

ARTICLE 10.
MELLO-ROOS FINANCING

Section 10.1. Creation of the CFD. The City has created that certain City of Santa Clara Community Facilities District No. 2010 1 (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Mello-Roos Act"), to finance and pay for Eligible CFD Expenditures. Currently, the CFD includes eight (8) hotels in the vicinity of the Stadium Site. As more specifically set forth in the Ordinance No. [] creating the CFD, the CFD will impose an annual special tax on each hotel property within the CFD (the "CFD Tax").

Section 10.2. CFD Bonds. Prior to the Close of Escrow, the CFD, Stadco and the Stadium Authority shall enter into the CFD Reimbursement Agreement. The CFD Reimbursement Agreement shall require the CFD to issue bonds secured by and paid from the CFD Tax (the "CFD Bonds"), and in accordance with the CFD Reimbursement Agreement, the Stadium Authority shall cause the CFD to endeavor to generate maximum CFD Bonds proceeds up to Thirty-Five Million Dollars (\$35,000,000) in net proceeds subject to fiscal prudence and consistent with the City's financial policies. In accordance with the Final Financing Plan, the CFD Reimbursement Agreement shall provide that the CFD use the proceeds of the CFD Bonds to reimburse the CFD formation costs, the CFD Bonds issuance costs and to reimburse the Stadium Authority for the cost of the development of the CFD Infrastructure to be paid by the CFD Bonds. The CFD Reimbursement Agreement shall also provide that in the event Stadco makes a Stadco CFD Advance as described in Section 8.3, the CFD will pay to the Stadium Authority for reimbursement to Stadco, first from the net proceeds of the CFD Bonds until such proceeds are exhausted, then annually from available CFD revenue after any required payments on the CFD Bonds for the applicable tax year, all CFD Taxes received which shall first be applied against all interest accrued on the Stadco CFD Advance, and the balance shall be applied against the principal of the Stadco CFD Advance until all principal is repaid. The CFD Reimbursement Agreement shall provide that if the CFD has fully paid the debt service on the CFD Bonds and has fully reimbursed the Stadium Authority for the cost of development of the CFD Infrastructure to be paid by the CFD Bonds and the Stadium Authority has fully repaid Stadco any Stadco CFD Advance, plus interest thereon at the Advance Interest Rate, then prior to the expiration of the term of the CFD, the Stadium Authority may use any remaining proceeds from the CFD Tax for Eligible CFD Expenditures. The Stadium Authority shall obtain and disburse the proceeds of the CFD Bonds and the CFD Tax in accordance with the terms of this Agreement and the CFD Reimbursement Agreement. The foregoing obligations of the Stadium Authority shall survive the termination of this Agreement.

Section 10.3. TOT Credit. The Parties acknowledge that the documents establishing the CFD provide that if the CFD has fully repaid the Mello-Roos Act bonds and Stadco CFD Advance plus interest thereon at the Advance Interest Rate, prior to the expiration of the term of the CFD, and the City has increased the TOT from its current rate of nine and one-half percent (9½%) at any time during the term of the CFD, then, for the remaining term of the CFD, each hotel in the CFD may offset against its CFD payment an amount equal to the amount by which the City TOT paid by such hotel exceeds the current rate of nine and one-half percent (9½%).

Nothing in this Section 10.3 is intended to restrict the City's ability to increase the TOT from time to time.

ARTICLE 11.
LEASES

Section 11.1. Ground Lease. Within the time period specified in the Schedule of Performance, the Stadium, the City and Stadco shall agree on the final form of the Stadium Ground Lease. The purpose of Stadco's review shall be to determine that the terms of the Ground Lease comply with the terms of Measure J, that the Ground Lease grants leasehold rights to the Stadium Authority consistent with the rights granted to Stadco under the Stadium Lease and that the terms of the Ground Lease are not in conflict with the terms of the Stadium Lease.

Section 11.2. Stadium Lease. Within the time period specified in the Schedule of Performance, the Stadium Authority and Stadco shall agree on the final form of the Stadium Lease. The Stadium Lease shall incorporate each of the provisions of the Stadium Lease Summary, substantially in the form attached with no material deviations from the attached provisions, unless mutually agreed upon by the Parties.

Section 11.3. Team Sublease. Within the time period specified in the Schedule of Performance, Stadco shall submit the Team Sublease to the Stadium Authority for the Stadium Authority's review and approval. The Stadium Authority's review shall be for the purpose of determining that the Team Sublease meets the requirements in this Agreement.

Section 11.4. Training Facility Lease. Within the time period specified in the Schedule of Performance, Stadco shall cause the Team to negotiate with the City to amend the lease between the Team and the City for the Team's headquarters and training facility at 4949 Centennial Boulevard, which amendment among other things is intended to extend the term of the Team's lease to be co-terminus with the Stadium Lease, reduce the size of the premises under such lease to exclude property included in the Stadium Site, in accordance with the Subdivision Map, and coordinate the non-economic terms of such lease with the Stadium Lease.

ARTICLE 12.
DISPOSITION OF STADIUM LEASE

Section 12.1. Opening Escrow. To accomplish the conveyance of the leasehold interest in the Premises to Stadco pursuant to the Stadium Lease, Stadco shall establish an escrow ("Escrow") with the Title Company no later than the date set forth in the Schedule of Performance. By the date set forth in the Schedule of Performance, the Parties shall prepare, execute and deliver to the Title Company joint written instructions that are consistent with this Agreement ("Joint Escrow Instructions").

Section 12.2. Deposit of Documents. Within ten (10) Business Days following the satisfaction or waiver of all of the conditions set forth in Article 3 above as mutually determined by the Parties, excepting only the satisfaction of conditions requiring execution and deposit into Escrow of those documents that will not become effective until the Close of Escrow, the Parties