwise be subject to all terms, conditions and remedies under the Lease Agreement or the New Agreement, as applicable.

1.4 Notice of Leasehold Mortgages. Promptly after OVG enters into any Leasehold Mortgage, OVG shall cause the Leasehold Mortgagee thereunder to deliver to the City a true and correct copy of the Leasehold Mortgage together with written notification specifying the name and address of the Leasehold Mortgagee and agreement to provide notice of default as provided in Section 1.1. Such Leasehold Mortgagee shall be entitled to all the rights and protections of a Leasehold Mortgagee under the Lease Agreement (as against both the City and any successor holder of the Fee Estate) from and after (and only from and after) such date as the City receives the foregoing materials. The City agrees to acknowledge to OVG and such Leasehold Mortgagee the City's receipt of any such materials and, following notification thereof, notice of any Assignment of such Leasehold Mortgage and to confirm that such Leasehold Mortgagee is or will be, upon closing of its financing or its acquisition of an existing Leasehold Mortgage, entitled to all of the rights and protections granted to Leasehold Mortgagee under the Lease Agreement with the same force and effect as if such successor, assign or Affiliate were the Leasehold Mortgagee itself, in the Lease Agreement, including after any premature termination of the Lease Agreement.

If the City has received notice of any Leasehold Mortgage, then such notice shall automatically bind the City's successors and assigns.

1.5 Modifications Required by Leasehold Mortgagee. If, in connection with obtaining, continuing, or renewing any financing for which the Leasehold Estate, represents collateral in whole or in part, the Leasehold Mortgagee requires any modifications of the Lease Agreement as a condition to such financing, then the City shall, at OVG's or such Leasehold Mortgagee's request, promptly consider any such modifications in good faith.

1.6 Further Assurances. Upon request by OVG or by any existing or prospective Leasehold Mortgagee, the City shall deliver to the requesting party such documents and agreements as the requesting party shall reasonably request to further effectuate the intentions of the Parties as set forth in the Lease Agreement, including a separate written instrument in recordable form signed and acknowledged by the City setting forth and confirming, directly for the benefit of Leasehold Mortgagee and its successors and assigns, any or all rights of Leasehold Mortgagee; provided, however, that OVG shall reimburse the City immediately upon demand therefor for any and all reasonable third-party costs or expenses actually incurred by the City in complying with this Section 1.6.

1.7 Protection of Leasehold Mortgagees. Notwithstanding anything to the contrary set forth in the Lease Agreement, if, and only for so long as, any Leasehold Mortgage is in effect (and the City shall have been notified thereof as provided above), the following shall apply:

(A) *Lease Impairments.* Any Lease Impairment (as defined below) made without First Leasehold Mortgagee's prior written consent (or any deemed consent under its Leasehold Mortgage), which consent shall not be unreasonably withheld, conditioned or delayed, shall be null, void, and of no further force or effect, and shall not bind OVG, Leasehold Mortgagee, or New Operator. For clarification, this Section 1.7(A) shall be inapplicable during any period that no Leasehold Mortgage is in effect. Further, for purposes of this Section 1.7(A), any condition upon First Leasehold Mortgagee's prior written consent that would have a material adverse effect on Leasehold Mortgagee is deemed to be unreasonable.

"Lease Impairment" means any (A) cancellation, amendment, modification, rejection, surrender (whether voluntary or otherwise), or termination of the Lease Agreement (other than a termination or eviction by the City pursuant to the City's rights [*as provided in the Lease Agreement pursuant to Section 8(t) of the MOU*] as expressly limited hereunder), including upon a casualty or condemnation affecting the Arena or the Premises, (B) consent, or affirmative acquiescence, by OVG to a sale of any property, or interest in any property, under 11 U.S.C. § 363 or otherwise in any Bankruptcy Proceeding by the City, (C) exercise of any right of OVG to treat the Lease Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i) or any comparable provision of law, or (D) subordination of the Lease Agreement or the Leasehold Estate to any other estate or interest in the Arena or the Premises.

(B) *Copies of Notices*. If the City shall give any required notice to OVG under the Lease Agreement (as a prerequisite to exercise City's remedies thereunder), then the City shall at the same time and by the same means give a copy of such notice to any Leasehold Mortgagee. No required notice to

OVG (as a prerequisite to exercise City's remedies thereunder), shall be effective unless and until such notice has been duly given to Leasehold Mortgagee, provided the City has received notice of such Leasehold Mortgagee pursuant to Section 1.4. No exercise of the City's rights and remedies under or termination of the Lease Agreement shall be deemed to have occurred or arisen or be effective unless the City has given like notice to each Leasehold Mortgagee as this Section 1.7(B) requires. Any such required notice shall describe in reasonable detail the alleged OVG default or other event allegedly entitling the City to exercise such rights or remedies.

(C) *OVG's Cure Period Expiration Notice*. If OVG is in default under the Lease Agreement and the cure period applicable to OVG expires without cure of OVG's default, then the City shall promptly give notice of such fact to any Leasehold Mortgagee, which notice shall describe in reasonable detail OVG's default (an "OVG's Cure Period Expiration Notice").

(D) *Right to Perform Covenants and Agreements*. Any Leasehold Mortgagee shall have the right, but not the obligation, during the applicable cure period hereunder, to perform any obligation of OVG under the Lease Agreement and to remedy any default by OVG. The City shall accept performance by or at the instigation of a Leasehold Mortgagee in fulfillment of OVG's obligations, for the account of OVG, and with the same force and effect as if performed by OVG. No performance by or on behalf of such Leasehold Mortgagee shall cause it to become a "mortgagee in possession" or otherwise cause it to be deemed to be in possession of the Arena or bound by or liable under the Lease Agreement.

(E) *Notice of Default and Cure Rights*. Upon receiving any notice of default, any Leasehold Mortgagee shall have the right within the same cure period granted to OVG under the Lease Agreement, plus the additional time provided for below within which to take (if any Leasehold Mortgagee so elects) whichever of the actions set forth below in the remainder of this Section 1.7 shall apply as to the default described in such notice of default (such actions, "Mortgagee's Cure"; and a Leasehold Mortgagee's rights to take such actions, including pursuit of an Enforcement Action (as defined below), collectively, "Mortgagee's Cure Rights").

"Enforcement Action" means, with respect to any Leasehold Mortgage and Leasehold Mortgagee, the occurrence of any of the following events: (A) any judicial or nonjudicial foreclosure proceeding, the exercise of any power of sale, the taking of a deed or assignment in lieu of foreclosure, the obtaining of a receiver, or the taking of any other enforcement action against the Leasehold Estate or any portion thereof, including the taking of possession or control of the Leasehold Estate or any portion thereof, (B) any acceleration of, or demand or action taken in order to collect, all or any indebtedness secured by all or any portion of the Leasehold Estate (other than giving of notices of default and statements of overdue amounts), (C) any exercise of any right or remedy available to Leasehold Mortgagee under any and all loan documents evidencing the debt secured by the Leasehold Estate (collectively, the "Leasehold Loan Documents"), at law, in equity, or otherwise with respect to any portion of the Leasehold Estate, other than the giving of notices of default and statements of overdue amounts, or (D) any active negotiation (including the exchange of written correspondence regarding the same and the scheduling and subsequent attending of negotiations, whether in person or via telephone) between OVG and Leasehold Mortgagee with respect to a workout following any default by OVG under the terms and conditions of the Leasehold Loan Documents; provided, however, that so long as Leasehold Mortgagee

continues to diligently prosecute to completion Mortgagee's Cure, any Enforcement Action shall be deemed to continue until the earlier of completion of Mortgagee's Cure or 60 days following final non-appealable judgment of a court of competent jurisdiction or cessation of any of the events or activities identified in subclauses (A) through (D) above.

"Foreclosure Event" means an Enforcement Action in the category that is described in clause (A) of the definition of Enforcement Action.

(F) *Monetary Defaults*. In the case of a monetary default, any Leasehold Mortgagee shall be entitled (but not required) to cure such default within a cure period consisting of OVG's cure period under the Lease Agreement extended through the date thirty (30) days after such Leasehold Mortgagee shall have received OVG's Cure Period Expiration Notice as to such monetary default.

(G) *Nonmonetary Defaults Curable Without Obtaining Possession*. In the case of any nonmonetary default that any Leasehold Mortgagee is reasonably capable of curing without obtaining possession of the Arena (excluding in any event any nonmonetary default under the Lease Agreement that is by its nature not susceptible to cure by a Leasehold Mortgagee, a "Personal Default"), such Leasehold Mortgagee, provided that all rent and additional rent shall continue to be paid timely during the pendency of such extended cure period, shall have the right (but not the obligation) to cure such nonmonetary default by taking the following actions: (1) Within a period consisting of OVG's cure period for such nonmonetary default, extended through the date 30 days after receipt of OVG's Cure Period Expiration Notice as to such default, such Leasehold Mortgagee shall provide written notice to the City of such Leasehold Mortgagee's intention to take all reasonable steps necessary to remedy such default (it being understood that such notice is a statement of intention and not an obligation); and (2) Duly commence the cure of such nonmonetary default within such extended period, and thereafter (during and after such extended period) diligently prosecute to completion the remedy of such default, but, subject to Force Majeure Events, in no event more than 60 days after Leasehold Mortgagee's receipt of OVG's Cure Period Expiration Notice as to such default. (3) For the purposes of this Section 1.7(G), a nonmonetary default will not be deemed incapable of cure by a Leasehold Mortgagee simply because the timeline for performance of the underlying obligation has passed.

(H) *Defaults Curable Only by Obtaining Possession and Personal Defaults*. In the case of (i) a nonmonetary default that is not reasonably susceptible of being cured by such Leasehold Mortgagee without obtaining possession of the Arena or (ii) a Personal Default by OVG, such Leasehold Mortgagee shall be entitled (but not required) to proceed as described in Sections 1.7(I) and 1.7(J) (provided that (x) rent and additional rent shall continue to be paid timely during the pendency of such extended cure period, and (y) with respect to any nonmonetary defaults outstanding under Section 1.7(G), such Leasehold Mortgagee shall be exercising its Mortgagee's Cure Rights thereunder).

(I) *During Cure Period*. At any time during the cure period (if any) that applies to OVG, extended through the date that is 60 days after such Leasehold Mortgagee's receipt of OVG's Cure Period Expiration Notice as to such nonmonetary default, or if no cure period applies to OVG, then within 60 days after such Leasehold Mortgagee's receipt of notice of such default, such Leasehold Mortgagee shall be entitled to institute proceedings, and (subject to any stay in any Bankruptcy

Proceedings affecting OVG or any injunction, unless such stay or injunction is lifted) provided that from and after the institution of such proceedings, such Leasehold Mortgagee shall diligently prosecute the same to completion, to obtain possession of the Arena as mortgagee (including possession by a receiver), or acquire directly, or cause its assignee, nominee, or designee to acquire, the Leasehold Estate through a Foreclosure Event, or foreclose on its pledged collateral, as applicable (the obtaining of such possession or the completion of such acquisition, "Control of the Arena").

(1) *Further Cure After Control of Arena*. Upon obtaining Control of the Arena (whether before or after expiration of any otherwise applicable cure period), such Leasehold Mortgagee or, in the event the Leasehold Estate is acquired through a Foreclosure Event, such New Operator, shall then be entitled (but not required) to proceed with reasonable diligence and reasonable continuity to cure such nonmonetary defaults as are then reasonably susceptible of being cured by such Leasehold Mortgage or New Operator (excluding OVG's Personal Defaults, which Leasehold Mortgagee need not cure), within a reasonable time under the circumstances but, subject to Force Majeure Events, in no event more than 120 days after Leasehold Mortgagee obtains Control of the Arena.

(2) *Effect of Cure*. Upon the timely and proper cure of a default by such Leasehold Mortgagee or New Operator, as the case may be, in accordance with the Lease Agreement, the Lease Agreement shall continue in full force and effect as if no default(s) had occurred. Leasehold Mortgagee's exercise of Mortgagee's Cure Rights shall not be deemed an assumption of the Lease Agreement in whole or in part.

(J) *Forbearance by the City*.
(1) So long as a Leasehold Mortgagee shall be diligently exercising its Mortgagee's Cure Rights, including the commencement and pursuit of an Enforcement Action which is timely commenced and completed within the applicable cure periods set forth above, the City shall not, to the extent permitted under the Lease Agreement, (i) re-enter the Arena to cure the OVG Event of Default, (ii) bring a proceeding on account of such default to (a) re-enter the Arena to cure the OVG Event of Default, (b) dispossess OVG or other occupants of the Arena, (c) terminate the Leasehold Estate, or (d) replace the management company, or (iii) accelerate payment of rent or additional rent or any other amounts payable by OVG under the Lease Agreement. Notwithstanding the foregoing, the City shall have the right at any time to re-enter the Arena, or bring a proceeding to so reenter the Arena, to cure the applicable OVG Event of Default if the Leasehold Mortgagee that is exercising its Mortgagee's Cure Rights does not have Control of the Arena at such time; provided, however, that (1) the City gives prior written notice thereof to such Leasehold Mortgagee, and (2) no such cure by the City shall be deemed to diminish any of the Mortgagee's Cure Rights.

(2) Nothing in this Section 1 shall, however, be construed to either (i) extend the Term beyond the Expiration Date that would have applied if no default had occurred or (ii) require any Leasehold Mortgagee to cure any Personal Default by OVG as a condition to preserving the Lease Agreement or to obtaining a New Agreement (but this shall not limit such Leasehold Mortgagee's obligation to seek to obtain Control of the Arena, and thereafter consummate a Foreclosure Event, by way of Mortgagee's Cure Rights, if such Leasehold Mortgagee desires to preclude the City from terminating the Lease Agreement on account of a Personal Default of OVG).

(3) Nothing in this Section 1 shall limit the obligations of OVG under the Lease or preclude the City from exercising its rights to sue OVG for damages, specific performance, or other equitable relief (excluding dispossession, termination, or engagement of new management company).

(K) *Leasehold Mortgagee's Right to Enter Arena*. The City and OVG authorize each Leasehold Mortgagee to enter the Arena and the Premises as necessary to effect Mortgagee's Cure and take any action(s) reasonably necessary to effect Mortgagee's Cure without such action, in itself, being deemed to give Leasehold Mortgagee possession of the Arena or the Premises.

(L) *Rights of New Operator Upon Acquiring Control*. If any New Operator shall acquire the Leasehold Estate pursuant to a Foreclosure Event and shall continue to exercise Mortgagee's Cure Rights as to any remaining defaults (other than Personal Defaults, which New Operator need not cure), then any Personal Defaults by OVG shall no longer be deemed defaults and upon cure of all remaining defaults (other than Personal Defaults) the City shall recognize the rights of such New Operator hereunder as if such New Operator were OVG.

(M) *Interaction Between Agreement and Leasehold Mortgage*. OVG's default as mortgagor under a Leasehold Mortgage shall not constitute a default under the Lease Agreement, except to the extent that OVG's actions or failure to act in and of itself constitutes a breach of the Lease Agreement. The exercise of any rights or remedies of a Leasehold Mortgagee under a Leasehold Mortgage, including the consummation of any Foreclosure Event, shall not constitute a default under the Lease Agreement (except to the extent such actions otherwise constitute a breach of the Lease Agreement).

1.8 First Leasehold Mortgagee's Right to a New Agreement.

(A) If the Lease Agreement shall terminate by reason of a rejection in OVG's bankruptcy, or option of OVG to treat the Lease Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i), or any comparable provision of law, the City shall promptly give notice of such termination to any Leasehold Mortgagee of which the City has notice. The City shall, upon a Leasehold Mortgagee's request given within 30 days after such Leasehold Mortgagee's receipt of such notice, enter into a new lease of the Arena effective as of (or retroactively to) the date of the termination of the Lease Agreement, for the remainder of the Term, as if no termination had occurred, with a New Operator on the same terms and provisions of the Lease Agreement, including all rights, options, privileges, and obligations of OVG under the Lease Agreement, but excluding any requirements that have already been performed or no longer apply (a "New Agreement"), provided that the First Leasehold Mortgagee shall, at the time of execution and delivery of such New Agreement, (i) pay the City any and all rent, additional rent and other sums then due under the Lease Agreement (determined as if the Lease Agreement had not been terminated), and (ii) cure any nonmonetary defaults (other than Personal Defaults, which First Leasehold Mortgagee need not cure) under the Lease Agreement (determined as if the Lease Agreement had not been terminated) or, if such nonmonetary default is of a nature that it cannot with due diligence be cured upon such execution and delivery, then the First Leasehold Mortgagee shall (x) upon such execution and delivery, advise the City of its intention to take all steps necessary to remedy such nonmonetary default (other than Personal Defaults, which First Leasehold Mortgagee need not cure), and (y) promptly and duly commence the cure of such default and thereafter diligently prosecute to completion the

remedy of such default, which completion must be achieved within a reasonable time under the circumstances (not to exceed 90 days), subject to Force Majeure Events. In no event, however, shall the New Operator be required to cure a Personal Default of OVG as a condition to obtaining or retaining a New Agreement or otherwise. From the date the Lease Agreement terminates until the date of execution and delivery of any such New Agreement (the "New Agreement Delivery Date"), the City may, at its option, perform the day-to-day operations, maintenance, and repair of the Arena and the Premises and all expenses incurred by the City shall be immediately due and payable by the New Operator as of the New Agreement Delivery Date; provided, however, the City shall not (1) operate the Arena or the Premises in an unreasonable manner, (2) take any affirmative action to cancel any sublease or accept any cancellation, termination, or surrender of a sublease, except due to such subtenant's default, or (3) lease any of the Arena or the Premises except to New Operator.

(B) The following additional provisions shall apply to any New Agreement:
(1) *Form and Priority*. Any New Agreement (or, at the City's option, a memorandum thereof) shall be in recordable form. Such New Agreement shall not be subject to any rights, liens, or interests other than permitted exceptions and other exceptions to title existing as of the date of such New Agreement which were not created by the City. The New Agreement shall be expressly made subject to any rights of OVG prior to the termination of the Lease Agreement.

(2) *Adjustment for Net Income/Net Loss*. On the New Agreement Delivery Date, if during the period from the termination date of the Lease Agreement to the New Agreement Delivery Date the revenue derived from the Arena and actually received by the City (excluding from income the amount of any Annual Fee payable under the Lease Agreement and actually received by the City) exceeds the expenses actually incurred by the City in connection with the Arena, then, on the New Agreement Delivery Date, the City shall pay to the New Operator the amount of such excess. Alternatively, if during such period the City's expenses exceed the City's revenues, then, on the New Agreement Delivery Date, the New Operator shall pay to the City the amount of such excess. In either event, the New Operator shall, on the New Agreement Delivery Date, pay to the City all sums required to be paid the City pursuant to the Lease Agreement, and reimburse City for any sums expended (which are the obligation of the tenant under the Lease Agreement) up to the New Agreement Delivery Date.

(3) *Assignment of Certain Items*. On the New Agreement Delivery Date, the City shall assign to New Operator all of the City's right, title and interest in and to all moneys (including security deposits, insurance proceeds, and condemnation awards), if any, then held by, or payable to, the City that OVG (or Leasehold Mortgagee) would have been entitled to receive as of such date but for termination of the Lease Agreement. On the New Agreement Delivery Date, the City shall also transfer to New Operator all subleases, service contracts, and net income collected by the City in connection with the operation of the Arena during the period between termination of the Lease Agreement and the New Agreement Delivery Date.

(4) *Preservation of Subleases*. Between the date of the termination of the Lease Agreement and the New Agreement Delivery Date, the City shall not take any affirmative action to cancel any sublease or accept any cancellation, termination, or surrender of a sublease (it being understood that the City shall not be obligated to take any action to keep any subleases in effect). Any sublease

which was terminated upon the termination of the Lease Agreement as a matter of law, shall, at New Operator's option, be reinstated upon execution of the New Agreement.

(5) *Separate Instrument*. The City hereby agrees, at the request of any Leasehold Mortgagee, to enter into a separate instrument (and memorandum thereof in recordable form) memorializing such Leasehold Mortgagee's rights under this Section 1.8.

1.9 Priority of Leasehold Mortgages. If there is more than one Leasehold Mortgage, then whenever the Lease Agreement provides the holder of a Leasehold Mortgage with the right to consent or approve or exercise any right granted in the Lease Agreement, the exercise or waiver of same by the first priority Leasehold Mortgagee (the "First Leasehold Mortgagee") shall control and be binding upon the holder(s) of all junior Leasehold Mortgages.

1.10 Liability of Leasehold Mortgagee. If a New Operator shall acquire OVG's Leasehold Estate through a Foreclosure Event or a New Agreement shall be granted to a New Operator pursuant to Section 1.8, such New Operator shall be liable for the performance of all of OVG's covenants under the Lease Agreement or such New Agreement, as the case may be, from and after the effective date of such Foreclosure Event or New Agreement. If (A) the New Operator is a Leasehold Mortgagee or its assignee, nominee or designee, (B) such Leasehold Mortgagee, or its assignee, designee or nominee, as applicable, then assigns the Lease Agreement or the New Agreement to a third party assignee, (C) such third party assignee delivers to the City an agreement under which such assignee assumes and agrees to perform all the terms, covenants, and conditions of the Lease Agreement or such New Agreement, in form reasonably acceptable to the City, and (D) the credit and operating history of the New Operator is reasonably acceptable to the City, then Leasehold Mortgagee, or its assignee, designee, or nominee, as applicable, shall be automatically and entirely released and discharged from the performance, covenants, and obligations of the New Operator under the Lease Agreement or the New Agreement, thereafter accruing.

1.11 Casualty and Condemnation Proceeds. If a casualty or a Condemnation Action shall occur with respect to all or any portion of the Arena and the Premises and restoration is to occur pursuant to the provisions of the Lease Agreement, any insurance proceeds shall be handled in accordance with the Lease Agreement. The City understands that OVG may irrevocably appoint Leasehold Mortgagee as its representative to participate in any settlement regarding, and with regard to, the disposition and application of said insurance proceeds or Condemnation Awards, and, in such instance, the City will recognize and deal with Leasehold Mortgagee for such purposes. The City hereby acknowledges that no election by OVG not to restore in the event of a casualty or Condemnation Action shall be effective unless Leasehold Mortgagee's consent has been granted to such election.

1.12 Mezzanine Lenders as Leasehold Mortgagees. The Parties agree that each lender under a Mezzanine Financing (as defined below) (each such lender, a "Mezzanine Lender") is intended to and shall be entitled to substantially the same protections and rights set forth in this Section 1 as provided to a Leasehold Mortgagee, modified as appropriate to reflect the nature of the limited liability company or limited partnership interest or stock pledge, as applicable, in favor of each such Mezzanine Lender, *mutatis mutandis*. If requested by OVG in connection with a Mezzanine Financing, the Parties agree to negotiate, in good faith and with due diligence, an amendment to

the Lease Agreement or a separate agreement, containing commercially reasonable terms and conditions in order to specifically reflect such protections and rights set forth in this Section 1 as applicable to a Mezzanine Lender. As used herein, a "Mezzanine Financing" means a financing transaction which is secured by, inter alia, a pledge or collateral assignment of any or all of the limited liability company or limited Partnership interests or the corporate stock of OVG (or any entity holding a direct or indirect interest in OVG), as applicable, either together with or in lieu of a Leasehold Mortgage (provided that if the same lender holds both a Leasehold Mortgage and such a pledge or collateral assignment, such lender shall be a Leasehold Mortgagee, and such financing transaction shall be a Leasehold Mortgage, hereunder).

Exhibit H

Insurance Requirements

1. Securing of Insurance Coverage. OVG shall procure and maintain, or cause to be procured and maintained, during the entire Term of the Lease Agreement the insurance described in this Exhibit H. By not later than the date the policies are required to be in effect pursuant to Section 1.2 below, OVG shall provide the City certificates of insurance and applicable endorsements from the companies issuing policies providing the required insurance stating that such coverage is in effect. Copies of required insurance policies procured by OVG shall be provided to the City upon request. OVG's procurement of the insurance required under this Exhibit H shall in no manner affect or limit OVG's indemnification obligations in the Lease Agreement or the Development Agreement. In the event of an insured loss, OVG or its contractors shall be responsible for paying all deductibles.

I. During the term of the Development Agreement

1.1 OVG's Insurance Requirements. From and after the Effective Date of the Development Agreement and from the Initial Commencement Date of the Lease Agreement until the Operating Term Commencement Date, OVG shall, at its sole cost and expense and as part of Project Costs, procure and maintain with insurers acceptable to the City, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by OVG, its agents, representatives, employees, consultants, subconsultants, contractors and/or subcontractors. Coverage shall be at least as broad as:

1.1.1 Commercial General Liability. Insurance Services Office form number (CG 00 01) or equivalent covering Commercial General Liability, whereas OVG reserves the right to secure and maintain coverage via a Controlled Insurance Program (CIP); see Contractor Off-Site Coverage Requirements. Coverage shall be on an Occurrence form and apply to bodily and property damage and the limits shall apply on a "per project" basis. Policy shall be written on form CG 00 01 07 98 or its equivalent and shall not include any exclusions or limitations other than those incorporated in the standard form and shall include coverage for:

1. Premises/Operations;
2. Products/Completed Operations;
3. Advertising Injury;
4. Contractual Liability;
5. Independent Contractors;
6. "Additional Insured" status provided to relevant project entities;
7. Personal injury with employment and contractual exclusions deleted;
8. Unintentional failure to disclose provision;
9. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per Project) or equivalent; and
10. A broadened knowledge of occurrence provision.

Such insurance must provide a minimum limit of not less than $50,000,000 general aggregate per project/location aggregate. Such insurance shall not contain exclusions related to explosion, collapse, underground, and blasting. OVG shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project. The policy will not exclude coverage losses resulting from perils and acts of terrorism so long as terrorism coverage is commercially available. If any such insurance policy excludes coverage for perils and acts of terrorism, OVG will obtain a separate terrorism insurance policy in the coverage amount required by this paragraph in form and substance reasonably satisfactory to the City.

1.1.2 Automobile Liability. Insurance Services Office form number (CA 00 01) or equivalent covering Business Automobile Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9, with a limit of not less than $10,000,000 combined single limit per occurrence.

1.1.3 Workers' Compensation. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, statutory limits, and any other applicable State Workers' Compensation Law.

1.1.4 Employer's Liability or "Stop Gap". The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability or Worker's Compensation Policy in the amount of at least $50,000,000.

1.1.5 Builder's Risk Insurance. During the period of construction of the Arena or any other portion of the Project, OVG shall also procure and maintain Builder's Risk Insurance, which shall be written on an "all-risk" completed value policy form in the amount of the initial Contract Sum, plus value of subsequent Contract Modifications and cost of materials supplied or installed by OVG, the City, or others, comprising total value for the entire Project at the site on a replacement cost basis, including cost to cover professional fees. Coverage shall be provided for (i) the perils of earth movement including earthquake and flood (an earthquake and flood sublimit may be allowed, as mutually agreed to by OVG and the City and may be subject to PML study); (ii) resultant damage from errors in design, plans, specifications, faulty workmanship, materials and construction; (iii) "extra expense"; (iv) temporary buildings, debris removal and all materials to be stored offsite and while in transit to the jobsite; (v) "cold testing" of all building systems; (vi) OVG and City's loss of use of the Project due to delays in Project completion caused by covered peril losses to the Project, including loss of income and rents and soft costs such as interest on the Construction Loan, real estate taxes and insurance premiums; (vii) the increased cost of construction, debris removal and demolition due to the operation of building laws and code upgrades; and (viii) direct physical damage to the Project and loss of use caused by an off premises services interruption. The policy shall include a waiver of subrogation provision in favor of City and shall grant permission for partial occupancy of the facilities without having a detrimental effect on the coverage provided. OVG shall have the required Builder's Risk Policy in place no later than Commencement of Construction. The Builder's Risk Policy shall include OVG, the General Contractor and their respective subcontractors, other contractors, and the City as insureds in an amount equal to their interest with a loss payable clause in favor of Construction Lender and City,

as their interests may appear. OVG shall keep the Builder's Risk Policy in place from Commencement of Construction until Physical Completion of the Project. "Physical Completion of the Project" shall be deemed to occur upon issuance of certificates of occupancy for the arena, tunnel, and below-grade garage Upon Physical Completion of the Project, the completed project broad-form all risk property insurance coverage will take effect immediately. The policy will not exclude. coverage losses resulting from perils and acts of terrorism so long as terrorism coverage is commercially available. If any such insurance policy excludes coverage for perils and acts of terrorism, OVG will obtain a separate terrorism insurance policy in the coverage amount required by this paragraph in form and substance reasonably satisfactory to the City.

1.1.6 Umbrella / Excess Liability. Coverage shall follow form of the General Liability, Employer's Liability, and Automobile Liability.

1.2 Contractors' Insurance Requirements. If OVG elects to secure and maintain coverage via an Owner Controlled Insurance Program ("OCIP"), the enrolled parties will provide and maintain for off-site activities the types of insurance described below. From and after the Effective Date of the Lease Agreement, the contractor shall, at its sole cost and expense and as part of Project Costs, procure and maintain or cause to be procured and maintained with insurers acceptable to the City, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by contractor, its agents, representatives, employees consultants and/or subcontractors. Coverage shall be at least as broad as follows. OVG shall include a provision in each construction contract requiring each contractor to maintain the following minimum scope and limits of insurance.

1.2.1 Commercial General Liability. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability including coverage for:

1. Premises/Operations;
2. Products/Completed Operations;
3. Advertising Injury;
4. Contractual Liability;
5. Independent Contractors;
6. Explosion collapse underground hazards;
7. Personal injury with employment and contractual exclusions deleted;
8. Unintentional failure to disclose provision;
9. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per Project) or Equivalent;
10. Blasting (if explosives are used in the performance of the Work); and
11. A broadened knowledge of occurrence provision.

Such insurance must provide a minimum limit of liability general aggregate per project/location as follows per trade:

Crane Operator	$25,000,000

The following Trades: Excavation Foundation Site Utilities Masonry Drywall Concrete Steel Erection Hoisting (including Elevators) Plumbing Electrical HVAC	$10,000,000
All other Trades	$5,000,000

Contractor shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project.

The contractor's CGL insurance shall not exclude perils generally known as XCU (Explosion, Collapse and Underground Property Damage), Subsidence, Absolute Earth Movement (except as respects earthquake peril only) or any equivalent peril.

The contractor's CGL insurance shall include each City as an additional insured for Products and Completed Operations by providing additional insured status on the ISO CG 20 10 11 85 or CG 20 37 endorsement, or by an equivalent policy or endorsement provision. The Products and Completed Operations additional insured status for each City shall remain in effect for not less than six (6) years following the Physical Completion Date or Final Acceptance of the Work (as applicable) by the City.

1.2.2 Automobile Liability. Automobile Liability Insurance Services Office form number (CA 00 01) or equivalent for owned, non-owned, hired, and leased vehicles, as applicable, with a minimum limit of liability of $20,000,000 Combined Single Limit (CSL). If pollutants are to be transported, MCS 90 and CA 99 48 endorsements are required on the Automobile Liability insurance policy unless in-transit pollution risk is covered under a Pollution Liability insurance policy.

1.2.3 Workers' Compensation. The contractor shall comply with Workers' Compensation coverage as required by Title 51 RCW (Industrial Insurance) and any other applicable State Workers' Compensation laws.

1.2.4 Employer's Liability or "Stop Gap". The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability or Workers' Compensation Policy in the amount of at least $10,000,000.

1.2.5 Contractor's Pollution Liability. Contractor shall provide contractor's Pollution Liability coverage in the amount of $25,000,000 per occurrence or claim and in the aggregate to cover sudden and non-sudden bodily injury and/or property damage to include the destruction of tangible property, loss of use, clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed. Insurance shall not exclude pollution arising out of Asbestos, Lead Mold and/or PCB operations. Evidence of Insurance must specifically state that such coverage is included. Contractor shall be responsible for obtaining and maintaining evidence of Transportation coverage (including MCS-90 and CA 9948 Endorsements for Automobile Liability) and Disposal Site Operators Insurance from all subcontractors and site operators. If Coverage is placed on a "Claims-Made" basis, then the Retrospective Date of the policy must match or precede the date these contracts are executed. Evidence of continuous coverage or an extended reporting period endorsement shall be required for a period of six (6) years after Final Completion.

1.2.6 In-Transit Pollution Liability. CA 99 48 and MCS 90 endorsements are required on the Automobile Liability insurance policy unless in-transit pollution risk is covered under a Pollution Liability insurance policy.

1.2.7 Contractor's Professional Liability. In any construction contract that requires professional services as part of the work, contractor shall provide $25,000,000 per claim/aggregate professional liability errors and omissions coverage. If Coverage is placed on a "Claims-Made" basis, then the Retrospective Date of the policy must match or precede the date the first professional services are provided. Evidence of continuous coverage or an extended reporting period endorsement shall be required for a period of six (6) years after Final Completion.

1.2.8 Contractor's Property and Inland Marine Insurance. Property insurance on an "all-risk" coverage form, covering property owned by the contractor and its respective subcontractors, including scaffolding, trailers, and other equipment.

1.3 Design and Engineering Consultants' Insurance Requirements. From and after the Effective Date of the Lease Agreement, the Professional Consultant shall, at its sole cost and expense and as part of Project Costs, procure and maintain or cause to be procured and maintained with insurers acceptable to the City, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by Professional Consultant, its agents, representatives, employees consultants and/or subcontractors. OVG shall require in each Professional Consultant Contract that the Consultant provide the following minimum scope and limits of insurance:

1.3.1 General Liability. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability, including coverage for completed operations/product liability, independent contractors, contractual liability, explosion collapse underground hazards, personal injury with employment and contractual exclusions deleted, unintentional failure to disclose provision, and a broadened knowledge of occurrence provision with a limit of not less than $5,000,000 combined single limit per occurrence, $5,000,000 general

aggregate per project/location. Professional Consultant shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project.

1.3.2 Automobile Liability. Insurance Services Office form number (CA 00 01) or equivalent covering Business Automobile Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9, with a limit of not less than $2,000,000 combined single limit per occurrence.

1.3.3 Workers' Compensation. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington or any other applicable State Workers' Compensation Law, at statutory limits.

1.3.4 Employer's Liability or "Stop Gap". The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability or Worker's Compensation Policy in the amount of at least $10,000,000.

1.3.6 Professional Liability Errors and Omissions. Consultant shall provide $10,000,000 per claim/aggregate professional liability errors and omissions coverage. Such coverage shall continue in force or be extended by professional "Tail" coverage for a period no less than 6 years from Physical Completion of the Project. If approved in writing by the City prior to contract approval, a practice policy may be obtained instead of a project policy.

1.3.7 Owners Protective Professional Indemnity. OVG shall procure and maintain a project specific Owners Protective Professional Indemnity (OPPI) policy in the name of the project owner, covering all design firms on the project to sit excess of the consultants professional liability coverage with a limit of no less than $25,000,000 per claim/aggregate.

II. From and After the Operating Term Commencement Date of the Lease Agreement

2.1 Types of Required Insurance. From the Operating Term Commencement Date and throughout the Term of the Lease Agreement, OVG shall secure and maintain insurance covering the Premises.

2.1.1 Commercial General Liability. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability, including coverage for:

1. Premises/Operations;
2. Products/Completed Operations;
3. Advertising Injury;
4. Contractual Liability;
5. Independent Contractors;
6. Explosion collapse underground hazards;

7. Incidental medical malpractice;

8. Herbicide or pesticide applicators coverage;

9. Personal injury with employment and contractual exclusions deleted;

10. Unintentional failure to disclose provision;

11. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per Project) or Equivalent;

12. Blasting (if explosives are used in the performance of the Work); and

13. A broadened knowledge of occurrence provision.

with a limit of not less than $1,000,000 combined single limit per occurrence, $2,000,000 general aggregate per project/location.

2.1.2 Liquor Liability. Liquor liability for the serving and selling of alcoholic beverages in an amount of not less than $10,000,000 Per Occurrence, $10,000,000 annual aggregate.

2.1.3 Automobile Liability. Business Auto coverage on Insurance Services Office form number (CA 00 01) or equivalent for owned, hired, leased, and non-owned vehicles used by OVG in connection with the use, management and operation of the Arena at the Arena, or in the parking areas, or on public streets in conjunction with work under this contract, in an amount not less than $5,000,000 each accident, combined bodily injury and property damage, written on an occurrence form.

2.1.4 Workers' Compensation. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, or any other applicable State Worker's Compensation Law at statutory limits. Coverage shall include USL&H, Maritime, Admiralty Act coverage if any work around water or onboard watercraft is involved.

2.1.5 Employer's Liability or "Stop Gap". The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability Policy in the amount of at least $10,000,000 per accident.

2.1.6 Umbrella/Excess Liability. Umbrella/Excess Liability insurance in excess of the coverage set forth in clause 2.1.1, above, with limits of not less than $100,000,000 per occurrence and $100,000,000 annual aggregate, written on an occurrence form. Terrorism coverage is required for the full limits of clause 2.1.1.

2.1.7 Garage Keepers Direct Primary Legal Liability. In the event that OVG implements valet parking services, OVG will secure and maintain Garage Keepers Direct Primary Legal Liability, written on an occurrence form, for all parking operations with adequate limits to

cover fire and theft to all automobiles, or any portion or the contents thereof, including, without limitation, loss caused by riot, civil commotion, vandalism, malicious mischief and collision. In the event OVG does not provide valet parking services, but does provide open parking to the public, Garage Keepers' Legal Liability on a direct excess basis is required. If both valet and open parking are provided, both coverages above are required.

2.1.8 Broad-Form All Risk Property Insurance. Coincident with the termination of the Builder's Risk insurance and effective to ensure complete coverage of the property, which may be before the Event Commencement Date, OVG will provide and maintain Broad-form All Risk Property insurance including but not limited to (i) full replacement cost and consequential loss coverage on the buildings, structures, tenant improvements and betterments, contents, furnishings, and operating equipment; and (ii) combined Business Income and Extra Expense coverage, covering the loss of income including all Gross Revenues, attributed to the Parking areas as well as the Arena, including any net profit, continuing charges, expenses (including without limitation, Debt Service) and ordinary payroll for a twelve (12) month period of indemnity; and (iii) coverage for consequential loss from service interruption; and (iv) equipment breakdown coverage, if applicable. Such coverage shall not be subject to any coinsurance provisions.

2.2 After the Operating Term Commencement Date, during any period of design or construction or renovation of the Arena or Arena Tenant Improvements in excess of $1,000,000 or any lower valued construction work which could put the building structure at risk, in addition to the other coverages required under this Exhibit H, standard "all risk" builder's risk insurance (including, without limitation, coverage against collapse), written on a completed value basis, in an amount not less than the projected total cost of construction or renovation of such Improvements plus "soft costs," including design costs, licensing fees, architect fees, and engineer fees as reasonably estimated by OVG's architect and as approved by the City not more than sixty (60) days prior to the commencement of construction or renovation. Policy shall include coverage for temporary buildings, debris removal, and building materials in transit or stored on or off-site. Insurance shall also include such liability coverages as deemed reasonable for a project of the size and scope undertaken.

3. **Terms of Insurance.** The policies required under this Exhibit H shall:

3.1 Be written as primary policies not contributing with and not in excess of coverage that the City may carry.

3.2 Name the City and their officers, officials, employees and agents as additional insureds as broad as CG 2010 11/85 or its equivalent and as respects liability arising out of activities performed by or on behalf of OVG in connection with the Lease Agreement.

3.3 Expressly provide that the City shall not be required to give notice of accidents or claims and that the City shall have no liability for premiums.

3.4 Provide that such policies shall not be renewed, canceled, or materially modified without thirty (30) days' prior written notice to the City or ten (10) days for non-payment of premiums. OVG shall provide City with notification in the event of any reduction or restriction of insurance limits or coverage of their respective policies.

3.5 Be issued by an insurer of recognized standing other than insurance provided by the State of Washington Department of Labor & Industries, rated "A-:VII" or better as established by Bests' Rating Guide or an equivalent rating issued by such other publication of a similar nature as shall be in current use, and licensed to do business in the State of Washington unless a surplus lines placement by a licensed Washington State surplus lines broker, or be otherwise acceptable to the City.

3.6 Each insurance policy shall be written on an "occurrence" form, excepting that insurance for professional liability, errors and omissions, and Contractors Pollution Liability when required, may be acceptable on a "claims made" form.

3.7 If coverage is approved (if approval is required above) and purchased on a "claims made" basis, OVG warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than six years from the date of completion of the work that is subject to said insurance.

3.8 Provide that the insurer waives subrogation as to any rights to recovery from the City.

3.9 The limits of liability specified herein are minimum limits only. Such minimum limits of liability requirements shall not be construed to limit the liability of OVG, that of any subcontractor of any tier or of any of their respective insurers. Any provision in any OVG or subcontractor insurance policy that limits available limits of liability to those specified in a written agreement or contract shall not apply and all insurance policies, with the exception of Professional Liability and Workers Compensation, shall include the City as an additional insured for primary and non-contributory limits of liability for the full valid and collectible limits of liability maintained by OVG or subcontractor, whether such limits are primary, excess, contingent or otherwise. This provision shall apply regardless of whether limits maintained by OVG are greater than those required by this Contract, and regardless of whether the certification of insurance provided by a subcontractor of any tier specifies lower minimum limits than those specified for or maintained by OVG.

3.10 Any deductibles or self-insured retentions must be declared to and approved by City. The deductible and/or self-insured retention of the policies shall be the sole responsibility of OVG for their respective policies.

3.11 OVG's insurance coverage shall be primary insurance as respects the City of Seattle and its officers, officials, employees and shall include a severability of interests (cross liability) and a waiver of subrogation in favor of the City. Any insurance and/or self-insurance maintained by the City, or its officers, officials, employees and/agents shall not contribute with OVG's insurance or benefit OVG in any way.

3.12 Limits specified for General Liability, Automobile Liability, and Employer's Liability or "Stop Gap" can be satisfied with any combination of primary and/or excess Policies.

3.13 By requiring such minimum insurance as specified herein, neither party shall be deemed to, or construed to, have assessed the risks that may be applicable to the other party to this

Lease or any contractor. Each party and each contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits or broader coverage**.**

3.14 OVG shall release the City from any and all claims or causes of action whatsoever in or from or in any way connected with any loss covered or which should have been covered by insurance required to be maintained by OVG pursuant to the Lease Agreement.

4. <u>Evidence of Insurance</u>.

4.1 OVG shall deliver to the City of Seattle certification of insurance meeting the requirements set forth herein when OVG delivers the signed Agreement. The certification of insurance must include the following:

4.1.1. An ACORD certificate or equivalent form fully disclosing all coverages and limits of liability maintained.

4.1.2. A copy of the additional insured endorsement or blanket additional insured language to the Commercial General Liability and (if required) Contractor's Pollution Liability insurance documenting that the City of Seattle is an additional insured for primary and non-contributory limits of liability and Products and Completed Operations Additional Insured; a statement of additional insured status on an ACORD or other form of certificate of insurance will not satisfy this requirement.

4.1.3. A copy of each policy's declarations page and schedule of forms and endorsements.

4.1.4. Any other policy language or endorsements that documents compliance with the requirements herein, including (if required) CA 99 48 and MCS-90 endorsements.

4.1.5. Certification shall be sent to a notice address and fax number designated by the Seattle Center Representative and to a designated Financial and Administrative Services (FAS) Risk Management address.

4.2 Should any insurance policy neither be issued nor delivered to OVG at the time it delivers the signed Agreement, OVG shall deliver and maintain on file with the City binders of insurance evidencing compliance with the requirements herein. As soon as practicable after delivery of the policy(ies), OVG shall deliver the insurance certification specified in subparagraphs 4.1.2 through 4.1.4 above.

4.3 At any time upon the City's request, OVG shall forward to the City a true and certified copy of any insurance policy(ies).

5. <u>City Acquisition of Insurance</u>. If at any time during the Term of the Lease Agreement, OVG fails to procure or maintain insurance required under the Lease Agreement, or to pay the premiums for such insurance, the City shall have the right but not the obligation after ten (10) Business Days' prior written notice to OVG to procure the insurance and to pay any and all premiums for such insurance. Any amounts paid by the City in connection with the acquisition of

insurance shall be immediately due and payable, and OVG shall pay to the City upon demand the full amount paid by the City.

Exhibit I

North Downtown Mobility Action Plan Purpose and Goals

Purpose

The purpose of the North Downtown Mobility Action Plan ("MAP") is to support sustainable transportation access to and mobility through "North Downtown," consisting of the Uptown, Belltown, and South Lake Union neighborhoods. The multimodal action plan will identify strategic mobility improvements by building on long-standing community plans and vision documents; aligning improvements with current planning efforts associated with the Seattle Center Arena and the City's One Center City (OCC) long-range transportation and public realm plan; and prioritizing improvements for funding and implementation.

During development of the North Downtown Mobility Action Plan, emphasis will be placed on maximizing the efficiency and enhancing safety of existing transportation infrastructure and prioritizing future transportation improvements. These may include investments in transit, all ages and abilities walking and biking facilities, enhanced streetscapes, vehicular circulation and parking, mobility hubs, freight access and delivery, curb space allocation, and use of technology.

Key project deliverables will include:

- Prioritized list of transportation capital projects
- Prioritized list of programmatic investments (e.g., street operational changes and transit service)
- Planning-level cost estimates (for implementation, operations, and maintenance)
- Identification of responsible parties and potential funding sources for implementation

Goals

- Align mobility improvement implementation with community priorities and vision
- Enable safe access for all, regardless of age, ability, or transportation mode choice including walking, biking, and taking transit
- Increase accessibility and connectivity of sustainable transportation options between the North Downtown and adjacent neighborhood areas to support growth and accommodate Seattle Center events
- Enhance the public realm to create attractive environments for walking, biking, riding transit, and civic life activities in the North Downtown area
- Establish a well-connected mobility network that facilitates transferring from one mode to another as efficiently as possible. Promote first and last-mile connections to the regional transit system
- Develop principles for mobility, access, and public spaces that are supportive of the community vision

Exhibit J

Key Topics of Seattle Center Integration Agreement

Goals and Priorities

- **People First.**
  - *Patrons*: The public's experience from arrival at Seattle Center to leaving the Arena should be seamless.
  - *Employees*: A plan will be established for retaining qualified workers and ensuring long-term labor harmony. Seattle Center and OVG staffs will be mutually respectful and supportive of one another.
  - *Tenants*: Tenant relocation plans will be established to minimize the disruption to and burden on resident organizations.
  - *Community*: Programming at the Arena will activate not only the Seattle Center campus, but also the surrounding neighborhoods and the residents, artists, and small business owners who reside there.
- **Place-Making, Not Just A Project.**
  - The Arena will be branded as an iconic showcase component of Seattle Center.
  - The Arena will enhance the entire Seattle Center campus, with the diverse offerings of the campus becoming part of the patron's Arena experience.
  - The Arena and its operations will be aligned with Seattle Center's Purpose Statement and Core Values.
- **Partnership for Success.**
  - The partnership between OVG and Seattle Center will be mutually beneficial.
  - Seattle Center will share in the success of the Arena, and never move backwards from its current baseline revenue.
  - There will be an established process to easily and efficiently enable coordination efforts and resolve issues.

Topics to be Addressed

1. Employee retention.
   a. Role of Seattle Center employees during the construction period
   b. Role of Seattle Center employees in ongoing operations once Arena reopens
2. Tenant relocation, if not addressed in the Development Agreement.
3. Parking and traffic control.
   a. Scheduling with Arena events
   b. Parking on Arena event days
   c. Bundling of parking and Arena tickets
   d. Technology integration
   e. Operations and traffic control on Arena event days
   f. Team parking
   g. Sponsorship integration
   h. Customer service
   i. Vehicular access to campus

4. Operations coordination.
    a. Seattle Center security
    b. Crowd management protocols
    c. Technology integration/ campus WiFi
    d. Overall schedule coordination (Arena booking and campus events), including coordination with resident arts and cultural organizations such as the Pacific Northwest Ballet and Seattle Opera consistent with current practice
5. Control and coordination of commercial rights and sponsorship and marketing efforts.
6. Future updating and integration of signage and wayfinding across the Seattle Center campus.
7. Identification of organizational liaisons and creation of an integration team.
8. Event safety.
9. Firearms policy.
10. Licenses for OVG's use of Seattle Center nāme and logo, City's use of Arena name and logos.
11. Seattle Center's control over campus.

Exhibit K

Environmental Reports

Document Name	Created By	Date
Asbestos & Lead (Pb) Survey Building #13 354 1st Ave North	NVL Labs	2/7/2008
Asbestos Survey - Seattle Center Coliseum July 18, 1986	Seattle Center	7/18/1986
Asbestos Survey Report NW Pottery Building Seattle Center	Prezant Associates	4/15/2003
Demolition/Excavation PreInstallation Conference (PW#94-16) Meeting Minutes - Asbestos Abatement, Demolition, PCB Ballasts, Excavation	NBBJ	6/10/1994
Final Geotechnical Engineering Study for the New Seattle Center Coliseum HWA Project No. 92128-2	Hong West & Associates, Inc.	4/14/1994
Geotechnical Engineering Services Seattle Center Parking Garage No. 3	Shannon & Wilson, Inc.	1994
Hazardous Materials Survey Seattle Center Pavilions Buildings A& B	NVL Labs	10/8/2007
Limited Asbestos Survey 354 1st Ave N Bldg # 13	NVL Labs	2/21/2011
Notice to Proceed - Asbestos Abatement West Court Building (Project #PW94-16)	Seattle Center MEMO	6/3/1994
PCB Ballast Disposal - Memo	Seattle Center MEMO	7/11/1994
PCB Ballast Disposal - Memo	Seattle Center MEMO	9/12/1994
Reinforced Slope Design Coliseum Improvement Project Seattle Center	Shannon & Wilson, Inc.	August 1994
Seattle Center Coliseum Job # 420-200-048-9 Asbestos Abatement Project Project Submittals	Long Services Corporation	5/13/1994
Seattle Center Report on Asbestos Containing Materials	Seattle Center	October 2001
Seattle Center Coliseum Asbestos Abatement - Ordinance No. 116440 Project No. SX92040	Prezant Associates	April 1994
SED Submittal Requirements (Project 52382) - Department of Ecology does not require Notice of Intent for this project	Skilling Ward Magnusson Barkshire INC	3/30/1994
Site Assessment Report for Emergency Underground Tank Removal, at KeyArena Garage Construction Site, Seattle, WA	SCS Engineers	10/6/1995
Weekly Progress Meeting # 2 - NASA Building Asbestos testing, surveys and reports as mentioned in meeting minutes	PCL	7/5/1994

Exhibit K

Environmental Reports

Weekly Progress Meeting # 4 - Schedule of Asbestos Abatement, Determination of Lead Paint as issue, Wood Demolition & testing, Asbestos insulation sampling, surveys and reports as mentioned in meeting minutes	PCL	7/13/1994

Exhibit L

Rent Adjustment Thresholds

1. The amount of Net Parking Receipts as set forth in Section 9(c) in such year attributable to the City's operation of the Fifth Avenue North parking garage in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

2. The amount of Net Parking Receipts as set forth in Section 9(c) in such year attributable to the City's operation of the Mercer Street parking garage in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

3. The amount of net revenue attributable to Seattle Center Sponsorship Rights received by OVG with respect to OVG's sales of Seattle Center Sponsorship Rights in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

4. The amount of City's portion of Sales Tax revenues received by City in such year directly attributable to the operation of the Arena in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

5. The amount of Business and Occupation Tax revenues received by the City in such year directly attributable to the operation of the Arena in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

6. The amount of City's portion of the Leasehold Excise Tax revenues received by the City in such year attributable to the Arena in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii);

7. The amount of Commercial Parking Tax revenues and City's portion of Sales Tax revenues received by the City in such year attributable to the operation of the First Avenue North parking garage, the Fifth Avenue North parking garage, and the Mercer Street parking garage in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii); and

8. The amount of Admission Tax revenue collected by the City in such year attributable to the operation of the Arena in excess of the Rent Adjustment Threshold for such item as determined in accordance with Section 8(g)(ii).

Exhibit M

Seattle Center Exclusivities

1. Ground Lease between The City of Seattle ("City") and Experience Music Project ("EMP") dated June 1, 1997, as amended by a First Amendment dated May 27, 2010 between City and EMP, and by a Second Amendment dated September 14, 2015 between City and EMP; including Sections 33.1 (No Competing Uses); 33.2 (Exclusive Sales Rights); and 33.5 (EMP Control Over Event Programming)

2. Northwest Rooms Lease between City and The Friends of KEXP dated November 16, 2011; including Sections 2.7 (New Stage), 2.8 (License to Use Tunnel and Subsurface Areas of Building) and 8.5 (Exclusivity).

3. Glass and Gardens Exhibition Lease between City and Center Art LLC dated June 13, 2011; including Section 9.7 (Exclusive Sales Rights) and Section 11.5 (Exclusive Rights).

4. Sponsorship Agreement between Seattle Center Foundation ("Foundation") and Alaska Airlines, Inc. dated effective as of January 1, 2017; including Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional and other rights and benefits granted under such agreement.

5. Sponsorship Agreement between Foundation and T-Mobile USA, Inc. dated March 1, 2017; including Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional and other rights and benefits granted under such agreement.