AMENDED AND RESTATED LEASE AGREEMENT

by and between

THE CALIFORNIA ANGELS L.P.

and

CITY OF ANAHEIM

Dated as of May 15TH, 1996
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AMENDED AND RESTATED LEASE AGREEMENT

This LEASE AGREEMENT (this “Lease”) is made and entered into as of the 15th day of May, 1996, by and between the CITY OF ANAHEIM, a charter city and a municipal corporation ("Landlord"), and THE CALIFORNIA ANGELS L.P., a California limited partnership ("Tenant").

RECITALS

A. Landlord and Tenant (as successor in interest to the original tenant, Golden West Baseball Co.) are parties to that certain Agreement dated August 8, 1964, as amended and restated by the Amended and Restated Lease Agreement dated July 7, 1981, as amended by a First Amendment dated November 16, 1982, a Second Amendment dated September 2, 1986, a Third Amendment dated December 15, 1987, and a Fourth Amendment dated May 22, 1990 (as amended, the “Existing Agreement”), pursuant to which, inter alia, Landlord granted to Tenant the right and license to use certain real property and improvements consisting of the existing baseball stadium, parking facilities and certain other appurtenant facilities located in the City of Anaheim, County of Orange, State of California.

B. Tenant is the owner of the California Angels (the “Team”), a professional baseball team and franchise of the American League of Professional Baseball Clubs.

C. Landlord and Disney Baseball Enterprises, Inc., general partner of Tenant, have entered into that certain Memorandum of Understanding (the “MOU”) dated April 3, 1996 regarding the terms of this Lease.

D. As contemplated by the MOU, the parties acknowledge and agree that the conditions precedent in the MOU have been satisfied, and the parties desire to enter into this Lease in full replacement for the Existing Agreement as of the Commencement Date and the MOU as of the date hereof in connection with extension of the term during which the Team will play its home games in the Baseball Stadium, and to reflect their agreement regarding the Stadium Renovations.

E. This Lease (and related documents and agreements) is consistent with the conditions described in the MOU and previous Notice of Exemption and no review under the California Environmental Quality Act is required.
F. As used herein the following terms shall have the following definitions:

1. "Affiliate", as used herein with respect to any party, shall mean any person or entity which, directly or indirectly, controls, is controlled by, or is under common control with such party. The term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity (as the case may be), whether through the ownership of voting stock, investment, contract or otherwise.

2. "Agency" shall mean the Anaheim Redevelopment Agency.


4. "Amtrak Agreement" shall mean that certain "Agreement for the Construction, Operation and Maintenance of a Rail Passenger Station and Parking Area at Anaheim, California" dated as of October 26, 1982, by and between the National Railroad Passenger Corporation, a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, and the City of Anaheim, and that certain Cooperative Agreement and Amendment to Lease Agreement between The Orange County Transportation Authority and the City of Anaheim entered into as of March 19, 1996.

5. "Auditee" shall have the meaning set forth in Section 33(b).

6. "Baseball Stadium" shall mean the existing baseball stadium, the Gate 6 Building, the baseball stadium exhibition space, and adjacent apron, all as depicted on Exhibit A attached hereto.

7. "Base Rent" shall have the meaning set forth in Section 9(a).

8. "Base Rental Bonds" shall have the meaning set forth in Section 6(e)(ii).

9. "Benchmark Standard" shall have the meaning given such term in Section 22(a).

10. "Capital Reserve" shall have the meaning set forth in Section 10(b).

11. "Contribution Base" shall have the meaning set forth in Section 10(c).

12. "Commencement Date" shall have the meaning set forth in Section 3.
13. "Completion Date" shall have the meaning set forth in Section 6(f).

14. "Construction Account" means, collectively, the interest bearing accounts into which funds for design, construction, furnishing, equipping, management and administration of the Stadium Renovations are deposited in the order set forth in Section 6(e).

15. "Contractors" means any and all architects, designers, engineers, expediters, contractors, subcontractors, manufacturers and suppliers of goods and services contributing to or performing work on the Stadium Renovations.

16. "Costs of the Stadium Renovations" means all direct and indirect, hard and soft, costs of designing, equipping, constructing and furnishing the Stadium Renovations, including without limitation:

(i) all payments due and owing under contracts and agreements with Contractors for the provision of labor, materials, supplies, equipment or other items which are a part of or necessary for the design, equipping, construction and furnishing of the Stadium Renovations;

(ii) title insurance and survey fees, costs and expenses incurred in connection with financing of the Stadium Renovations;

(iii) any expenses incurred in connection with the preparation of the Stadium Site as necessitated by the Stadium Renovations;

(iv) all costs and expenses of engineering services, software development, architectural and design services, program and construction management services, research, preparation and copying of plans and specifications, legal, accounting and other professional services, preparation of surveys and topographical maps and depictions, and administrative expenses and any other costs and expenses associated therewith;

(v) any indemnity and surety bonds or other insurance coverage with respect to the Stadium Renovations during design and construction;

(vi) any reimbursements or payments to or by Tenant and Disney, and their respective Affiliates, for amounts expended in connection with the Stadium Renovations which are a reimbursable expense under this Lease.
(vii) permit and plan check fees and charges, and other similar fees and charges in connection with permits, licenses and other entitlements required to complete the Stadium Renovations, paid to any governmental or quasi-governmental authority or agency;

(viii) utility hookup, use and other services fees and charges;

(ix) costs and expenses of testing and inspections of the work of the Stadium Renovations;

(x) wages, salaries and payroll benefits of employees of Tenant and Disney, and their respective Affiliates, allocated to the Stadium Renovations as herein provided;

(xi) the reasonably allocated overhead and employee expenses of Tenant and Disney, and their respective Affiliates, to the extent allocable to the Stadium Renovations; and

(xii) such other costs and expenses as may be necessary or incidental to the design, construction and equipping of the Stadium Renovations.

17. “CPI” shall mean the Consumer Price Index - All Items (Los Angeles, Anaheim, Riverside Area) as published by the United States Department of Labor, Bureau of Labor Statistics (1982-1984 = 100). For purposes of calculating any change in CPI under this Lease, the CPI as of the Commencement Date shall be compared to the CPI for the same calendar month for each subsequent year provided herein. In determining the amount of adjustment, the CPI figure on the adjustment date shall be computed as a percentage of the base figure. If the 1982-1984 base of said Consumer Price Index should hereafter be changed, then the new base shall be converted to the 1982-1984 base and the base as so converted shall be used. In the event that the Consumer Price Index, as now compiled and published, shall cease to be published, then the successor index shall be used provided that an appropriate conversion from the old index to the new index can feasibly be made. If such conversion cannot be made, or if no such index is published, then another index most nearly comparable thereto recognized as authoritative shall be substituted by agreement.

18. “Discounted Amount” shall have the meaning set forth in Section 9(a)(i).


21. "Environmental Laws" shall mean any and all present and future Federal, state and local laws (whether under common law, statute or otherwise), ordinances, regulations, permits, guidance documents, policies, and any other requirements of governmental authorities relating to the environment or to any Hazardous Materials (including the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation Recovery Act (RCRA), the Clean Water Act, the Clean Air Act, the Hazardous Materials Transportation Act, the Federal Water Pollution Control Act, the Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Occupational Safety and Health Act, the Emergency Planning and Community Right-To-Know Act and the applicable provisions of the California Health and Safety Code and the California Water Code, and the rules, regulations and guidance documents promulgated or published thereunder).

22. "Excess Construction Costs" shall have the meaning set forth in Section 6(d).

23. "Excess Tenant Payments" shall have the meaning set forth in Section 10(c).

24. "Existing Agreement" shall have the meaning set forth in Recital A.

25. "Existing Debt" shall mean the Certificates of Participation (1993 Refunding Projects) evidencing direct, undivided fractional interests of the owners thereof in lease payments to be made by the City of Anaheim as rental for certain property pursuant to a lease agreement of the Premises and other property with the Anaheim Public Improvement Corporation.

26. "Existing Operating Agreements" shall have the meaning set forth in Section 20(iv).

27. "Fast Food Shortfall" shall have the meaning set forth in Section 10(c).

28. "Football Game Dates" shall have the meaning set forth in Section 7(c)(ii).

29. "Football Playoff Dates" shall have the meaning set forth in Section 7(c)(ii).

30. "Game Dates" shall have the meaning set forth in Section 7(c)(i).
31. "Gate 6 Building" shall mean the improvements depicted as such on Exhibit A attached hereto.

32. "Governmental Approvals" shall have the meaning set forth in Section 6(k).

33. "Hazardous Materials" shall mean: (i) any chemical, compound, material, mixture or substance that is now or hereafter defined or listed in, or otherwise classified pursuant to, any Environmental Law as a "hazardous substance", "hazardous material", "hazardous waste", "extremely hazardous waste", "acutely hazardous waste", "restricted hazardous waste", "radioactive waste", "infectious waste", "biohazardous waste", "toxic substance", "pollutant", "toxic pollutant", "contaminant" or any other formulation not mentioned herein intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, "EP toxicity" or "TCLP toxicity"; (ii) petroleum, natural gas, natural gas liquids, liquified natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas) and ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources; (iii) "hazardous materials" as defined in Section 2782.6(d) of the California Civil Code; (iv) "waste" as defined in Section 13050(d) of the California Water Code; (v) any flammable substances or explosives; (vi) any radioactive materials; (vii) any pesticide; (viii) asbestos in any form; (ix) urea formaldehyde foam insulation; (x) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls (PCBs) in excess of fifty (50) parts per million; (xi) radon; and (xii) any other chemical, material, or substance that, because of its quantity, concentration, or physical or chemical characteristics, exposure to which is limited or regulated for health and safety reasons by any governmental authority, or which poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment.

34. "Indentures" means the bond indenture pursuant to which the Issuer, with Disney’s assistance, is to obtain financing for the Stadium Renovations by issuance of the Base Rental Bonds.

35. "Issuer" shall have the meaning set forth in Section 6(e)(iv).

36. "JPA" shall mean the Anaheim Public Finance Authority, a joint powers authority formed between the City of Anaheim and the Agency under Articles
1-4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California.

37. "Landlord" shall mean the City of Anaheim, a charter city and a municipal corporation, and its permitted successors and assigns hereunder.

38. "Landlord Estoppel Certificate" shall have the meaning set forth in Section 39(b).

39. "Landlord Indemnitees" shall have the meaning set forth in Section 36(a).

40. "Landlord's Reserve Obligation" shall have the meaning set forth in Section 10(c).

41. "Last Load Parking" shall have the meaning set forth in Section 16(b)(iv).

42. "Lease" shall refer to this Amended and Restated Lease Agreement, as it may be amended, modified or replaced from time to time.

43. "Level Payment Amount" shall have the meaning set forth in Section 9(a)(ii).

44. "Major League Baseball" shall mean the American League, The National League of Professional Baseball Clubs, the Office of the Commissioner of Baseball, and any other league hereafter existing which is accorded Major League status under the "Major League Rules".

45. "Major Program Elements" shall have the meaning set forth in Section 6(a).

46. "NFL" shall have the meaning set forth in Section 7(c)(ii).

47. "Non-Stadium Fast Food" shall have the meaning set forth in Section 8(c).

48. "Ogden" shall have the meaning set forth in Section 20(i).

49. "Other Events Revenues" shall have the meaning set forth in Section 7(f)(iii).

50. "Other Events Shortfall" shall have the meaning set forth in Section 7(f)(iii).

51. "Parking Area" shall mean the entire Stadium Site, exclusive of the Baseball Stadium, subject to the right of Landlord, pursuant to this Lease, to (i)
relocate up to 500 parking spaces as hereinafter provided. (ii) reconfigure such parking as hereinafter provided. and (iii) develop the Sportstown Site.

52. “Parking Revenues” shall have the meaning set forth in Section 9(f).

53. “Partial Taking” shall mean the taking of or damage to, by reason of any exercise of the power of eminent domain or exercise of the police power, whether by condemnation proceeding or otherwise, or any transfer in avoidance of an exercise of such power of eminent domain or police power, of any portion of the Premises comprising less than a Total Taking.

54. “Personalty” shall have the meaning set forth in Section 2(b).

55. “Plans” shall have the meaning set forth in Section 6(a).

56. “Playoff Dates” shall have the meaning set forth in Section 7(c)(i).

57. “Potential Future Parking Structure” shall have the meaning set forth in Section 8(b) and as depicted on Exhibit D attached hereto and by this reference incorporated herein.

58. “Premises” shall mean the Baseball Stadium.

59. “Prepayment Amount” shall have the meaning set forth in Section 9(b).

60. “Prepayment Date” shall have the meaning set forth in Section 9(b).

61. “Prepayment Notice” shall have the meaning set forth in Section 9(b).

62. “Primary Parking Area” shall have the meaning set forth in Section 16(b)(i).

63. “Prime Rate” shall have the meaning set forth in Section 33(b).

64. “Property Taxes” shall have the meaning set forth in Section 23(a).

65. “PSL Revenues” shall have the meaning set forth in Section 9(g).

66. “Reinvestment Amount” shall have the meaning set forth in Section 9(a)(iv).

67. “Rental Interest Rate” shall have the meaning set forth in Section 9(a)(ii).

68. “Reserve Increment” shall have the meaning set forth in Section 10(c).
69. "Revenue Reserve Funds" shall have the meaning set forth in Section 7(f)(iii)(B).

70. "Schedule" shall have the meaning set forth in Section 6(f).

71. "Season" shall have the meaning set forth in Section 7(a).

72. "Spencer" shall have the meaning set forth in Section 20(a).

73. "Sportstown Site" shall mean that portion of the Stadium Site depicted on Exhibit C attached hereto and by this reference incorporated herein.

74. "Stadium Club" shall have the meaning given such term in Section 18.

75. "Stadium Renovations" shall have the meaning given such term in Section 6(a).

76. "Stadium Site" shall mean the entire approximately 159-acre parcel on which the Baseball Stadium and Parking Area is located, as depicted on Exhibit B attached hereto. The Baseball Stadium, the Sportstown Site and the Primary Parking Area constitute the Stadium Site.

77. "Substantial Completion" shall mean completion of all work (exclusive of minor items of unfinished work that does not limit or prevent full beneficial use and enjoyment by Tenant of the Baseball Stadium) required in connection with the Stadium Renovations.

78. "Taking" shall mean either a Partial Taking or a Total Taking.

79. "Team" shall mean the California Angels, a member of the American League, and its permitted successors and assigns hereunder.

80. "Team/Disney Properties" shall have the meaning set forth in Section 25(a).


82. "Tenant Advances" shall have the meaning set forth in Section 6(r).

83. "Tenant Estoppel Certificate" shall have the meaning set forth in Section 39(a).

84. "Tenant Indemnitees" shall have the meaning set forth in Section 36(b).
85. "Term" shall have the meaning set forth in Section 3.

86. "Total Taking" shall mean the taking of or damage to all or substantially all of the Premises by reason of any exercise of the power of eminent domain or exercise of the police power, whether by condemnation proceeding or otherwise, or any transfer in avoidance of an exercise of such power of eminent domain or police power, which shall include, if in Tenant's reasonable judgment the remaining Premises cannot continue to be used for the purposes contemplated in this Lease, the taking of (i) any portion of the total floor area contained within the boundaries of the exterior walls of the Baseball Stadium, or (ii) any of the Primary Parking Area, such that Tenant will have materially less than the minimum number of parking spaces contemplated in this Lease following such Taking, or (iii) abutter's rights, access, or other actions materially reducing access to or the efficiency of the Parking Area. As used herein, "reducing the efficiency of the Parking Area" includes the closure or destruction of driveways or other access points to the Parking Area affecting or burdening egress and ingress to the Baseball Stadium, the rearrangement of the Parking Area to a configuration which burdens ingress or egress or internal circulation, or any other similar circumstance which significantly impinges on or alters ingress and egress to the Baseball Stadium from adjoining streets or the internal circulation pattern of the Parking Area in a manner detrimental to reasonable traffic flow in accordance with sound traffic engineering standards.

AGREEMENT

In consideration of the covenants and agreements hereinafter set forth, to be performed by the parties hereto, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. **Parties.** The parties to this Lease are Landlord and Tenant.

2. **Lease of Premises.**

   (a) Landlord, for and in consideration of the rents, covenants and agreements herein contained to be paid, kept or performed by Tenant, hereby (i) leases and demises to Tenant, and Tenant, for and in consideration of the covenants and agreements herein contained to be paid, kept or performed by Landlord, hereby takes and hires from Landlord, subject to and in accordance with the terms and conditions of this Lease, the Premises, and (ii) licenses the existing advertising signs and monuments and the five (5) locations thereof on the Stadium Site, and not less than 12,500 appurtenant parking spaces located
on the Stadium Site, all as depicted on Exhibit A attached hereto and by this reference incorporated herein.

(b) On or before thirty (30) days following the Commencement Date, Landlord shall notify Tenant of all equipment (other than fixtures), personal property, supplies and furniture located on the Premises and owned by Landlord (the "Personalty"), and all such Personalty shall be included in the Premises. Concurrently herewith Landlord has advised Tenant of certain personal property and furnishings which Landlord will retain and remove from the Premises, and such personal property and furnishings shall not be included in the Premises. Tenant shall notify Landlord at least 30 days prior to removal by Tenant of any stadium seats which Tenant will remove and discard in the course of the Stadium Renovations, and Landlord shall have the right, at no cost or expense to Tenant, to remove and retain such seats within such 30-day period and the value of such seats shall not be considered a savings under the Costs of the Stadium Renovations pursuant to Section 6(d).

(c) Upon Landlord’s request after completion of the Stadium Renovations, Landlord and Tenant will complete a walk-through of the Baseball Stadium for the purpose of completing an agreed inventory of major installations and equipment, including utility installations at that time which will be a part of this Lease of the Premises. Nothing herein contained shall limit Tenant’s rights to make repairs, replacements, alterations, additions and capital improvements to the Baseball Stadium as permitted by this Lease.

3. Term. The term of this Lease shall be effective on the later of (i) October 1, 1996 or (ii) completion of the Team’s home games in the Baseball Stadium in the 1996 Season if the Team is then playing in American League playoff games or World Series Games (the “Commencement Date”), and shall expire on December 31, 2029, unless extended as provided in Section 4 (the “Term”).

4. Extension Option. So long as Tenant is not then in default under this Lease, Tenant shall have the right and option, upon not less than twelve (12) months written notice to Landlord prior to the end of the then Term, to extend the Term on the same terms and conditions as set forth in this Lease for up to three (3) additional periods of three (3) years each.

5. Termination. Tenant shall have the option to terminate this Lease at any time, without cause, to be effective no earlier than October 15, 2016, but no later than February 15, 2017. Such termination option shall be exercised by Tenant by giving Landlord not less than twelve (12) months written notice prior to the effective date of such termination; provided, however, that as a condition of such termination, Tenant shall pay or cause to be paid to Landlord a termination fee equal, at
Landlord's election, to either (i) a sum equal to the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution to payment of the costs and expenses of the Stadium Renovations (fully and equally amortized over thirty (30) years from the Commencement Date, discounted at the Rental Interest Rate) plus the net present value (discounted at the Rental Interest Rate) of unpaid Base Rent (if any), or (ii) the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution towards the Stadium Renovations (fully and equally amortized over thirty (30) years from the Commencement Date, discounted at the Rental Interest Rate) as well as the amount of regular installments of unpaid Base Rent (if any) from the date of such termination through the end of the Term. This provision shall survive the termination of this Lease by the Team pursuant to this Section 5.


(a) Description of Improvements. Subject to Landlord's rights and obligations set forth herein, Tenant agrees to construct and install certain renovations and improvements to the Baseball Stadium (the "Stadium Renovations"). All conceptual, preliminary, final and working drawings, plans and specifications (including colors, materials and finishes) (the "Plans") shall be substantially in accordance with the major program elements set forth on Exhibit E attached hereto, and otherwise determined in Tenant's sole discretion. Tenant shall cause the Stadium Renovations to be completed in accordance with the major program elements set forth on Exhibit E (the "Major Program Elements") and shall not materially deviate from such Major Program Elements without the prior approval of Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. Tenant shall keep Landlord informed on a timely basis of all major design issues and decisions and shall periodically (but not less frequently than monthly during the construction of the Stadium Renovations) review and consult with Landlord and consider Landlord's comments and suggestions regarding the Stadium Renovations. Subject to the foregoing, Tenant shall have the sole responsibility and authority over all design matters (including colors, materials, finishes, furnishings, decorative items and art, and equipment) relating to the Stadium Renovations. Tenant shall be solely responsible for the effect on any warranty or right of Tenant's renovation or removal of any property or component.

(b) Landlord's Review. The Plans submitted to Landlord from time to time for review shall contain a certification of the architect that such Plans conform in all material respects to the Major Program Elements. If Landlord believes that such Plans do not conform to the Major Program Elements in any material respect, it shall so notify Tenant in writing, within five (5) business
days of receipt by it of the Plans, stating with particularity the manner in which it believes the Plans materially diverge from the Major Program Elements, and suggesting specific revisions which it believes would cure the nonconformity. Tenant shall thereafter either (i) revise the Plans to cure the material nonconformity in a manner in which it in good faith believes is most consistent with the purpose of this Lease, or (ii) dispute Landlord’s determination. Any revised Plans shall be submitted to Landlord for review in the same manner and on the same terms as the prior version of the Plans were submitted. If Landlord does not notify Tenant within five (5) business days of receipt thereof that the Plans submitted to Landlord do not conform to the Major Program Elements, Tenant shall be entitled to proceed with development of the element(s) of the Stadium Renovations set forth therein substantially in accordance with such Plans. Tenant agrees to consult with Landlord regarding any proposed seismic work comprising part of the Stadium Renovations and to consider in good faith Landlord’s comments and suggestions in respect thereof.

(c) **Landlord’s Office Space.** The Stadium Renovations shall include office space of approximately two thousand (2,000) rentable square feet for the exclusive use of Landlord in connection with administration of the Lease and development of Sportstown by Landlord. Such office space shall be located in the Gate 6 Building at a location agreed by Landlord and Tenant concurrently herewith. Landlord will pay no rent for such space other than costs and expenses associated with maintenance of and utility services to such space. Tenant shall deliver such space to Landlord in shell condition with exterior demising walls only, and Landlord shall be responsible for all interior improvements to such space.

(d) **Costs of Renovations.** The budget for the Stadium Renovations (including all hard and soft costs and a contingency allowance) is estimated to be approximately One Hundred Million Dollars ($100,000,000). All Costs of the Stadium Renovations shall be paid solely from the sources described in Section 6(c); provided, however, that Tenant shall pay all Costs of the Stadium Renovations in accordance with the Plans in excess of One Hundred Million Dollars ($100,000,000) (the “Excess Construction Costs”). In the event the Costs of the Stadium Renovations in accordance with the Plans have exceeded One Hundred Million Dollars ($100,000,000), so long as Tenant or Disney, or any Affiliate of any of them, is managing the design and construction of the Stadium Renovations, Tenant shall pay the Excess Construction Costs as incurred in accordance with the payment procedures being followed in payment of such costs up to that time and in accordance with the applicable design and construction agreements. Tenant agrees that the Costs of the Stadium Renovations shall be not less than Ninety-Five Million Dollars
In the event that the Costs of the Stadium Renovation are less than One Hundred Million Dollars ($100,000,000) and more than Ninety Five Million Dollars ($95,000,000), any such savings (plus interest earned thereon) shall be paid to and retained by Tenant; provided, however, (i) that the amount of such payment to Tenant for such savings shall not exceed the amount of the proceeds of Base Rental Bonds and/or Base Rent prepayments (plus interest earned thereon) in excess of Seventy-Five Million Dollars ($75,000,000), and (ii) Tenant shall not be relieved of its obligation to pay Base Rent under Section 9(a) by virtue of any such payment. In the event that Landlord and Tenant agree to modify the Plans such that the Costs of the Stadium Renovations are less than Ninety-Five Million Dollars ($95,000,000), fifty percent (50%) of such savings (plus interest earned thereon) shall be retained by Landlord and the remaining fifty percent (50%) of such savings (plus interest earned thereon) shall be paid to and retained by Tenant; provided, however, that Tenant shall not be relieved of its obligation to pay Base Rent under Section 9(a) by virtue of any such payment.

(e) **Funding.** Subject to reduction as set forth in Section 6(d) if the Costs of the Stadium Renovations is less than One Hundred Million Dollars ($100,000,000), funding for the Stadium Renovations will be provided as follows and in the following priority:

(i) Landlord will contribute or cause to be contributed Twenty Million Dollars ($20,000,000) from such sources and through such financing, if any, as Landlord shall determine in its sole discretion.

(ii) Subject to Tenant’s financial obligations contained in this Lease (including, without limitation, Tenant’s obligation to make Base Rent payments as provided in Section 9(a)), Landlord (either directly or through a disbursing agent) will contribute up to Eighty Million Dollars ($80,000,000) as set forth in the disbursement schedule established pursuant to Section 6(e)(iii) below (a) from any Base Rent received by Landlord from Tenant prior to such contribution (plus interest earned thereon as set forth in Section 9(c)) and (b) to the extent Landlord is obligated to contribute according to such disbursement schedule and has not yet received sufficient amounts of Base Rent, from issuing or causing to be issued revenue bonds or other indebtedness (the “Base Rental Bonds”). The issuance of such bonds or other indebtedness shall be as and when requested by Tenant, but in accordance with any priority of payments established herein. If Base Rental Bonds are to be issued in connection with the Stadium Renovations, the parties acknowledge that JPA has agreed to issue the Base Rental Bonds.
(iii) All funds required to be contributed by Landlord pursuant to Section 6(e) and all proceeds of the Base Rental Bonds to be issued by JPA and/or prepayment of Base Rent shall be advanced pursuant to a disbursement schedule established by Tenant from time to time. The Anaheim City Treasurer shall act as disbursing agent for all Landlord contributed funds; provided, however, that if another disbursing agent is required by the Indenture, the parties agree to comply with the Indenture with respect thereto.

(iv) Wherever in this Section 6(e) Landlord is required to issue or cause to be issued revenue bonds or other debt, the debt may be issued by Landlord, the Agency or JPA (in any case, the “Issuer”). The general funds of Landlord and the Issuer shall not be at risk for payment of the Base Rental Bonds.

(v) All amounts required to be contributed pursuant to this Section 6(e) are intended to be cash contributions net of any issuance and debt service reserve cost or expense associated with bond financing. Interest earned or investment earnings on the bond proceeds and debt service reserves (but not on Landlord’s first Twenty Million $20,000,000 contribution) during construction of the Stadium Renovations shall be utilized for the Stadium Renovations. Interest earned or investment earnings on the debt service reserve, if any, for any period after Substantial Completion of the Stadium Renovations shall be utilized to reduce associated debt service costs and expenses. The Base Rental Bonds shall be issued (a) at the lowest taxable interest rate achievable at the time Tenant requests the issuance of such bonds, based upon the creditworthiness of Tenant or guarantees or other forms of credit enhancement provided or caused to be provided by Tenant, (b) for a term not to extend beyond the Term (excluding any extension options pursuant to Section 4) with zero coupon during the period in which the Base Rent is deferred (pursuant to the Base Rent schedule) with level debt service each year thereafter, and (c) in a fashion which maximizes the net bond proceeds. Tenant shall cooperate with Landlord in providing for all debt to be issued pursuant to this Lease. The Base Rental Bonds shall be issued without out-of-pocket cost to Landlord, Tenant or the Issuer, such costs being included in and funded from the bond offering.

(vi) In connection with issuance of the Base Rental Bonds or the incurrence of any other indebtedness to fund completion of the Stadium Renovations, Tenant, Landlord and Issuer agree to comply with all registration requirements under the Securities Act of 1933, as
amended, and indenture qualification requirements under the Trust Indenture Act of 1939, as amended, and the “Blue Sky” laws of any states applicable to the offer or sale of such securities which may be required as a consequence of the proposed issuance of the bonds or any underlying obligation relating thereto. All costs of such compliance shall be a cost of issuance to be funded from the issue.

(vii) All Costs of the Stadium Renovations shall be paid in the following priority: (i) by Landlord, pursuant to Section 6(e)(i), the first Twenty Million Dollars ($20,000,000); (ii) by Landlord or JPA, pursuant to Section 6(e)(ii), the next Eighty Million Dollars ($80,000,000); and (iii) by Tenant, the amount of any Excess Construction Costs. Such funding shall be made not less frequently than monthly upon submission of disbursement requests from Tenant or its designated construction manager with reasonable supporting documentation as Costs of the Stadium Renovations are incurred by Tenant, subject to any holdbacks and reserves specified in the various design, construction, supplier and vendor contracts entered into in connection with the Stadium Renovations.

(viii) Concurrently herewith, the parties acknowledge that JPA has adopted a resolution of issuance setting forth in sufficient detail the terms and conditions of bonds or other indebtedness which may be issued in connection herewith, including, without limitation, a maximum aggregate principal amount, a maximum maturity or term, a maximum interest rate, manner of payment, right of redemption and such other terms and conditions as Tenant, Landlord and JPA shall agree upon. The adoption of such a resolution shall be deemed sufficient authority on behalf of JPA to effect issuance of such bonds or other indebtedness. Tenant may, at its sole option, select any investment bankers, underwriters, bond counsel, trustees and such other advisers, consultants, attorneys and fiduciaries in connection with the issuance and sale of the Base Rental Bonds, and the timing of the issuance of the Base Rental Bonds (subject to Section 9(b)); provided, however, that nothing herein shall preclude Landlord or Issuer from retaining such bond counsel or other advisers as it or they deem necessary in connection with issuance with the Base Rental Bonds. Landlord and Tenant (subject to its right to prepay Base Rent) consent to and approve issuance of the Base Rental Bonds in accordance with the foregoing resolution.

(ix) If for any reason Agency or JPA is unable to or prohibited from issuing the Base Rental Bonds as required by this Lease, Landlord will issue
or cause to be issued the Base Rental Bonds as required by this Lease. If for any reason Landlord is also unable to or prohibited from issuing the Base Rental Bonds as required by this Lease, Tenant shall arrange financing from an alternative source reasonably acceptable to Landlord, which is without cost or risk to Landlord, for obtaining the funds required to be contributed by Landlord pursuant to Section 6(e)(ii). Tenant and Landlord shall cooperate with any lender providing such alternate financing and shall agree to reasonable amendments to this Lease to facilitate such financing, so long as such amendments do not result in any material change to the detriment of Landlord or Tenant in the substance of the terms and conditions of this Lease, including the parties' respective financial obligations under this Lease.

(f) Schedule. Landlord and Tenant agree that the Stadium Renovations shall be commenced promptly following the Commencement Date, and be diligently prosecuted to completion in accordance with the schedule attached hereto on Exhibit M (the “Schedule”), but in no event later than the commencement of the 1999 Season (the “Completion Date”); provided, however, that a delay in completing the Stadium Renovations by the Completion Date shall not be a default by Tenant under this Lease unless the Completion Date does not occur by the commencement of the 2001 Season, subject to delays caused by events of force majeure. No events, other than the Team’s home games, shall be scheduled at the Stadium Site which will or may adversely affect or delay completion of the Stadium Renovations by the Completion Date; provided, however, that the foregoing shall not prohibit Landlord from developing the Sportstown Site during the time when work on the Stadium Renovations is being performed so long as any such work on the Sportstown Site does not unreasonably interfere with completion of the Stadium Renovations.

(g) Permits. Landlord, in its capacity as a municipality, shall cooperate with and assist Tenant to expedite the processing and approval of all necessary permits, approvals, licenses and other entitlements and authorizations, including compliance with all applicable Environmental Laws; provided, however, that the rights of Tenant under this Section 6(g) shall not be interpreted to restrict or diminish the power or authority of Landlord in the exercise of its police powers. All fees and charges in connection with the processing and issuance of any such permits, approvals, licenses and other entitlements and authorizations by Landlord, in its capacity as a municipality, shall not exceed Five Hundred Thousand Dollars ($500,000), to be allocated among and paid at the time of issuance of the various permits to compensate Landlord for its costs associated with processing such permits, approvals and other entitlements, which sum shall be charged as a cost and expense of the
Stadium Renovations. Landlord, in its capacity as lessor and owner of the Stadium Site, shall cooperate with and assist Tenant to expedite the processing and approval of all necessary permits, approvals, licenses and other entitlements and authorizations, including any environmental report or study required by any Federal, State, County or other governmental or quasi-governmental agency or authority, if any, in connection with the Stadium Renovations.

(h) Architect and Contractors.

(i) Competitive Bidding. Landlord and Tenant have met and conferred to determine whether competitive bidding would be required by the Charter of Landlord for all or any portion of the Stadium Renovations. In connection therewith, the following facts have been found to exist: (i) Tenant, by virtue of its obligation to pay Base Rent and provide credit enhancement in connection with issuance of the Base Rental Bonds, has assumed financial responsibility for eighty percent (80%) of the costs and expenses associated with the Stadium Renovations; (ii) the Stadium Renovations will cost substantially in excess of Landlord’s required contribution to the Costs of the Stadium Renovations under Section 6(e)(i); (iii) Tenant has further agreed to expend not less than Ninety-Five Million Dollars ($95,000,000) in the Costs of the Stadium Renovations; (iv) Tenant has further assumed responsibility for all costs and expenses in excess of One Hundred Million Dollars ($100,000,000) for the Stadium Renovations, eliminating any risk to Landlord of cost overruns; (v) Tenant owns the Team, and use of the Baseball Stadium by the Team for the Term is the only viable way to secure renovation of the Baseball Stadium; (vi) allowing Tenant to negotiate the form, terms and conditions of all contracts with contractors, subcontractors, suppliers and other entities to complete the design, construction, furnishing, supplying and equipping of the Stadium Renovations and execute such contracts will secure the best possible work for the lowest price practicable; (vii) competitive bidding on the Stadium Renovations would produce no advantage to Landlord in its efforts to contract for the greatest public benefit; and (viii) competitive bidding on such work would cause an incongruity and would be unavailing as affecting the final result. Based on the foregoing findings, Landlord finds and determines and Tenant concurs that contracts and subcontracts to complete the design, construction, furnishing, supplying and equipping of the Stadium Renovations are excepted from the competitive bidding requirements set forth in Section 1211 of the Charter of Landlord and that said conclusion does not conflict with the provisions of said Charter.
(ii) **Contracts for Services.** In compliance with all applicable procedures relating to the Stadium Renovations, Landlord acknowledges that Tenant shall have complete discretion with respect to the selection of, negotiation with and contracting for professional services (including, but not limited to, program management, architectural design and all other design and professional consultants), the general contractor, if any, subcontractors, engineering services and other contractors, subcontractors and suppliers reasonably necessary to complete the design, construction, furnishing, supplying and equipping of the Stadium Renovations. Tenant will negotiate the form, terms and conditions of and execute all contracts and other agreements with such persons and entities. Tenant shall submit to Landlord for prompt review and comment the standard form of contract which Tenant will utilize in connection with the Stadium Renovations. Upon negotiation and approval thereof by Tenant, Tenant shall execute any change orders or other modifications to such contracts in the ordinary course of construction of the Stadium Renovations.

(i) **Construction Management.** Landlord hereby acknowledges and agrees that Tenant shall manage the design and construction of the Stadium Renovations and shall have the exclusive responsibility and authority to undertake the design, construction and equipping of the Stadium Renovations in accordance with the terms and conditions set forth in this Lease. Tenant hereby accepts the relationship of trust and confidence established between Tenant and Landlord by this Lease. Tenant agrees to furnish its diligent skill and judgment in supervising and managing the completion of the Stadium Renovations in accordance with the Plans and the Schedule. Tenant shall provide or cause to be provided adequate and trained personnel to perform the duties and obligations of Tenant set forth in this Lease. Tenant, Disney or an Affiliate of either of them shall be responsible for hiring, supervising and training of all employees of Tenant and its Affiliates performing services relating to the Stadium Renovations. Tenant shall comply with all Applicable Laws relating to the duties and obligations of Tenant under this Section 6(i). Tenant shall:

(i) except as otherwise provided in Section 6(k), coordinate, apply for and process all Governmental Approvals required in connection with the Stadium Renovations;

(ii) contract for any legal, accounting and other professional services required in connection with the Stadium Renovations;
(iii) monitor and coordinate the work of Contractors, including administration of all contracts and agreements with such persons and monitoring of the adequacy of Contractor's personnel and equipment;

(iv) establish on-site organization and lines of authority in order to carry out the work of the Stadium Renovations;

(v) maintain a sufficient and qualified staff on-site in order to carry out the work of the Stadium Renovations;

(vi) establish procedures for coordination among Contractors in order to carry out the work of the Stadium Renovations;

(vii) schedule and conduct regular progress meetings at which Tenant and Landlord, and to the extent necessary Contractors, can jointly discuss such matters as procedures, progress, budget and schedule compliance and similar matters;

(viii) provide regular monitoring of schedule compliance and revisions as work on the Stadium Renovations progresses, including identification of schedule variances and probable completion dates;

(ix) provide regular monitoring of budget compliance and revisions as work on the Stadium Renovations progresses, including identification of budget variances and estimated Costs of the Stadium Renovations;

(x) develop and monitor a system of cost control, cash flow reports and forecasts of funding requirements as work on the Stadium Renovations progresses, including maintenance of customary books and records in connection therewith;

(xi) review the safety programs of each Contractor and make periodic inspections to check safety precautions and programs as work on the Stadium Renovations progresses, including compliance with OSHA regulations (the performance of which duties shall not relieve Contractors of their responsibility for the safety of persons and property and compliance with Applicable Laws in connection with the work of the Stadium Renovations);

(xii) establish and implement a system for expediting the processing and approval of drawings, plans, specifications and samples;
(xiii) record the progress of the work of the Stadium Renovations and provide Landlord with timely reports on such progress;

(xiv) maintain a record of contracts, drawings, plans, specifications, samples and materials and other construction related documents;

(xv) process and follow-up on any claims of third parties with respect to the Stadium Renovations;

(xvi) determine Substantial Completion of the Stadium Renovations and prepare with the architect and general contractor a list of incomplete or unsatisfactory items and work and a schedule for their completion;

(xvii) determine final completion of the Stadium Renovations and prepare and file/record all necessary Notices of Completion;

(xviii) prepare and implement a system for reviewing and processing construction change orders;

(xix) develop and implement a procedure for reviewing and processing invoices and other applications for payment to all Contractors in connection with the work of the Stadium Renovations; and

(xx) notify Landlord prior to commencement of each construction project so that Landlord may comply with applicable law in posting notices of non-responsibility with respect to such work.

(j) **Ownership of Plans.** As among Landlord, Tenant and Issuer, all Plans shall be and remain the property of Tenant; *provided, however,* that Landlord and Issuer shall have full right, power and authority to utilize such Plans at any time and for any purpose in connection with the design, construction, maintenance, operation and use of the Baseball Stadium.

(k) **Governmental Approvals.** Tenant shall use its best efforts to obtain all permits, approvals, licenses and other entitlements (“Governmental Approvals”) required for the construction of the Stadium Renovations. Notwithstanding the foregoing, Landlord shall be solely responsible for initiating, processing and obtaining approval of any report, approval, permit or license required in connection with the Stadium Renovations under all applicable environmental laws; *provided, however,* that Tenant acknowledges that Landlord will rely upon information, data and materials supplied by Tenant in connection therewith. Upon Tenant’s request from time to time, Landlord shall cooperate with Tenant’s efforts to obtain such approvals to the
fullest extent possible. Landlord shall not request, consent to or acquiesce in any alteration or termination of any Governmental Approval, nor waive or release any rights it may have with respect thereto, without Tenant's prior written consent. Landlord shall cooperate with and assist Tenant to expedite the processing and approval of all Governmental Approvals required to be issued or granted by the City of Anaheim; provided, however, that the foregoing shall not be interpreted to restrict or diminish the power or authority of City in the exercise of its Charter or constitutional police powers. Upon completion of the construction and equipping of the Stadium Renovations, Tenant shall furnish to Landlord copies of all required occupancy permits and authorizations from appropriate authorities, if and to the extent in Tenant's possession, authorizing the occupancy and use of the Stadium Renovations.

(l) **Invoices and Payments.** Tenant shall develop and implement a procedure for reviewing and processing invoices and other applications for payment of all Costs of the Stadium Renovations (including applications for payment by Contractors). Tenant shall conduct periodic inspections of the work of the Stadium Renovations as reasonably necessary to process applications for payment and as may be reasonably necessary to monitor compliance of the work with the requirements of the Plans, the Schedule, and Applicable Laws. Prior to processing and paying the final payment application of a Contractor, Tenant shall conduct an inspection of the Stadium Renovations and prepare a detailed "punch list" which shall state any items which require correction or completion by such Contractor as a condition precedent to receiving final payment.

(m) **Landlord's Right to Inspect.** Landlord and Issuer shall at all reasonable times have the right to inspect the work performed and materials used in the construction of the Stadium Renovations to assure substantial compliance with the Plans; provided, however, that except with respect to the normal and customary activities and responsibilities of Landlord and Issuer or otherwise in the case of emergency, this right shall be exercised only upon reasonable prior notice to Tenant and with an opportunity for Tenant to have an employee or agent present.

(n) **Dispute Resolution; Remedies.** Tenant is authorized to resolve disputes with and among the Contractors and to enforce any and all rights of the parties against the Contractors whether through litigation or otherwise. In the event of default or breach by any Contractor under any contract made in connection with the Stadium Renovations, Tenant may proceed, in its discretion, to pursue the remedies of Tenant against the Contractor in default and against any surety for the performance of that Contractor or against a
Contractor for breach of warranty. Tenant agrees to advise Landlord of any default by a Contractor in connection with the construction of the Stadium Renovations that is material to the construction of the Stadium Renovations and of any legal actions or proceedings Tenant intends to commence in connection with such breach or default. If requested by Tenant, Landlord agrees, at no cost or expense to Landlord, to fully cooperate with and assist Tenant in any such proceeding. Any amount recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, net of all costs incurred in connection with such recovery, shall be utilized for the repair, restoration or completion of the Stadium Renovations or the relevant portion thereof, and for application to other portions of the Stadium Renovations, as Tenant shall determine.

(o) Default by Contractors. Tenant shall not be liable for a breach or default of any Contractors, or for defective work of any Contractor, unless such default or defective work is directly attributable to a breach or default of Tenant of its obligations under this Section 6. Tenant's duty upon a default, breach or defect by a Contractor is to advise Landlord of such default, breach or defect when discovered and prepare and effectuate a recovery plan (if appropriate) and to pursue all reasonable remedies against the defaulting contractor. Landlord acknowledges that Tenant is not engaging in or performing construction services or activities in connection with the Stadium Renovations. Nothing herein contained shall relieve Tenant of its obligations to pay the Excess Construction Costs.

(p) Draws on Construction Account. In order to promote and facilitate the expeditious and economical design and construction of the Stadium Renovations, and for the purpose of paying the Costs of the Stadium Renovations, Tenant shall draw upon, and Landlord and/or Issuer shall (or shall cause the disbursing agent to) promptly disburse moneys from, the Construction Account upon certification by Tenant that the amounts to be drawn are then due for payment of Costs of the Stadium Renovations properly incurred. Tenant shall supply Landlord and Issuer with a copy of each such certification, together with any and all supporting schedules, data and other information reasonably requested by Landlord and Issuer in support thereof. In order to permit Landlord to perform any audit of the Costs of the Stadium Renovations or take any other action it may reasonably deem necessary and appropriate.

(q) Compliance with Indenture. If and to the extent that amounts in the Construction Account are subject to provisions for disbursement set forth in the Indenture, then such applicable Indenture provisions shall supplement the provisions set forth herein for the withdrawal of such amounts from such
Construction Account, and Landlord, Tenant and Issuer shall comply with the disbursement provisions set forth in the Indenture. The Costs of the Stadium Renovations for which Base Rental Bond funds are drawn from the Construction Account shall include only those costs permitted to be financed with the proceeds of the Base Rental Bonds or under Applicable Law.

(r) **Advance of Excess Costs of the Improvements.** In the event that the Costs of the Stadium Renovations exceeds One Hundred Million Dollars ($100,000,000), and as a consequence funds held in the Construction Account available for payment of Costs of the Stadium Renovations are insufficient to cover all of such costs, then Tenant shall advance such funds ("Tenant Advances") after the expenditure of One Hundred Million Dollars ($100,000,000) as may be necessary to pay for any Excess Construction Costs, at times and in such amounts as are necessary to pay such costs in accordance with the design and construction contracts. Proceeds of Tenant Advances shall be disbursed and applied in the same manner as Landlord’s funds are to be disbursed and applied pursuant to this Lease; provided, however, that the Anaheim City Treasurer shall not act as disbursing agent for Tenant Advances.

(s) **Cost of Construction.** Within ninety (90) days of completion of the Stadium Renovations, Tenant shall present to Landlord for examination and approval a statement of the Costs of the Stadium Renovations.

(t) **Reimbursements to Tenant.** Tenant shall be entitled to reimburse itself monthly from the Construction Account for any and all actual expenses incurred by it, Disney or any of their Affiliates in connection with the performance of its services hereunder. In addition, Tenant shall be entitled to reimburse itself monthly from the Construction Account for the amounts set forth in Section 6(w).

(u) **Reimbursements to Landlord.** Landlord shall be entitled to reimbursement monthly from the Construction Account for any and all actual out of pocket expenses incurred by it in connection with the administration of the Stadium Renovations (excluding any costs included in the permit fees under Section 6(g)). In addition, Landlord shall be entitled to reimbursement monthly from the Construction Account for a portion of its payroll expenses allocated in accordance with the reasonable and standard practices of the City in connection with personnel of Landlord directly involved in the design and construction of the Stadium Renovations.

(v) **As-Built Drawings.** Within ninety (90) days following completion of the Stadium Renovations, Tenant shall present to Landlord a complete set of
reproducible (mylar) record drawings for Landlord’s use exclusively in connection with its ownership, operation and repair of the Baseball Stadium.

(w) **Fees to Tenant.** Tenant shall receive no fee for its services in the management and administration of the Stadium Renovations but shall receive reimbursement monthly of all actual expenses incurred by Tenant, Disney and any Affiliate of any of them in performing such services, including the allocated payroll and other expenses of personnel of Tenant, Disney and their respective Affiliates for the time of such personnel directly allocated to the supervision and management of the design and construction of the Stadium Renovations, including overhead allocated in accordance with the standard practices of Tenant, Disney and their respective Affiliates.

(x) **Construction Indemnification.** Tenant will manage the Stadium Renovations and, to the extent permitted by law, be responsible for payment and discharge of all claims relating to the Stadium Renovations. Tenant agrees to indemnify, defend and hold harmless Landlord, Agency, Issuer and their respective agents and employees from any and all claims related to the Stadium Renovations, including, but not limited to, claims and demands (including stop notices or mechanics’ lien claims) of bidders, architects, contractors, consultants and suppliers; provided, however, that no such indemnification shall apply (i) to any claim, cost or expense arising out of the acts or omissions of Landlord, Issuer or Agency, or their respective agents and employees, or (ii) to the extent funds from the Construction Account are not made available to Tenant by Landlord to pay the Costs of the Stadium Renovations (excluding any Excess Construction Costs), or (iii) with respect to Hazardous Materials, to the extent of Landlord’s obligations pursuant to Section 6(z). In no event shall Tenant allow a lien to be recorded against its interest in the Premises which would constitute a default under the Existing Debt except to the extent funds from the Construction Account are not made available to Tenant by Landlord to pay the Costs of the Stadium Renovations (excluding any Excess Construction Costs). So long as funds from the Construction Account are made available by Landlord to Tenant to pay the Costs of the Stadium Renovations, in the event any such lien is recorded and Tenant has not caused such lien to be released or bonded against within ten (10) business days, Landlord may take such steps (including posting of a bond) as may be required to cause such lien to be released, at Tenant’s expense.

(y) **Compliance with Plans and Budget.** As a condition of each disbursement to Contractors, Tenant shall certify that, to the knowledge of Tenant, such disbursement is made in accordance with the budget and the Permits and in substantial conformance with the Plans, and that there remains available in
the budget sufficient funds (including funds to be paid by Tenant for payment of Excess Construction Costs, if any, as incurred) to complete the Stadium Renovations in accordance with the Plans. Prior to the final disbursement in payment of the Costs of the Stadium Renovations, Landlord and Tenant, through their respective representatives, shall conduct a walk-through of the Baseball Stadium to verify completion of the project in accordance with the Plans and Permits.

(z) **Hazardous Materials.** The costs of removing, encapsulating or remediating (to the extent required by the Stadium Renovations) asbestos or any other Hazardous Materials contained within existing improvements comprising the Baseball Stadium shall be considered a cost of the Stadium Renovations. Landlord shall promptly perform, at no cost or expense to Tenant or charge to the budget for the Stadium Renovations, all other remediation and corrective action, if any, required by law due to any other environmental condition or the presence of any Hazardous Materials on or under the Stadium Site as of the Commencement Date; provided, however, that nothing in this Section 6(z) shall be deemed to relieve any party of any liability such party may have resulting from any violation of law applicable to Hazardous Materials caused by such party.

(aa) **Public Art.** Landlord will provide Tenant with current guidelines for any requirement for the installation of public art in connection with the Stadium Renovations. Landlord will assist Tenant in expediting all approvals for public art required in connection with the Stadium Renovations. To the extent permitted by applicable law, components of the Baseball Stadium design will be considered public art in satisfaction of any such requirements.

7. **Use of the Premises.**

(a) **Home, Playoff and World Series Games.** Subject to the rules and regulations of the American League and Major League Baseball, Tenant agrees to cause the Team to play all of its regular Season, playoff and World Series games scheduled for play in the Team’s home territory at the Baseball Stadium throughout the Term, except as otherwise provided in this Lease. As used in this Lease, the term “Season” refers to the period from the first regularly scheduled home game of the Team in the Baseball Stadium in a calendar year to the last scheduled home game (including American League playoff games and World Series games) in the Baseball Stadium in such year. Subject to the revenue sharing set forth in Section 9(d), Tenant shall retain all revenues derived from the sale of admission tickets for events in the Baseball Stadium.
(b) **Exhibition and Pre-Season Games.** Tenant may schedule and play exhibition games and pre-season games of the Team at the Baseball Stadium under the same terms and conditions of this Lease as are applicable to regular season home games; *provided, however*, that the Team shall be under no obligation to play such games at the Baseball Stadium and may schedule and play exhibition and pre-season games in any other location. Tenant may schedule and play any Major League Baseball All-Star game at the Baseball Stadium under the same terms and conditions of this Lease as are applicable to regular season home games, except as otherwise provided in this Lease.

(c) **Scheduling.**

(i) **Baseball Game Dates.** Prior to February 21st of each year during the Term (or promptly upon adoption of such schedule, if such schedule shall not then have been adopted), Tenant shall provide to Landlord the playing dates on which Tenant has scheduled an exhibition, pre-season, charity and/or regular season home game for professional baseball, including any Major League Baseball All-Star Game scheduled at the Baseball Stadium, and the scheduled time thereof, commencing in the Season next following (the "**Game Dates**"). The purpose of Tenant providing Landlord with Game Dates each year is to facilitate planning and scheduling of development of Sportstown and other events which Landlord is permitted to conduct in the Parking Area pursuant to this Lease. In addition to Game Dates, Tenant shall advise Landlord as soon as possible of other dates, if any, which may be requested by the American League or Major League Baseball after the final regular season schedule is established in the event a Team home game is rescheduled. Promptly following adoption of such schedule each year during the Term, Tenant will notify Landlord of the dates established by Major League Baseball and the American League for playoff and World Series games for such Season (the "**Playoff Dates**"), together with any information Tenant has received from Major League Baseball or the American League regarding playoff and World Series game scheduling. Thereafter, Tenant will promptly furnish Landlord with any further scheduling information Tenant receives from Major League Baseball or the American League. Landlord acknowledges and agrees that Tenant shall have a first and absolute priority and choice of playing dates at the Baseball Stadium during the Season for all home games of the Team. In the event of a conflict, Game Dates and Playoff Dates for the Team shall have priority over all other scheduling at the Stadium Site. Landlord acknowledges and agrees that the scheduling of Game Dates and Playoff Dates is controlled, to a certain extent, by the American
League and Major League Baseball and Tenant shall have first priority for all use of the Stadium Site as necessary to comply with any changes in scheduling procedures or requirements of the American League and Major League Baseball.

(ii) **Football Stadium Game Dates.** Tenant acknowledges and agrees that upon the construction of the new football stadium on the Sportstown Site, if such development is approved by Landlord, the home games of the professional football team played in that stadium (whether pre-season, regular season, playoff or Super Bowl games) will have priority over all other events which might otherwise be scheduled on those days at the Stadium Site; provided, however, that in the event of a conflict, the Team’s baseball games shall take priority over football games. Within ten (10) days following establishment by the NFL of its schedule of home games for each year of the Term, Landlord shall provide to Tenant the playing dates on which an exhibition, pre-season and/or regular season home game for professional football commencing in the Season beginning in the ensuing calendar year (the “Football Game Dates”) has been scheduled for the football stadium. The purpose of Landlord providing Tenant with Football Game Dates each year is to facilitate planning and scheduling of events which Tenant is permitted to conduct in the Baseball Stadium and Parking Area pursuant to this Lease. In addition to Football Game Dates, Landlord shall advise Tenant as soon as possible of other dates, if any, which may be requested by the National Football League or other professional football league (“NFL”) after the final NFL regular season schedule is established in the event a football home game is rescheduled. Landlord shall notify Tenant within ten (10) days following establishment by the NFL of its schedule each year of the Term of the dates established by the NFL for playoff and Super Bowl games for such Season (the “Football Playoff Dates”), together with any information Tenant has received from the NFL regarding playoff and Super Bowl game scheduling. Thereafter, Landlord shall promptly furnish Tenant with any further scheduling information Landlord receives from the NFL. Tenant acknowledges and agrees that the professional football team playing its home games in such football stadium shall have a first and absolute priority and choice of playing dates at the Stadium Site during the NFL season (other than with respect to Team home games in the Baseball Stadium).

(d) **Tenant Conducted Other Events.** During the Term, Tenant will have exclusive control over contracting for, and scheduling and conduct of, any and all sports or athletic events (amateur or professional), contests, concerts,
exhibitions, entertainment, performances and other events (including parking associated with such events) in the Baseball Stadium and, except as otherwise provided in Section 7(e), the Parking Area. Tenant may erect tents and similar temporary structures in the Parking Area for such events so long as the asphalt covering the Parking Area is not penetrated. Except as provided in Section 7(e), Tenant will retain all revenues derived from such events (including, without limitation, parking and concession revenues associated with such events, and all revenues derived from events occurring during the Term irrespective of when such events were booked). Tenant will have the right to schedule events and activities at the Baseball Stadium and the Parking Area for which there is no paid admission, including events and activities where the sponsor, promoter or operator reimburses Tenant solely for all or part of the operating costs associated with such events or activities (but no more often than five (5) events per year without Landlord's prior consent). In no event shall Tenant allow flea markets or swap meets of the type conducted on the date hereof at the Orange Drive-In Theatre and the Orange County Fairgrounds. No less frequently than every six (6) calendar months, Landlord shall provide Tenant a list of events and shows at the Anaheim Convention Center for the succeeding twelve (12) months. With respect to any (i) home and garden show, (ii) boat show, (iii) auto show, (iv) sports, vacation and recreational vehicle show, or (v) snow skiing show scheduled at the Anaheim Convention Center during the next ensuing twelve (12) months following receipt by Tenant of such notice, Tenant shall not conduct any event in the Parking Area during the period of five (5) weeks before to three (3) weeks after such event which is substantially similar (i.e., consists of substantially similar exhibitors and/or displays or promotes substantially similar goods, services and activities); provided, however, that the foregoing limitation shall not apply to any show, exhibit or event which is scheduled for the Parking Area prior to receipt by Tenant of such list of events and shows at the Anaheim Convention Center.

(e) **Landlord Conducted Other Events.** Landlord will retain the right to book and conduct up to ten (10) events per annum for events in the Parking Area consisting of the type of events which Landlord has heretofore conducted in such area, such as boat shows, home shows, auto shows, trade shows and convention and other major exhibits and similar types of events which (i) have been historically conducted by Landlord at the Anaheim Convention Center and the Stadium Site, or (ii) require in excess of 100,000 square feet of space and cannot be booked at the Convention Center due to scheduling and other conflicts, or (iii) for Sportstown development related events (e.g., grand openings). Such events shall not exceed twenty-five (25) days in aggregate duration per annum (including set-up and tear down time); provided, however, that the period for set-up and tear down of any Landlord sponsored event in
the Parking Area may be reasonably extended by agreement between Landlord and Tenant so long as it does not interfere with the scheduling, conduct, set up or tear down of any Tenant sponsored event in the Parking Area. Any other events which Landlord desires to conduct in the Parking Area will be subject to Tenant’s prior reasonable approval, but in no event will the number of events or the number of days set forth above be increased without Tenant’s consent in its sole judgment. Landlord will bear all expense and retain all revenues resulting from such events. Landlord may erect tents and similar temporary structures in the Parking Area for such events so long as the asphalt covering the Parking Area is not penetrated. Tenant will cooperate with Landlord to permit Landlord to select dates and times that have not been otherwise booked or reserved for other events. Landlord may reserve dates for such Landlord conducted special events by providing Tenant with written notice at least one hundred twenty (120) days prior to the scheduled date for each such event. Tenant shall notify Landlord within two business days after receipt of such notice from Landlord if another event has already been scheduled and contractually committed in the Parking Area for the requested date, and, in such event, Landlord and Tenant shall use reasonable and good faith efforts to reschedule the event proposed by Landlord on the next available date agreeable to the parties. No such events (including set up and tear down) may be booked on Game Dates (including rescheduled Game Dates), Playoff Dates (or rescheduled Playoff Dates), or on days when an event has been scheduled for the Baseball Stadium or Parking Area by Tenant. No later than the Commencement Date, Landlord shall provide to Tenant a listing of all events held in the Parking Area during calendar years 1994 through 1996.

(f) **Football Stadium Other Events.** Upon completion of construction of a football stadium within the Sportstown Site, if Landlord approves such development in the future:

(i) If Landlord controls the booking and conduct of non-football events in the football stadium, Tenant will serve as the exclusive booking agent for all events in such facility other than the playing of professional football games and related activities. In such event, and notwithstanding anything to the contrary in this Lease, from and after the date such football stadium is completed, net revenues derived from all events in the Baseball Stadium (excluding the Baseball Stadium exhibition space and Parking Area events) and such football stadium, including parking, broadcasting, event-specific merchandise, and food and beverage concession revenues derived from all such events (such as concerts, sporting events, exhibitions, contests, entertainment, and other performances), other than the playing of professional baseball
and football games and related events in the Baseball Stadium or such football stadium, respectively, will be shared equally between Tenant and Landlord (or Landlord's designee); provided, however, that such revenue sharing will not apply to revenues from events scheduled for the Baseball Stadium which were booked prior to the date the football stadium is completed.

(ii) If Landlord vests in the owner of the professional football team playing its home games in the football stadium, or any other person, the control over booking and conduct of non-football events in the football stadium. Landlord will use its reasonable efforts to encourage the agreement of the primary tenant of the football stadium, or such other person, to use Tenant or Disney to act as the exclusive booking agent for all events in both the Baseball Stadium and the football stadium (other than the playing of professional football games in the football stadium and related activities), including a revenue sharing agreement with respect to such events.

(iii) If (after the Completion Date) the total of Tenant's net revenues (calculated as set forth in Section 9(i)) from all events in the Baseball Stadium (other than Team home games but including any Major League Baseball All-Star game, "Old Timers' Game" and similar games held at the Baseball Stadium, and exclusive of revenues derived from advertising and sponsorships), the football stadium (other than professional football games) and the Parking Area (collectively, "Other Events Revenues") is less than Two Million Dollars ($2,000,000) in any year during the Term, adjusted each year for increases in the CPI from the date of execution of the Lease (an "Other Events Shortfall"). such Other Events Shortfall will be:

(A) first, reduced by any Other Event Revenues derived by Tenant that was more than Two Million Dollars ($2,000,000). adjusted each year for increases in the CPI from the date of execution of the Lease, in previous years during the Term:

(B) second, paid to Tenant by Landlord, but only to the extent revenues are (in the current year or future years) or were realized by Landlord, from the following revenues (in the listed order of priority):

(1) revenues derived by Landlord, or its successor in interest, from the naming of Sportstown and/or the entire baseball/football/Sportstown complex (excluding
revenues derived from the naming of the football stadium only):

(2) Landlord’s share of Other Event Revenues, as provided in Section 9(e); and

(3) Landlord’s share of revenues from admissions for Team home games in the Baseball Stadium, as provided in Section 9(d), parking revenues, as provided in Section 9(f), and PSL Revenues, as provided in Section 9(g).

The sources of payment set forth in subparts (1) through (3) above are hereinafter referred to as the “Revenue Reserve Funds”. To ensure Landlord’s ability to pay any sum owed Tenant pursuant to Section 7(f)(iii)(B) from the Revenue Reserve Funds in years prior to the then current year, Landlord shall maintain such funds as received as a special reserve fund; provided, however, that Landlord shall be free to expend for any purpose any Revenue Reserve Funds in excess of the greater of (i) the accumulation of Revenue Reserve Funds received by Landlord during the most recent three (3) years prior to the then current year, and (ii) Two Million Dollars ($2,000,000). No expenditure by Landlord of the Revenue Reserve Funds shall relieve Landlord of its obligations to pay any sum owed Tenant pursuant to Section 7(f)(iii)(B).

8. Development of Sportstown Site.

(a) General. The parties acknowledge that Landlord is considering future development on the area designated as “Sportstown Site” on Exhibit C attached hereto, of any or all of the following: (a) a stadium for the playing of professional football, (b) office buildings, (c) hotel and exhibition facilities, (d) retail, dining and entertainment facilities, and (e) a youth sports facility (which development regardless of its component or nature is referred to herein as “Sportstown” whether or not so named following development). To the extent Landlord, upon its independent review and exercise of its discretion, approves Sportstown, it is agreed that it is in the parties’ best interests to harmonize the future development of Sportstown with the Stadium Renovations and the on-going operation of the Baseball Stadium and Parking Area. Therefore, the parties hereby acknowledge and agree that the development of Sportstown or any other development on the Sportstown Site will be limited to the uses set forth above and shall conform to the guidelines and standards set forth on Exhibit F attached hereto, which guidelines and
standards shall be incorporated into a declaration of covenants, conditions and restrictions which, upon approval thereof by Landlord, Agency and Tenant, Landlord will record against the Sportstown Site for the benefit of the Stadium Site in the Official Records of the County of Orange prior to any development of the Sportstown Site. Any development of Sportstown will occur solely within the area designated as the Sportstown Site and otherwise off the Stadium Site.

(b) **Sportstown Parking.** Landlord may construct a parking structure, at no cost or expense to Tenant, in the area designated as “**Potential Future Parking Structure**” on *Exhibit D* attached hereto, such parking structure to be subject to Tenant’s approval, which approval shall not be unreasonably withheld, delayed or conditioned and shall be limited to confirmation of the design and operating criteria set forth below. Any such parking structure shall:

(i) include speed ramps and speed parking design;

(ii) not exceed four (4) stories in height from finish grade;

(iii) be of a design compatible with the quality and appearance of the Baseball Stadium;

(iv) be constructed at times and in a manner which will cause the least disruption of operations of Tenant in the Baseball Stadium or Parking Area;

(v) provide parking to guests and invitees of Tenant in connection with events at the Baseball Stadium under the same terms and charges as parking in surface parking areas utilized by Tenant during such events; and

(vi) be under the control and management of Tenant or the parking concessionaire selected by Tenant during all events at the Baseball Stadium or Tenant conducted events in the Parking Area.

In no event shall there be less than 12,500 spaces provided on-site for exclusive use of Tenant in connection with Team home games in the Baseball Stadium (subject to Landlord’s right to relocate up to 500 such spaces off-site as provided below). Any parking in such structure required in order for Landlord to provide a minimum of 12,500 parking spaces for exclusive use of Tenant in connection with Team home games (subject to Landlord’s right to relocate up to 500 such spaces off-site as provided below) shall be located on
the above-grade floors of such structure; that is, no parking required to meet the forgoing minimum number of parking spaces for Team home games shall be located on any portion of the parking structure which is below-grade.

(c) **Fast Food Facilities.** In order to mitigate the adverse economic impact fast food, take-out food, food kiosk and food cart operations located outside of the Baseball Stadium but on the Sportstown Site (collectively, "**Non-Stadium Fast Food**") would have on food and beverage operations in the Baseball Stadium, Landlord agrees that Non-Stadium Fast Food shall only be permitted on the Sportstown Site subject to the following terms and conditions:

- (i) Non-Stadium Fast Food must be contained within a retail dining and entertainment complex consisting of not less than 50,000 rentable square feet and may not be freestanding (other than kiosks and carts);

- (ii) No "drive-through" food establishments will be permitted on the Sportstown Site;

- (iii) No facilities selling or serving Non-Stadium Fast Food (including kiosks and carts) will be located within the area adjacent to the perimeter of the Baseball Stadium designated as the "Buffer Zone" on Exhibit G attached hereto;

- (iv) The customer entrance and exits from any Non-Stadium Fast Food facilities will not directly face the Baseball Stadium, that is, will be faced inward within Sportstown;

- (v) On days of Team home games and other events in the Baseball Stadium, all kiosks and carts selling food will be permitted only within the interior of Sportstown, and not on the perimeter thereof; provided, however, that such limitation shall not require that kiosks and carts be located within any structure;

- (vi) No Non-Stadium Fast Foods will be sold in Sportstown on the day of Team home games; provided, however, that Landlord and Tenant agree that the sole remedy and liquidated damages for a breach of this covenant by Landlord shall be that Landlord will pay Tenant five percent (5%) of the gross revenues of all operators of facilities selling or serving Non-Stadium Fast Food derived by such operations from the sale of Non-Stadium Fast Foods on the day of any Team home game in the Baseball Stadium, such payment to be made by Landlord no later than the fifteenth (15th) day following the end of any month in which a Team home game occurs in the Baseball Stadium for all days within
the prior month on which a Team home game occurred in the Baseball Stadium; provided, further, however, that if Tenant has prepaid the Base Rent, any credits due Tenant hereunder shall be reimbursed directly to Tenant by Landlord within thirty (30) days after the due date.

(vii) Landlord will require appropriate provisions in any lease, concession or other rental and operating agreements with operators of facilities selling or serving Non-Stadium Fast Food requiring the reporting of gross revenues derived by such operators on the day of any Team home game in the Baseball Stadium no later than the fifteenth (15th) day following the end of any month in which a Team home game occurs in the Baseball Stadium:

(viii) For purposes hereof, Section 8(c)(vi) will not be applicable to facilities selling primarily ice cream or other frozen confections, bakery goods, coffee and other soft drinks and beverages, candy, popcorn and nuts; provided, however, that if such facilities also sell other forms of fast food and take out food, the foregoing limitations will apply to such operations and the entire gross revenues of such operations (including revenues derived from the sale of such exempt products) from the sale of such foods will be included in the liquidated damages payable to Tenant as set forth above.

9. Rent and Revenue Sharing.

(a) Base Rent. During the Term, Tenant shall pay Landlord semi-annually a sum (the "Base Rent") determined as follows:

(i) On or before the Commencement Date, the present value (as of the Commencement Date) of the amounts to be contributed by Landlord pursuant to Section 6(e)(ii) of the Lease (the "Discounted Amount") shall be computed based upon a disbursement schedule prepared by Tenant pursuant to Section 6(e)(iii) and a discount rate of five and one-half percent (5.5%), compounded semi-annually.

(ii) At that time, the semi-annual amount (the "Level Payment Amount") required to fully-amortize the Discounted Amount with level (i.e., equal in amount) semi-annual payments in arrears during the period commencing on the Commencement Date up to and including December 31, 2029 shall be computed based upon an interest rate of seven and one-half percent (7.5%), compounded semi-annually (the "Rental Interest Rate").
Subject to the following adjustments, the Base Rent payments shall be equal to the Level Payment Amount and shall be paid on each March 31 and September 30 during the Term with a final payment on December 31, 2029:

(A) The Base Rent payment due on March 31, 1997, for the six month period ending on that date shall instead be paid on March 31, 1999, together with interest on such payment calculated at a rate of seven and one-half percent (7.5%) per annum, compounded semi-annually for the period from March 31, 1997 through March 30, 1999;

(B) The Base Rent payment due on September 30, 1997, for the six month period ending on that date shall instead be paid on September 30, 1999, together with interest on such payment calculated at a rate of seven and one-half percent (7.5%) per annum, compounded semi-annually for the period from September 30, 1997 through September 29, 1999;

(C) The Base Rent payment due on March 31, 1998, for the six month period ending on that date shall instead be paid on March 31, 2000, together with interest on such payment calculated at a rate of seven and one-half percent (7.5%) per annum, compounded semi-annually for the period from March 31, 1998 through March 30, 2000;

(D) The Base Rent payment due on September 30, 1998, for the six month period ending on that date shall instead be paid on September 30, 2000, together with interest on such payment calculated at a rate of seven and one-half percent (7.5%) per annum, compounded semi-annually for the period from September 30, 1998 through September 29, 2000;

(E) The Base Rent payment due on March 31, 2029, shall be equal to the Level Payment Amount plus $50,000;

(F) The Base Rent payment due on September 30, 2029, shall be equal to the Level Payment Amount plus $100,000; and

(G) The Base Rent payment due on December 31, 2029, shall be equal to one-half of the Level Payment Amount.
Upon the issuance of any Base Rental Bonds, the Rental Interest Rate shall be modified to reflect the interest rate payable on the Base Rental Bonds. To the extent the Base Rent payments in any given period precede or exceed Base Rental Bond payments (including recurring fees, such as trustee fees due under the Indenture) made by Landlord, such payments/excess shall be held by Landlord (after consulting in good faith with Tenant) in interest bearing assets that are reasonably acceptable to Tenant (such payments/excess held in interest bearing assets together with interest earned thereon being hereinafter referred to as the "Reinvestment Amount"). To the extent any payment owed by Issuer under the Base Rental Bonds exceeds the Base Rent payment received by Landlord within the preceding six months, Landlord shall first apply any Reinvestment Amount held by Landlord against the shortfall and Tenant shall pay any remaining shortfall to Landlord not less than fifteen (15) days prior to the date such Base Rental Bond payment is due.

(b) **Rent Prepayment.** Tenant shall have the right at its option to prepay, in whole or part, and in one or more installments, any unpaid scheduled Base Rent payments, upon prior written notice (a "Prepayment Notice") to Landlord: provided, however, that Tenant shall have the right to make a partial prepayment before the issuance of the Base Rental Bonds only if the Base Rental Bonds can be issued with respect to the non-prepaid portion of Base Rent; and provided further, that Landlord shall not be deemed to be acting unreasonably if upon due consultation Landlord determines that it is not commercially feasible to issue Base Rental Bonds in the amount of the non-prepaid Base Rents. Tenant shall have the right at any time after the issuance of the Base Rental Bonds to prepay the present value of all or part of its Base Rent obligations (using a discount rate equal to the Rental Interest Rate applicable to then current and future Base Rent payments) at its discretion so long as the Issuer does not suffer any adverse financial impact therefrom. Each Prepayment Notice shall specify a proposed date of prepayment (the "Prepayment Date"), the future installments of unpaid scheduled Base Rent that Tenant elects to prepay, and the amount of each future installment of scheduled Base Rent that shall be prepaid (the "Prepayment Amount"). On any Prepayment Date, Tenant shall pay to Landlord the Prepayment Amount for each future installment of scheduled Base Rent that is specified to be prepaid in the Prepayment Notice in the manner specified herein for the prepayment of Base Rent. With respect to each future installment of scheduled Base Rent that is being prepaid pursuant to this Section 9(b), the amount of credit against each future installment of scheduled Base Rent being prepaid shall be determined by compounding, on a semiannual basis, the prepayment amount for such future installment from
the Prepayment Date to the date such future installment would otherwise be
due and payable using a discount rate equal to the Rental Interest Rate.
Notwithstanding anything to the contrary herein or in any documents related
hereto, but subject to Section 30 and the credit or credits granted to Tenant
under this Lease, any prepayment pursuant to this Section 9(b) shall be
retained by Landlord in any and all events that are contemplated, prospective
or possible under the provisions and conditions heretof, and shall be absolute
and irrevocable under any circumstances whatsoever. Nothing in the
preceding shall be construed to limit the exercise or enforcement of any
remedies that may be available to Tenant in connection with a breach of this
Lease.

(c) **Investment of Prepaid Base Rent.** To the extent that any amounts of
Base Rent are prepaid by Tenant pursuant to Section 9(b), Landlord, after
consultation in good faith with Tenant, shall hold such prepaid amounts in
interest bearing assets that are reasonably acceptable to Tenant. Such
prepaid amounts shall be so invested until required to pay for Costs of the
Stadium Renovations or otherwise credited or distributed pursuant to this
Lease.

(d) **Ticket Sales.** Tenant will pay Landlord, as additional rent each year during
the Term, Two Dollars ($2) for each paid admission ticket to a Team home
game held at the Baseball Stadium in excess of two million six hundred
thousand (2,600,000) paid baseball admissions in such year. For purposes
of calculating annual paid admissions to Team home games, (i) admission
tickets to any Major League Baseball All-Star game, "Old Timers" or similar
game in the Baseball Stadium shall not be included if conducted with a
separate admission from a Team home game, and (ii) Tenant shall be limited
in the number of complimentary tickets which Tenant may provide (exclusive
of complimentary tickets provided to Landlord) which shall not exceed 3,000
tickets per game and 100,000 tickets per year. In addition, Tenant may issue
not more than 50,000 complimentary tickets for use in the promotion of
scholastic achievement by students in the Southern California area in
recognition of said students’ outstanding scholastic achievement. All such
complimentary tickets may include complimentary parking. If admission
tickets for Team home games are packaged with other attractions or events
sponsored or operated by Tenant or Disney, including Disneyland Park, any
such tickets shall not be considered complimentary tickets for the purpose of
the preceding sentence if the purchaser paid value for the package, regardless
of the allocation made internally by Tenant. For example, a ticket to a Team
home game received with a paid admission to Disneyland Park shall be
considered a paid admission to the home game, and a “buy one/get one free”
promotion shall be considered two paid admissions to the home game. Any
complimentary tickets made available by Tenant in excess of the foregoing limits, exclusive of complimentary tickets provided to Landlord pursuant to Section 20, will be counted as paid admission tickets for such year.

(e) **Other Events Revenues.** If in any year the Other Events Revenues of Tenant exceeds Two Million Dollars ($2,000,000) (adjusted each year by increases in the CPI), Tenant will pay Landlord as additional rent twenty-five percent (25%) of such excess.

(f) **Parking Revenues.** If in any year the net operating income received by Tenant from all parking operations at the Stadium Site on days of Team home games ("Parking Revenues") exceeds Four Million Dollars ($4,000,000) (adjusted each year by increases in the CPI), Tenant will pay to Landlord as additional rent twenty-five percent (25%) of such excess. To the extent parking is provided on a complimentary basis to holders of premium seating, club seats and suites at the Baseball Stadium, excluding complimentary parking provided to Landlord pursuant to Section 21(d) or pursuant to Section 9(d), parking revenues shall be increased by allocating the standard general admission parking charge for Team home games multiplied by the number of Team home games actually held during such Season for each such complimentary parking pass.

(g) **PSL Revenues.** Tenant will pay Landlord as additional rent twenty percent (20%) of gross revenues, if any, derived by Tenant from the sale of preferred seat licenses ("PSL Revenues") and similar financing techniques whereby persons purchase the right to acquire admission tickets to Team home games or facility/club access in the Baseball Stadium. Annual amounts and deposits paid for tickets, suites, club and other premium seats or facility/club access will not be included in PSL Revenues.

(h) **Time of Payment.** Amounts payable by Tenant pursuant to Sections 9(d) through 9(g) shall be paid on an annual basis on December 1st of each calendar year during the Term in respect of the immediately preceding Season.

(i) **Calculation of Net Revenue.**

(i) **Other Event Revenues.** For purposes of computing Other Event Revenues under Section 9(e), there shall be deducted from gross revenues received by Tenant for all events other than Team home games, advertising and sponsorships, the following: Landlord's share of such revenues as described in Section 9(e), reasonable operating expenses allocable to the event, such as utility costs, security, ratale
personnel expenses, specific insurance or bonding expenses, reasonably allocated maintenance and repair expenses, administrative expenses (including overhead allocations) reasonably related to the event, payments to third-party vendors and suppliers, payments to event promoters, sponsors and acts or performing artists. In determining net revenues, the following shall not be allowed as deductions: depreciation, allocation of capital expenditures, interest expense, any expense actually reimbursed by a third party (except to the extent such reimbursement is included in gross revenues), or paid to an Affiliate of Tenant (unless such payment would otherwise constitute a deductible expense).

(ii) Parking Revenues. For purposes of computing Parking Revenues under Section 9(f), there shall not be deducted from gross revenues received by Tenant from all parking operations at the Stadium Site on days of Team home games any expense other than sums paid to the parking operator: provided, however, that if Tenant operates the parking on the Stadium Site, there shall be deducted from gross revenues received by Tenant from all parking operations at the Stadium Site on days of Team home games reasonable operating expenses allocable to the parking operations, security, ratable personnel expenses, specific insurance or bonding expenses, administrative expenses (including overhead allocations) reasonably related to the parking operations, reasonably allocated maintenance and repair expenses, and payments to third-party vendors and suppliers. In determining net revenues, the following shall not be allowed as deductions: depreciation, allocation of capital expenditures, interest expense, any expense actually reimbursed by a third party (except to the extent such reimbursement is included in gross revenues), or paid to an Affiliate of Tenant (unless such payment would otherwise constitute a deductible expense).

(iii) Accounting Principles. All computations shall be made in accordance with generally accepted accounting principles, consistently applied and fairly representative of actual income and expenses.

10. Maintenance and Capital Reserve.

(a) Standard. Tenant will maintain the Baseball Stadium in good condition and repair, subject to ordinary wear and tear, at its sole expense (subject to Section 10(b) relating to Landlord's contribution to the Capital Reserve). The standard of maintenance to which Tenant will adhere in the maintenance of the Baseball Stadium will be at least equal to first class professional baseball
stadiums, such as, on the date hereof, Kansas City and Dodger stadiums, taking into account the age and design of such stadiums. provided, however, that Tenant will not be required to upgrade equipment and systems (such as, scoreboard, public address system, telecommunication facilities, etc.) in order to remain state of the art with other stadiums, but all such equipment and systems shall be maintained at least to the standard of the Benchmark described below.

(b) **Capital Reserve Fund.** In order to establish and maintain a capital expenditure fund (the "Capital Reserve") for the purpose of the making of capital repairs and improvements to the Baseball Stadium (including fixtures, furnishings and equipment) and the Parking Area as required to maintain the Baseball Stadium and the Parking Area to the standard set forth in Section 10(a), (i) commencing with the January 1, 1997 calendar year, and each year thereafter, Landlord shall deposit into the Capital Reserve an amount equal to Landlord’s Reserve Obligation computed as set forth in Section 10(c), and (ii) commencing with the January 1st following completion of the Stadium Renovations, and each year thereafter, Tenant will deposit into the Capital Reserve a sum equal to Eight Hundred Thousand Dollars ($800,000) (adjusted annually for changes in the CPI from the base year of the first full calendar year following the completion of the Stadium Renovations) less (i) Landlord’s Reserve Obligation and (ii) any sum required to be deposited by Landlord therein during any period prior to the Completion Date for the Costs of the Stadium Renovations (plus interest earned thereon) which was not expended by Tenant from the Capital Reserve for ordinary repairs and maintenance during the period prior to the Completion Date for the Costs of the Stadium Renovations. Notwithstanding the foregoing, in the event Landlord’s Reserve Obligation exceeds Eight Hundred Thousand Dollars ($800,000), as so adjusted, Landlord shall fund the entire amount of Landlord’s Reserve Obligation in the Capital Reserve in that year. Such funds shall be held and invested by Landlord in an interest bearing account reasonably approved by Tenant, with interest earned thereon to be deposited in the Capital Reserve and used for the purposes contemplated in this Section 10(b). Tenant shall have full discretion and control over the expenditure of funds from the Capital Reserve for capital repairs and improvements to the Baseball Stadium (including fixtures, furnishings and equipment) and the Parking Area (or the Primary Parking Area if Sportstown is developed), and for ordinary repairs and maintenance of the Baseball Stadium and the Parking Area during the period from the Commencement Date to the Completion Date, subject to Landlord's reasonable right of approval of any such expenditures in the final seven (7) years of the Term and to Landlord’s right to cause funds in the Capital Reserve to be expended for capital repairs and improvements during such seven year period. From time to time Tenant may expend funds in the
capital maintenance and improvement of the Baseball Stadium and/or the Parking Area (or the Primary Parking Area if Sportstown is developed), and, to the extent such funds exceed the amount then held in the Capital Reserve, Tenant shall be entitled to credit (without interest) such amount against its next succeeding obligations to fund the Capital Reserve in future years. Upon expiration or earlier termination of the Lease (other than an early termination under Section 5), if the Baseball Stadium and Parking Area (or the Primary Parking Area if Sportstown is developed) have been maintained to the standard set forth in Section 10(a), any sums remaining in the Capital Reserve will be the property of Tenant, and such sums shall be deemed excess rental payments which are reimbursable to Tenant. If, upon expiration or earlier termination of the Lease (other than an early termination under Section 5), the Baseball Stadium and the Parking Area (or the Primary Parking Area if Sportstown is developed) have not been maintained to the standard set forth in Section 10(a), Landlord shall have the right to use any sum remaining in the Capital Reserve to repair and restore the Baseball Stadium (including fixtures, furnishings and equipment) and the Parking Area (or the Primary Parking Area if Sportstown is developed) to the standard set forth in Section 10(a) in addition to all other remedies available to Landlord either prior to or following expiration of the Term as a result of such failure to maintain the Baseball Stadium and the Parking Area (or the Primary Parking Area if Sportstown is developed). Within ninety (90) days following each year of the Term, Tenant shall provide Landlord with a written statement of such expenditures made during the preceding year, accompanied by reasonable supporting documentation. As used in this Section 10(b), capital repairs and improvements shall mean expenditures for property, components, systems and structures with a useful life of not less than five (5) years or which extend the life of the structure or improvement into which incorporated by not less than five (5) years and having a unit cost of not less than Five Thousand Dollars ($5,000), specifically excluding regular maintenance and repairs, or replacement or repair of event-damaged property.

(c) Computation of Landlord's Reserve Obligation. Each January 1st of the Term, the total of Property Taxes, after deduction of the first One Hundred Fifty Eight Thousand Seven Hundred Seventy Three Dollars ($158,773), shall be computed. Such amount, up to a maximum annual amount of Five Hundred Thousand Dollars ($500,000) (which amount, less One Hundred Fifty Eight Thousand Seven Hundred Seventy Three Dollars ($158,773), will be increased each year by the percentage by which the assessed valuation of the leasehold estate of Tenant increased for such year over the prior year, not to exceed two percent (2%) per annum), is hereinafter referred to as the "Contribution Base". In addition, each January 1st of the Term, any portion of the Property Taxes paid by Tenant in excess of the first One Hundred Fifty Eight Thousand
Seven Hundred Seventy Three Dollars ($158,773) and the Contribution Base (collectively, the “Excess Tenant Payments”) shall be computed and the “Reserve Increment” shall be determined. During the period commencing on the Commencement Date and ending on August 8, 2004 (“Phase I”), the Reserve Increment for any tax year shall equal sixty percent (60%) of the Excess Tenant Payment for that tax year. During the twenty (20) year period immediately following expiration of Phase I (“Phase II”), the Reserve Increment for any tax year shall equal the sum of (i) sixty percent (60%) of that portion of the Excess Tenant Payment which is equal to the Excess Tenant Payment in the last tax year of Phase I (the “Final Phase I Tenant Payment”), plus (ii) forty three and two tenths percent (43.2%) of the remainder of the Excess Tenant Payment. During the term of the Lease following the expiration of Phase II, the Reserve Increment for any tax year shall equal the sum of (i) sixty percent (60%) of that portion of the Excess Tenant Payment which is equal to the Final Phase I Tenant Payment, plus (ii) forty three and two tenths percent (43.2%) of that portion of the Excess Tenant Payment which is equal to the difference between the Excess Tenant Payment in the last tax year of Phase II (the “Final Phase II Tenant Payment”) and the Final Phase I Tenant Payment, and (iii) thirty two percent (32%) of the remainder of the Excess Tenant Payment. Notwithstanding the foregoing, if the amounts to which redevelopment agencies may be entitled under California Health and Safety Code Sections 33334.2 and 33607.5 are amended by a change in law, such changes shall be reflected in an adjustment of the amount of the Reserve Increment. In addition, if Landlord does not pay any sum owed to Tenant under Section 8(c)(vi) (a “Fast Food Shortfall”), such sum shall be paid by Landlord into the Capital Reserve. “Landlord’s Reserve Obligation” shall equal the total of the Contribution Base, the Reserve Increment and the Fast Food Shortfall for purposes of Section 10(b).

(d) **Alterations.** Tenant may make any interior alterations, additions or improvements to the Baseball Stadium and Parking Area (or the Primary Parking Area if Sportstown is developed) it deems appropriate, and Tenant shall bear all costs of such improvements (subject to use by Tenant of the capital reserve fund provided in Section 10(b) for the purposes contemplated therein). Tenant will obtain Landlord’s prior approval of any such alterations, additions or improvements which affect the structural integrity of the Baseball Stadium, or its mechanical, electrical, HVAC, plumbing or other building systems. Upon termination of this Lease, Tenant shall assign to Landlord all then-existing warranties for any component, system, fixture or equipment installed by Tenant, and shall provide Landlord as-build drawings of all improvements and alterations to the Baseball Stadium.
11. Advertising and Sponsorship.

(a) **General.** Subject to the existing agreement with Spencer, Tenant shall have exclusive control of the use, licensing and other agreements for all advertising, promotion and marketing of, on or at the Baseball Stadium, including parties, pricing, location (inside the Baseball Stadium or attached to the exterior of the Baseball Stadium) and content. Tenant will retain all revenues generated by licensing and other agreements for advertising, promotion and marketing of, on or at the Baseball Stadium. Subject to all agreements existing as of the date hereof, Tenant will be the exclusive sales agent for all exterior advertising on the remainder of the Stadium Site other than advertising on the exterior of the football stadium; provided, however, that no additional advertising signage shall be erected on the Stadium Site (other than as provided in Section 11(b) and excluding the interior of the Baseball Stadium or the football stadium, when constructed). Signage which exclusively identifies and locates tenants of Sportstown upon construction of such development and sponsorship signage for the Baseball Stadium, football stadium and Sportstown shall not be considered advertising signage for purposes of this Lease. Tenant will retain all revenues generated by licensing and other agreements for such exterior advertising at the Stadium Site (other than on the exterior of the football stadium). All signs located at the Stadium Site for the purpose of designating the Baseball Stadium shall give prominence to the name “Anaheim” at least equal to 75% of the size of the sponsor name.

(b) **Restrictions on Advertising.** Tenant will not install or permit more than four (4) advertising signs on the exterior of the Baseball Stadium. and Landlord agrees to limit advertising signage on the exterior of the football stadium to four (4) signs no larger than those currently in place on the Baseball Stadium. Landlord agrees that no advertising on the football stadium will conflict with the sponsor which has acquired naming rights of the Baseball Stadium at the time of contracting for such advertising on the football stadium, that is, any proposed advertiser promoting products or services which compete with the products or services manufactured or sold by the sponsor acquiring naming rights licensed in connection with the Baseball Stadium. In the event a football stadium is constructed on the Sportstown Site and a license is granted by Landlord or its successor in interest with respect to the football stadium for a sponsor name of the football stadium, or a license is granted by Landlord or its successor in interest with respect to Sportstown for a sponsor name for Sportstown, or a license is granted by Landlord for the sponsor name of the entire stadium complex (football and baseball stadiums and Sportstown), Tenant will not thereafter grant advertising on any exterior location of the Stadium Site which conflicts
with the naming rights so licensed, that is, any proposed advertiser promoting products or services which compete with the products or services manufactured or sold by the sponsor acquiring naming rights licensed in connection with the football stadium or Sportstown.

(c) **Relocation of Advertising.** Landlord will (i) pay for the relocation of any existing advertising or other signage which must be relocated in connection with development of the Sportstown Site (*provided, however,* that Landlord may not relocate or otherwise alter the advertising signs along SR57, and may not relocate any other sign if a comparable relocation site is not available or cannot be utilized for any reason), and (ii) reimburse Tenant for any loss of revenues from such relocation and temporary removal of such advertising signage during construction of such development, and such relocated signage and advertising will be at comparable locations approved by Tenant.

(d) **Baseball Stadium Sponsorships.** Tenant will have exclusive control over all matters relating to sponsor and promotional agreements relating to the Team, the Baseball Stadium and all events held or scheduled at the Baseball Stadium. Tenant will have sole control over the sale or licensing of a sponsor name to be associated with the Baseball Stadium; *provided, however,* that the name of the Baseball Stadium will at all times include the name “Anaheim”, and the sponsor will not be a company primarily identified with the sale of tobacco products or the conduct of gaming operations. Tenant will retain all revenues generated by sponsor and promotional agreements relating to the Team and/or Baseball Stadium, including all revenues derived from the sale or licensing of a sponsor name to be associated therewith. All signs located at the Stadium Site for the purpose of designating the Baseball Stadium shall give prominence to the name “Anaheim” at least equal to 75% of the size of the sponsor name.

(e) **Football Stadium and Sportstown Sponsorships.** Landlord will have sole control over the sale or licensing of a sponsor name to be associated with the football stadium on the Sportstown Site, Sportstown, or the entire stadium complex consisting of the football and baseball stadiums and Sportstown; *provided, however,* that no such name will conflict with previously granted naming rights of the Baseball Stadium, that is, any proposed sponsor promoting products or services which compete with the products or services manufactured or sold by the sponsor acquiring naming rights licensed in connection with the Baseball Stadium; such name will at all times include the name “Anaheim”; and the sponsor will not be a company primarily identified with the sale of tobacco products or the conduct of gaming operations, or which conflicts with the rules, regulations, guidelines and policies of Major League Baseball which would apply to such site. Landlord will retain all
revenues generated by sponsorship and promotional agreements relating to
the football stadium, Sportstown, or the entire stadium complex consisting of
the football and baseball stadiums and Sportstown (but not the Baseball
Stadium alone), including all revenues derived from the sale or licensing of a
sponsor name to be associated therewith.

(f) **Team Name.** Tenant will change the name of the Team to include the name
"Anaheim" therein, such change to be effective no later than the
commencement of the 1997 Season.

12. **Ticket Sales.** Tenant shall have sole control over the pricing, marketing, inventory
control and sales of tickets for admission to the events at the Baseball Stadium and
Parking Area (subject to Landlord's rights under Section 7(e)). The Baseball Stadium
box office will be operated by Tenant, and Tenant will control the hours of operation
of the Baseball Stadium box office. Tenant may sell tickets at the Baseball Stadium
box office for admission to Tenant events and attractions, including Disneyland Park
and other theme parks and resorts owned, operated or licensed by Tenant, Disney or
their respective Affiliates. Tenant may restrict sales of tickets to all or some
non-baseball events at the Baseball Stadium box office during the day of any Team
home game or other event at the Baseball Stadium. Tenant may permit the sale of
tickets for admission to Disney events and attractions, including Anaheim Pond
events, and Disneyland Park and other theme parks and resorts owned, operated or
licensed by Disney or its Affiliates on such days.

13. **Merchandising and Food and Beverages.** Tenant may maintain in its sole
discretion such open and enclosed merchandising locations in the Baseball Stadium
as Tenant may elect from time to time for the sale of professional or amateur sports
labeled or theme merchandise, event programs and other publications. Major League
Baseball merchandise, Team merchandise, Disney-themed or labeled merchandise
and other merchandise derived from Disney properties or distributed by Disney or its
Affiliates. Tenant may maintain in its discretion such open and enclosed facilities in
the Baseball Stadium as Tenant may elect from time to time for the sale of food and
beverages. Tenant will have sole control over the selection and pricing of
merchandise, food and beverages to be made available at the Baseball Stadium, the
hours of operation of such locations and the content of event program and other
publications. Subject to applicable law, Tenant will have the right in its discretion
to determine whether to suspend or prohibit the sale of alcoholic beverages at the
Baseball Stadium during events, and will consult with City of Anaheim police
department in making such determinations. Tenant will retain all revenues generated
by the sale of merchandise (including, without limitation, programs and publications)
and food and beverages at the Baseball Stadium. All expenses of such sales,
including the operation of merchandising locations and food and beverage locations
in the Baseball Stadium, will be borne by Tenant. Tenant will provide Landlord with
monthly statements identifying sales tax generated by Tenant from merchandising and food and beverage locations in the Baseball Stadium.

14. Concessions. Tenant will have exclusive control over all third-party food and beverage concession operations and merchandise concession operations (including licensing, subleasing or granting of concessions with suppliers, vendors and operators) within the Baseball Stadium and Parking Area. Tenant may contract with one or more nationally recognized operators of stadium food and beverage operations (such as, Ogden or ARA) to manage and operate all or part of the food and beverage operations at the Baseball Stadium during the Term. Any other third-party food and beverage operator other than an Affiliate of Disney or Tenant will be subject to the approval of Landlord, which approval will not be unreasonably withheld, conditioned or delayed. Tenant will retain all revenues derived from such concession operators. Tenant shall indemnify and defend Landlord against all claims and losses arising from the Tenant’s termination or assumption of any such licensing or subleasing arrangements, including, without limitation, the Ogden agreement described in Section 20.

15. Broadcasting. Tenant will have exclusive control over all broadcasting of events at the Baseball Stadium, including radio, television, cable vision, pay television, pay-per-view, videotaping, satellite transmission, closed circuit and all future forms of media transmission and broadcasting. Subject to rules and regulations of the American League and Major League Baseball. Tenant will retain all revenues derived from the broadcasting of events at the Baseball Stadium, including origination fees or charges, if any.


(a) Stadium Parking. Tenant will have exclusive control over the use, maintenance, pricing, operation, charges and hours of operation of the Parking Area (including landscaping) during events at the Baseball Stadium and Parking Area events, subject to diminution of the Parking Area to the Primary Parking Area as set forth in Section 16(b)(1). Subject to provisions of Section 8(b), all parking spaces in the Parking Area will be surface, flat, striped, paved asphalt or concrete parking. Not less than 12,500 parking spaces will be reserved for the exclusive use of Tenant during the period of three hours before to one hour after commencement of all Team home games and for a comparable period before, during and after the conduct of all other events by Tenant in the Baseball Stadium, all of which spaces will be located on the Stadium Site (excluding the Baseball Stadium) unless Tenant otherwise agrees in writing with Landlord or except as otherwise provided in Section 16(b).
(b) **Sportstown Parking.** If the Sportstown Site is developed for the purposes permitted in this Lease:

(i) from and after the date when the Sportstown Site is required in connection with development of Sportstown, and parking thereon in connection with Team home games and Tenant sponsored events in the Parking Area is prevented by such development, all such parking required to be provided to Tenant pursuant to Section 16(a) shall be provided within the area designated as the “Primary Parking Area” on *Exhibit H* attached hereto; provided, however, that Landlord shall have the right to provide parking for buses off the Stadium Site, including on streets adjacent to the Stadium Site, in such locations within reasonable walking distance from the Baseball Stadium as the parties shall agree, including in the “Fire-Training Center” located near the Stadium Site across Orangewood Avenue near the Santa Ana River, all of such parking to be in locations where bus passengers can reasonably locate their respective buses, and Landlord shall be responsible for the costs of re-landscaping the Primary Parking Area as a result of development of Sportstown as set forth in *Exhibit F*. A conceptual plan for the location and design of the Primary Parking Area after development of Sportstown is set forth on *Exhibit U* attached hereto.

(ii) Landlord may relocate, at no cost or expense to Tenant or the Team, up to 500 such parking spaces for employee parking within a reasonable and safe walking distance from the Stadium Site;

(iii) parking for all special events held by Tenant in the Parking Area will be restricted to exclude 1,000 parking spaces southerly of the Gene Autry Way within the “Last Load Parking” area described in Section 16(b)(iv), which spaces will be reserved for use of the general public in connection with the operation of Sportstown; and

(iv) during all Team home games and other events held in the Baseball Stadium, Tenant will utilize the parking area designated as “Last Load Parking” on *Exhibit I* attached hereto, or such other “Last Load Area” as the parties may hereafter agree to designate in replacement thereof (excluding areas therein designated for VIP and reserved parking) only after the remaining portions of the Parking Area have been substantially filled, it being the intent of the parties that the area comprising the Last Load Parking will be made available for use of the general public in connection with operation of Sportstown if not
required, in Tenant’s reasonable judgment, in connection with the
class of Team home games and other events held in the Baseball
Stadium: provided, however, that if Tenant reasonably determines,
Based upon the number of paid admissions to a scheduled Team home
game, that the Last Load Parking area will be required in connection
with such Team home game. Tenant shall not be required to refrain
from parking in such area until the remaining portions of the Parking
Area have been substantially filled and may utilize such the Last Load
Parking area as necessary to accommodate efficient and safe loading
of the Parking Area.

(v) On days of Team home games and other events in the Baseball
Stadium, all parking in any parking structure constructed by Landlord
as set forth in Section 8(b) admitted during the period of three hours
before to one hour after commencement of all Team home games and
for a comparable period before, during and after the conduct of all
other events by Tenant in the Baseball Stadium shall be deemed
parking for such Team home game or event and shall be governed by
Sections 9(f), 9(i)(ii), 16(a) and 16(e).

(c) Operational Conflicts. Landlord acknowledges that Parking Area events
and the revenue which may be generated therefrom is a material part of the
consideration for the agreement described in this Lease, and Tenant
acknowledges that Landlord’s ability to develop the Sportstown Site is a
material term of this Lease as well. Tenant and Landlord will cooperate to
minimize competition to future Sportstown tenants from Parking Area events
in a manner which protects the interests of all parties, for example, by
limiting the number of days of competing events annually, by providing for free
exhibition space at events for tenants whose primary product lines will be sold
or exhibited at such events, or other mutually satisfactory arrangements.

(d) Parking Operator. Tenant will have the option of selecting and entering
into a contract with a single third party operator for the Parking Area for all
events at the Baseball Stadium and the football stadium, if the latter is
constructed by Landlord, and for events conducted by Tenant and Landlord in
the Parking Area as herein permitted. Except as otherwise provided in this
Section 16(d), the terms of the agreement with such third party operator of
the Parking Area shall apply without discrimination or variance between
events conducted by Landlord and Tenant in the Parking Area or between
events in the Baseball Stadium and the football stadium. Parking charges for
events held in the football stadium and for events conducted by Landlord in
the Parking Area will be established by Landlord; provided, however, (i) if
such charges for events at the football stadium are less per admission than
the rates charged for Team home games, or (ii) parking charges for Landlord events held in the Parking Area are less per admission than the rates charged for Tenant events in the Parking Area, and in either case such operator's fee is based upon a percentage of parking revenues. Landlord must obtain the agreement of such operator to reflect the parking rates charged for such football games or Landlord Parking Area events, respectively. provided, further, that, with respect to parking for Landlord conducted events in the Parking Area, Landlord shall not be required to pay more in the aggregate than it would have paid to such parking operator if Landlord had charged the same parking rates for such events as is charged for parking at Tenant conducted events in the Parking Area. If Tenant elects to have the Parking Area managed and operated by a third party operator, Landlord will have a 30-day right of first offer to manage the Parking Area under a concession agreement with Tenant. If the parties are unable to agree upon the terms and conditions of such concession agreement, Tenant will have the right to enter into such a concession agreement with an operator for the Parking Area on terms and conditions no more favorable than those offered to Landlord. With respect to parking for Sportstown (that is, parking on the Sportstown Site; parking in the Potential Future Parking Structure in excess of the minimum parking dedicated to Tenant during Team home games and other events in the Baseball Stadium; and parking in the Primary Parking Area on days other than Team home games, events in the Baseball Stadium, and Landlord and Tenant conducted events in the Parking Area), Landlord and Tenant may agree upon a single operator to manage the parking for Sportstown and the Primary Parking Area: provided, however, that if Landlord and Tenant are unable to agree upon the terms and conditions of such common parking management and operation, all parking for Sportstown will be managed and operated by Landlord or its designee.

(e) **Parking Revenues.** Subject to Section 9(f), Tenant will retain all revenues derived from parking in connection with all Team home games and other events at the Baseball Stadium and from Parking Area events sponsored by Tenant; all expense of parking operations during Team home games and other events conducted at the Baseball Stadium and Parking Area events sponsored by Tenant (including, without limitation, cleaning and repairs caused by such events) will be borne by Tenant (or the parking operator). Landlord will retain all revenues derived from parking in connection with all events at the football stadium and from Parking Area events sponsored by Landlord; all expense of parking operations during events conducted at the football stadium and Parking Area events sponsored by Landlord (including, without limitation, cleaning and repairs caused by such events) will be borne by Landlord (or the parking operator). Tenant shall be responsible for payment of all capital expenditures (such as resurfacing and restriping of the Primary Parking Area...
after the original restriping by Landlord in connection with the development of the Sportstown Site): provided, however, that: (i) from and after the commencement of construction of a football stadium at the Sportstown Site, the capital maintenance costs and expenses related to the Parking Area shall be shared between Landlord and Tenant in the same proportion that total usage for events at the Baseball Stadium and Tenant conducted events in the Parking Area bears to total usage for events at the football stadium; and (ii) from and after the commencement of construction of Sportstown, the capital maintenance costs and expenses related to the Parking Area shall be shared between Landlord and Tenant in the same proportion that total usage for events at the Baseball Stadium and Tenant conducted events in the Parking Area bears to total usage of the Parking Area for Sportstown parking; and (iii) if Sportstown and a football stadium are developed on the Sportstown Site, the capital maintenance costs and expenses related to the Parking Area shall be shared between Landlord and Tenant in the same proportion that total usage for events at the Baseball Stadium and Tenant conducted events in the Parking Area bears to total usage of the Parking Area for the football stadium and Sportstown parking.

(f) **Non-Competition.** Landlord will not operate, manage or lease (other than ground leases on which tenants operate parking facilities as of the date hereof and other than parking at the Arrowhead Pond of Anaheim so long as under the currently existing contract with Ogden as the same may be amended from time to time) any parking lot or structure which competes with parking on the Stadium Site during Team home games. Notwithstanding the foregoing, Landlord shall have the right to provide parking for Sportstown patrons (but not attendees at Team home games or other events in the Baseball Stadium) at the Sportstown Site and off-site.

(g) **VIP and Reserved Parking.** Tenant will have the right to designate up to 2,000 reserved surface parking spaces within the Primary Parking Area immediately adjacent to the Baseball Stadium for the purposes of (i) providing parking for the exclusive use of Tenant's administrative personnel and Team players and staff, which area may be improved by Tenant to provide security to staff and player personnel, and (ii) providing preferred parking on a complimentary or reduced charge basis to licensees and their guests in connection with the marketing and licensing of premium seating and suites at the Baseball Stadium.

(h) **Amtrak Parking.** Landlord and Tenant acknowledge that a portion of the Stadium Site is utilized for parking in connection with the Amtrak Station on the Stadium Site pursuant to the Amtrak Agreement. Such parking shall not be increased without Tenant's consent. Upon development of Sportstown,
such parking will be located within the Sportstown Site to the extent necessary for Landlord to provide the minimum parking required pursuant to Section 8(b). During times that Tenant (or the parking operator) is operating the Parking Area for events in the Baseball Stadium or Tenant conducted events in the Parking Area, Amtrak passengers entering the Parking Area to access the Amtrak parking will be charged for parking by Tenant (or the parking operator). Tenant will arrange with Amtrak for implementation of a parking validation system whereby such Amtrak passengers are reimbursed by Amtrak for such parking charges, and Tenant (or the parking operator) reimburses Amtrak weekly (or such other period as Amtrak and Tenant shall agree) for such parking charges which are reimbursed to Amtrak passengers. During such time as Tenant is operating the entire Parking Area (that is, before commencement of development of the Sportstown Site), Tenant shall not cause such portion of the Parking Area to be operated so as to cause a breach of Landlord’s obligations under the Amtrak Agreement.

17. Premium Seats and Suites. Tenant shall have sole control over the pricing, marketing, inventory control, sales and licensing of premium seating and suites, and shall retain all revenues and receipts derived from such sales and licensing. All premium seating and suites may be sold or licensed on a per event, per year and/or per multiple year all-event basis, and may include admission (i) to the Team's home playoff and World Series games, (ii) any other amateur and professional sports home games at the Baseball Stadium, and (iii) other events at the Baseball Stadium as may be determined by Tenant from time to time.

18. Private Club Revenues. Tenant shall have sole control over the pricing, marketing, inventory control, sales and licensing of any membership or admission fees to any private club or restaurant within the Baseball Stadium (collectively, a “Stadium Club”), or any other private club or restaurant operated at the Baseball Stadium in the future (which shall be included in the definition of Stadium Club as such term is used in this Lease). Tenant shall retain all revenues derived from operation of a Stadium Club.

19. Existing Agreements.

(a) Existing Financial Obligations. Landlord shall be solely responsible for, and shall indemnify, defend and hold Tenant harmless from, all liability and obligation arising out of any existing bond or other indebtedness in connection with the Stadium Site, including, without limitation: (i) the existing debt service on the Baseball Stadium (approximately $720,000 per year, maturing in August, 2001), and (ii) the existing debt service on the exhibition hall (approximately $480,000 per year, maturing in August, 2020). The existing debt service on the Jumbotron scoreboard and video system pursuant to the
Spencer Agreement set forth on *Exhibit J* shall continue to be paid as provided in the agreement with Spencer described below. On or before the Commencement Date, Landlord shall provide to Tenant reasonable evidence that (i) a default by the City or the issuer under the Existing Debt will not disturb the use and possession of Tenant of the Premises and appurtenant rights and licenses under this Lease, and (ii) no term or condition of the Existing Debt conflicts with the material provisions of this Lease (including the provisions hereof relating to application of insurance and condemnation proceeds).

20. **Other Existing Agreements.**

(a) **Spencer and Ogden.** On the Commencement Date of this Lease, Landlord will assign to Tenant, and Tenant will assume, pursuant to an assignment and assumption agreement to be entered into by Tenant and Landlord, all rights and obligations of Landlord pursuant to the existing agreements with Ogden Allied Leisure Services, Inc. ("Ogden") and Spencer Sports Media, Inc. ("Spencer"), or their respective successors in interest, relating to the Baseball Stadium, which agreements are more fully identified on *Exhibit J* attached hereto. Landlord will be entitled to the Nine Hundred Eighteen Thousand Dollars ($918,000) payment owed by Spencer to Landlord in 1999 and Tenant will be responsible for all costs associated with exercising any early termination options in the existing Baseball Stadium agreement with Ogden. From and after the date hereof, Landlord shall not amend, extend or otherwise take any action with respect to such agreements prejudicial to Tenant’s rights hereunder without Tenant’s prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned.

(b) **Other Event Agreements.** Landlord represents and warrants to Tenant that there are no events, bookings and reservations contracted for and scheduling use of the Baseball Stadium and/or Parking Area as of the date of this Lease which relate to use during the Term. From and after the date hereof, Landlord will not contract for any event using the Baseball Stadium and/or the Parking Area following the Commencement Date without Tenant’s reasonable approval, and in no event shall Landlord schedule any event for any period after the Commencement Date, except in accordance with Section 7(e) and subject to Section 7(f).

(c) **Golden West Baseball Agreements.** Golden West Baseball Co. has assigned to, and Tenant has assumed, the agreements between Landlord and Golden West Baseball Co. set forth on *Exhibit K* attached hereto.
(d) **Operating Agreements.** Landlord has provided Tenant with copies of all concession, operating, advertising and other agreements which pertain to the operation and maintenance of the Baseball Stadium and the Parking Area which will be in effect on the Commencement Date, which agreements are more fully identified on *Exhibit L* attached hereto ("**Existing Operating Agreements**"). Tenant shall have thirty (30) days from the date hereof within which to advise Landlord which of such agreements are approved, which approval shall not be unreasonably withheld, delayed or conditioned. Landlord shall obtain any and all consents required by such agreement in connection with the assignment and assumption thereof by Tenant hereeto, and Tenant's obligation to assume such leases is conditioned upon there being no event of default under any of such agreements. If Landlord does not obtain such consents prior to the Commencement Date, or Tenant does not approve any of such agreements, Landlord shall indemnify Tenant against any loss, claim, liability or damages resulting from termination of such contracts for which consent was not obtained or which were not approved by Tenant. The assignment and assumption of approved Existing Operating Agreements shall be evidenced by an assignment and assumption agreement to be entered into by Landlord and Tenant on or prior to the Commencement Date. All Existing Operating Agreements not assigned to and assumed by Tenant shall be terminated effective as of the Commencement Date. Landlord shall not amend, terminate, extend or otherwise take any action with respect to the Existing Operating Agreements prejudicial to Tenant's rights hereunder, nor shall Landlord enter into any new operating, maintenance or similar agreements whose term extends beyond the Commencement Date, without Tenant's prior written consent.

21. **Complimentary Use of Baseball Stadium Facilities.**

(a) **Non-Premium Seats.** At least ten (10) days prior to the first regular Season home game (including playoff, World Series and All-Star games) of the Team, or as soon as otherwise available to season ticket holders, Tenant shall provide to Landlord thirty (30) complimentary non-premium tickets for all Team home games at the Baseball Stadium at no cost; *provided, however,* that Landlord shall be charged for admission to playoff, World Series and All-Star games at the same price offered to other season ticket holders. Such tickets shall be at reasonably configured field level locations "between the bases" selected by Tenant. Landlord will not have the right to license, lease or sell such complimentary non-premium tickets. All such complimentary admissions shall not be included in the limitation on complimentary tickets set forth in Section 9(d).
(b) **Premium Seats.** At least ten (10) days prior to the first regular Season home game (including playoff, World Series and All-Star games) of the Team, or as soon as otherwise available to season ticket holders, Tenant shall provide to Landlord twenty (20) complimentary premium (club) seats for all Team home games at the Baseball Stadium at no cost; *provided, however,* that Landlord shall be charged for admission to playoff, World Series and All-Star games at the same price offered to other season ticket holders. Such tickets will be at reasonably configured locations agreed between Tenant and Landlord. Landlord will not have the right to license, lease or sell such complimentary premium tickets. All such complimentary admissions shall not be included in the limitation on complimentary tickets set forth in Section 9(d).

(c) **Suites.** Landlord shall have the use of two (2) suites for all Team home games (including playoff, World Series and All-Star games) and other events conducted at the Baseball Stadium at no cost other than a reasonable charge for maintenance and service during such events, and shall be provided with the maximum number of "standing room" tickets, if any, issued in connection with suite use at the Baseball Stadium. Landlord will not have the right to license, lease or sell such complimentary suites or license, lease or sell the right to occupy or use same. Subject to the priority set forth in the following sentence, the location of such suites will be selected by Landlord, but will not include a dugout level location. As a first priority in selection of location, Tenant will have the use of three suites for all events at the Baseball Stadium at locations selected by Tenant.

(d) **Parking.** Landlord shall have the use of forty (40) reserved parking spaces for all events at the Baseball Stadium at no cost, of which 10 will be VIP parking (specific spaces reserved and signed for named users). Landlord will not have the right to license, lease or sell such complimentary parking spaces or rights. Parking spaces allocated to Landlord shall not be included in the computation of Parking Revenues.

(e) **Media Credentials.** Tenant shall have the right to issue credentials to press and media personnel, television and radio personnel, American League, National League and Major League Baseball representatives and officials and to other persons, providing free access to the Baseball Stadium public areas and areas designed to accommodate such persons during the Team's home games and other events at the Baseball Stadium and Parking Area. All such complimentary admissions shall not be included in the limitation on complimentary tickets set forth in Section 9(d) unless such personnel are actually provided a ticket for a designated seat. A list of persons holding such
credentials shall be maintained by Tenant and provided to Landlord when requested.

(f) **Stadium Club Memberships.** If a Stadium Club (as described in Section 18) is operated in the Baseball Stadium, Tenant shall provide to Landlord ten (10) complimentary memberships during all periods of operation within the Term. In addition, upon Landlord’s telephonic request, Tenant agrees to provide to Landlord up to forty (40) complimentary admission passes to the Stadium Club per day of a Team home game for Landlord’s guests and invitees in connection with the use of Landlord’s suites, and premium and non-premium seats as set forth in Sections 21(a) through 21(c). Landlord will not have the right to license, lease or sell such complimentary Stadium Club memberships or passes, or license, lease or sell the right to occupy or use same.

22. **Stadium Operations.**

(a) **General Quality Standards.** Tenant will operate the Baseball Stadium in a manner which is consistent with first class professional baseball stadium operating practices used in Major League Baseball, such as, on the date hereof, Kansas City and Dodger stadiums (the “Benchmark Standard”); provided, however, that in the case of evaluating the physical condition of the Baseball Stadium, the Benchmark Standard shall take into account the age of the Baseball Stadium. For the purpose of determining compliance by Landlord with this Section 22(a), reference shall be made solely to the Benchmark Standard. If Tenant elects to contract with a third party operator for all or part of the events at the Baseball Stadium, such delegation will not relieve Tenant of its obligations hereunder. Subject to the foregoing, Tenant will have exclusive control over the standards of operation and staffing for all events conducted at the Baseball Stadium and Parking Area. In no event shall Tenant enter into any agreement with a third party operator or other provider which would extend beyond the Term without Landlord’s prior written consent.

(b) **Personnel.** Tenant will have exclusive control over the hiring, training, wages and other compensation, uniforms, job descriptions and performance standards, and other employee practices and procedures of Baseball Stadium and Parking Area personnel. Tenant will interview all existing employees of Landlord currently engaged in the Baseball Stadium operations and who indicate by a standard employment application an interest in being employed by Tenant in comparable positions upon the effective date of the Lease. Tenant will consider in good faith, but in its sole discretion, the employment of such persons, subject to wages, benefits and other employee programs and practices of Tenant. Landlord will indemnify, defend and hold Tenant and its
affiliates harmless from any claim, liability and expense arising from the termination of any of the existing employees at the Baseball Stadium by Landlord as contemplated in this Lease.

(c) **Discretion of Tenant.** Subject to the provisions of Sections 22(a) and 41(u), nothing in this Lease is intended to or shall be deemed to require Tenant to adopt any marketing, licensing, sales, pricing or operating policies or procedures which Tenant, in its sole discretion, does not elect to adopt.

(d) **Police and Traffic Control Staffing.** Tenant shall, at its expense, during Team home games and Tenant sponsored events in the Parking Area (i) maintain minimum staffing levels of uniformed City of Anaheim (sworn) police officers as Tenant reasonably determines (after reasonable consultation with Landlord) is necessary for crowd control and arrest purposes, and (ii) maintain minimum staffing levels of City of Anaheim Traffic Control Assistants and traffic management personnel as Tenant reasonably (after reasonable consultation with Landlord) determines is necessary for public safety and traffic control within the Parking Area and public streets immediately surrounding the Stadium Site.

23. **Taxes.**

(a) **Property Taxes.** All real and personal property taxes, general and special assessments, possessor interest tax, and other similar levies, assessments and charges levied and assessed against the Baseball Stadium, and/or the leasehold estate of Tenant created by the Lease or a related document will be paid by Tenant as additional rent ("**Property Taxes**"). Subject to Section 23(c), all sales and income taxes, fees and surcharges based on revenues or income derived from ticket sales for the Team's home games and other events and merchandise sales by Tenant shall be paid by Tenant.

(b) **Tax Challenges.** Landlord and Tenant will cooperate in protesting or taking such other steps as may be appropriate to challenge any assessment reasonably determined by either to be erroneous or improper.

(c) **Special Taxes.** If Landlord, or any political subdivision thereof, imposes, levies or assesses any ticket, admission, parking or other tax or fee based upon revenues derived from operations at the Baseball Stadium or Parking Area, or Team revenues, Tenant shall receive a credit against its lease payment obligations to Landlord as they become due equal to the amount of such tax or fee; *provided, however,* that if any such credit exceeds the amount of lease payment obligations reasonably estimated to be owed by Tenant during the remaining Term, Landlord shall reimburse Tenant for such excess amount in such year, with the final amount of such credit to be determined on
the expiration or earlier termination of this Lease. Notwithstanding the foregoing, if for any reason Landlord's obligation to pay to Tenant the foregoing sums, or credit the foregoing sums against Tenant's lease payment obligations, is determined to be unenforceable and Landlord is precluded or prevented by final determination and judgment of a court of competent jurisdiction from paying the foregoing amounts to Tenant, Landlord agrees to pay a like sum to Tenant to the extent of Tenant's ordinary repair and maintenance of the Baseball Stadium and Parking Area, and expenses incurred by Tenant in the operation of the Baseball Stadium and Parking Area, including game day and event expenses, in the year in which such tax or fee is paid by Tenant. This Section 23(c) shall not apply to any fee generally and uniformly assessed to all commercial enterprises in the City of Anaheim as a condition of doing business (such as, business license fees), or uniform fees for services generally provided to commercial enterprises (such as, utility services), nor shall it apply to fees, assessments or levies which do not disproportionately affect sports and entertainment facilities and operations (such as, utility users' taxes).

24. Utilities. Tenant will pay all charges for utilities and services to the Baseball Stadium, including electricity, heat and air conditioning, water and sewer, gas, telephone, trash and waste removal and similar charges. Landlord or its successors as providers of such services (unless Tenant elects to obtain such services from another provider) will maintain and, as necessary, replace, at no cost or expense to Tenant, all off-site utilities, lines and distribution systems serving the Baseball Stadium; provided, however, that Landlord will not be required to install new utilities or service, such as gas, not currently provided to the Baseball Stadium. Landlord shall pay for all utility charges and fees associated with the use of Landlord's office space within the Baseball Stadium, as provided in Section 6(c).

25. Association with Tenant and Disney. Landlord shall not have the right, and nothing in this Lease shall be construed to give Landlord the right, without Disney's prior written consent, to:

(a) use any of the names, marks, symbols, logos, characters (such as Mickey Mouse, Donald Duck, etc.), designs, representations, figures, drawings, ideas or other proprietary designations or properties owned, developed or created by Tenant, Disney or any of their respective Affiliates (the "Team/Disney Properties") as if they were Landlord's own property; or

(b) use Team/Disney Properties to express or imply an endorsement of Landlord's or any other person's services; or

(c) otherwise use the Team/Disney Properties.
Nothing contained in this Section 25 shall preclude Landlord from identifying or using depictions, descriptions or photographs of the Baseball Stadium, or identifying (without elaboration) that the Team plays its home games in the Baseball Stadium, in connection with the description of Landlord's role as landlord of the Baseball Stadium in proposals for additional business of similar nature, reports filed with governmental agencies or in reports required by law which require disclosure of such information, and similar activities which do not include or constitute promotion or advertising of any kind or nature or imply any endorsement by Tenant, Disney or any of their respective Affiliates, or the existence of any agency or joint venture relationship. Nothing herein contained shall be construed to grant to Landlord the right to the use of Team/Disney Properties other than incidental uses pursuant to the limited right herein granted. Tenant shall cause the Team (and use its reasonable efforts to cause the individual players on the Team) to cooperate with Landlord, at no cost or expense to Tenant, the Team or individual players on the Team, in promoting public and community causes and events.

26. Assignability.

(a) Assignment with Consent. Except as expressly permitted in this Lease, there shall be no assignment of this Lease, in whole or in part, by any party without the other party's prior consent, which consent shall not be unreasonably withheld, delayed or conditioned.

(b) No Consent Required for Team Assignment. Notwithstanding the foregoing, Landlord's consent to assign this Lease shall not be required in the event that Tenant (i) sells or transfers its professional baseball franchise and the American League and Major League Baseball shall have approved such sale or transfer, or (ii) transfers this Lease to an Affiliate of Tenant or to Disney; provided, however, that no such transfer to an Affiliate of Tenant or to Disney shall impair or violate the terms of the Base Rental Bonds or act to release Tenant of any obligation to pay money under this Lease.

(c) Landlord Permitted Assignment. Notwithstanding the foregoing, Tenant's consent to assign this Lease shall not be required in connection with:

(i) any assignment to Agency or Issuer, or the trustee under the Indenture; provided, however, that no such assignment shall impair or violate the terms of the Base Rental Bonds, or act to release Landlord of any obligation under this Lease, or otherwise prejudice Tenant.

(ii) any transfer of all or a portion of the development rights to the Sportstown Site, including, without limitation, the right to construct a parking structure as provided in Section 8(b), or any transfer, sale.
conveyance or lease of the Sportstown Site. In the event of any transfer, sale, conveyance or lease of the Sportstown Site, Landlord’s only obligation thereafter with respect to Sportstown shall be to cause the covenants, conditions and restrictions set forth in Section 8(a) to be recorded for the benefit of the Premises and cause the obligations of Landlord relating to Sportstown set forth in this Lease, such as the provisions relating to fast food as set forth in Section 8(c) and the Sportstown parking provisions set forth in Sections 8(b) and 16(b) through (e) to be specifically assigned to and assumed by the transferee and any subsequent owners of the Sportstown Site.

(d)  **Prohibited Assignment.** Any assignment in violation of this Lease shall be void *ab initio.*

27. **Representations and Warranties of Landlord.** Landlord hereby makes the following representations, warranties and covenants to and for the benefit of Tenant as of the date of the execution of this Lease by Landlord, which representations, warranties and covenants shall survive the execution of this Lease:

(a)  Landlord is a municipal corporation and charter city, organized and existing under the Constitution and laws of the State of California:

(b)  Subject to the Existing Debt and (when issued) the Base Rental Bonds, Landlord has good and marketable title to the Premises and has full power and authority to execute this Lease, to consummate the transactions provided for herein and to perform its obligations hereunder in a full and timely manner in accordance with the provisions hereof. Except for the consent of Landlord that will be signified by Landlord’s execution of this Lease, and except as set forth in the Existing Operating Agreements set forth on *Exhibit L,* no consent of any other person or entity and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by Landlord in connection with this Lease or the performance of Landlord’s obligations hereunder. Landlord is not a party to any contract or agreement which would prohibit, limit or otherwise affect the power of Landlord to perform all of the terms and provisions of this Lease to be performed by Landlord, and Landlord is not party to any contract or agreement which would materially prohibit, limit or otherwise adversely affect such performance:

(c)  The execution and delivery of this Lease and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Landlord. This Lease constitutes a valid, legal and
binding obligation of Landlord, enforceable according to its terms, subject to bankruptcy laws and equitable principles:

(d) The execution and delivery of this Lease and the consummation of the transactions contemplated hereby will not conflict with, result in a breach of, or default or loss of any benefit under, any material agreement, instrument or obligation to which Landlord is bound which would have an adverse effect on Tenant's rights and benefits pursuant to this Lease, or give any other party thereto the right to terminate or modify any term hereof;

(e) Except as otherwise disclosed in writing to Tenant by counsel for Landlord, there are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of Landlord's knowledge, threatened, against or affecting Landlord or which would prevent the consummation of the transactions contemplated by this Lease or which are likely to materially impair Landlord's ability to perform its obligations under this Lease;

(f) Except as set forth on Exhibits J and L attached hereto, Landlord has not entered into any advertising, promotional, marketing, supply, rental, use or other agreements with any third parties prior to the date of this Lease which will be effective on or after the Commencement Date, there are no defaults under any of the agreements set forth on Exhibits J and L, and a full and complete copy of all such agreements has been provided to Tenant; and

(g) No agreement, document or instrument to which Landlord is a signatory or is bound limits or restricts the rights, powers, privileges or benefits expressly granted to Tenant under this Lease.

28. Representations, Warranties and Covenants of Tenant. Tenant hereby makes the following representations, warranties and covenants to and for the benefit of Landlord as of the date of this Lease, which representations and warranties shall survive the execution of this Lease:

(a) Tenant is a duly organized and validly existing limited partnership in good standing under the laws of the State of California and has made all required filings to effect and maintain such status;

(b) Tenant has full power and authority to execute this Lease, to consummate the transactions provided for herein and to perform its obligations hereunder in a full and timely manner in accordance with the provisions hereof. No consent of any other person or entity and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with,
any governmental authority is required by Tenant in connection with this Lease or the performance of Tenant's obligations hereunder. No provision of the partnership agreement of Tenant in any way prohibits, limits or otherwise affects the right or power of Tenant to perform all of the terms and provisions of this Lease, and Tenant is not a party to any contract or agreement which would prohibit, limit or otherwise affect such performance;

(c) The execution and delivery of this Lease and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Tenant. This Lease constitutes a valid, legal and binding obligation of Tenant, enforceable according to its terms, subject to bankruptcy laws and equitable principles;

(d) The execution and delivery of this Lease and the consummation of the transactions contemplated hereby will not conflict with, result in a breach of, or default or loss of any benefit under, any provision of Tenant's partnership agreement, or any material agreement, instrument or obligation to which Tenant is bound which would have an adverse effect on Landlord's rights and benefits pursuant to this Lease, or give any other party thereto the right to terminate or modify any term thereof;

(e) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of Tenant's knowledge, threatened, against or affecting Tenant or which would prevent the consummation of the transactions contemplated by this Lease or which are likely to materially impair Tenant's ability to perform its obligations under this Lease;

(f) Tenant covenants that it shall not cause any Hazardous Substances to be generated, produced, brought upon, used, stored, treated or disposed of in or about the Baseball Stadium or the Parking Area except as permitted by law;

(g) The Team holds, and will at all times during the Term hold, a valid franchise from the American League of Major League Baseball;

(h) Tenant is the owner of the Team, and the sole general partner of Tenant is Disney Baseball;

(i) Disney Baseball is a corporation duly formed and validly existing under the law of the State of California;

(j) Tenant shall at all times during the Term maintain the Baseball Stadium free from all liens and encumbrances created, consented to or caused by the acts
of Tenant and not specifically consented to by Landlord. Tenant shall not pledge, encumber or hypothecate any right or interest under this Lease for any purpose, including, without limitation, in connection with financing of the Stadium Renovations, without the express consent of Landlord; and

(k) Golden West Baseball Co. has assigned to, and Tenant has assumed, the agreements between Landlord and Golden West Baseball Co. set forth on Exhibit K attached hereto.

29. **Insurance.** Tenant shall arrange for and maintain during the Term the insurance policies set forth on Exhibit N.

30. **Casualty; Condemnation.**

(a) **Casualty.** In the event the Baseball Stadium or any part thereof is damaged or destroyed by fire or other casualty, to the extent of available insurance proceeds plus payment by Tenant of any deductible applicable thereto, or if Tenant failed to carry the insurance required by this Lease and the damage was caused by a risk which would have been insured against, or the carrier does not meet the standard required by this Lease and insurance proceeds are not made available for such purpose, Tenant shall repair or rebuild the Baseball Stadium to its condition prior to such damage or destruction. If no insurance covering such risk is required to be carried by this Lease, or if carried but such insurance carrier (excluding Tenant or Disney if Tenant self-insures) defaults in payment of such proceeds, and the damage or destruction exceeds 20% of the replacement cost of the Baseball Stadium, Tenant will either (i) repair or restore the Baseball Stadium at Tenant's cost or (ii) terminate the Lease (subject to Tenant's continuing obligation to make or prepay any remaining unpaid Base Rental payments). Landlord shall have the right to prevent such termination if (i) Landlord gives Tenant written notice not less than thirty (30) days following receipt by Landlord of Tenant's notice of termination of this Lease, as provided in the preceding sentence, setting forth Landlord's election to repair and restore the Baseball Stadium at no cost or expense to Tenant, (ii) such notice identifies a reasonably assured source of funds for completion of such repairs and restoration, and (iii) such repairs can be completed without material interruption of the play of Team's home games in the Baseball Stadium.

(b) **Total Taking.** In the event of a Total Taking, this Lease shall terminate as of the earlier of (i) the taking of possession by the condemning authority or (ii) the date of transfer of title to the condemning authority.
(c) **Partial Taking.** In the event of a Partial Taking, to the extent of available condemnation proceeds, Landlord shall restore the Baseball Stadium (including, if necessary, the Parking Area and parking facilities located thereon at the time of such Taking) as near as possible to its condition immediately prior to the Taking. To the extent Tenant shall desire to make any modifications to the Baseball Stadium beyond the scope of restoring the Baseball Stadium to its original condition, the incremental cost of such modifications shall be paid by Tenant.

(d) **Allocation of Taking Proceeds - Total Taking.** In the event of a Total Taking, all proceeds thereof shall be applied: (i) first to the payment of any then outstanding sums owing under the Base Rental Bonds, (ii) next, *pari passu*, to reimbursement to Landlord of a sum equal to the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution to payment of the Costs of the Stadium Renovations (fully and equally amortized over thirty (30) years from October 1, 1996 discounted at the Rental Interest Rate), and to reimbursement to Tenant of any prepaid Base Rent attributable to any period following the Taking, (iii) next to reimbursement to Tenant of a sum equal to any Excess Construction Costs paid by Tenant, and (iv) any remaining balance to Landlord and Tenant in the manner and amount provided by law in respect to a Taking.

(e) **Allocation of Taking Proceeds - Partial Taking.** In the event of a Partial Taking, all proceeds thereof shall be applied: (i) first to restoration of the Baseball Stadium and Parking Area, (ii) next, *pari passu*, to reimbursement to Tenant of prepaid Base Rent and to reimbursement to Landlord of a sum equal to the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution to payment of the Costs of the Stadium Renovations (fully and equally amortized over thirty (30) years from October 1, 1996 discounted at the Rental Interest Rate), each apportioned on an equitable basis between the portion of the Premises and/or appurtenant rights taken and the remaining portion of the Premises and/or appurtenant rights and (iii) next, *pari passu*, to reimbursement to Landlord of a sum equal to the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution to payment of the Costs of the Stadium Renovations (fully and equally amortized over thirty (30) years from October 1, 1996 discounted at the Rental Interest Rate), and to reimbursement to Tenant of any prepaid Base Rent (after adjustment for any savings paid to Tenant under Section 6(ii)) attributable to any period following the Taking, in each case reduced by the amount paid to such party pursuant to the preceding clause, (iv) next, to reimbursement to Tenant of a sum equal to any Excess Construction Costs paid by Tenant, and (vi) any remaining balance to Landlord and Tenant in the manner and amount provided by law in respect to a Taking.
(f) **Waiver of Separate Awards.** Landlord and Tenant hereby waive any right to pursue, claim or obtain separate awards in any such Taking; *provided, however, that if separate awards are made to Landlord and Tenant, such proceeds shall be aggregated and paid as set forth in this Section 30(d).

(g) **Alternate Facility.** If Tenant cannot or does not exercise the rights of termination afforded it under Sections 30(a) and (b), without any further consent by Landlord, Tenant shall have the right to contract for and use an alternate facility until such time as the Baseball Stadium is rendered useable by Landlord (and such use of an alternate facility by Tenant shall not, in any manner, prejudice whatever rights Tenant may have hereunder to terminate this Lease).

(h) **Waiver of Termination Rights.** Except as provided herein, no party hereto shall have the right to terminate this Lease as a result of a Taking or casualty and each party hereto waives all rights provided by statute to terminate this Lease in the event of casualty or condemnation. All insurance policies of each of the parties hereto with respect to the Baseball Stadium shall contain a waiver of subrogation for the benefit of the parties hereto and their subsidiaries and Affiliates where appropriate, which waivers shall be in form and content reasonably satisfactory to the parties.

31. **Events of Default; Termination.**

(a) **Default by Landlord.** Without prejudice to any other right or remedy available to Tenant at law or in equity in respect of any event described below, this Lease may be terminated by Tenant if:

(i) Landlord shall fail to make any payments under this Lease when due and such payments shall remain unpaid for a period of thirty (30) days following receipt by Landlord of written notice thereof from Tenant unless such payment obligation is being contested in good faith.

(ii) Landlord shall fail to perform any material agreement, term, covenant or condition to be performed by Landlord pursuant to this Lease and such failure shall continue uncured for a period of thirty (30) days after receipt by Landlord of written notice thereof from Tenant (or, if such cure cannot reasonably be accomplished within such 30-day period, such party shall not in good faith have commenced such cure within such 30-day period and shall not thereafter proceed diligently to completion); or
(iii) any purported assignment or transfer of Landlord's rights or obligations hereunder shall be made or deemed to be made that is in violation of this Lease; or

(iv) Landlord shall:

(A) have an order for relief entered with respect to it, commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect (and such order or case is not stayed, withdrawn or settled within ninety (90) days thereafter):

(B) file for reorganization, become insolvent or have a receiver or other officer having similar powers over it appointed for its affairs in any court of competent jurisdiction, whether or not with its consent (unless dismissed, bonded or discharged within ninety (90) days thereafter): or

(C) admit in writing its inability to pay its debts as such debts become due, unless Landlord shall have made adequate arrangements for its obligations to Tenant hereunder.

(b) Default by Tenant. Without prejudice to any other right or remedy available to Landlord at law or in equity in respect of any event described below, this Lease may be terminated by Landlord if:

(i) Tenant shall fail to make any payments of Base Rent when due and such payments shall remain unpaid for a period of fifteen (15) days following receipt by Tenant of written notice thereof from Landlord unless such payment obligation is being contested in good faith; provided, however, that no such contest shall delay Tenant's obligation to pay Base Rent as necessary to avoid a default under the Base Rental Bonds;

(ii) Tenant shall fail to make any other payments under this Lease when due and such payments shall remain unpaid for a period of thirty (30) days following receipt by Tenant of written notice thereof from Landlord unless such payment obligation is being contested in good faith;

(iii) Tenant shall fail to perform any material agreement, term, covenant or condition to be performed by Tenant pursuant to this Lease and such failure shall continue uncured for a period of thirty (30) days after
receipt by Tenant of written notice thereof from Landlord (or, if such cure cannot reasonably be accomplished within such 30-day period, Tenant shall not in good faith have commenced such cure within such 30-day period and shall not thereafter proceed diligently to completion);

(iv) any purported assignment or transfer of Tenant's rights or obligations hereunder shall be made or deemed to be made that is in violation of this Lease; or

(v) Tenant, Disney Baseball (or any parent of either of them) shall:

(A) have an order for relief entered with respect to it, commence a voluntary case or have an involuntary case filed against it under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect (and such order or case is not stayed, withdrawn or settled within ninety (90) days thereafter);

(B) file for reorganization, become insolvent or have a receiver or other officer having similar powers over it appointed for its affairs in any court of competent jurisdiction, whether or not with its consent (unless dismissed, bonded or discharged within ninety (90) days thereafter); or

(C) admit in writing its inability to pay its debts as such debts become due, unless Tenant shall have made adequate arrangements for its obligations to Landlord hereunder.

(c) Special Remedies Upon Tenant's Default. In the event Landlord terminates the Lease pursuant to Section 31(b) above, Tenant shall pay or cause to be paid to Landlord, at Landlord's election, either (i) a sum equal to the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution to payment of the costs and expenses of the Stadium Renovations (fully and equally amortized over thirty (30) years from October 1, 1996 discounted at the Rental Interest Rate) plus the net present value (discounted at the Rental Interest Rate) of the sum required to pay and discharge all sums owed (net of debt service reserves and interest thereon) under the Base Rental Bonds to their maturity date at the time of such termination, or (ii) the unamortized portion of Landlord's Twenty Million Dollar ($20,000,000) contribution towards the Stadium Renovations (fully and equally amortized over thirty (30) years from October 1, 1996 discounted at the Rental Interest Rate) as well the amount of regular installments of principal and interest owed (net of debt service reserves and interest thereon) on the Base Rental
Bonds as they become due from the date of such termination through the maturity date of such bonds. In addition, Tenant shall be liable for damages as set forth in California Civil Code Section 1951.2.

(d) **Special Remedies Upon Landlord’s Default.** In the event of any failure of Landlord to provide the appurtenant parking in connection with the Premises as required by this Lease, Landlord acknowledges and agrees that, in addition to all other remedies at law or in equity, Tenant shall have the right to injunctive relief and specific performance. In the event of any default by Landlord resulting in termination of this Lease by Tenant, without limiting the rights and remedies available to Tenant in connection with such default, Landlord acknowledges and agrees that it will promptly pay to Tenant any prepaid Base Rent attributable to any period following the effective date of such termination, subject to any offset to which Landlord may be entitled for any then existing default by Tenant.

(e) **Exercise of Right to Terminate.** In the event either Landlord or Tenant exercises its rights hereunder to terminate this Lease because of an event of default hereunder by the other party hereto and such other party disputes whether such event of default occurred, the parties shall meet and confer in a good faith effort to resolve the dispute. If the parties are unable to resolve the dispute, either party may request an expedited hearing to adjudicate such dispute, the other party shall fully support such request.

32. **Force Majeure.** If the performance by any party under this Lease is delayed or prevented in whole or in part by acts of God, fire, floods, storms, explosions, accidents, epidemics, war, civil disorder, strikes or other labor difficulties (including a Major League Baseball or American League Players’ Association strike), or any law, rule, regulation, order or other action adopted or taken by any federal, state or local governmental or quasi-governmental authority, or any other cause not reasonably within such party’s control, such party shall be excused, discharged and released of performance to the extent such performance or obligation is so delayed or prevented by such occurrence without liability of any kind. If a force majeure event shall occur which prevents the Team from playing its home games in the Baseball Stadium, Tenant shall be entitled to play its home exhibition, pre-season, regular season and playoff games in an alternate facility for such period of time as the Baseball Stadium shall remain unusable. Nothing contained herein shall be construed as requiring any party to accede to any demands or to settle disputes with, labor or labor unions, suppliers or other parties that such party considers unreasonable. The provisions of this Section 32 shall not relieve any party of any monetary obligation hereunder except to the extent the amount of such obligation cannot be determined because of a force majeure event.
33. Access.

(a) **Books and Records.** Both Tenant and Landlord shall keep complete, true and accurate books of account, records and contracts including sales, revenues, costs and expenses containing complete information as to the matters required to be included in the statements to be furnished to Landlord and Tenant, as the case may be, under this Lease. The books, records and contracts required under this Lease to be kept shall not be destroyed for a period of seven (7) years following the expiration of the year for which such books of accounts, records and contracts are kept and shall be kept in accordance with generally accepted accounting principles consistently applied.

(b) **Audit Rights.** At its option, but no more than twice each year, either Landlord or Tenant may, at any reasonable time during the Term, upon no less than five (5) business days prior notice and for a period of three (3) full calendar years after the expiration or earlier termination of this Lease, cause a complete audit during regular business hours of the other's books and records relating to the Baseball Stadium for any of the immediately preceding years of the Term; provided, however, that such audit by Landlord or Tenant shall not be conducted on more than two (2) occasions per year. Landlord reserves the right to designate its own employee representatives or its contracted representative with a certified public accounting firm who shall have the right to audit Tenant's and Disney Baseball's (collectively, the "Auditee") accounting procedures and internal controls of the Auditee's financial systems relating to the subject matter of this Lease, and to examine any cost, revenue, payment, claim, other records or supporting documentation resulting from any item of income or expense relating to the subject matter of this Lease. Tenant shall have the right to audit Landlord's and Agency's records relating to the property tax increment paid from the County of Orange to Landlord or Agency, and the records of Landlord and Issuer relating to notices and other information received from the Trustee of the Base Rental Bonds with respect to the interest, reserves and other matters affecting the rental due hereunder. In addition, each party shall have the right to audit the other party's computation of amounts claimed by a party to be due from the other party. Auditee and Landlord agree to cooperate fully with any such audits. Each party shall retain all documentation subject to audit at the Baseball Stadium or single other designated location within Los Angeles or Orange Counties, and, if Tenant retains such records in other than Orange County, Tenant shall make such records available for audit pursuant to this Section 33(b) in Orange County upon request of Landlord. The auditing party shall promptly advise the other party in writing of any exceptions taken as a result of such audit, and provide the back-up supporting documentation for
such exception. If such written notice shall disclose a liability for amounts owing to the auditing party for a period audited in excess of the amount actually paid by the audited party for such period, then the audited party shall pay to the auditing party the amount of such liability within thirty (30) days of such written notice (unless the audited party disputes such notice, in good faith, in which event the parties shall promptly meet and resolve the issue); thereafter, interest shall accrue at the then prevailing prime rate of interest as published in the Wall Street Journal (the "Prime Rate") plus two percent (2%) to the date of actual payment. If such audit discloses an underpayment by the audited party of more than three percent (3%) of the total amount due for such audited period, then the audited party shall pay, in addition to the deficiency, the auditing party's cost of audit plus interest on the deficiency at the Prime Rate from the date actually due until paid. If such audit shall disclose an overpayment to the auditing party, then the auditing party shall forthwith pay to the audited party the amount of such overpayment together with interest at the Prime Rate.

(c) Stadium Site. Landlord shall at all times have a right of access to the Stadium Site for any exercise of its police powers or to exercise any right or remedy provided in this Lease.

(d) Survival of Covenants. The provisions of this Section 33 shall survive termination of this Lease.

34. Cooperation with Lenders. Tenant and Landlord shall cooperate with any lender financing the Base Rental Bonds (or any portion thereof) and shall agree to reasonable amendments to this Lease to facilitate such financing, so long as such amendments do not result in any material change to the detriment of Landlord in the substance of the terms and conditions of this Lease, including Landlord's financial obligations under this Lease. Except for the Base Rental Bonds, Tenant shall not be required to subordinate its interest in this Lease or the leasehold estate created hereby. Landlord shall assign revenues payable to it under this Lease to third parties financing the costs relating to the Stadium Renovations as necessary to obtain financing for the Stadium Renovations. Otherwise, Landlord shall not have the right to hypothecate its interest in this Lease.

35. Specific Performance. Each party acknowledges that the obligations of the other party are, with the exception of monetary or financial obligations or undertakings, unique, and if any party were to fail to observe or perform any of the provision of this Lease, the award of damages arising from any such breach would not be an adequate remedy. Therefore, each party acknowledges and agrees that the other party shall be entitled to specific performance, any other injunctive relief, or any other court order to enforce the performance by such defaulting party of the covenants and
obligations it has undertaken under this Lease and that no cure period provided for in this Lease shall be a condition to the right to obtain such specific performance, other injunctive relief or any court order enforcing performance of this Lease.

36. Indemnification Obligations.

(a) Tenant's Indemnification Obligations. Tenant shall indemnify, defend and hold harmless Landlord, and its agents, officers, directors, employees and elected and appointed officials acting in their respective official capacities and not in any personal capacity (collectively, "Landlord Indemnitees") from and against any and all demands, losses, judgments, damages, suits, claims, actions, liabilities and expenses (including all reasonable attorneys' fees and expenses), in law or in equity, of every kind and nature whatsoever, which any Landlord Indemnitee may suffer or sustain or which may be asserted or instituted against any Landlord Indemnitee caused by (except to the extent caused by the negligent acts or willful misconduct of any Landlord Indemnitee): (i) injury to or death of any person (including spectators, players and other Landlord employees and Tenant employees) or damage to or destruction of property caused by Tenant's use or occupancy of the Baseball Stadium or the Parking Area (or any portion thereof), including any act of patrons or invitees of Tenant; (ii) the breach by Tenant of any of its warranties or representations made in this Lease; (iii) Tenant's misrepresentation, breach of warranty, or breach of covenant, (iv) any negligent acts or omissions or intentional misconduct of Tenant, (v) any discretionary act of Tenant in operating the Baseball Stadium and Parking Area, (vi) the renovation construction process, including the design, methods, material or means of construction of any renovation work carried out at the Baseball Stadium by or under the direction of Tenant, or (vii) any violation of law by Tenant. If any action or other legal proceeding shall be brought against a Landlord Indemnitee by reason of any claim, demand, loss or cause of action indemnified pursuant to this Section 36(a), Tenant, upon notice from Landlord, shall resist and defend any such action or other legal proceeding with counsel approved by Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. Tenant's obligations to indemnify Landlord under this Section 36(a) shall survive the expiration or earlier termination of this Lease.

(b) Landlord's Indemnification Obligations. Landlord shall indemnify, defend and hold harmless Tenant, its parent, related and Affiliated companies and their respective shareholders, agents, officers, directors and employees (collectively, "Tenant Indemnitees") from and against any and all demands, losses, judgments, damages, suits, claims, actions, liabilities and expenses (including all reasonable attorneys' fees and expenses), in law or in equity, of
every kind and nature whatsoever, which any Tenant Indemnitee may suffer or sustain or which may be asserted or instituted against any Tenant Indemnitee caused by (except to the extent caused by the negligent acts or willful misconduct of the any Tenant Indemnitee): (i) injury to or death of any person (including spectators, players and other Tenant employees and Landlord employees) or damage to or destruction of property caused by Landlord's use, management or occupancy of the Baseball Stadium or the Parking Area (or any portion thereof), including conduct or management of its business in any portion of the Baseball Stadium or Parking Area; (ii) the breach by Landlord of any of its warranties or representations made in this Lease: provided, however, that if any payment obligation of Landlord under this Lease is determined to be invalid or unenforceable by a final decree of a court of competent jurisdiction, the damages of Tenant for a breach of representation and warranty respecting such payment obligation would be limited to the amount of such payment, plus interest; (iii) Landlord's misrepresentation, breach of warranty, or breach of covenant; or (iv) any negligent acts or omissions or intentional misconduct of Landlord. If any action or other legal proceeding shall be brought against any Tenant Indemnitee by reason of any claim, demand, loss or cause of action indemnified pursuant to this Section 36(b), Landlord, upon notice from Tenant, shall resist and defend any such action or other legal proceeding with counsel approved by Tenant, which approval shall not be unreasonably withheld, delayed or conditioned. Landlord's obligations to indemnify Tenant Indemnities under this Section 36(b) shall survive the expiration or earlier termination of this Lease.

37. **Tenant's Obligation to Surrender.** Upon the expiration or earlier termination of this Lease, Tenant shall peaceably surrender the Baseball Stadium and Parking Area in good condition and repair in the functional equivalent of its condition upon the completion of the Stadium Renovations, subject to subsequent alterations, additions and replacements as permitted by this Lease. At the time of such surrender, Tenant shall deliver to Landlord all keys for the Baseball Stadium which may be in Tenant's possession at the place then fixed for the receipt of notices by Landlord. At such time Tenant shall also notify Landlord in writing of all combinations to locks, safes and vaults, if any, which do not constitute personal property of Tenant that will be removed by Tenant by the time of such surrender. Tenant's obligations to observe and perform the covenants set forth in this Section 37 shall survive the expiration or earlier termination of this Lease.

38. **Tenant's Property.** Upon the expiration or earlier termination of this Lease, Tenant shall immediately remove all property owned by Tenant and which Tenant is permitted to remove from the Baseball Stadium under the provisions of this Lease, and restore and repair the Baseball Stadium for any damage arising therefrom. If
Tenant fails to remove such property by the time it has surrendered the Baseball Stadium to Landlord, Landlord may exercise any rights or remedies offered by law with respect to such property. Tenant shall have a period of ninety (90) days following expiration or earlier termination of this Lease within which to remove any and all Team/Disney Properties located or installed on the Baseball Stadium or the Stadium Site; provided, however, that such removal shall be accomplished without unreasonably interfering with Landlord’s use and occupancy of the Premises. Except as provided in this Section 38, all improvements, additions, repairs, upgrades and renovations of the Premises shall become the property of Landlord upon the expiration or earlier termination of this Lease.

39. **Estoppel Certificates.**

(a) **Tenant’s Execution of Estoppel Certificate.** Within forty-five (45) days after Tenant’s receipt of a written request from Landlord, but no more than once in any twelve (12) month period, Tenant shall execute and deliver to Landlord a written statement: (a) confirming the commencement and expiration dates of the Term; (b) certifying that Tenant is in occupancy of the Baseball Stadium and that this Lease is in full force and effect and has not been modified, assigned, supplemented or amended except by such writings as shall be stated; (c) certifying that except as otherwise specified in the statement, all conditions and agreements to be satisfied or performed by each of the parties under this Lease have been satisfied and performed; and (d) certifying that to the best of Tenant’s knowledge, except as otherwise specified in the statement, no party is in default under this Lease and that there are no defenses, set-offs, recoupments or counterclaims against the enforcement of this Lease by any party hereto (collectively, the “Tenant Estoppel Certificate”). The delivery of the Tenant Estoppel Certificate by Tenant shall not preclude Tenant from exercising any rights and requiring any payments following an audit conducted pursuant to Section 33(b).

(b) **Landlord’s Execution of Estoppel Certificate.** Within forty-five (45) days after Landlord’s receipt of a written request of Tenant, but no more than once in any twelve (12) month period, Landlord shall execute and deliver to Tenant a written statement: (a) confirming the commencement and expiration dates of the Term; (b) certifying that Tenant is in occupancy of the Baseball Stadium and that this Lease is in full force and effect and has not been modified, assigned, supplemented or amended except by such writings as shall be stated; (c) certifying that except as otherwise specified in the statement, all conditions and agreements to be satisfied or performed by each of the parties under this Lease have been satisfied and performed; and (d) certifying that to the best of Landlord’s knowledge, except as otherwise specified in the statement, no party is in default under this Lease and that there are no
defenses, set-offs, recoupments or counterclaims against the enforcement of this Lease by any party hereto (collectively, the "Landlord Estoppel Certificate"). The delivery of the Landlord Estoppel Certificate by Landlord shall not preclude Landlord from exercising any rights and requiring any payments following an audit conducted pursuant to Section 33(b).

40. **Waiver of Personal Liability.** All obligations and liabilities on the part of each of Landlord and Tenant are solely corporate or partnership liabilities, respectively, and each party hereby releases each and every officer, agent, shareholder, director, member or employee of the other party, or, with respect to Tenant, its constituent partners, of and from any personal or individual liability under this Lease. Under no circumstances shall any officer, agent, shareholder, director, member, employee or elected or appointed official of either party, or, with respect to Tenant, its constituent partners, be individually or personally liable for anything whatsoever under this Lease, or for any act or failure to act by Landlord or Tenant, whether under this Lease or otherwise.

41. **Miscellaneous.**

(a) **Year.** For purposes of this Lease, unless otherwise expressly provided in this Lease, references to a year or to an annual period shall mean the calendar year.

(b) **Time is of the Essence.** Time is of the essence with respect to the performance of the covenants and agreements contained in this Lease.

(c) **No Agency or Joint Venture Relationship.** Nothing contained herein shall be deemed or construed to create or imply the existence of any agency or joint venture relationship between the parties.

(d) **Regular Meetings.** Representatives from Tenant and Landlord shall meet at least every other week during the course of the Season and every month during the off-Season in order to discuss any complaints or problems and make recommendations regarding the use of the Baseball Stadium by Tenant.

(e) **Quiet Enjoyment.** If Tenant shall pay the monies required to be paid by it hereunder and shall perform all of the covenants, terms and conditions of this Lease to be performed by Tenant, (i) Landlord will provide Tenant peaceable and quiet enjoyment of the Baseball Stadium and Parking Area during the Term; and (ii) Landlord shall provide Tenant with all the rights and privileges Tenant enjoys under this Lease.
(f) **Governing Law.** This Lease is and shall be deemed to have been made in the State of California, and the validity, construction, interpretation and enforcement of this Lease and the rights of the parties hereto shall be determined under, governed by, and construed in accordance with the laws of the State of California. The parties agree that all actions or proceedings arising in connection with this Lease shall be tried and litigated in the State and Federal Courts located in the County of Orange, State of California unless such actions or proceedings are required to be brought in another court to obtain subject matter jurisdiction over the matter in controversy. **TENANT AND LANDLORD EACH WAIVE ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF **FORUM NON CONVENIENS **OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION. SERVICE OF PROCESS, SUFFICIENT FOR PERSONAL JURISDICTION IN ANY ACTION AGAINST ANY PARTY HERETO, MAY BE MADE BY ANY METHOD OF NOTICE (EXCEPT FACSIMILE) SPECIFIED IN SUBSECTION (g) FOLLOWING TO SUCH PARTY'S ADDRESS INDICATED IN SAID SUBSECTION.

(g) **Notices.** Any required or permitted notice or other communication shall be deemed given when received if: (i) delivered personally to an officer of the party to be notified, (ii) sent by facsimile transmission to the facsimile number set forth below, or (iii) sent by overnight courier or United States certified mail, postage or charges prepaid, return receipt requested to the address set forth below:

<table>
<thead>
<tr>
<th>If to Landlord:</th>
<th>City of Anaheim</th>
</tr>
</thead>
<tbody>
<tr>
<td>200 South Anaheim Boulevard</td>
<td>Anaheim, California 92805</td>
</tr>
<tr>
<td>Fax: (714) 254-4105</td>
<td>Attention: City Manager</td>
</tr>
</tbody>
</table>

and to:

<table>
<thead>
<tr>
<th>City of Anaheim</th>
</tr>
</thead>
<tbody>
<tr>
<td>200 South Anaheim Boulevard</td>
</tr>
<tr>
<td>Anaheim, California 92805</td>
</tr>
<tr>
<td>Fax: (714) 254-5123</td>
</tr>
<tr>
<td>Attention: City Attorney</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>McDermott, Will &amp; Emery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1301 Dove Street, Suite 500</td>
</tr>
<tr>
<td>Newport Beach, California 92660</td>
</tr>
<tr>
<td>Fax: (714) 851-9348</td>
</tr>
<tr>
<td>Attention: Jill M. Draffin</td>
</tr>
</tbody>
</table>
(h) **Entire Agreement; Termination of Prior Agreements.** This Lease shall constitute the entire agreement of the parties hereto with respect to the subject matter hereof. Upon the Commencement Date, this Lease shall be deemed to amend, restate and replace the Existing Agreement in its entirety, with respect to operations and use of the Premises from and after the Commencement Date. Execution of this Lease shall not constitute a release or exoneration of any party to the Existing Agreement or the Existing Operating Agreements as to facts and circumstances arising prior to the date of execution of this Lease. Landlord acknowledges and agrees that Tenant shall be liable under the Existing Agreement only for facts and circumstances arising after the date of execution of this Lease. Further, upon execution of this Lease, the MOU shall be deemed superseded and replaced in its entirety by this Lease.

(i) **No Accord and Satisfaction.** Payment by either party, or receipt or acceptance by either party, of any payment in an amount less than the amount required to be paid under this Lease shall not be deemed an accord and satisfaction, or a waiver of the right to receive and recover the full amount due and payable under this Lease, notwithstanding any statement to the contrary on any check or payment or on any letter accompanying such check or payment.
(j) **Costs.** Each of Landlord and Tenant will be solely responsible for and bear all of their respective expenses, including expenses of legal counsel, accountants and other advisors, incurred at any time in connection with the preparation of this Lease or the transactions contemplated hereby.

(k) **Non-Waiver.** The failure of any party at any time to enforce a provision of this Lease shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Lease or any part hereof or the right of such party thereafter to enforce each and every provision hereof.

(l) **Modification of Lease.** The terms, conditions and requirements of this Lease or any part hereof, may be amended, modified, revised, supplemented or deleted only by mutual agreement of the parties hereto expressed in writing and signed by the parties, and subject to the rules and regulations of the American League and Major League Baseball.

(m) **Successors and Assigns.** This Lease shall be binding upon Landlord and Tenant and their respective successors and assigns, and shall inure to the benefit of and be enforceable by each of Landlord and Tenant and their respective permitted successors and assigns.

(n) **Severability.** If any terms or provisions of this Lease shall be found to be void or contrary to law, such term or provision shall, but only to the extent necessary to bring this Lease within the requirements of law, be deemed to be severable from the other terms and provisions hereof, and the remainder of this Lease shall be given effect as if the parties had not intended the severed term herein: *provided, however,* that the parties may negotiate mutually acceptable adjustment of such severed terms of this Lease to restore the parties, to the greatest extent possible, to the respective positions intended on the date hereof.

(o) **Headings.** The headings of the sections and paragraphs of this Lease have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions hereof.

(p) **Consents.** The parties will cooperate with one another and proceed, as promptly as is reasonably practicable, to seek and obtain all necessary waivers, consents and approvals from third parties, and to endeavor to comply with all other legal or contractual requirements for or preconditions to the execution and consummation of this Lease.

(q) **Exhibits, Schedules, Sections.** All Exhibits and Schedules attached hereto are made a part hereof by this reference. References to Sections
herein shall be deemed to be references to the numbered Sections of this Lease. Whenever in this Lease reference is made to a Section, such reference shall be deemed to be a reference to all of such Section, including its subsections.

(r) **Short Form.** Upon the request of any party hereto, the parties hereto shall execute and thereafter record in the Official Records of Orange County, California, a short form lease giving notice of the existence of this Lease and the Term. In the event this Lease expires or is terminated in accordance with its terms or by operation of law, upon the request of Landlord, Tenant will promptly cause to be executed (in form suitable for recording) a memorandum acknowledging the expiration or termination of this Lease.

(s) **Late Payments.** Except as provided in Section 33(b), any overdue payment hereunder shall bear interest at the lesser of (a) the maximum rate allowed by law or (b) the Prime Rate plus two percent (2%) from the date which is five (5) business days after the date such payment is due, including any applicable grace period.

(t) **Nondiscrimination.** Each of the parties covenants that it shall not cause or permit discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, national origin or physical handicap in the lease, transfer, use, occupancy, tenure or enjoyment of the Baseball Stadium, nor shall any party establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Baseball Stadium.

(u) **Consideration for Landlord’s Obligations.** The parties hereby recognize and agree that there are substantial benefits to the City of Anaheim and its inhabitants resulting from Tenant occupying the Baseball Stadium and causing the Team to play its home games therein, and it is hereby agreed that Landlord’s obligations to make payments under this Lease in any year of the Term are contingent upon and in consideration of Tenant’s occupying the Baseball Stadium and the Team playing its home games therein.

42. **Condition of Baseball Stadium.** Landlord has provided to Tenant a copy of the most recent survey of the structural condition of the Baseball Stadium in its possession. Except as specifically set forth in this Lease, Landlord makes no representation or warranty, express or implied, with respect to the condition of the Baseball Stadium, Tenant’s ability to construct the Stadium Renovations, the compliance of the Baseball Stadium with current building codes, the Americans with
Disabilities Act, any other law relating to access to the facility by disabled persons or other applicable law, the effects of vibrations or seismic activity on the existing improvements, the remaining life of any system or component of the Baseball Stadium, the manner of the original construction or construction of the prior Baseball Stadium expansion, the availability of any utility service not currently being provided to the Baseball Stadium, the continued availability of any service not provided by Landlord, or the nature of improvements to be carried out at any property other than the Stadium Site. Tenant leases the Premises “as is”, with all faults of any kind or nature existing on the Premises, and except as provided in this Lease with respect to Hazardous Materials. Landlord is not responsible for carrying out any work at the Stadium Site to cause the Baseball Stadium to meet any applicable standard or be suitable for the Stadium Renovations. Tenant acknowledges that it has the opportunity to make such independent investigations as it deems necessary or appropriate concerning the existence of any Hazardous Materials at the Stadium Site, the condition of the improvements at the Baseball Stadium, and the physical condition of the Stadium Site.
IN WITNESS WHEREOF, the parties hereto have executed and delivered this Lease as of the dates specified below by each party's signature, but this Lease shall be deemed dated as of and effective as of the date first above written.

"TENANT"

THE CALIFORNIA ANGELS L.P.,
a California limited partnership

By: DISNEY BASEBALL ENTERPRISES, INC.,
a California corporation

By: Antonio G. Tavares
President

"LANDLORD"

CITY OF ANAHEIM,
a charter city and a municipal corporation

By: Tom Daly
Mayor

ATTEST:

By: Leonora Sohl
City Clerk

APPROVED AS TO FORM:

By: Jack L. White
City Attorney
Anaheim Stadium

Depiction of Baseball Stadium Area

Disney Development Company

May 9, 1996

Exhibit A
EXHIBIT B
DEPICTION OF STADIUM SITE
Anaheim Stadium

Depiction of Stadium Site

Disney Development Company

May 9, 1996

Exhibit B
Anaheim Stadium
Depiction of Sportstown Site
Disney Development Company

NOTE: Sportstown will be located within the cross-hatched area, which cross-hatched area is approximately 45 acres.

May 9, 1996
Exhibit C
Anaheim Stadium

Depiction of Potential Future Parking Structure

Disney Development Company

May 9, 1996

Exhibit D
EXHIBIT E
MAJOR PROGRAM ELEMENTS OF STADIUM RENOVATIONS

The Stadium Renovations shall include the following major elements:

A. Seating Allocation Summary
   - Approximately 45,000 seats (new seats throughout). Additional Group Sales areas or picnic areas may be added increasing total baseball capacity to approximately 46,500 seats.
   - **Field Level:** Approximately 18,000 seats (includes Dugout Suites and approximately 1,275 premium seats behind Home plate).
   - **Club Level:** Approximately 7,000 seats (includes Club Level Suites)
   - **View Level:** Approximately 20,000 seats

B. Program Components
   - 1 Field level Club/Lounge at Home plate
   - 1 Stadium Club Restaurant with Lounge (approximately 250/250 seats) including indoor and outdoor seating.
   - 10 Dugout suites (capacity 12) with toilets
   - 16 Home plate Club suites (capacity 14) with toilets
   - 64 Standard Club suites (capacity 12) without toilets
   - 2 Party suites (capacity 24 or subdivide to 4 suites of 12 cap.) without toilets
   - Stadium apron garden
   - Food Courts and reconfigured concourses at public concourse levels
   - New signage and graphics
   - Upgraded toilets and concessions
   - New seats throughout
   - Outfield Entertainment Feature (to be determined by Tenant)
   - New TV Broadcast Booths
   - New Radio Broadcast Booths
   - Renovated and expanded team facilities
ANAEHEIM STADIUM RENOVATION

LEGEND

1. New Stadium Club
2. New Club Lounge
3. 64 New Expanded Suites
4. 16 New Home Plate Suites
5. 4 New Party Suites
6. New Club Stadium Seating
7. New Toilet/
Concession Facilities
8. Pavilion Seating
9. Existing Pedestrian Ramp
10. New Stair Towers
11. Demolished Outfield Area
12. Demolished Ramp
13. New Escalators

Club Level
March 11, 1996
LEGEND
1. New Upper Deck Seats
2. Demolished Football Press
   New Seats
3. Demolished Outfield Area

ANAHEIM STADIUM
RENOVATION
View Level Seating
March 11, 1996
EXHIBIT F
SPORTSTOWN SITE DEVELOPMENT STANDARDS

Notwithstanding any term of or inference from the Lease to which this Exhibit is attached, the parties recognize that Landlord has retained its discretion and authority to consider and to approve future development of a portion of the Stadium Site designated as "Sportstown Site" on Exhibit C attached to the Lease to which this Exhibit is attached. Potential scenarios for such development are described in the Draft Sports Center ("Sportstown") EIR. This Lease and the implementing actions, such as the Stadium Renovations, do not create or influence any development rights for development other than those expressly granted to Tenant in connection with the Stadium Renovations.

In light of Landlord's discretion to consider future development for the Sportstown Site, the parties have agreed to the Development Standards outlined herein. The purpose of the Development Standards is to ensure that City's and Tenant's investments in the Baseball Stadium are protected and, to the extent that future development occurs on the Sportstown Site, that such development shall not interfere with the design and operation of the Baseball Stadium.

The following Development Standards shall be recorded as a condition of the lease and shall provide the right of Tenant and any future tenants of the Stadium Site and the Sportstown Site to enforce the Development Standards against one another.

1. Goals and Objectives of the Development Standards

(a) Enhance public perception of Stadium Site. As a major Southern California entertainment venue, the appearance of the Baseball Stadium and surrounding area is important to the success of Tenant’s business as well as the City, as owner. Since the Baseball Stadium and Stadium Site are prominently visible from surrounding streets and highways, and both the site and stadium will be seen together, it is important that all development on the Stadium Site be perceived as attractive and visually appealing.

(b) Provide smooth functioning ingress/egress to enhance guest experience. The primary access to the Stadium Site will be by vehicles which will arrive and depart in concentrated periods of time before and after events at the Baseball Stadium. This goal establishes the importance of the quality of the guest’s experience during arrival and departure. Traffic at these times should move in an orderly and logical manner, and sufficient on-site space must be provided to accommodate the arrival, parking and departure of large volumes of vehicular traffic.

(c) Create high quality, visually-compatible, safe and appealing urban environment on the Stadium Site. If City’s current plans for development
of Sportstown are realized, the Baseball Stadium will become part of a large scale urban entertainment complex which features uses and activities which are complimentary to Tenant’s proposed use of the Baseball Stadium. City and Tenant desire that the development of the Stadium Site be compatible with the character of the renovated Baseball Stadium.

(d) **Preserve the Landlord’s discretion regarding potential future development of Stadium Site, subject to all other laws and regulations, including review pursuant to the California Environmental Quality Act and the following guidelines.** Although the Baseball Stadium is a major component of the Stadium Site, Tenant recognizes City’s need for flexibility in the design and utilization of the Sportstown Site designated on Exhibit C attached to the Lease to which this Exhibit is attached. This goal recognizes City’s interest in the Sportstown Site.

2. **Site Design**

(a) **Potential Football Stadium Location:** Pursuant to these Development Standards, development of a football stadium on the Stadium Site will not be considered in locations other than approximately the location identified on Exhibit O attached to the Lease to which this Exhibit is attached.

*Exhibit O: “Depiction of Approximate Future Football Stadium Location”*

(b) **Construction:**

(i) Landlord shall ensure that future construction of any portion of Sportstown will not conflict with operation of the Baseball Stadium.

(ii) Prior to adopting an urban design plan or securing a proposal for the development of the Sportstown Site, Landlord shall give Tenant an opportunity to review such plan or proposal and shall consider in good faith Tenant’s suggestions and comments submitted in a timely fashion.

(iii) Tenant may require approximately 4,500 additional square feet of apron area be added to the Baseball Stadium in the area of the main entrance (Gate 1) to the Baseball Stadium to accommodate a new pedestrian gathering areas. In such event, Tenant shall reduce the outfield apron area by an equal area.

*Exhibit C: “Depiction of Sportstown Site”*

(c) **Perimeter Landscaped Setbacks.** If the Sportstown Site is developed, parking areas adjacent to State College Boulevard shall be setback from
ultimate right-of-way a minimum of fifteen (15) feet with appropriate landscape along State College Boulevard which screens the Primary Parking Area (as defined in the Lease to which this Exhibit is attached). If the Sportstown Site is developed, the parking area along Orangewood Avenue shall be setback from the ultimate right-of-way a minimum of seven and one-half (7.5) feet with appropriate landscaping along Orangewood Avenue which screens the Primary Parking Area (as defined in the Lease to which this Exhibit is attached). To the extent any existing landscaping within the Parking Area is damaged, destroyed or removed in connection with the development of Sportstown (including as a result of improvements in the Parking Area), Landlord shall pay for such re-landscaping. Any other landscaping within such areas shall be paid for by Tenant.

(d) **Shade/Shadow and Lighting Protection:**

(i) No shadows from structures on the Sportstown Site shall be permitted to be cast on the Baseball Stadium playing field.

(ii) No non-Stadium lighting will be allowed which would create glare within the Baseball Stadium; in particular, no lighting will be allowed to project upwards or across the playing field of the Baseball Stadium, or which will otherwise adversely affect television broadcasting, during evening or nighttime Baseball Stadium events or to directly illuminate the interior of the Baseball Stadium.

(e) **Protection of telecommunications capacity:** Development on the Sportstown Site will not interfere with transmission capability (both uplinks and downlinks) from the Baseball Stadium. If Tenant chooses to relocate the transmission equipment as part of the Stadium Renovations, Tenant shall take into account Landlord’s planned development of the Sportstown Site in Tenant’s decision on a new location for such transmission equipment.

(f) **Pedestrian Circulation:** Consistent with the parties’ objectives to renovate the Stadium Site in a pedestrian-friendly manner, there shall be retained within the Primary Parking Area pedestrian circulation sufficient to safely accommodate peak attendance levels for Baseball Stadium events. Pedestrian crossing of major access roads on-site will be controlled by Tenant during events in the Baseball Stadium in order to ensure pedestrian safety and the flow of traffic ingress and egress to and from such events. Future landscape and way finding signage improvements by the Tenant intended to enhance and demarcate pedestrian circulation will be permitted by Landlord provided that such improvements do not adversely impact vehicular circulation related to the Sportstown development. Appropriate plans and standards will be
submitted to Landlord for comments and suggestions, and Tenant shall consider such suggestions in good faith.

(g) **Vehicular Circulation/Access/Parking:**

(i) **Access points:**

The following access points shall be provided to allow adequate access to parking and the Baseball Stadium:

(A) **Orangewood Avenue:** City shall retain existing VIP access, and City shall accommodate one additional full access (right and left entry/exit turning movements available) intersection for parking access.

(B) **State College Boulevard:** City shall provide existing full access intersection at Gene Autry Way.

(C) **Katella Avenue:** City shall retain existing or equivalent ingress/egress at Katella Avenue for the Amtrak Station if required by the agreement between City and Amtrak and without interference with or use of the required parking for the Baseball Stadium. Until the development of the Sportstown Site, the Katella Avenue access shall be retained on game days for employee access and parking.

(D) **Douglass Road:** City shall retain existing Douglass Road access.

*Exhibit P: “Depiction of Access Locations”*

(ii) **Site entrance queuing and ingress/egress lanes:**

(A) City shall ensure that the overall vehicular on-site off-street queuing capacity will not be less than 600 vehicles, and that adequate queuing capacity will be provided for any future development without interference to queuing for events at the Baseball Stadium. Queuing capacity will be retained at each access point in its current distribution. Off-site queuing capacity may not be substituted to fulfill this requirement.

(B) City shall ensure that the number of vehicular access lanes will not be less than as generally depicted in the parking lay-out attached as *Exhibit V* to the Lease to which this Exhibit is
attached, and that adequate vehicular lanes will be provided for any future development without interference to ingress and egress for events at the Baseball Stadium. The parties agree that access off Gene Autry Way and access off Katella Avenue may be used to provide access to the Sportstown Site.

(C) City shall ensure that the number of parking ticket points of sale will not be less than is currently provided to the Stadium Site.

(iii) **Vehicular Access Adjacent to the Baseball Stadium Apron:** The existing emergency aisle around the Baseball Stadium apron shall be preserved and there shall be retained vehicular access to the Baseball Stadium apron sufficient to accommodate bus loading and unloading for up to 50 buses and shuttle and limousine loading and unloading as shown on *Exhibit Q* attached to the Lease to which this Exhibit is attached.

(iv) **Baseball Stadium Parking:** The design of the Parking Area shall be subject to the following minimum standards:

(A) circulation aisles (that is, an aisle without direct access to a parking space) to be a minimum of 12 feet wide, with the number of such lanes consistent with the parking lay-out attached as *Exhibit V* to the Lease to which this Exhibit is attached, unless a more efficient vehicle circulation system is agreed to by the parties;

(B) City will be responsible for any restriping of the Parking Area, with parking spaces to be a minimum of 18 feet long and 8 feet 6 inches wide, and parking aisles (that is, aisles with direct access to a parking space) to be minimum of 20 feet wide.

City and Tenant shall agree upon a parking operation system (i) to prevent Baseball Stadium attendees from utilizing parking intended for patrons and tenants at other uses on the Stadium Site and (ii) to ensure that parking spaces intended for the use of Baseball Stadium attendees are available for their use.

(v) **Speed Parking Structure Standards:** All parking structures serving the Baseball Stadium shall be designed to permit the public to enter and leave the Facilities quickly and conveniently. Typically, vehicles will be directed to parking spaces and will not be permitted to circulate freely searching for a parking space. The guidelines in this section are
intended to accommodate the special provisions of these types of facilities.

(A) Appropriate landscaping or architectural treatment to buffer parking structures from adjacent land uses will be agreed upon by the parties.

(B) All Baseball Stadium parking provided by City in a parking structure shall be designed consistent with design criteria which will provide speed parking and speed ramps. Exhibit R attached to the Lease to which this Exhibit is attached is illustrative of the design criteria which would comply with this development standard, but is not intended as the sole mandatory design.

Exhibit R: “Depiction of Speed Parking Layout for Parking Structure”

(h) **Landscaping:** Future landscaping will not be added by the City within the Primary Parking Area without Tenant’s prior approval.

(i) **Service and Loading Areas:**

(i) Service areas (including storage, special equipment, maintenance and loading areas) must be screened with landscaping or architectural elements such as walls to screen these areas from the Baseball Stadium and pedestrian areas contiguous to the Baseball Stadium to the extent practicable.

(ii) Use of service and loading areas shall not disrupt the Baseball Stadium event traffic flow.

(iii) Utility equipment and communication devices (antennae, satellite dishes, etc.) must be screened from ground level view to the extent practicable.

(iv) Refuse collection areas must be screened from the Baseball Stadium with a solid fence or wall (maximum of eight (8) feet high) using materials or colors compatible with adjacent buildings.

(j) **Architecture:** City shall ensure that any future development proposals will be designed in such a way as to be compatible with the Baseball Stadium. Architectural plans and designs will be submitted to Tenant for comments and
(k) **Signs:**

(i) **Identity Signs:** Prior to installation of any identity signs, City shall establish Sportstown Identity Sign Plans or Guidelines subject to the review of Tenant in a timely fashion.

(ii) **Wayfinding Signs:** Prior to installation of any wayfinding signs, City shall establish Wayfinding Sign Plans or Guidelines subject to the review of Tenant in a timely fashion.

(iii) **Business Identification Monument Signs.** In connection with development of Sportstown, City may elect to construct permanent business identification signs along SR57 within the primary parking area for the Baseball Stadium. Such signs may not impede or interfere with viewsheds to and from the Baseball Stadium, as shown on Exhibit \textit{S} attached to the Lease to which this Exhibit is attached, or impede or interfere with full view of all existing advertising signage locations on the Stadium Site as shown on Exhibit \textit{T} attached to the Lease to which this Exhibit is attached. The number, design, size and placement of all such signs (other than signs on the Sportstown Site) shall be subject to review and reasonable approval of Tenant prior to installation or construction.

\textit{Exhibit S:} \textit{“Depiction of Baseball Stadium Viewsheds”}

\textit{Exhibit T:} \textit{“Depiction of Existing Advertising Sign Viewsheds and Locations”}
EXHIBIT G
DEPICTION OF NON-FAST FOOD BUFFER ZONE
Anaheim Stadium

Depiction of Non-Fast Food Buffer Zone

Disney Development Company

May 9, 1996
Exhibit G
EXHIBIT II
DEPICTION OF PRIMARY PARKING AREA
Anaheim Stadium
Depiction of Primary Parking Area
Disney Development Company

May 9, 1996
Exhibit H
Anaheim Stadium

Depiction of Last Load Parking Area

Disney Development Company

May 9, 1996

Exhibit 1
EXHIBIT J
OGDEN AND SPENCER AGREEMENTS

1. Representation Agreement between the City of Anaheim and Spencer Marketing Services dated August 2, 1983, as amended seven times to and including amendment dated November 30, 1993 -- (as to Anaheim Stadium only).

2. Eighth Amendment to Agreement between the City of Anaheim and Spencer Sports Media, Inc. (undated).


5. Agreement regarding the Stadium Concessions Contract between the City of Anaheim and Ogden Allied Leisure Services, Inc. dated June 26, 1990.

6. Amended and Restated Agreement Regarding the Stadium Concessions Contract between the City of Anaheim and Ogden Entertainment Services, Inc. dated December 18, 1990.

7. First Amendment to Stadium Concessions Agreement between the City of Anaheim and Ogden Entertainment Services, Inc. (undated).

8. First Amendment to Agreement Regarding the Stadium Concessions Contract between the City of Anaheim and Ogden Entertainment Services, Inc. (undated).
EXHIBIT K
EXISTING GOLDEN WEST BASEBALL CO. AGREEMENTS

1. Lease Agreement dated August 8, 1964, as amended and restated by the Amended and Restated Lease Agreement dated July 7, 1981, as amended by a First Amendment dated November 16, 1982, a Second Amendment dated September 2, 1986, a Third Amendment dated December 15, 1987, and a Fourth Amendment dated May 22, 1990, pursuant to which, inter alia, Landlord granted to Tenant the right and license to use certain real property and improvements consisting of the existing baseball stadium, parking facilities and certain other appurtenant facilities located in the City of Anaheim, County of Orange, State of California.

2. Lease Agreement with Golden West Baseball Co. dated March 15, 1966 for the lease of office space in the Baseball Stadium.

3. Agreement with Golden West Baseball Co. dated November 7, 1989, respecting the Baseball Stadium color video system.

4. Settlement and Release Agreement with Golden West Baseball Co. dated September 5, 1986, respecting the settlement of certain legal actions filed by the parties relating to rights of the parties to use of the Parking Area, claims relating to payment of percentage rental under the Existing Agreement in connection with concession operations and television revenues, and other claims relating to sums owed by the respective parties to each other (which Settlement Agreement, insofar as it relates to (i) payments to be made by either party under the Existing Agreement from and after the Commencement Date of the Lease to which this Exhibit is attached in connection with any and all operations at the Baseball Stadium after such date, (ii) services to be provided by Landlord after the Commencement Date of the Lease to which this Exhibit is attached (including police and security), (iii) pricing of merchandise, food and beverages sold at the Baseball Stadium, (iv) installation of a new scoreboard at the Baseball Stadium, and (v) complimentary tickets to be provided to Landlord by the Team, shall be of no further force or effect).

5. Settlement Agreement with Golden West Baseball Co. dated July 9, 1985, respecting Baseball Stadium services to be provided by Landlord under the Existing Agreement (which Settlement Agreement, insofar as it relates to services to be provided by Landlord under the Existing Agreement from and after the Commencement Date of the Lease to which this Exhibit is attached, shall be of no further force or effect).

7. Agreement dated May 24, 1990, with Golden West Baseball Co. concerning operation of the Anaheim Arrowhead Pond (which agreement shall remain in full force and effect notwithstanding execution of the Lease to which this Exhibit is attached).


10. Agreement Concerning Stadium Box Suites (executed in part) between the City of Anaheim and Golden West Baseball Co.
EXHIBIT L
EXISTING OPERATING AGREEMENTS

1. Agreement between the City of Anaheim and Medical and Safety Management dated March 26, 1996.


3. Automated Teller Machine Installation and Service Agreement between the City of Anaheim and Orange County Teachers Federal Credit Union dated June 9, 1994.


5. Memorandum between the City of Anaheim and the City of Anaheim Public Utilities Department dated August 15, 1994.


7. Sublease Agreement between the City of Anaheim and Newport Entertainment, Inc. (undated).

8. Sublease Agreement between the City of Anaheim and Orange County Arena Football, LLC (undated).


10. Agreement between the City of Anaheim and David Lake, dba Del Engineering dated December 19, 1995--(as to Anaheim Stadium only).


12. First Amendment to Agreement between the City of Anaheim and GTE Customer Networks, Inc. (undated).

14. Agreement between the City of Anaheim and Textron, Inc., dba Western Turf-Jacobsen Textron dated February 7, 1995 (as to the Baseball Stadium equipment only).

15. Elevator Maintenance Agreement between the City of Anaheim and Montgomery-Kane, Inc. dated March 10, 1995.

16. License Agreement between the City of Anaheim and Facilities Communications International Ltd., dba U.S. Telcom dated February 6, 1996 (as to the Baseball Stadium only).

17. Permit Agreement between the City of Anaheim and OKEH Caterers dated January 3, 1978, as amended seven times to and including amendment dated December 6, 1994.


30. Advertising Agreement by Spencer Sports Media, Inc., as agent for City of Anaheim, and Great Western Bank (undated) and addendums thereto.


[additional/advertising agreements to follow]
EXHIBIT M
CONSTRUCTION SCHEDULE
EXHIBIT N(1)

INSURANCE DURING RENOVATION

1. Tenant shall obtain and maintain and pay for the following insurance with respect to the renovation of the Baseball Stadium, in addition to all insurance required by this Lease to be maintained during such period as Tenant conducts any operations or activities at the Stadium Site, in such form and with such deductibles and limits as provided herein, provided that if Tenant assigns its interest under the Lease to other than an Affiliate, the insurance shall be in such form as may be reasonably acceptable to Landlord and Issuer. Capitalized terms used in this Exhibit not otherwise defined have the meaning ascribed in the Lease.

(a)(i) Workers' Compensation Insurance Coverage in compliance with the Workers' Compensation law of the State of California extended by the Broad Form All States Endorsement, and, on an if-ary-exposure basis, the United States Longshore and Harborworkers' Coverage Endorsement and the Voluntary Compensation Coverage Endorsement.

(ii) Employers' Liability Insurance Coverage subject to the minimum limit of Primary Bodily Injury Liability insurance required to support the purchase of the Excess Liability Insurance set forth in subparagraph 1(d), but not less than $1 million, each accident, and $1 million policy limit for disease.

(b) Public Liability Insurance, Commercial General Liability Form covering all premises and operations including independent contractors, products and completed operations, to be extended by the following endorsements, as applicable and necessary. The applicable limit of liability shall be the minimum Combined Single Limit of Primary Insurance required to support the purchase of the Excess Liability Insurance set forth in subparagraph 1(d), but not less than $5 million per occurrence and, as applicable, in the aggregate.

(i) A Broad Form Comprehensive General Liability Endorsement (including Personal Injury and Blanket Contractual Liability Coverage);

(ii) An endorsement deleting the Explosion, Collapse and Underground Hazards Exclusion;
(iii) An endorsement deleting the Employment and Contractual Exclusions with respect to Personal Injury Liability Coverage;

(iv) All insurance shall be on an occurrence basis unless otherwise expressly agreed in writing by Landlord, in its sole discretion. If the insurance is written on a claims-made basis, it shall provide for an extended reporting period of not less than five years beyond the completion of the Stadium Renovation;

(v) If the insurance is written on 1986 ISO Occurrence form, the general aggregate shall be waived to the extent available in the marketplace at commercially reasonable rates.

(c) Comprehensive Automobile Liability Insurance Coverage applicable to all owned, hired and nonowned vehicles subject to the minimum combined single limit of primary insurance required to support the purchase of the excess liability insurance set forth in subparagraph 1(d), but not less than $5,000,000 per occurrence.

(d) Excess Liability Insurance Coverage in excess of the underlying insurance described in paragraph 1(a), 1(b) and 1(c). The Limit of Liability shall be in an amount that when combined with the primary insurance in 1(a), (b) and (c) will be not less than $25,000,000 per occurrence and, as applicable, in the aggregate.

(e) All Risk Builders' Risk Insurance Coverage.

(i) Coverage on All Risk Basis in an amount not less than 100% of the replacement cost of the Baseball Stadium to protect against loss of, damage to or destruction of the Baseball Stadium. Such insurance shall be written on an agreed-cost basis, not a coinsurance basis.

(ii) Business Interruption and Extra Expense insurance. From and after the commencement of construction, Business Interruption and Extra Expense Insurance on the Baseball Stadium to protect the Tenant, the Landlord, the Tenant and the Issuer, as their interests may appear, covering the loss of revenues attributable to the Baseball Stadium and the Parking Area (and extra expense incurred) by reason of the total or partial suspension or delay of, or interruption in, the
construction of the Baseball Stadium caused by loss or damage to or destruction on any part the Baseball Stadium or the Stadium Site as a result of the perils insured against pursuant to subparagraph 1(e)(i) covering a period of suspension, delay or interruption of at least twelve (12) calendar months, in an amount not less than that required to meet Base Rent obligations and loss of revenue during any such period.

(iii) All policies obtained pursuant to subparagraph 1(e) may be subject to normal exclusions relating to nuclear risks, war risks, utility unavailability, flood, earth movement (including earthquake) and such other perils as are generally excluded by insurers on similar properties.

(f) Such insurance as provided by subparagraph 1(e) shall be subject to deductibles not greater than the following: Physical Damage: $250,000 per occurrence; Business interruption/Extra Expense: No more than 30 days of revenue/debt service.

(g) Landlord may carry such additional insurance as the Landlord may reasonably determine from time to time at the Landlord's expense.

(h) With respect to the interests of the Additional Insureds (as hereinafter defined) such insurance shall not be invalidated by any action or inaction of Tenant and shall insure such Additional Insureds regardless of any breach or violation of any warranty, declaration or condition contained in such insurance by Tenant. This clause applies with respect to the insurance provided in subparagraph 1(e).

2. Additional Insureds. All insurance policies required pursuant to paragraph 1, except the policy in paragraph 1(a)(i) above, shall include the following (including their respective officials, officers, representatives, members, employees and agents) as additional insureds (the "Additional Insured"), as their respective interests may appear in accordance with the contracts and agreement (related to the Baseball Stadium and the Stadium Site) to which they are a party:

a. The Anaheim Redevelopment Agency
b. [The Issuer/Trustee]
c. City of Anaheim (unless is Named Insured)
d. Anaheim Public Improvement Corporation
e. Permitted assignees of Landlord
3. **Special Insurance Provisions.** With respect to the insurance specified in paragraph 1:

(a) Such coverages shall not be cancelled or materially changed without giving the Landlord at least sixty (60) days prior written notification thereof.

(b) The insurers shall have no recourse against the Additional Insureds for payment of any insurance premium; however, such Additional Insureds shall have the option of paying any such premium in order to prevent cancellation of insurance for nonpayment of premium.

(c) None of the Additional Insureds shall have the unilateral right to make an insurance settlement under the policies of insurance set forth herein. Tenant shall have the unilateral right to make insurance settlements, except that if Tenant is not required to and does not elect to rebuild under the lease, any loss payable shall be adjusted with Landlord and paid to the Tenant and the Landlord for the account of all parties as their interests appear.

(d) If Tenant fails to reasonably comply with any such insurance requirements, and such insurance requirements are commercially reasonably available from acceptable insurers, the Landlord may, after giving the Tenant reasonable opportunity and assistance to correct such failure, at its option, pay a renewal premium or otherwise fulfill the particular insurance requirements and require Tenant to reimburse the cost thereof promptly. Failure of Tenant to take out and/or maintain any required insurance shall not relieve Tenant from any liability hereunder.

(e) The Tenant and any subcontractors shall evidence compliance with the State Workers' Compensation Law by supplying the following documentation:

- a certificate of insurance evidencing Workers' Compensation coverage or a copy of Tenant's or subcontractor's State of California-issued Consent to Self-Insure.

(f) To the extent attainable from the insurer, such liability insurance as is afforded by the insurance set forth in subparagraphs 1(a)(ii), (b), (c) and (d) shall be primary without the right of contribution from any other policies of insurance that are carried (or self-insured) by an
Additional Insured with respect to their interests in the Baseball Stadium or the Stadium Site.

(g) Tenant shall arrange for appropriate evidence of insurance to be issued to each Additional Insured by each insurance company, or their authorized representative, that issues any insurance policy set forth in paragraph 1 (the "Insurers").

(h) Tenant shall maintain the insurance set forth in this schedule with Allendale Mutual Insurance Company (as to property insurance) or with other California-admitted insurers that carry a Best's or equivalent rating equal to the lesser of A+ (X) as to property insurance or A- (X) rating as to all other insurance or the rating of the insurer which carries such insurance at Disneyland Park, from time to time. In no event shall the insurer have a Best's or equivalent rating of less than a B+ (X).

(i) Should Landlord otherwise be required to obtain and maintain any of the insurance under paragraphs 1(a)(i), (b), (c) or (d) of this Exhibit, Landlord reserves the right (i) to self-insure to a level of $1,000,000 per occurrence, (ii) to provide such coverage in connection with any other coverage maintained by City, and (iii) to provide such coverage through a joint powers insurance authority, duly formed and operated under the laws of the State of California.

4. **Waiver of Subrogation.** Tenant and the Landlord hereby waive any and every claim for recovery from the other for any and all loss or damage to each other, which loss or damage is covered by valid and collectible insurance policies to the extent that such loss or damage is recovered under said insurance policies. Inasmuch as this mutual waiver will preclude the assignment of any such claim to the extent of such recovery, but subrogation (or otherwise) to an insurance company (or any other person), Tenant and the Landlord agree to give to such insurance company which has issued, or may issue in the future, policies of insurance, written notice of the terms of this mutual waiver, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver.

5. **Additional Provisions Regarding Self-Insurance.** Tenant may provide any insurance which it is obligated to maintain hereunder through self-insurance (which shall include self-insurance maintained by its direct or ultimate parent corporation) so long as such insuring party maintains tangible net worth of not less than $100,000,000.00, according to financial statements prepared in accordance with generally
accepted accounting principles, applied on a consistent basis, and certified by an independent certified public accountant, and so long as such self-insurance programs shall operate in the same manner as a typical commercial insurance policy and the Additional Insureds (including the City of Anaheim and the Anaheim Redevelopment Agency) shall have the same rights as additional insureds as they would have had if coverage had been provided by a typical commercial insurance company. Landlord agrees to accept as evidence of the insurance required by this Section 5 a certificate of insurance from the Walt Disney Company's insurance administrator.

Upon the Landlord's request, Tenant shall also furnish or cause to be furnished to Landlord evidence satisfactory to Landlord that any contractor with whom it has contracted for the performance of work on the Stadium Site or otherwise pursuant to the Lease carries workers' compensation insurance as required by law.

Notwithstanding any other provisions of this Exhibit N(1), so long as Tenant meets the minimum conditions for maintenance of self-insurance provided above, the deductible under any policy of insurance carried by Tenant may be determined by Tenant, in its sole discretion.
EXHIBIT N(2)

INSURANCE DURING OPERATION

1. Tenant shall obtain, pay for and maintain the following insurance with respect to the operation and maintenance of the Stadium Site, in such form and with such deductibles and limits as is set forth herein, provided that if Tenant assigns its interest under the Lease to other than an Affiliate, the insurance shall be in a form reasonably acceptable to Landlord and Issuer. Capitalized terms used in this Exhibit not otherwise defined have the meaning ascribed in the Lease.

(a)(i) Workers' Compensation Insurance Coverage in compliance with the Workers' Compensation law of the State of California extended by the Broad Form All States Endorsement, and, on an if-any-exposure basis, the United States Longshore and Harborworkers' Coverage Endorsement and the Voluntary Compensation Coverage Endorsement;

(ii) Employers' Liability Insurance Coverage subject to the minimum limit of Primary Bodily Injury Liability insurance required to support the purchase of the Excess Liability Insurance set forth in subparagraph 1(d), but not less than $1 million, each accident, and $1 million policy limit for disease.

(b) Public Liability Insurance. Commercial General Liability Form covering all premises and operations including independent contractors, products and completed operations, to be extended by the following endorsements, as applicable and necessary. The applicable limit of liability shall be the minimum Combined Single Limit of Primary Insurance required to support the purchase of the Excess Liability Insurance set forth in subparagraph 1(d), but not less than $5 million per occurrence, and, as applicable, in the aggregate.

(i) A Broad Form Comprehensive General Liability Endorsement (including Personal Injury and Blanket Contractual Liability Coverage);

(ii) An endorsement deleting the Explosion, Collapse and Underground Hazards Exclusion;

(iii) An endorsement deleting the Employment and Contractual Exclusions with respect to Personal Injury Liability Coverage;
(iv) All Insurance shall be on an occurrence basis unless otherwise expressly agreed in writing by Landlord, in its sole discretion. If this Insurance is written on a claims-made basis, it shall provide for an extended reporting period of not less than five years (x) for each renewal claims-made policy which is not renewed with a claims made policy, (y) for each renewal claims made policy that has a retroactive date that is different from the expiring policy, or (z) beyond the termination of the Lease; provided, however, a claims made form shall only be used if coverage is not available or reasonable on an occurrence form.

(v) If the insurance is written on 1986 ISO Occurrence form, the general aggregate shall be waived to the extent available in the marketplace at commercially reasonable rates.

(c) Comprehensive Automobile Liability Insurance Coverage applicable to all owned, hired and nonowned vehicles subject to the minimum Combined single limit of primary insurance required to support the purchase of the Excess Liability Insurance set forth in subparagraph 1(d), but not less than $5 million per occurrence.

(d) Excess Liability Insurance Coverage in excess of the Underlying Insurance described in paragraph 1(a), 1(b) and 1(c). The Limit of Liability shall be in an amount that when combined with the primary insurance in 1(a), (b) and (c) will be not less than $25,000,000 per occurrence and, as applicable, in the aggregate.

(e) All Risk Physical Damage Insurance.

(i) Coverage on an All Risk Basis in an amount not less than 100% of the replacement cost of the Baseball Stadium and contents to protect against loss of, damage to or destruction of the Baseball Stadium. Such insurance shall be endorsed to also include the Agreed Amount Clause (in lieu of the coinsurance clause).

(ii) Business Interruption and Extra Expense insurance. From and after the commencement of Stadium operations, Business Interruption and Extra Expense Insurance on the Stadium to protect Tenant, Landlord, and the Issuer, covering the loss of revenues attributed to the Baseball Stadium and the Parking Area
(and extra expense incurred) by reason of the total or partial suspension or delay of, or interruption in, the operation of the Baseball Stadium or Parking Area caused by loss or damage to or destruction of any part the Baseball Stadium as a result of the perils insured against pursuant to subparagraph 1(e)(i), covering a period of suspension, delay or interruption of at least twelve (12) calendar months, in an amount not less than that required to meet Base Rent obligations, operation and maintenance expenses, and loss of revenue during any such period.

(iii) Boiler and Machinery Insurance in the aggregate amount of full replacement value of the boilers and machinery. Such insurance shall be extended to include Business interruption/Extra Expense as outlined in subparagraph 1(e)(ii).

(iv) All policies obtained pursuant to subparagraph 1(e) may be subject to normal exclusions relating to nuclear risks, war risks, utility unavailability, flood, earth movement (including earthquake) and such other perils as are generally excluded by insurers on similar properties.

(f) Such insurance as provided by subparagraph 1(e) shall be subject to the following deductibles:

Property Damage: $250,000 per occurrence
Business interruption/Extra Expense: In an amount equal to or less than 30 days of revenue or an equivalent dollar amount.

(g) Should Landlord request insurance coverage that is not customarily required for similar projects/operations, Tenant shall (subject to Landlord's agreement to reimburse Tenant for the additional costs thereof) carry such additional insurance as Landlord may reasonably request from time to time at the Landlord's expense.

(h) With respect to the interests of the Additional Insureds such Insurance shall not be invalidated by any action or inaction of Tenant and shall insure such Additional Insureds regardless of any breach or violation of any warranty, declaration or condition contained in such insurance by the Tenant. This clause applies as respect the insurance provided in subparagraph 1(e).
2. **Additional Insureds.** Tenant shall include the following (including their respective officials, officers, representatives, members, agents and employees) as Additional Insureds (the "Additional Insureds") on all insurance policies required pursuant to paragraph 1 (other than subparagraph 1(a)(i) hereof) as their respective interests may appear in accordance with the contracts and agreement (related to the Stadium Site) to which they are a party:

a. City of Anaheim  
b. [Issuer/Trustee]  
c. Anaheim Redevelopment Agency  
d. Anaheim Public Improvement Corporation  
e. Permitted Assignees of Landlord

3. **Special Insurance Provisions.** With respect to the insurance specified in paragraph 1:

   (a) Such coverages shall not be cancelled or materially changed without giving Landlord at least sixty (60) days prior written notification thereof.

   (b) The insurers shall have no recourse against the Additional Insureds for payment of any insurance premium; however, such Additional Insureds shall have the option of paying any such premium in order to prevent cancellation of insurance for nonpayment of premium.

   (c) None of the Additional Insureds shall have the unilateral right to make an insurance settlement under the policies of insurance set forth herein. Tenant shall have the unilateral right to make insurance settlements, except that if Tenant is not required to and does not elect to rebuild under the Lease, any loss payable shall be adjusted with Landlord and paid to the Tenant and the Landlord for the account of all parties as their interests appear.

   (d) If Tenant fails to comply with any such insurance requirements, and such insurance requirements are commercially reasonably available from acceptable insurers, Landlord may, at its option, pay a renewal premium or otherwise fulfill the particular insurance requirements and demand payment therefor from Tenant. Failure of Tenant to take out and/or maintain any required insurance shall not relieve Tenant from any liability hereunder.
(e) Tenant shall evidence compliance with the State
Workers' Compensation Law by supplying the
following documentation:

a certificate of insurance evidencing
Worker's Compensation coverage or a copy of
Tenant's or subcontractor's State of
California-issued Consent to Self-Insure.

(f) Such liability and property insurance as is
afforded by the insurance set forth in
subparagraphs 1(a)(ii), (b), (c), (d) and (e)
shall be primary without the right of contribution
from any other policies of insurance that are
carried (or self-insured) by an Additional Insured
with respect to their interests in the Stadium
Site. Further, such liability insurance shall
expressly provide that all of the provisions
thereof, except the limits of liability, shall
operate in the same manner as if there were a
separate policy covering each insured.

(g) Tenant shall arrange for certificates of insurance
and endorsements to be issued to each Additional
Insured by each Insurer evidencing the Additional
Insureds have been added to the policy.

(h) Tenant shall maintain the insurance set forth in
this schedule with Allendale Mutual Insurance
Company (as to property insurance) or with other
California-admitted insurers that carry a Best's
or equivalent rating equal to the lesser of A+ (X)
as to property insurance or A- (X) rating as to
all other insurance or the rating of the insurer
which carries such insurance at Disneyland Park,
from time to time. In no event shall the insurer
have a Best's or equivalent rating of less than a
B+ (X).

(i) Should Landlord otherwise be required to obtain
and maintain any of the insurance under paragraphs
1(a)(ii), (b), (c) or (d) of this Exhibit,
Landlord reserves the right (i) to self-insure to
a level of $1,000,000 per occurrence, (ii) to
provide such coverage in connection with any other
coverage maintained by City, and (iii) to provide
such coverage through a joint powers insurance
authority, duly formed and operated under the laws
of the State of California.

4. Waiver of Subrogation. Tenant and Landlord hereby
waive any and every claim for recovery from the other for any and
all loss or damage to each other, which loss or damage is covered
by valid and collectible insurance policies to the extent that
such loss or damage is recovered under said insurance policies. Inasmuch as this mutual waiver will preclude the assignment of any such claim to the extent of such recovery, by subrogation (or otherwise) to an insurance company (or any other person), Tenant and Landlord agrees to give to such insurance company which has issued, or may issue in the future, policies of insurance, written notice of the terms of this mutual waiver, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver.

5. **Deductible and Self-Insured Retentions.** The cost of deductibles and self-insured retained amounts shall be borne by Tenant for policies outlined in 1(a), (b), (c), (d) and (e), except if such cost shall be incurred as an event insured at the request of Landlord per paragraph 1(g) or except as otherwise provided in the Lease.

6. **Additional Provisions Regarding Self-Insurance.** Tenant may provide any insurance which it is obligated to maintain hereunder through self-insurance (which shall include self-insurance maintained by its direct or ultimate parent corporation) so long as such insuring party maintains tangible net worth of not less than $100,000,000.00, according to financial statements prepared in accordance with generally accepted accounting principles, applied on a consistent basis, and certified by an independent certified public accountant, and so long as such self-insurance programs shall operate in the same manner as a typical commercial insurance policy and the Additional Insureds (including the City of Anaheim and the Anaheim Redevelopment Agency) shall have the same rights as additional insureds as they would have had if coverage had been provided by a typical commercial insurance company. Landlord agrees to accept as evidence of the insurance required by this Section 7 a certificate of insurance from the Walt Disney Company's insurance administrator.

Upon the Landlord's request, Tenant shall also furnish or cause to be furnished to Landlord evidence satisfactory to Landlord that any contractor with whom it has contracted for the performance of work on the Stadium Site or otherwise pursuant to the Lease carries workers' compensation insurance as required by law.

Notwithstanding any other provisions of this Exhibit N(2), so long as Tenant meets the minimum conditions for maintenance of self-insurance provided above, the deductible under any policy of insurance carried by Tenant may be determined by Tenant, in its sole discretion.
Anaheim Stadium

Depiction of Future Stadium Approximate Location

Disney Development Company

May 9, 1995
Exhibit 0
Anaheim Stadium
Depiction of Access Locations
Disney Development Company

May 9, 1996
Exhibit P
Anaheim Stadium
Bus & Limousine Loading Zone
Disney Development Company

3 500 feet

May 9, 1996
Exhibit Q
Anaheim Stadium
Depiction of Speed Parking Layout for Parking Structure
Disney Development Company

May 9, 1996
Exhibit R
Anaheim Stadium
Depiction of Baseball Stadium Viewsheds
Disney Development Company

May 9, 1996
Exhibit 5
EXHIBIT T
DEPICTION OF LOCATION OF ADVERTISING VIEWSHEDS
Anaheim Stadium

Depiction of Existing Advertising Sign Viewsheds & Locations

Disney Development Company

May 9, 1996
Exhibit T
EXHIBIT U
CONCEPTUAL STADIUM PARKING LAYOUT