

ARTICLE 6.  
DEVELOPMENT BUDGET AND FINANCING PLAN

Section 6.1. Budget and Financing Plan Overview. The Parties have agreed on a Preliminary Development Budget and Preliminary Financing Plan, although it is recognized that both are preliminary and will be further developed and refined as described in this Article 6. In conjunction with the preparation of Design Development Documents and GMP Set, as described in Article 5 above, Stadco will have lead responsibility for refining cost estimates and developing the Final Development Budget. The Stadium Authority and Stadco shall work cooperatively to develop a Final Financing Plan. As further set forth in this Article 6, the Stadium Authority's approval of the Final Development Budget and Final Financing Plan constitute conditions to the Close of Escrow. The Executive Director may, in her sole discretion, present any matter contained in this Article 6 to the Board for its approval or disapproval.

Section 6.2. Development Budget.

(a) Preliminary Development Budget Update. The Preliminary Development Budget is intended to represent a summary of Total Development Costs using preliminary cost estimates for the development of the Improvements based on the Scope of Development and the Schematic Design Drawings. The Preliminary Development Budget shall provide the basis for preliminary cost estimates for the development of the Stadium. Within ninety (90) days following the Stadium Authority's approval of the Design Development Documents, unless by that time Stadco has submitted a Final Development Budget pursuant to Section 6.2(b), Stadco shall submit to the Stadium Authority an update to the Preliminary Development Budget based on the Design Development Documents. Such update to the Preliminary Development Budget shall include reasonably detailed information, including, but not limited to the designation of which items qualify as Eligible CFD Expenditures, and shall be based on the previously submitted Preliminary Development Budget. Such update to the Preliminary Development Budget shall also include any new line items required as a result of changes to the design of the Stadium and shall contain updated construction cost estimates that are reasonable and consistent with the level of the drawings submitted by Stadco in accordance with Article 5. Stadco shall include reasonable supporting documents with such proposed update to the Preliminary Development Budget.

(b) Submission of Final Development Budget. Within the time period specified in the Schedule of Performance, Stadco shall submit the Final Development Budget to the Stadium Authority for the Stadium Authority's review and approval. The Final Development Budget shall be substantially in the form of the Preliminary Development Budget. The Final Development Budget shall include the estimated Total Development Costs based on the GMP Set, including, without limitation, the Make-Ready Work costs and Tenant Improvement Costs. The Final Development Budget shall also include an equitable allocation of costs between Development Costs and Tenant Improvement Costs.

(c) Final Development Budget Approval Procedure. The Stadium Authority shall review the Final Development Budget and shall approve the Final Development Budget if it reasonably determines that the Final Development Budget contains a reasonable projection of the

Total Development Costs, as evidenced by the IGMP established pursuant to the Design Build Agreement, as well as provisions for other Development Costs and Tenant Improvement Costs not covered by the Design-Build Agreement, and the Final Development Budget is consistent with the Final Financing Plan. The Stadium Authority shall approve or disapprove the Final Development Budget within thirty (30) days of receipt. If the Stadium Authority conditionally approves the Final Development Budget, the conditions shall be stated in writing and a time shall be stated therein for satisfying the conditions. Any disapproval of the Final Development Budget shall be in writing and shall contain a detailed explanation of (i) the reason(s) for such disapproval, and (ii) the additional information Stadco would need to submit to obtain approval. Promptly following any disapproval of the Final Development Budget, the Stadium Authority and Stadco shall meet and confer to attempt to resolve the dispute. In connection with such disputes, both Stadco and the Stadium Authority agree to use their best efforts to reach a solution expeditiously that is mutually satisfactory to both Parties.

(d) Changes in Final Development Budget. After the Close of Escrow, adjustments may be made to the Final Development Budget, with any such adjustment subject to the approval of the Parties and, to the extent required by the Funding Agreement, any other parties to the Funding Agreement, provided that (i) approval of any increase in budgeted Tenant Improvement Costs will be conditioned on the commitment of Stadco to pay such costs, and (ii) approval of any increase in budgeted Development Cost will be conditioned on the commitment of payment by a dedicated funding source, which may be a third party (such as a naming rights sponsor's commitment to pay costs attributable to changes in Project Documents requested by such naming rights sponsor) or the Cost Overrun Commitment.

**Section 6.3. Financing Plan.**

(a) Development of Final Financing Plan. The Preliminary Financing Plan attached hereto as Exhibit H provides a general description of the expected amounts and timing of each of the sources of funding for the estimate of Total Development Costs set forth in the Preliminary Development Budget. Based on the Preliminary Financing Plan, the Stadium Authority and Stadco will use good faith efforts, working cooperatively, to develop a Final Financing Plan that is fiscally prudent, consistent with the requirements of Measure J and this Agreement, and that provides funding sufficient for the Stadium Authority to pay all Development Costs and for Stadco to pay all Tenant Improvement Costs. The Final Financing Plan shall be prepared by Stadco, in consultation with a working group composed of the Executive Director, representatives of Stadco, and financial advisors selected by the Stadium Authority and Stadco, and shall be submitted to the Stadium Authority for review and approval as provided in this Section 6.3. The working group shall meet on a schedule to be agreed upon by the Parties, to review and discuss the evolution of the Financing Plan.

(b) Requirements of Final Financing Plan. The Final Financing Plan shall include: (i) a description of the amounts and sources of Stadium Authority funds sufficient to pay all estimated Development Costs; (ii) a description of the timing, type and expected terms of any Stadium Authority Financing, consistent with the requirements of Article 7 of this Agreement; (iii) a description of the timing, type and expected terms of any Stadco Advances

and/or Subordinated Loan, consistent with the requirements of Article 8 of this Agreement; (iv) evidence reasonably satisfactory to the Stadium Authority, that all conditions to the disbursement of Stadium Authority Financing will be satisfied prior to the time the funds will be needed to pay Development Costs; (v) evidence reasonably satisfactory to the Stadium Authority that Stadco (either separately or together with its Affiliates) has, or as of the Close of Escrow will have, access to sufficient funds available to pay for all Tenant Improvement Costs, and to fund any Stadco Advances and/or Subordinated Loan provided in the Final Financing Plan; (vi) the Rent Schedule and a description of any surcharges on tickets to NFL Games proposed to be imposed through the Stadium Lease; (vii) where required by legal restrictions on the use of funds, the proposed use of each source of funding for the construction of the Stadium; (viii) a description of the anticipated timing for the disbursement of funds identified in the Final Financing Plan, and (ix) a general description of the expected timing, structure and terms of any Takeout Financing.

(c) Final Financing Plan Approval Procedure. Within the time period specified in the Schedule of Performance, the Parties shall make a good faith effort to mutually finalize and approve the Final Financing Plan. The Final Financing Plan shall provide, to the reasonable satisfaction of both the Stadium Authority and Stadco, that (i) the contemplated Stadium Authority Sources will be available and will provide sufficient funds for development of the Project consistent with the terms of this Agreement and the approved Final Development Budget, (ii) the proposed use of the funds comply with the requirements of the applicable funding source, (iii) the Rent Schedule provides for Facility Rent that, together with other amounts payable by Stadco under the Stadium Lease and other revenues of the Stadium Authority, will provide the Stadium Authority with funds required to pay the rent payable by the Stadium Authority under the Ground Lease, the Stadium Authority's operating and maintenance expenses of the Stadium and debt service on any Stadium Authority Financing, (iv) Takeout Financing, on terms and with a structure that can be issued with an investment grade credit rating, is expected to be available, and (v) the Final Financing Plan is consistent with the requirements of Measure J. If the Parties cannot develop a mutually acceptable Final Financing Plan by the time set forth in the Schedule of Performance, the Stadium Authority and Stadco shall meet and confer to attempt to resolve the dispute. In connection with such dispute, both Stadco and the Stadium Authority agree to use their best effort to reach a solution expeditiously that is mutually satisfactory to both parties.

Section 6.4. Funding Agreement. At or prior to the Close of Escrow, the Stadium Authority, Stadco, the CFD and each lender identified in the Final Financing Plan shall enter into the Funding Agreement which will set forth the terms and conditions for the use and disbursement of the funds set forth in the Final Financing Plan. The Funding Agreement shall be consistent with the Final Financing Plan and the terms of this Agreement and shall include limitations satisfactory to the Stadium Authority on draws on any Stadium Authority Financing prior to the establishment of the GMP. The Funding Agreement shall require the establishment of one or more accounts into which all funds identified in the Final Financing Plan to pay Development Costs shall be deposited, and from which such funds shall be disbursed (collectively, the "Development Fund"). The Funding Agreement shall also describe records

maintenance, accounting, audit and other relevant procedures with which the parties to the Funding Agreement shall comply.

**Section 6.5. Construction Cost Overrun.** Stadco will be responsible to pay the amount, if any, by which the total, actual Development Costs incurred by the Stadium Authority exceed the amount of such costs set forth in the approved Final Development Budget (a "Cost Overrun"). Prior to the Close of Escrow, Stadco and the Stadium Authority shall negotiate and approve the form of the Cost Overrun Commitment.

**ARTICLE 7.**  
**STADIUM AUTHORITY FINANCING**

**Section 7.1. Stadium Authority Financing.** Consistent with the Final Financing Plan, the Stadium Authority, in consultation with Stadco, shall make a good faith effort to negotiate and execute Stadium Authority Financing Documents reasonably acceptable to the Stadium Authority and Stadco for all Stadium Authority Financings identified in the Final Financing Plan. The Stadium Authority Financing Documents shall expressly provide that no lender or bondholder under such documents shall have any recourse to the City or the Agency general funds or operating revenues or to the City enterprise funds, and any recourse shall be solely against the Stadium Authority and/or any Stadium Authority Source pledged to secure such financing. The Stadium Authority makes no representation as to the amount of funds from one or more of the Stadium Authority Financings that will be available to pay Development Costs.

**Section 7.2. Conditions to Stadium Authority Financing.** The conditions set forth in this Section 7.2 must be met prior to the Stadium Authority's consummation of any Stadium Authority Financing, unless waived in writing by the parties with approval rights over the applicable condition:

(a) The conditions to the Close of Escrow set forth in Article 3 shall have been satisfied or waived.

(b) As applicable, the Stadium Authority's legal counsel shall be irrevocably prepared to issue an opinion letter in a form acceptable to the Stadium Authority's lenders, and approved by the Stadium Authority in its reasonable discretion, stating, among other things, that the Stadium Authority Financing Documents constitute the valid and binding obligations of the Stadium Authority, enforceable against the Stadium Authority, and the Stadium Authority Financing Documents have been duly executed and delivered by, and constitute the valid and binding obligation of, the Stadium Authority enforceable against the Stadium Authority and that such Stadium Authority Financing does not constitute a debt of the City or the Agency.

(c) The Stadium Authority and Stadco shall have approved the projected amount of proceeds to be realized from such funds.

(d) The Stadium Authority and Stadco shall have approved, each in its sole discretion, the final form of all Stadium Authority Financing Documents required for each