NEW ISSUE—BOOK-ENTRY ONLY

RATINGS: *Moody's: "Aaa"*
S&P: "AAA"
(See "RATINGS")

In the opinion of Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications described herein, interest on the Tax Exempt PILOT Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Tax Exempt PILOT Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations. Bond Counsel is further of the opinion that interest on the Tax Exempt PILOT Bonds is exempt, by virtue of the New York General Municipal Law, from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "TAX MATTERS" herein regarding certain other tax considerations.

$547,355,000
New York City Industrial Development Agency
PILOT Bonds
(Queens Baseball Stadium Project),
Series 2006

Dated: Date of Delivery **Due: As shown on the inside front cover**

The New York City Industrial Development Agency (the "*Issuer*") is offering $547,355,000 of PILOT Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Tax Exempt PILOT Bonds*"), which together with the proceeds of its $58,450,000 Installment Purchase Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Taxable Installment Purchase Bonds*") and $7,115,000 Lease Revenue Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Taxable Lease Revenue Bonds*" and together with the Taxable Installment Purchase Bonds, the "*Taxable Bonds*"), will be used to pay a portion of the costs of the Project (as defined below). The Tax Exempt PILOT Bonds and the Taxable Bonds are collectively referred to herein as the "*Series 2006 Bonds*." The Issuer is offering the Tax Exempt PILOT Bonds pursuant to this Official Statement. The Issuer is simultaneously offering the Taxable Bonds pursuant to a Private Offering Memorandum. **This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, the Taxable Bonds pursuant to this Official Statement.**

The Series 2006 Bonds are being issued (i) as part of a plan of finance with respect to the Project; (ii) to fund capitalized interest funds for each series of the Series 2006 Bonds; (iii) to purchase debt service reserve credit facilities for each series of the Series 2006 Bonds; and (iv) to pay certain costs associated with the issuance of the Series 2006 Bonds, including amounts due to Ambac Assurance Corporation. Additional costs of the Project will be paid for by the State of New York, acting through the Empire State Development Corporation and by The City of New York (the "*City*"). The "*Project*" is comprised of (a) the design, development, acquisition, construction and equipping of a Major League Baseball stadium, including related concession areas, ancillary structures and other improvements (the "*Stadium*"), to be used by the New York Mets professional baseball club (the "*Mets*"), (b) the improvement of certain parking facilities and (c) the demolition of Shea Stadium.

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer, the principal of and premium, if any, and interest on which are payable out of and secured by (i) revenues of the Issuer derived and to be derived from certain payments in lieu of *ad valorem* real property taxes made under a Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2006 (the "*PILOT Agreement*"), between the Issuer, Queens Ballpark Company, L.L.C. ("*Ballpark LLC*") and the City; (ii) certain funds and accounts held by The Bank of New York (the "*Independent Trustee*") under the PILOT Assignment and Escrow Agreement, dated as of August 1, 2006, among the Issuer, The Bank of New York (the "*PILOT Bonds Trustee*"), the Independent Trustee and the City; and (iii) certain funds and accounts to be held by the PILOT Bonds Trustee under the PILOT Bonds Master Indenture of Trust and the First Supplemental Indenture of Trust, each between the Issuer and the PILOT Bonds Trustee and dated as of August 1, 2006.

The Taxable Installment Purchase Bonds and the Taxable Lease Revenue Bonds are each payable out of, and separately secured by, revenues and funds and accounts that are not available to pay, and do not secure, the Tax Exempt PILOT Bonds.

Interest on the Tax Exempt PILOT Bonds is payable each January 1 and July 1, commencing January 1, 2007. The inside cover page contains information concerning the maturity dates, interest rates, prices or yields and CUSIPs for the Tax Exempt PILOT Bonds. The Tax Exempt PILOT Bonds are subject to redemption prior to maturity as described herein.

The Tax Exempt PILOT Bonds will be issued in denominations of $5,000. The Tax Exempt PILOT Bonds will be held initially in book-entry only form, registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("*DTC*"), which will act as securities depository for the Tax Exempt PILOT Bonds. Individual purchases of beneficial interests in the Tax Exempt PILOT Bonds will be made in book-entry form under DTC's book-entry only system. Purchasers of beneficial interests in the Tax Exempt PILOT Bonds will not receive certificates representing their interests in the Tax Exempt PILOT Bonds. See "APPENDIX A — BOOK-ENTRY ONLY SYSTEM."

So long as Cede & Co. is the registered owner of the Tax Exempt PILOT Bonds, payments of principal of and premium, if any, and interest on the Tax Exempt PILOT Bonds will be paid through the facilities of DTC. Disbursement of such payments to DTC participants is the responsibility of DTC, and disbursement of such payments to the purchasers of beneficial interests in the Tax Exempt PILOT Bonds is the responsibility of DTC participants and indirect participants, as more fully described herein.

THE TAX EXEMPT PILOT BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM AND SECURED BY PILOT REVENUES (AS DEFINED HEREIN) DERIVED FROM PILOTS (AS DEFINED HEREIN) MADE BY BALLPARK LLC PURSUANT TO THE PILOT AGREEMENT AND CERTAIN FUNDS AND ACCOUNTS HELD UNDER THE PILOT BONDS INDENTURE. NEITHER THE STATE OF NEW YORK NOR THE CITY IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE TAX EXEMPT PILOT BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW YORK OR THE CITY IS PLEDGED TO SUCH PAYMENT. THE ISSUER HAS NO TAXING POWER.

THE TAX EXEMPT PILOT BONDS DO NOT CONSTITUTE AN OBLIGATION OF BALLPARK LLC, STERLING METS, L.P., THE METS OR ANY OF THEIR RESPECTIVE AFFILIATES. THE TAX EXEMPT PILOT BONDS ARE NOT SECURED BY ANY INTEREST IN THE STADIUM NOR ANY PROPERTY OF OR INTEREST IN BALLPARK LLC, STERLING METS, L.P., THE METS OR ANY OF THEIR RESPECTIVE AFFILIATES.

An investment in the Tax Exempt PILOT Bonds involves certain risks as described herein. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS" and "BANKRUPTCY CONSIDERATIONS" on pages 49 and 65, respectively, of this Official Statement.

The scheduled payment of principal of and interest on the Tax Exempt PILOT Bonds when due will be insured by a financial guaranty insurance policy to be issued by Ambac Assurance Corporation concurrently with the delivery of the Tax Exempt PILOT Bonds.

Ambac

The Tax Exempt PILOT Bonds are offered by the underwriters set forth below (collectively, the "*Underwriters*"), subject to prior sale, when, as and if delivered to and accepted by the Underwriters, subject to the approval of the proceedings authorizing the Tax Exempt PILOT Bonds, and certain other matters, by Nixon Peabody LLP, Bond Counsel. Certain legal matters will be passed upon for Ballpark LLC and Sterling Mets, L.P. by Fulbright & Jaworski L.L.P. and Stroock & Stroock & Lavan LLP; for the Issuer by its Vice President for Legal Affairs; and for the Underwriters by Proskauer Rose LLP. It is expected that the Tax Exempt PILOT Bonds will be available for delivery through the services of DTC on or about August 22, 2006.

Citigroup
Bear, Stearns & Co. Inc.
Loop Capital Markets, LLC

JPMorgan
Lehman Brothers
Popular Securities

Dated: August 15, 2006

$547,355,000
New York City Industrial Development Agency
PILOT Bonds
(Queens Baseball Stadium Project),
Series 2006

Maturity Date (January 1)	Principal Amount	Interest Rate	Price or Yield	CUSIPs[1]
2010	$5,325,000	3.60%	100%	64971PCU7
2011	2,365,000	3.625	3.64	64971PCV5
2011	3,165,000	5.00	3.64	64971PCW3
2012	1,215,000	3.70	3.73	64971PCX1
2012	4,570,000	5.00	3.73	64971PCY9
2013	1,100,000	3.80	3.83	64971PCZ6
2013	4,975,000	5.00	3.83	64971PDA0
2014	905,000	3.90	3.93	64971PDB8
2014	5,475,000	5.00	3.93	64971PDC6
2015	3,755,000	4.00	4.01	64971PDD4
2015	2,950,000	5.00	4.01	64971PDE2
2016	4,835,000	4.00	4.06	64971PDF9
2016	2,180,000	5.00	4.06	64971PDG7
2017	2,230,000	4.10	4.11	64971PDH5
2017	5,105,000	5.00	4.11	64971PDJ1
2018*	7,700,000	5.00	4.14	64971PDK8
2019*	8,105,000	5.00	4.18	64971PDL6
2020*	8,525,000	5.00	4.22	64971PDM4
2021	1,460,000	4.25	4.26	64971PDN2
2021*	7,515,000	5.00	4.26	64971PDP7
2022*	9,435,000	5.00	4.30	64971PDQ5
2023*	9,925,000	5.00	4.32	64971PDR3
2024*	10,445,000	5.00	4.34	64971PDS1
2025*	10,995,000	5.00	4.35	64971PDT9
2026	450,000	4.30	4.36	64971PDU6
2026*	11,120,000	5.00	4.36	64971PDV4

$875,000	4.375% per annum Term Bonds Due January 1, 2031 — Yield 4.44%; CUSIP[1]	64971PDW2
$66,695,000	5.00% per annum Term Bonds Due January 1, 2031* — Yield 4.44%; CUSIP[1]	64971PDX0
$87,190,000	5.00% per annum Term Bonds Due January 1, 2036* — Yield 4.47%; CUSIP[1]	64971PDY8
$64,055,000	5.00% per annum Term Bonds Due January 1, 2039* — Yield 4.50%; CUSIP[1]	64971PDZ5
$74,470,000	4.75% per annum Term Bonds Due January 1, 2042* — Yield 4.72%; CUSIP[1]	64971PEA9
$118,245,000	5.00% per annum Term Bonds Due January 1, 2046* — Yield 4.57%; CUSIP[1]	64971PEB7

* Priced at the stated yield to the January 1, 2017 optional redemption price of 100%.

[1] Copyright 2003, American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Tax Exempt PILOT Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Tax Exempt PILOT Bonds or as indicated above.


Mets Ballpark
METS BALLPARK
CONCESSIONS

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NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE ISSUER, BALLPARK LLC OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER, BALLPARK LLC OR THE UNDERWRITERS. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE TAX EXEMPT PILOT BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN CONCERNING DTC HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE ISSUER, BALLPARK LLC OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION. THE INFORMATION SET FORTH HEREIN CONCERNING THE BOND INSURER FOR THE TAX EXEMPT PILOT BONDS HAS BEEN FURNISHED BY AMBAC ASSURANCE CORPORATION AND NO REPRESENTATION IS MADE BY THE ISSUER, BALLPARK LLC OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION. THE ISSUER HAS ONLY PROVIDED THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT UNDER THE HEADINGS "THE ISSUER" AND "LITIGATION" (INSOFAR AS IT RELATES TO THE ISSUER HEREIN). ALL OTHER INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM BALLPARK LLC AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY, THE UNDERWRITERS.

THIS OFFICIAL STATEMENT IS INTENDED TO REFLECT FACTS AND CIRCUMSTANCES ON THE DATE OF THIS OFFICIAL STATEMENT OR ON SUCH OTHER DATE OR AT SUCH OTHER TIME AS IDENTIFIED HEREIN. NO ASSURANCE CAN BE GIVEN THAT SUCH INFORMATION WILL NOT BE INCOMPLETE OR MISLEADING AT A LATER DATE. CONSEQUENTLY, RELIANCE ON THIS OFFICIAL STATEMENT AT TIMES SUBSEQUENT TO THE ISSUANCE OF THE TAX EXEMPT PILOT BONDS DESCRIBED HEREIN SHOULD NOT BE MADE ON THE ASSUMPTION THAT ANY SUCH FACTS OR CIRCUMSTANCES ARE UNCHANGED.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE TAX EXEMPT PILOT BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED,

MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE TAX EXEMPT PILOT BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES OR YIELDS LOWER THAN THE PUBLIC OFFERING PRICES OR YIELDS STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE TAX EXEMPT PILOT BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED DOES NOT MEAN THAT EITHER THESE JURISDICTIONS OR ANY OF THEIR AGENCIES HAVE PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED, THE TAX EXEMPT PILOT BONDS, OR THEIR OFFER OR SALE. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE TAX EXEMPT PILOT BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

THE TAX EXEMPT PILOT BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE PILOT BONDS INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE ISSUER, BALLPARK LLC AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT THAT ARE NOT PURELY HISTORICAL ARE FORWARD-LOOKING STATEMENTS, INCLUDING STATEMENTS REGARDING BALLPARK LLC'S EXPECTATIONS, HOPES, INTENTIONS OR STRATEGIES REGARDING THE FUTURE. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO BALLPARK LLC ON THE DATE HEREOF, AND NEITHER THE ISSUER NOR BALLPARK LLC ASSUMES ANY OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS. SEE "RISK FACTORS AND INVESTMENT CONSIDERATIONS."

DATA RELATED TO PROJECTED RESULTS OF BALLPARK LLC

THE FINANCIAL AND OPERATING PROJECTIONS CONTAINED IN THIS OFFICIAL STATEMENT REPRESENT BALLPARK LLC'S BEST ESTIMATES AS OF AUGUST 1, 2006. NEITHER THE ISSUER'S NOR BALLPARK LLC'S INDEPENDENT PUBLIC ACCOUNTANTS NOR ANY OTHER THIRD PARTY HAS EXAMINED, REVIEWED OR COMPILED THE PROJECTIONS AND, ACCORDINGLY, NONE OF THE FOREGOING EXPRESSES AN OPINION OR OTHER FORM OF ASSURANCE WITH RESPECT THERETO. THE ASSUMPTIONS UPON WHICH THE PROJECTIONS ARE BASED ARE DESCRIBED IN MORE DETAIL HEREIN. SOME

OF THESE ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE, AND UNANTICIPATED EVENTS MAY OCCUR THAT COULD AFFECT BALLPARK LLC'S RESULTS. THEREFORE, BALLPARK LLC'S ACTUAL RESULTS ACHIEVED DURING THE PERIODS COVERED BY THE PROJECTIONS WILL VARY FROM THE PROJECTED RESULTS, AND THESE VARIATIONS COULD MATERIALLY AFFECT BALLPARK LLC'S ABILITY TO MAKE PAYMENTS IN LIEU OF TAXES THAT ARE THE ANTICIPATED SOURCE OF PAYMENT BY THE ISSUER OF DEBT SERVICE ON THE TAX EXEMPT PILOT BONDS. PROSPECTIVE INVESTORS IN THE TAX EXEMPT PILOT BONDS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE PROJECTIONS INCLUDED HEREIN.

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OFFICIAL STATEMENT

$547,355,000
New York City Industrial Development Agency
PILOT Bonds
(Queens Baseball Stadium Project),
Series 2006

INTRODUCTION

All capitalized terms used in this Official Statement and not otherwise defined herein shall have the meanings assigned thereto in "APPENDIX B—CERTAIN DEFINITIONS."

General

This Official Statement (this "*Official Statement*"), including the cover page, inside cover page and Appendices hereto, provides information concerning the issuance by the New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (the "*Issuer*"), of $547,355,000 aggregate principal amount of its PILOT Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Tax Exempt PILOT Bonds*"), which, together with the proceeds of its $58,450,000 Installment Purchase Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Taxable Installment Purchase Bonds*") and $7,115,000 Lease Revenue Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Taxable Lease Revenue Bonds*" and, together with the Taxable Installment Purchase Bonds, the "*Taxable Bonds*"), will be used to pay a portion of the costs of the Project (as defined herein). The Tax Exempt PILOT Bonds and the Taxable Bonds are collectively referred to herein as the "*Series 2006 Bonds*." The Issuer is offering only the Tax Exempt PILOT Bonds pursuant to this Official Statement. The Issuer is simultaneously offering the Taxable Bonds pursuant to a Private Offering Memorandum. **This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, the Taxable Bonds pursuant to this Official Statement.**

The Tax Exempt PILOT Bonds will be issued pursuant to Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as it may be amended from time to time (collectively, the "*Act*"), and the PILOT Bonds Master Indenture of Trust, as the same may be amended (the "*PILOT Bonds Master Indenture*") and the First Supplemental Indenture of Trust, each between the Issuer and The Bank of New York (the "*PILOT Bonds Trustee*") and dated as of August 1, 2006, as the same may be amended (the "*PILOT Bonds Supplemental Indenture*" and, together with the PILOT Bonds Master Indenture, the "*PILOT Bonds Indenture*").

The Project and Plan of Finance

The Issuer is issuing the Series 2006 Bonds (i) as part of a plan of finance with respect to the Project; (ii) to fund capitalized interest funds for each series of the Series 2006 Bonds; (iii) to purchase debt service reserve fund credit facilities for each series of the Series 2006 Bonds; and (iv) to pay certain costs associated with the issuance of the Series 2006 Bonds, including amounts due to Ambac Assurance Corporation (the "*Bond Insurer*").

The "*Project*" is comprised of (a) the design, development, acquisition, construction and equipping of a Major League Baseball stadium, including related concession areas, ancillary structures and other improvements (the "*Stadium*"), to be used by the New York Mets professional baseball club

(the "*Mets*"), (b) the improvement of certain parking facilities and (c) the demolition of Shea Stadium. Certain additional costs associated with the Project will be funded by The City of New York (the "*City*"), which will provide $91.4 million for Infrastructure (as defined herein) improvements and up to $15.0 million of rent credits under the existing lease of Shea Stadium (the "*Prior Lease*") from the City to Sterling Mets, L.P., the owner of the Mets ("*Sterling Mets*"), to reimburse Sterling Mets for amounts advanced to cover certain development and construction costs previously incurred, and by the State of New York (the "*State*"), acting through the Empire State Development Corporation ("*ESDC*"), which will contribute an additional $74.7 million for Infrastructure improvements relating to the Stadium. See "PLAN OF FINANCE." Pursuant to a funding agreement (the "*MDC Funding Agreement*"), dated June 7, 2006, between New York City Economic Development Corporation ("*NYCEDC*") and Mets Development Company, L.L.C., an indirect wholly owned subsidiary of Sterling Mets ("*MDC*"), $13.0 million of the City's capital contribution was approved and appropriated by the New York City Office of Management and Budget ("*OMB*") to be used for initial Infrastructure improvements. The City Comptroller registered the MDC Funding Agreement on July 7, 2006 and the funds are available for disbursement to MDC. NYCEDC, ESDC and Queens Ballpark Company, L.L.C. ("*Ballpark LLC*"), a newly formed indirect wholly owned subsidiary of Sterling Mets, entered into a subsequent funding agreement dated as of August 2, 2006 (the "*Funding Agreement*") providing for the remaining funding by the City and the State to be allocated to the Project. The City funding portion of the Funding Agreement is expected to be available for disbursement to Ballpark LLC upon registration of the Funding Agreement by the City Comptroller. In accordance with the City Charter, the Office of the City Comptroller has 30 days from the date it received the Funding Agreement to register the Funding Agreement, which is expected to occur on or about September 5, 2006. Accordingly, the City funding under the Funding Agreement is subject to City Comptroller registration and the City and State funding are subject to certain other factors. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Construction of the Stadium—The Release of the City's and the State's Funding Portions."

Ballpark LLC is a special purpose entity formed for the purpose of leasing and, as agent for the Issuer, operating and maintaining the Project and managing construction of the Stadium.

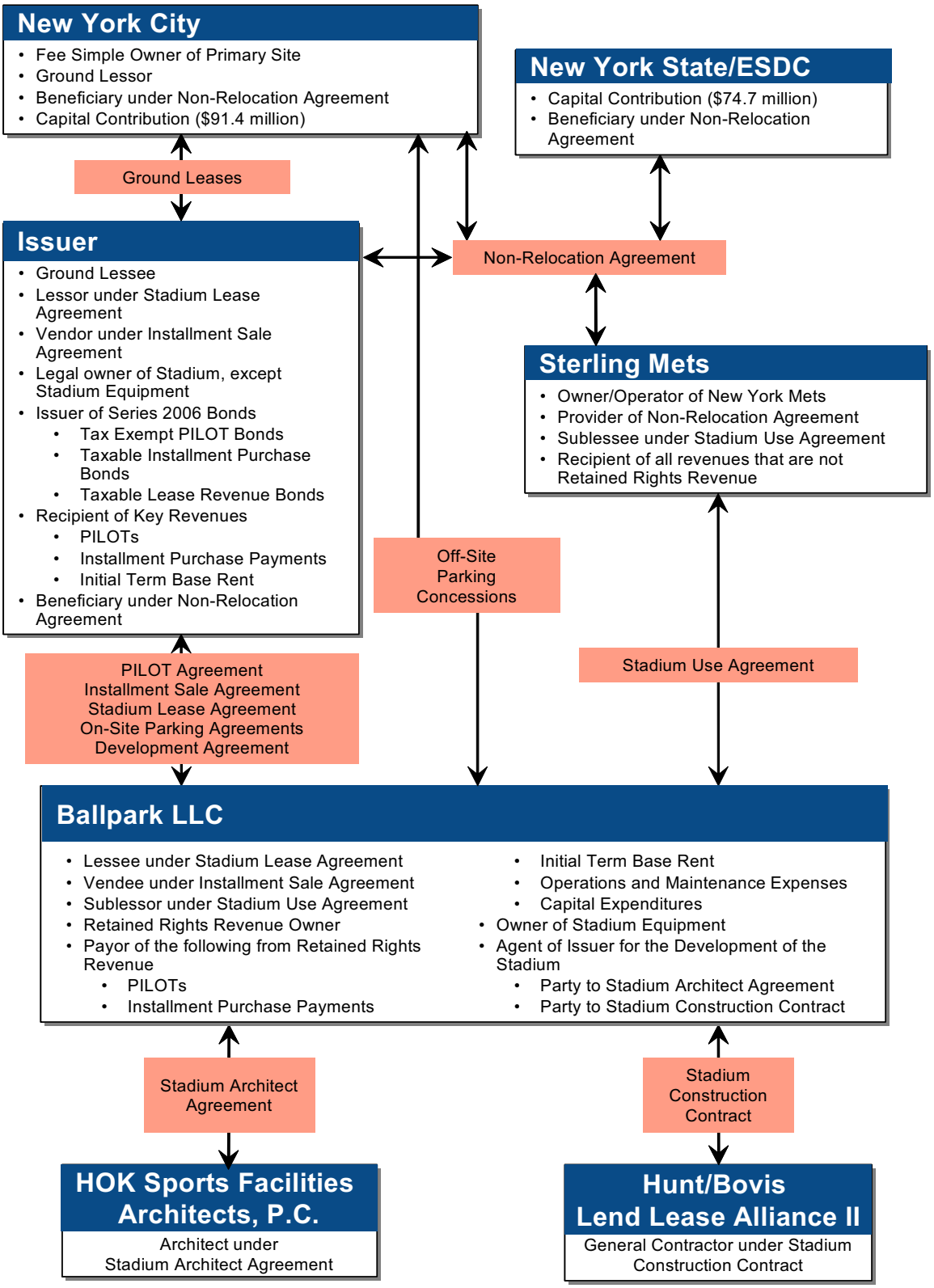
The Tax Exempt PILOT Bonds and the Taxable Lease Revenue Bonds will be used to finance the design, development, acquisition and construction of the Project and the Taxable Installment Purchase Bonds will be used to finance certain equipment, fixtures and severable tenant improvements (the "*Stadium Equipment*") and certain other costs of the Project.

The PILOT Bonds Trustee, the Lease Revenue Bonds Trustee and the Installment Purchase Bonds Trustee will enter into an Intercreditor Agreement which provides, among other things, (i) that the parties thereto will consult with each other upon the occurrence of certain events or prior to taking certain actions, (ii) that the parties thereto will provide each other with notice of the occurrence of certain events and (iii) how certain funds will be apportioned among the parties thereto. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – Intercreditor Agreement."

The Taxable Installment Purchase Bonds and Taxable Lease Revenue Bonds are payable out of and separately secured by revenue and funds and accounts that are not available to pay, and do not secure, the Tax Exempt PILOT Bonds.

Summary of Basic Structure

The diagram set forth below illustrates the basic structure of the transactions among the key participants in the Project:



Project Leases and Agreements

The City is the fee owner of approximately 51 acres of land (the "*Primary Site*") upon which the Stadium and the North Site Parking Facilities (as defined herein) will be constructed and approximately 12 acres of land (the "*South Parking Site*") upon which the South Parking Facilities (as defined herein) will be constructed. The City will lease the Primary Site to the Issuer under a Primary Site Ground Lease (the "*Primary Site Ground Lease*") and will lease the South Parking Site to the Issuer under the South Parking Site Ground Lease (as defined herein). The Issuer, as landlord, will then enter into a Stadium Lease Agreement (the "*Stadium Lease Agreement*") with Ballpark LLC, as tenant, under which Ballpark LLC will sublease that portion of the Primary Site upon which the Stadium will be constructed (the "*Stadium Site*") and occupy and, on behalf of the Issuer, operate and maintain the Stadium. Ballpark LLC and Sterling Mets also will enter into a Stadium Use Agreement (the "*Stadium Use Agreement*") under which Ballpark LLC will sublease the Stadium to Sterling Mets for Mets' home games and other events for an initial term beginning on the date of execution of the Stadium Use Agreement and ending up to 37.5 years after the substantial completion of construction of the Stadium, which term shall be subject to renewal thereafter at fair market value. The Issuer, as landlord, will also enter into a Parking Lease Agreement (the "*North Parking Site Lease Agreement*") with Ballpark LLC, as tenant, under which Ballpark LLC will sublease the remainder of the Primary Site that is not subleased to Ballpark LLC under the Stadium Lease Agreement (the "*North Parking Site*"), upon which certain parking facilities are expected to be constructed and/or improved to be used in connection with the Stadium (the "*North Site Parking Facilities*") and a Parking Lease Agreement (the "*South Parking Site Lease Agreement*" and, together with the North Parking Site Lease Agreement, the "*On-Site Parking Agreements*") with Ballpark LLC, as tenant, under which Ballpark LLC will sublease the South Parking Site, upon which certain additional parking facilities are expected to be constructed and/or improved to be used in connection with the Stadium (the "*South Site Parking Facilities*" and, together with the North Site Parking Facilities, the "*On-Site Parking Facilities*"). The Issuer, Ballpark LLC and the City will also enter into a letter agreement (the "*Parking Letter Agreement*") pursuant to which they will agree to amend the On-Site Parking Agreements prior to the first anniversary thereof and which will also address certain Off-Site Parking Facilities (as defined herein) to be used in connection with the Stadium.

Pursuant to the Stadium Use Agreement, Ballpark LLC will convey possession of the Stadium to Sterling Mets, but will retain all rights to certain revenue generated at the Stadium and Parking Facilities. Ballpark LLC will use Retained Rights Revenue (as defined below) to make PILOTs under the PILOT Agreement and Installment Purchase Payments (as defined herein) under the Installment Sale Agreement (as defined herein) and to pay Initial Term Base Rent (as defined herein) under the Stadium Lease Agreement and to pay certain costs of operating and maintaining the Stadium. See "STADIUM MANAGEMENT AND OPERATIONS." "*Retained Rights Revenue*" includes all revenue and rights to revenue (including any and all cash and receivables) arising out of or relating to luxury suite premiums, Retained Seats Revenue (as defined herein), food, beverage and merchandise concessions, signage/advertising and naming rights, as well as certain revenue from operation of the Parking Facilities. "*Retained Seats Revenue*" is revenue derived from Retained Seats for Mets' home games and "*Retained Seats*" means club and premium seats in a designated area of the Stadium, currently approximately 3,125 of which are expected to entitle the holder to admittance to a club facility within the Stadium. Retained Rights Revenue will not include revenue from the sale of tickets (other than Retained Seats Revenue as specified above) or any other amounts not specified in the Stadium Use Agreement as being Retained Rights Revenue whether or not contemplated as of the date of this Official Statement. All revenue that is not Retained Rights Revenue is hereafter referred to as "*Non-Retained Rights Revenue.*"

To satisfy certain of its obligations under the PILOT Bonds Indenture, the Issuer is entering into the Partial Lease Assignment under which the Issuer assigns to the PILOT Bonds Trustee all of its rights

and interest in certain representations, warranties and covenants of Ballpark LLC under the Stadium Lease Agreement (the "*PILOT Bonds Partial Lease Assignment*").

In addition, as described below, pursuant to a Non-Relocation Agreement among the City, ESDC, the Issuer, the Bond Insurer, in various capacities, Sterling Mets and, for the limited purposes set forth therein, certain affiliates of Sterling Mets (the "*Non-Relocation Agreement*"), Sterling Mets has agreed to cause the Mets to play substantially all of its home games in Shea Stadium until the Stadium is completed and thereafter in the Stadium until the expiration of the initial term and, if any, the initial renewal term of the Stadium Lease Agreement or earlier termination of the Non-Relocation Agreement (to the extent provided in, and subject to certain exceptions contained in the Non-Relocation Agreement). See "STADIUM MANAGEMENT AND OPERATIONS—Project Leases and Agreement—Non-Relocation Agreement."

Sterling Mets' obligations under the Non-Relocation Agreement are subject in all respects to Major League Baseball ("*MLB*") agreements, rules and regulations. In addition, the Stadium Lease Agreement and Stadium Use Agreement provide that the manner of conduct of Sterling Mets' activities at the Stadium in conjunction with MLB or Mets games or events is subject to MLB agreements, rules and regulations. Accordingly, MLB agreements, rules and regulations, and/or any future changes therein, may affect the ability of Sterling Mets and/or Ballpark LLC to perform their respective obligations and/or to exercise their respective rights under various agreements including, but not limited to, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the Stadium Lease Agreement, the Stadium Use Agreement and/or other agreements to which Sterling Mets or Ballpark LLC is a party. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations — Major League Baseball."

PILOT Agreement and PILOT Assignment

Under the relevant agreements, the Issuer will have legal title to, or a leasehold interest in, the Stadium (other than the Stadium Equipment) and certain other elements of the Project. Accordingly, under the Act, no general *ad valorem* real property taxes will be payable by the Issuer or Ballpark LLC or any other person to the City with respect to the Stadium or the other elements of the Project owned by or leased to the Issuer. However, the City, the Issuer and Ballpark LLC will enter into a Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2006 (the "*PILOT Agreement*") under which Ballpark LLC is required to make certain payments in lieu of *ad valorem* real property taxes ("*PILOTs*") to the Issuer. The Tax Exempt PILOT Bonds are special limited obligations of the Issuer, the principal of and premium, if any, and interest on which are payable out of and secured by (i) revenues of the Issuer derived and to be derived from PILOTs made under the PILOT Agreement; (ii) certain funds and accounts held by the Independent Trustee (as defined below) under the PILOT Assignment and Escrow Agreement, dated as of August 1, 2006 (the "*PILOT Assignment*"), among the Issuer, the PILOT Bonds Trustee, The Bank of New York (the "*Independent Trustee*") and the City; and (iii) certain funds and accounts to be held by The Bank of New York (the "*PILOT Bonds Trustee*") under the PILOT Bonds Master Indenture of Trust, dated August 1, 2006 (the "*PILOT Bonds Indenture*"), between the Issuer and the PILOT Bonds Trustee.

Enforcement of PILOTs

The obligation of Ballpark LLC under the PILOT Agreement to make PILOTs during each PILOT Year (as defined herein) will be secured by a Leasehold PILOT Mortgage (for each such PILOT Year) granted by Ballpark LLC and the Issuer to the Issuer and assigned to the Independent Trustee encumbering Ballpark LLC's and the Issuer's respective interests in and to the Stadium, the North Site Parking Facilities, the Primary Site and any improvements on the Primary Site (each, a "*Leasehold PILOT Mortgage*"). Each Leasehold PILOT Mortgage is (i) subject and subordinate to the Leasehold

PILOT Mortgages securing the PILOT obligation corresponding to any succeeding PILOT Year and (ii) senior to the Leasehold PILOT Mortgages securing the PILOT obligation corresponding to any preceding PILOT Year. The Leasehold PILOT Mortgages will be subject to certain customary requirements of MLB. See "STADIUM MANAGEMENT AND OPERATIONS—Major League Baseball." See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – Summary of Collection and Application of PILOTs."

Although the Leasehold PILOT Mortgages will secure the making of PILOTs by Ballpark LLC to the Independent Trustee under the PILOT Agreement, the Leasehold PILOT Mortgages will not be assigned to the PILOT Bonds Trustee and will not constitute security for the Tax Exempt PILOT Bonds. Holders of the Tax Exempt PILOT Bonds[*] will have no rights under the Leasehold PILOT Mortgages and the Tax Exempt PILOT Bonds will not be secured by any interest in the Stadium, the North Site Parking Facilities or the Primary Site. The Independent Trustee's interest in the Leasehold PILOT Mortgages will be insured by a mortgage title insurance policy in an amount equal to approximately one year of PILOTs.

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer payable solely from PILOT Revenues derived from PILOTs made by Ballpark LLC pursuant to the PILOT Agreement and certain funds and accounts held under the PILOT Bonds Indenture. Neither the State nor the City is or shall be obligated to pay the principal of or interest on the Tax Exempt PILOT Bonds and neither the faith and credit nor the taxing power of the State or the City is pledged to such payment. The Issuer has no taxing power.

PILOT Revenues

PILOTs payable for each Payment Period (as defined herein) are expected to be in an amount sufficient to pay debt service, Bond Fees and any other amounts regularly payable under the PILOT Bonds Indenture on the Tax Exempt PILOT Bonds (collectively, the "*PILOT Bond Requirement*") for the Tax Exempt PILOT Bonds for such Payment Period. Pursuant to the PILOT Assignment, the Independent Trustee establishes the PILOT Fund (as defined herein), into which fund the Independent Trustee will deposit all PILOT Receipts, and any other amounts required or permitted to be deposited therein pursuant to the provisions of the PILOT Assignment. PILOT Revenues are PILOTs that are transferred by the Independent Trustee to and actually received by the PILOT Bonds Trustee pursuant to the PILOT Assignment. Immediately upon receipt by the Independent Trustee from the PILOT Bonds Trustee of a certificate (the "*PILOT Bonds Trustee Certificate*") setting forth the PILOT Bond Requirement for the next succeeding Payment Period, and in any event no later than December 20 or June 20, as applicable, PILOT Receipts in an amount equal to the PILOT Bond Requirement set forth in such PILOT Bonds Trustee Certificate will be transferred to the Debt Service and Reimbursement Fund created under the PILOT Assignment. Amounts held in the Debt Service and Reimbursement Fund, on each date on which PILOT Receipts are deposited therein, shall be immediately transferred to the PILOT Bonds Trustee in an aggregate amount such that upon the final transfer of such PILOT Receipts to the PILOT Bonds Trustee for any Payment Period, the amount so transferred to the PILOT Bonds Trustee for such Payment Period is equal to the PILOT Bond Requirement for that Payment Period. See "APPENDIX L — SUMMARY OF THE PILOT ASSIGNMENT." "*PILOT Receipts*" shall mean the proceeds of any PILOTs received by the Independent Trustee.

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[*] For purposes of this Official Statement, for so long as the Book-Entry System described herein remains in effect, references to "holder" or "Holder" with respect to the Tax Exempt PILOT Bonds, or to "Tax Exempt PILOT Bondholder," are intended to refer to Cede & Co., the sole Holder of each maturity of the Tax Exempt PILOT Bonds. See "Appendix A – Book-Entry Only System."

Notwithstanding the foregoing, under the PILOT Agreement, PILOTs may not exceed the amount of City real property taxes that otherwise would have been assessed with respect to the Stadium and the Primary Site by the City's Department of Finance but for the participation by the Issuer in the Project. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS—Summary of Collections and Applications of PILOTs—Projected PILOT" and "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Tax Exempt PILOT Bonds — Risks Associated with PILOTs."

Additional Bonds

Subject to certain conditions described herein under "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS," and provided no Event of Default (as defined herein) exists under the PILOT Bonds Indenture, the Issuer may issue Additional Bonds under the PILOT Bonds Indenture on a parity with, or subordinated to, the Tax Exempt PILOT Bonds to finance: (i) costs of the design, development, acquisition, construction and equipping of the Project; (ii) completing the Project; (iii) paying the costs of capital improvements; (iv) funding the required deposit to the PILOT Debt Service Reserve Fund; and (v) refunding Outstanding (as defined herein) Tax Exempt PILOT Bonds. Additional Bonds may also be issued under the Installment Purchase Bonds Indenture and the Lease Revenue Bonds Indenture. As noted above, Additional Bonds may be issued specifically to complete the Project ("*Completion Bonds*"). Certain of the conditions generally required to issue Additional Bonds (such as ratings confirmations and the approval of the Bond Insurer) are not a condition to issuing Completion Bonds under the PILOT Bonds Indenture; provided, however, that in no event shall the aggregate principal amount of Completion Bonds issued under the PILOT Bonds Indenture exceed ten percent (10%) of the aggregate principal amount of the Tax Exempt PILOT Bonds offered pursuant to this Official Statement.

Bond Insurance

Concurrently with the issuance of the Tax Exempt PILOT Bonds, the Bond Insurer will issue a financial guaranty insurance policy (a "*Bond Insurance Policy*") with respect to the Tax Exempt PILOT Bonds. The Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Tax Exempt PILOT Bonds when due. The Bond Insurer will also issue bond insurance policies with respect to the Taxable Bonds. See "THE BOND INSURANCE POLICY" and "APPENDIX C — SPECIMEN BOND INSURANCE POLICY."

Risk Factors

There are risks associated with the purchase of the Tax Exempt PILOT Bonds. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS" and "BANKRUPTCY CONSIDERATIONS" for a discussion of certain of these risks.

THE ISSUER

The Issuer was established in 1974 as a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York duly organized and existing pursuant to the Act for the purpose of promoting the economic welfare of the inhabitants of the City and promoting, developing, encouraging and assisting in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and civic facilities, thereby advancing the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and improving their prosperity and standard of living.

Board of Directors

There are two vacancies on the Board of Directors of the Issuer. The current members of the Board of Directors of the Issuer are as follows:

JOSHUA J. SIREFMAN, Chairman
DEREK B. PARK, Vice-Chairman
BARBARA BASSER-BIGIO
ALBERT V. DE LEON
JOSEPH I. DOUEK
BERNARD HABER
JOSÉ L. ORENGO
RAFAEL SALABERRIOS
ROBERT D. SANTOS
MICHAEL A. CARDOZO, ESQ., Corporation Counsel of The City of New York
DANIEL L. DOCTOROFF, Deputy Mayor for Economic Development and Rebuilding of The City of New York
AMANDA M. BURDEN, Chair of the City Planning Commission of The City of New York
WILLIAM C. THOMPSON, JR., Comptroller of The City of New York

Administration

The current executive officers of the Issuer are as follows:

STEVEN M. BERZIN, Executive Director
KEI HAYASHI, Deputy Executive Director
MEREDITH J. JONES, ESQ., General Counsel
JASON WRIGHT, Chief Financial Officer
RICHARD E. MARSHALL, ESQ., Vice President for Legal Affairs
DEO SINGH, Treasurer

To support its activities, the Issuer contracts with NYCEDC to provide staff and technical assistance. NYCEDC is a not-for-profit local development corporation which includes among its purposes the administration of government financing programs which foster business expansion in the City.

THE TAX EXEMPT PILOT BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM PILOT REVENUES DERIVED FROM PILOTS MADE BY BALLPARK LLC PURSUANT TO THE PILOT AGREEMENT AND CERTAIN FUNDS AND ACCOUNTS HELD UNDER THE PILOT BONDS INDENTURE. NEITHER THE STATE NOR THE CITY IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE TAX EXEMPT PILOT BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR THE CITY IS PLEDGED TO SUCH PAYMENT. THE ISSUER HAS NO TAXING POWER.

NEITHER THE MEMBERS, DIRECTORS OR OFFICERS OF THE ISSUER NOR ANY PERSON EXECUTING THE TAX EXEMPT PILOT BONDS SHALL BE PERSONALLY LIABLE OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY WITH RESPECT TO THE TAX EXEMPT PILOT BONDS. ACCORDINGLY, NO FINANCIAL INFORMATION WITH RESPECT TO THE ISSUER OR ITS MEMBERS, DIRECTORS OR OFFICERS HAS BEEN INCLUDED IN THIS OFFICIAL STATEMENT.

THE ISSUER HAS NOT VERIFIED, AND DOES NOT REPRESENT IN ANY WAY, THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT OTHER THAN INFORMATION SET FORTH UNDER THE HEADINGS "THE ISSUER" AND "LITIGATION" (INSOFAR AS IT RELATES TO THE ISSUER) HEREIN.

THE PROJECT

The Stadium

The Stadium will be constructed on the Stadium Site located adjacent to Shea Stadium, the existing 56,000-seat stadium for the Mets in the borough of Queens in the City. The Stadium will replace Shea Stadium, which will be demolished following the completion of construction. The footprint of Shea Stadium will be filled-in and repaved to provide additional surface parking to serve visitors to the Stadium. The new Stadium will be an open-air ballpark designed by HOK Sports Facilities Architects, P.C., an internationally recognized sports architecture firm, to evoke the look and feel of the historic Ebbets Field, the former home of the Brooklyn Dodgers. The Stadium is expected to have the capacity to accommodate approximately 45,000 spectators, including 49 luxury and five party suites with a total of approximately 965 seats and approximately 3,125 club seats. The Stadium also will house food and beverage service facilities, retail space, corporate business space, function space, facilities for media and other functions and amenities appropriate to a state-of-the-art, first-class professional baseball facility. In addition to hosting MLB home games of the Mets, the Stadium will be able to accommodate other athletic and entertainment events, including concerts.

Project Development

Project Development Costs

The following table sets forth Ballpark LLC's estimates of the Project development costs and includes costs necessary for improvements to Infrastructure. The estimates are based on the interim guaranteed maximum price ("*IGMP*") provisions of the Stadium Construction Contract discussed below, the costs under the Architect's Agreement, current estimates of the cost of Project insurance and Ballpark LLC's judgments and assumptions that it believes are relevant and accurate. Of the total estimated Project development costs of $736.5 million, $597 million are covered by the IGMP provisions of the Stadium Construction Contract. It is possible that Ballpark LLC's judgments and assumptions will not materialize and that actual development costs of the Project may vary materially from the below estimates. The estimates below are not intended to comply with the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial projections.

Although the technical review of the Stadium Construction Contract and the Architect's Agreement for the Project is on-going, the initial opinion of Merritt & Harris, Inc. (the "*Independent Engineer*"), is that both the budget and the schedule appear to be reasonable for the Project.

Soft Costs:	
Architecture, Engineering and Design	$ 40,550,000
Permits and Filings	450,000
Other Consultants	6,000,000
Project Insurance	37,500,000
Subtotal – Soft Costs	$ 84,500,000
Construction Costs:	
Preconstruction Costs	$ 3,500,000
Direct Trade Costs, including Demolition of Shea Stadium	512,500,000
General Conditions, Fee, Overhead and Profit	56,000,000
Hard Cost Contingency	25,000,000
Subtotal – Construction Costs	$ 597,000,000
Miscellaneous Costs:	
Owner Items	$ 10,000,000
Additional Project Contingency	45,000,000
Subtotal – Miscellaneous Costs	$ 55,000,000
Project Total	$ 736,500,000

Project Construction

Preconstruction work for the Project is ongoing, and construction work is anticipated to begin in August 2006. Ballpark LLC expects the construction of the Stadium will be completed by March 1, 2009.

Ballpark LLC, as agent for the Issuer, will be responsible for managing construction of the Stadium. By the closing of this offering, Ballpark LLC will enter into a guaranteed maximum price construction contract with Hunt/Bovis Lend Lease Alliance II, a joint venture (the "*Contractor*"), for the construction of the Stadium (the "*Stadium Construction Contract*"). The Stadium Construction Contract includes an IGMP of $597 million. If the Stadium is not substantially completed on or before opening day of the 2009 Major League Baseball season (subject to extension in certain circumstances), Ballpark LLC's sole remedy under the Stadium Construction Contract is to be paid liquidated damages by the Contractor, which are capped at 50% of the total fee that the Contractor could earn under the Stadium Construction Contract. Each of the constituent members of the Contractor, namely Hunt Construction Group, Inc. ("*Hunt*") and Bovis Lend Lease LMB, Inc. ("*Bovis*"), will be jointly and severally liable for all obligations of the Contractor under and pursuant to the Stadium Construction Contract. Neither Hunt nor Bovis will sell or otherwise transfer their respective interests in the Contractor without first having obtained Ballpark LLC's prior consent unless such sale or transfer is made to a reputable entity having (x) at least ten years of experience in construction projects similar in scope to the Project and (y) sufficient financial net worth as would not in any material way impair or otherwise put in jeopardy the Contractor's ability to fulfill all of the Contractor's obligations under the Stadium Construction Contract. While the Stadium Construction Contract contains such provisions and guarantees, there can be no assurance as to the exact timing of completion of the Stadium or that unforeseen factors will not substantially delay its completion or increase the cost thereof. Ballpark LLC, as agent for the Issuer, may seek to contract with third parties other than the Contractor for certain limited aspects of the construction to be undertaken pursuant to the Stadium Construction Contract. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Construction of the Stadium—Construction Risks" and "APPENDIX E—SUMMARY OF THE STADIUM CONSTRUCTION AGREEMENT AND THE ARCHITECT'S AGREEMENT" for a description of the Stadium Construction Contract.

Infrastructure Improvements

The Stadium infrastructure (the "*Infrastructure*") consists of the following categories of expenditures that are necessary for the development, construction and operation of the Stadium: site infrastructure, utility infrastructure, extraordinary piling costs, environmental remediation, if required by unusual site conditions, and public amenities.

Governmental Permits and Approvals

Prior to completion of the Project, a number of governmental permits and approvals must be obtained. The permits presently necessary to commence excavation and foundation work for the Project have been obtained. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Construction of the Stadium—Governmental Permits and Approvals" and "—Environmental Matters." Ballpark LLC expects that the other permits required for the Project will be obtained in the ordinary course as they are required.

PROJECT PARTICIPANTS

The City of New York

The City is the fee owner of the Primary Site and will be the lessor of the Primary Site to the Issuer under the Primary Site Ground Lease. The City is also the fee owner of the South Parking Site and will be the lessor of the South Parking Site to the Issuer under the South Parking Site Ground Lease. The City also will be providing, through appropriation of City capital funds from the City fiscal budget, approximately $91.4 million for Infrastructure improvements relating to the Project and up to $15.0 million in rent credits with respect to the Prior Lease. Of the City's capital contribution, $13.0 million was approved and appropriated pursuant to the MDC Funding Agreement. See "PLAN OF FINANCE."

Because the Stadium and certain other elements of the Project are owned by, or leased to, the Issuer, no general *ad valorem* real property taxes are payable with respect thereto. Pursuant to the Act, the Issuer is permitted to collect payments in lieu of real estate tax and generally must remit any payments in lieu of real estate tax to the City. Accordingly, by resolutions dated October 27, 2005 (preconsidered resolution no. 1214 (2005)) and April 26, 2006 (preconsidered resolution no. 260 (2006)), the Council of The City of New York approved the direction of PILOTs to the Issuer in part to support the Tax Exempt PILOT Bonds.

Pursuant to the authority vested in the Mayor under Section 8 of the City Charter and the Act, the Mayor, acting on behalf of the City, has the power (i) to enter into the PILOT Agreement and the PILOT Assignment, (ii) to agree to forego, waive or surrender the City's right to receive all or any portion of PILOTs that the City is otherwise entitled to receive under Section 858(15) of the Act, (iii) to direct the disposition thereof by the Issuer and (iv) to assign, transfer and convey its right, title and interest in and to any or all of such PILOTs. The City, through the PILOT Assignment, is dedicating certain PILOTs, which otherwise would have been deposited to its general fund, to the financing and operation of the Stadium.

New York City Industrial Development Agency

The Issuer will be the recipient of PILOTs under the PILOT Agreement, the lessee under the Primary Site Ground Lease, the lessee under the South Site Ground Lease, the landlord under the Stadium Lease Agreement, the landlord under the On-Site Parking Agreements, the vendor under the Installment

Sale Agreement and a party to, and a beneficiary of, the Non-Relocation Agreement. See "THE ISSUER" and "STADIUM MANAGEMENT AND OPERATIONS—Project Leases and Agreements."

The State of New York and the Empire State Development Corporation

The State, acting through ESDC, will contribute $74.7 million in financing for the Project, which will be used for Infrastructure relating to the Stadium. Pursuant to Chapter 161 of the Laws of 2005 and Chapter 55 of the Laws of 2006, the Legislature and Governor approved the appropriation for the Project. New York State Urban Development Corporation, doing business as ESDC approved, among other things, the appropriation on March 23, 2006. The Public Authorities Control Board confirmed and approved ESDC's actions on May 17, 2006. The State's capital contribution will be made pursuant to the Funding Agreement.

Sterling Mets, L.P. and Queens Ballpark Company, L.L.C.

Sterling Mets is the owner of the Mets franchise. Sterling Mets will be the sublessee of the Stadium under the Stadium Use Agreement and a party to the Non-Relocation Agreement. Sterling Mets will retain all Non-Retained Rights Revenue. For a description of the ownership structure of the Mets' organization, see "STADIUM MANAGEMENT AND OPERATIONS—Organizational Structure."

Ballpark LLC is an indirect subsidiary of Sterling Mets and a special purpose entity formed for the purpose of leasing and, as agent for the Issuer, operating and maintaining the Project and managing construction of the Stadium. Ballpark LLC will be the lessee under the Stadium Lease Agreement, the lessee under the On-Site Parking Agreements, the rightsholder under the Off-Site Parking Concessions, the vendee under the Installment Sale Agreement, the sublessor of the Stadium under the Stadium Use Agreement and the maker of PILOTs under the PILOT Agreement. Ballpark LLC will receive all Retained Rights Revenue. Retained Rights Revenue will be used by Ballpark LLC to make PILOTs under the PILOT Agreement and Installment Purchase Payments under the Installment Sale Agreement and to pay Initial Term Base Rent under the Stadium Lease Agreement, to pay certain costs of operating and maintaining the Stadium and for certain capital repairs and improvements, as well as all expenses directly related to the generation of Retained Rights Revenue, including consulting fees and legal fees. Retained Rights Revenue also will be subject to possible claims by other third-party creditors of Ballpark LLC. For a description of Ballpark LLC's anticipated operating results, see "STADIUM MANAGEMENT AND OPERATIONS."

The Contractor

The Contractor and its affiliates have substantial experience in building and designing stadiums and other sports facilities. The Contractor is a joint venture between Hunt and Bovis. Ballpark LLC believes that Hunt is one of the nation's preeminent builders of sports facilities. Major League Baseball stadiums built by Hunt include Chase Field in Phoenix, Safeco Field in Seattle, Citizens Bank Park in Philadelphia, Comerica Park in Detroit, the Great American Ballpark in Cincinnati, Jacobs Field in Cleveland, Miller Park in Milwaukee and AT&T Park in San Francisco. Bovis, one of the largest construction firms in the world, has significant experience with major construction projects of all types. Ballpark LLC expects Bovis' experience with the intricate world of building major projects in New York City to be particularly useful in connection with the Project.

The Architect

HOK Sports Facilities Architects, P.C. ("*HOK*"), an internationally recognized sports architecture firm, is the architect of the Stadium. HOK has nearly 20 years of experience in designing baseball

stadiums. HOK has designed 14 new major league ballparks that have been opened, and is the architect of several new major league ballparks, including the Stadium, that are being developed.

Independent Engineer

The Independent Engineer is a construction consulting firm headquartered in New York City, has been engaged to perform an independent review of the construction documents and to monitor construction of the Project. The firm has been retained by Ballpark LLC to act on behalf of Ballpark LLC, the Issuer and the Bond Insurer in connection with the Project. Merritt & Harris, Inc. was founded in 1937 and is incorporated in the State of New York. In addition to its Manhattan location, the firm has branch offices in Deerfield Beach, Florida and Glendale, California.

The Independent Engineer's staff consists of licensed engineers, registered architects, construction experts and cost estimators. Its practice is limited to representing construction lenders, real estate investors, bondholders, insurers and government agencies prior to and during construction. Prior to construction, the firm reviews the plans, specifications, contracts, schedules, permits, certifications and budgets for the proposed project, producing a report of its findings for the client. During construction, the Independent Engineer's field personnel, under the supervision of a principal of the firm, periodically visit the site to observe the progress and quality of the construction, ascertain conformance of the work to the reviewed plans and specifications, determine adherence to the construction schedule and review the contractor's application for payment for work performed during each month. A detailed report of the observations and a recommendation for payments to be made is issued to the client following each monthly site visit. The firm has performed a construction consulting role on 25 professional sports venues during the past 20 years and on over $20 billion worth of construction in the past five years. The nationally prominent firm currently has active projects in the United States, Canada, Mexico and the Caribbean.

Trustees

There will be four trustees (all of whom shall initially be The Bank of New York) performing various functions in connection with the Project.

PILOT Bonds Trustee

The Bank of New York will act as trustee for the Tax Exempt PILOT Bonds under the PILOT Bonds Indenture, PILOT Assignment and Partial Lease Assignment. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS."

Independent Trustee

The Bank of New York will also act as the Independent Trustee under the PILOT Assignment pursuant to which PILOTs and the rights of the Issuer under the PILOT Agreement (other than Unassigned PILOT Rights) will be assigned to the Independent Trustee and used to, among other things, pay debt service on the Tax Exempt PILOT Bonds and pay a part of the costs of operating and maintaining the Project.

Installment Purchase Bonds Trustee

The Bank of New York will also act as trustee for the Taxable Installment Purchase Bonds under the Installment Purchase Bonds Master Indenture of Trust, dated as of August 1, 2006 (the "*Installment Purchase Bonds Master Indenture*") between the Issuer and the Installment Purchase Bonds Trustee and

the First Supplemental Indenture of Trust between the Issuer and the Installment Purchase Bonds Trustee, dated as of August 1, 2006 (the "*Installment Purchase Bonds Supplemental Indenture*" and, together with the Installment Purchase Bonds Master Indenture, the "*Installment Purchase Bonds Indenture*") and the Pledge and Assignment Agreement (Installment Sale Agreement) dated as of August 1, 2006 (the "*Installment Purchase Pledge and Assignment Agreement*") between the Issuer and the Installment Purchase Bonds Trustee, pursuant to which the Issuer will assign to the Installment Purchase Bonds Trustee its rights to the Installment Purchase Payments.

Lease Revenue Bonds Trustee

The Bank of New York will also act as trustee for the Taxable Lease Revenue Bonds under the Lease Revenue Bonds Master Indenture of Trust, dated as of August 1, 2006 (the "*Lease Revenue Bonds Master Indenture*") between the Issuer and the Lease Revenue Bonds Trustee and the First Supplemental Indenture of Trust between the Issuer and the Lease Revenue Bonds Trustee, dated as of August 1, 2006 (the "*Lease Revenue Bonds Supplemental Indenture*" and, together with the Lease Revenue Bonds Master Indenture, the "*Lease Revenue Bonds Indenture*"). The Lease Revenue Bonds Trustee will also be a party to the Partial Rent Assignment, dated as of August 1, 2006 (the "*Partial Rent Assignment*") between the Issuer and the Lease Revenue Bonds Trustee, pursuant to which, during the term of the Taxable Lease Revenue Bonds, the Issuer will assign to the Lease Revenue Bonds Trustee its rights to, among other things, the Initial Term Base Rent (as defined herein) and will be a party to the Pledge and Assignment (Development Agreement), dated as of August 1, 2006 (the "*Development Agreement Pledge and Assignment*"), from the Issuer to the Lease Revenue Bonds Trustee, pursuant to which, during the term of the Taxable Lease Revenue Bonds, the Issuer will assign to the Lease Revenue Bonds Trustee the rights and interests of the Issuer under the Development Agreement subject to certain of the Agency's Reserved Rights. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS — Intercreditor Agreement."

Bond Insurer

In order to further secure the Tax Exempt PILOT Bonds, concurrently with the issuance thereof, the Bond Insurer will issue the Bond Insurance Policy with respect to the Tax Exempt PILOT Bonds. The Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Tax Exempt PILOT Bonds when due as further described in the specimen Bond Insurance Policy appended hereto. The Bond Insurer will also issue Bond Insurance Policies with respect to the Taxable Bonds. See "THE BOND INSURANCE POLICY" and "APPENDIX C — SPECIMEN BOND INSURANCE POLICY." The Bond Insurer will also issue a surety bond or policy to fund the PILOT Debt Service Reserve Fund at the Debt Service Reserve Fund Requirement.

PLAN OF FINANCE

General

The Issuer intends to issue the Series 2006 Bonds (i) as part of a plan of finance with respect to the Project; (ii) to fund capitalized interest funds for each series of the Series 2006 Bonds; (iii) to purchase debt service reserve fund credit facilities for each series of the Series 2006 Bonds; and (iv) to pay certain costs associated with the issuance of the Series 2006 Bonds, including amounts due to the Bond Insurer.

Certain additional costs associated with the Project will be funded by the City, which will provide $91.4 million for Infrastructure improvements and up to $15.0 million of rent credits under the Prior Lease, and by the State, acting through the ESDC, which will contribute an additional $74.7 million for

Infrastructure improvements relating to the Stadium. Pursuant to the MDC Funding Agreement, $13.0 million of the City's capital contribution was approved and appropriated by OMB to be used for initial Infrastructure improvements. The City Comptroller registered the MDC Funding Agreement on July 7, 2006 and the funds are available for disbursement to MDC. NYCEDC, ESDC and Ballpark LLC, as agent for the Issuer, entered into the Funding Agreement providing for the remaining funding by the City and the State to be allocated to the Project. The City funding portion of the Funding Agreement is expected to be available for disbursement to Ballpark LLC upon registration of the Funding Agreement by the City Comptroller. In accordance with the City Charter, the Office of the City Comptroller has 30 days from the date it received the Funding Agreement to register the Funding Agreement, which is expected to occur on or about September 5, 2006. Accordingly, the City funding under the Funding Agreement is subject to City Comptroller registration and the City and State funding are subject to certain other factors. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Construction of the Stadium—The Release of the City's and the State's Funding Portions."

Tax Exempt PILOT Bonds

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer, the principal of and premium, if any, and interest on which are payable out of and secured by (i) revenues of the Issuer derived and to be derived from PILOTs made by Ballpark LLC to the Issuer under the PILOT Agreement; (ii) certain funds and accounts held by the Independent Trustee under the PILOT Assignment; and (iii) certain funds and accounts to be held by the PILOT Bonds Trustee under the PILOT Bonds Indenture. Payment of the principal of, premium, if any, and interest on the Tax Exempt PILOT Bonds will be made from the amounts received by the Independent Trustee and transferred to the PILOT Bonds Trustee under the PILOT Assignment, pursuant to which the Issuer pledges, assigns, transfers and sets over to the Independent Trustee all the Issuer's right to and interest in all PILOTs due or to become due under the PILOT Agreement and any and all other rights and remedies of the Issuer under or arising out of the PILOT Agreement, except for Unassigned PILOT Rights. Under the PILOT Assignment, the City also agrees, to the fullest extent permitted by Section 868 of the Act, for the benefit of the holders of the Tax Exempt PILOT Bonds, that the City will not limit or alter the rights vested in the Issuer under the Act to undertake the Project, to establish and collect PILOTs under the PILOT Agreement or to fulfill the terms of the PILOT Assignment and the other documents and agreements entered into in connection therewith on behalf of the holders of the Tax Exempt PILOT Bonds, nor will the City in any way impair the rights and remedies of the Independent Trustee, the holders of the Tax Exempt PILOT Bonds or the PILOT Bonds Trustee until the Tax Exempt PILOT Bonds, together with interest thereon, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS."

Taxable Installment Purchase Bonds

The Taxable Installment Purchase Bonds are special limited obligations of the Issuer the principal of and premium, if any, and interest on which are payable out of and secured by (i) revenues of the Issuer derived and to be derived from installment purchase payments (the "*Installment Purchase Payments*") to be made under the Installment Sale Agreement (the "*Installment Sale Agreement*"), dated as of August 1, 2006, between the Issuer, as vendor, and Ballpark LLC, as vendee, and (ii) certain funds and accounts held by the Installment Purchase Bonds Trustee under the Installment Purchase Bonds Indenture. Payment of the principal of, premium, if any, and interest on, the Installment Purchase Bonds will be made from the amounts received by the Installment Purchase Bonds Trustee under the Installment Purchase Pledge and Assignment Agreement, pursuant to which the Issuer pledges, assigns, transfers and sets over to the Installment Purchase Bonds Trustee certain of the Issuer's right, title and interest in the Installment Sale Agreement. To provide further assurance to the Issuer, as landlord under the Stadium

Lease Agreement, that Ballpark LLC will perform its obligation to pay certain operating and maintenance expenses and perform its other obligations under the Stadium Lease Agreement, Ballpark LLC will make certain representations, warranties and covenants under the Stadium Lease Agreement, which will be assigned to the Installment Purchase Bonds Trustee. Further, under the Installment Purchase Bonds Indenture, the Issuer grants a security interest to the Installment Purchase Bonds Trustee for the benefit of the Holders of the Taxable Installment Purchase Bonds in all right, title and interest of the Stadium Equipment.

Taxable Lease Revenue Bonds

The Taxable Lease Revenue Bonds are special limited obligations of the Issuer the principal of and premium, if any, and interest on which are payable out of and secured by (i) Initial Term Base Rent (as defined below) and (ii) certain funds and accounts held by the Lease Revenue Bonds Trustee under the Lease Revenue Bonds Indenture. The obligation of Ballpark LLC under the Stadium Lease Agreement to pay Rental will be secured by a Leasehold Rental Mortgage, dated as of August 1, 2006 (the "*Leasehold Rental Mortgage*") granted by Ballpark LLC and the Issuer, as mortgagors, to the Issuer, as mortgagee, and assigned to the Lease Revenue Bonds Trustee encumbering Ballpark LLC's and the Issuer's respective interests in and to the Stadium, the On-Site Parking Facilities, the Primary Site and the South Parking Site. Payment of the Taxable Lease Revenue Bonds will be made from the amounts received by the Lease Bonds Trustee under the Partial Rent Assignment, pursuant to which the Issuer will pledge to the Lease Bonds Trustee for the benefit solely of the holders of the Taxable Lease Revenue Bonds all of the Issuer's right, title and interest in and to, among other things the Initial Term Base Rent. "*Initial Term Base Rent*" means (a) commencing on December 1, 2009, and continuing through November 30, 2039, the sum of (i) $1,000,000 if Attendance (as defined below) for the applicable season is 2,000,000 or higher, or (ii) $500,000, if Attendance is less than 2,000,000; of that amount, $500,000 shall be paid on each December 1 and $500,000 shall be paid (if due) within 150 days following the date on which Attendance for the applicable season reaches 2,000,000 and (b) commencing on December 1, 2039, and continuing through December 1, 2045, the sum of $500,000. "*Attendance*" means the aggregate number of tickets sold for Mets' home games, and in determining whether Attendance has reached the threshold, tickets sold shall be counted once the respective game has been played. To provide further assurance to the Issuer, as landlord under the Stadium Lease Agreement, that Ballpark LLC will perform its obligation to pay certain operating and maintenance expenses and perform its other obligations under the Stadium Lease Agreement, Ballpark LLC will make certain representations, warranties and covenants under the Stadium Lease Agreement, which will be assigned to the Lease Revenue Bonds Trustee.

Intercreditor Agreement

The PILOT Bonds Trustee, the Lease Revenue Bonds Trustee and the Installment Purchase Bonds Trustee will enter into an Intercreditor Agreement which provides, among other things, (i) that the parties thereto will consult with each other upon the occurrence of certain events or prior to taking certain actions, (ii) that the parties thereto will provide each other with notice of the occurrence of certain events and (iii) how certain funds will be apportioned among the parties thereto. See "SOURCES OF PAYMENT AND SECURITY FOR TAX EXEMPT PILOT BONDS – Intercreditor Agreement."

Sources and Uses of Funds

The following table shows the initial expected sources and uses of funds necessary to accomplish the proposed plan of financing for the Project:

Sources of Funds:	
Tax Exempt PILOT Bonds	$547,355,000
Tax Exempt PILOT Bonds Original Issue Premium	20,632,088
Taxable Installment Purchase Bonds	58,450,000
Taxable Lease Revenue Bonds	7,115,000
City Funds/State Funds	166,100,000
Rent Credits	15,000,000
Total Sources	$814,652,088
Uses of Funds:	
Total Development Costs	$736,500,000
Less: Interest Earnings[(1)]	36,833,001
Net Development Costs	699,666,999
Net Deposit to Capitalized Interest Accounts[(2)]	85,837,046
Net Deposit to Lease Revenue Working Capital Fund	5,645,000
Costs of Issuance[(3)]	23,503,043
Total Uses	$814,652,088

(1) Assumes interest earnings at a rate of 4.875% per annum for the Tax Exempt PILOT Bonds deposit and 5.086% for the Taxable Bonds deposits.

(2) Includes net interest payable on the Series 2006 Bonds through September 1, 2009.

(3) Includes the up-front portion of Bond Insurance Policy premiums, debt service reserve fund surety premiums, Underwriters' fees, Initial Purchasers' fees (with respect to the Taxable Bonds) and other miscellaneous expenses.

Debt Service Requirements

The following table sets forth for each twelve month period ending January 1, the annual debt service requirements for the Tax Exempt PILOT Bonds and estimated PILOTs:

Year Ending January 1,	Principal Payments[1]	Interest Payments[2]	Total Debt Service Payments	Capitalized Interest[2]	Net Debt Service[3]	Estimated PILOTs [3]
2007	$ 0	$ 9,642,756	$ 9,642,756	$ 9,642,756	$ 0	$ 0
2008	0	26,910,018	26,910,018	26,910,018	0	0
2009	0	26,910,018	26,910,018	26,910,018	0	0
2010	5,325,000	26,910,018	32,235,018	17,940,012	14,295,006	16,500,000
2011	5,530,000	26,718,318	32,248,318	0	32,248,318	38,500,000
2012	5,785,000	26,474,336	32,259,336	0	32,259,336	38,500,000
2013	6,075,000	26,200,881	32,275,881	0	32,275,881	38,500,000
2014	6,380,000	25,910,331	32,290,331	0	32,290,331	38,500,000
2015	6,705,000	25,601,286	32,306,286	0	32,306,286	38,500,000
2016	7,015,000	25,303,586	32,318,586	0	32,318,586	38,500,000
2017	7,335,000	25,001,186	32,336,186	0	32,336,186	38,500,000
2018	7,700,000	24,654,506	32,354,506	0	32,354,506	38,500,000
2019	8,105,000	24,269,506	32,374,506	0	32,374,506	38,500,000
2020	8,525,000	23,864,256	32,389,256	0	32,389,256	38,500,000
2021	8,975,000	23,438,006	32,413,006	0	32,413,006	38,500,000
2022	9,435,000	23,000,206	32,435,206	0	32,435,206	38,500,000
2023	9,925,000	22,528,456	32,453,456	0	32,453,456	38,500,000
2024	10,445,000	22,032,206	32,477,206	0	32,477,206	38,500,000
2025	10,995,000	21,509,956	32,504,956	0	32,504,956	38,500,000
2026	11,570,000	20,960,206	32,530,206	0	32,530,206	38,500,000
2027	12,170,000	20,384,856	32,554,856	0	32,554,856	38,500,000
2028	12,810,000	19,777,450	32,587,450	0	32,587,450	38,500,000
2029	13,480,000	19,138,044	32,618,044	0	32,618,044	38,500,000
2030	14,185,000	18,465,138	32,650,138	0	32,650,138	38,500,000
2031	14,925,000	17,756,981	32,681,981	0	32,681,981	38,500,000
2032	15,705,000	17,011,825	32,716,825	0	32,716,825	38,500,000
2033	16,525,000	16,226,575	32,751,575	0	32,751,575	38,500,000
2034	17,395,000	15,400,325	32,795,325	0	32,795,325	38,500,000
2035	18,305,000	14,530,575	32,835,575	0	32,835,575	38,500,000
2036	19,260,000	13,615,325	32,875,325	0	32,875,325	38,500,000
2037	20,270,000	12,652,325	32,922,325	0	32,922,325	38,500,000
2038	21,335,000	11,638,825	32,973,825	0	32,973,825	38,500,000
2039	22,450,000	10,572,075	33,022,075	0	33,022,075	38,500,000
2040	23,625,000	9,449,575	33,074,575	0	33,074,575	38,500,000
2041	24,805,000	8,327,388	33,132,388	0	33,132,388	38,500,000
2042	26,040,000	7,149,150	33,189,150	0	33,189,150	38,500,000
2043	27,340,000	5,912,250	33,252,250	0	33,252,250	38,500,000
2044	28,770,000	4,545,250	33,315,250	0	33,315,250	38,500,000
2045	30,275,000	3,106,750	33,381,750	0	33,381,750	38,500,000
2046	31,860,000	1,593,000	33,453,000	0	33,453,000	38,500,000
TOTALS	$ 547,355,000	$ 725,093,721	$1,272,448,721	$ 81,402,803	$ 1,191,045,919	$ 1,402,500,000

(1) Includes Sinking Fund Installments in the years in which the Sinking Fund Installments are due. See "THE TAX EXEMPT PILOT BONDS—Redemption—Mandatory Sinking Fund Redemption."

(2) Interest payable on and prior to September 1, 2009 will be paid from the proceeds of the Tax Exempt PILOT Bonds.

(3) Results in minimum Initial PILOT Revenue Coverage Percentage of approximately 115%. PILOTs may not exceed Actual Taxes. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – Summary of Collection and Application of PILOTs."

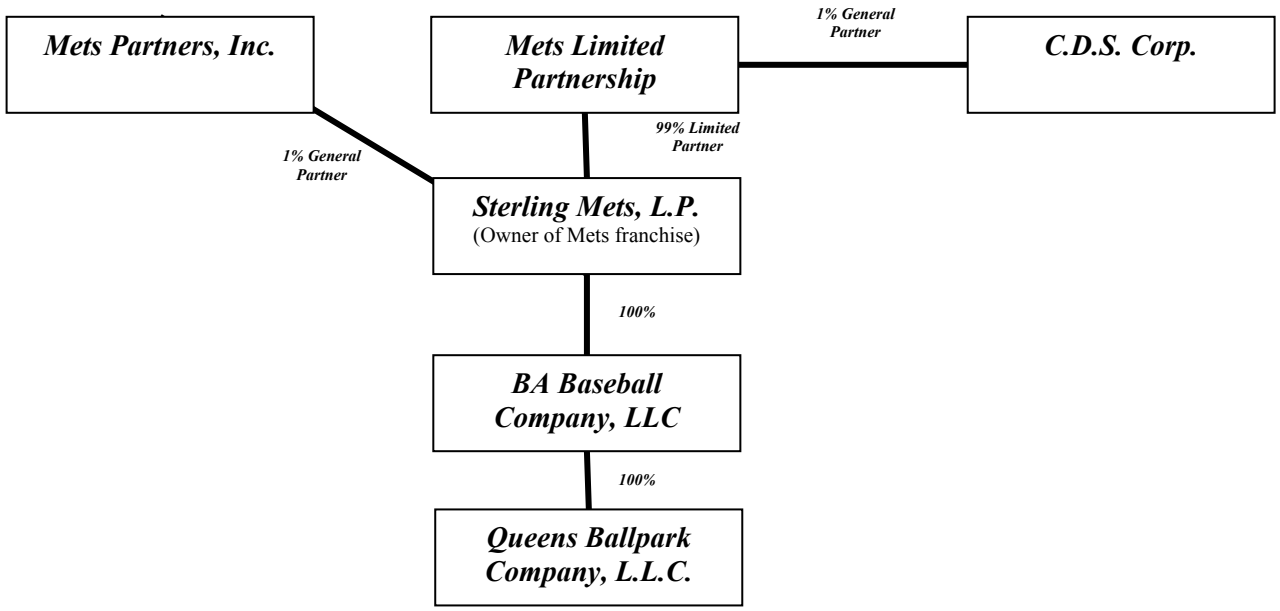
STADIUM MANAGEMENT AND OPERATIONS

Organizational Structure

Overview

Sterling Mets is the owner of the Mets' franchise. Sterling Mets also indirectly owns 100% of Ballpark LLC through its wholly owned subsidiary, BA Baseball Company, LLC, a New York limited liability company. The Mets play in the Eastern Division of the National League of MLB and have been a member club of Major League Baseball since 1962. Mets Partners, Inc., a New York corporation, which is 100% owned by Fred Wilpon, is the general partner of, and holds a 1% economic interest in, Sterling Mets. The remaining 99% economic interest in Sterling Mets is held as a limited partner by Mets Limited Partnership ("*MLP*"), a Delaware limited partnership, which is controlled by its 1% general partner, C.D.S. Corp. ("*CDS*"), a New York corporation that is also 100% owned by Fred Wilpon. The 99% limited partner interest in MLP is split evenly between Mets One LLC, a Delaware limited liability company ("*Mets One*"), and Mets II LLC, a Delaware limited liability company ("*Mets II*"). Interests in Mets One and Mets II are ultimately held by Fred Wilpon, Saul Katz and their partners. Messrs. Wilpon and Katz and their partners originally purchased a 5% interest in the Mets in 1980, and acquired an additional 45% interest in 1986. They acquired the remaining 50% interest in August 2002.

Set forth below is a chart of the ownership structure of the Mets organization:



Ballpark LLC

Ballpark LLC is an indirect wholly owned subsidiary of Sterling Mets and a special purpose entity formed for the purpose of leasing and, as agent for the Issuer, operating and maintaining the Project and managing construction of the Stadium. Ballpark LLC will be the lessee under the Stadium Lease Agreement, the lessee under the On-Site Parking Agreements, the rightsholder under the Off-Site Parking Concessions, the vendee under the Installment Sale Agreement, the sublessor of the Stadium under the Stadium Use Agreement and the maker of PILOTs under the PILOT Agreement. Retained Rights Revenue will be used to make PILOTs under the PILOT Agreement and Installment Purchase Payments under the Installment Sale Agreement and to pay Initial Term Base Rent under the Stadium Lease Agreement, to pay certain costs of operating and maintaining the Stadium and for certain capital repairs and improvements, as well as all expenses directly related to the generation of Retained Rights Revenue, including consulting fees and legal fees. Retained Rights Revenue also may be subject to possible claims by Ballpark LLC's third-party creditors.

Under the Stadium Use Agreement, Sterling Mets personnel will perform in-house services related to sales of Retained Seats, luxury suites, advertising/signage and naming rights, including providing marketing and sales functions. Any reasonable out-of-pocket expenditures, such as purchases of advertising inventory, commissions, and printing of brochures, will be reimbursed by Ballpark LLC. Ballpark LLC expects to hire employees to perform responsibilities related to stadium operations/maintenance, security, parking, concessions and merchandise sales, but Sterling Mets' employees will perform services with respect to management of operations, legal, public relations, accounting and other overhead (in which case Ballpark LLC will reimburse Sterling Mets for such services based on a reasonable time allocation).

Sterling Mets as Sublessee of the Stadium

Under and subject to the terms of the Stadium Use Agreement, Sterling Mets will, subject to the terms of the Stadium Lease Agreement, sublease the Stadium from Ballpark LLC. Under the Non-Relocation Agreement, Sterling Mets will agree to cause the Mets to play substantially all of their home games at the Stadium (to the extent provided in, and subject to certain exceptions contained in, the Non-Relocation Agreement) for the initial term of occupancy under the Stadium Lease Agreement (which shall be no more than 37.5 years commencing after substantial completion of the construction of the Stadium), plus the initial renewal term of occupancy under the Stadium Lease Agreement, if any, which is an aggregate period of up to 40 years. Ballpark LLC will retain the Retained Rights Revenue, while Sterling Mets will retain all Non-Retained Rights Revenue. See "—Ballpark LLC's Revenue" below.

Allocation of Revenue

The following chart summarizes the allocation of revenue expected to be generated from the Project between Ballpark LLC and Sterling Mets pursuant to the terms of the Stadium Lease Agreement, Stadium Use Agreement, the Parking Letter Agreement and related agreements.

Ballpark LLC [(1)]	**Sterling Mets**
• Luxury suite premiums • Retained Seats Revenue • Food, beverage and merchandise concessions • Stadium signage/advertising and naming rights • Certain parking revenue	• Ticket sales other than Retained Seats Revenue • Ticket component of luxury suite licenses • Any other Non-Retained Rights Revenue

(1) Ballpark LLC has no rights to any revenue of Sterling Mets or its affiliates, including revenue derived from MLB Central Fund distributions, local, regional and national broadcasting, and ticket rebates, but Ballpark LLC has rights to the Retained Rights Revenue.

Project Leases and Agreements

Ground Leases

Pursuant to the Primary Site Ground Lease, the City will lease the Primary Site to the Issuer for a period of 99 years for a rental equal to the sum of $10 per annum. Pursuant to the South Site Ground Lease, the City will lease the South Parking Site to the Issuer for a period of 99 years for a rental equal to the sum of $10 per annum. Under each of the Primary Site Ground Lease and the South Site Ground Lease, Ballpark LLC and Sterling Mets can cure defaults of the Issuer. Neither the Primary Site Ground Lease nor the South Site Ground Lease may be amended or terminated while any of the Series 2006 Bonds remain Outstanding. The term of the Prior Lease has been extended into 2008 with two one-year renewal options to permit the activities and transactions contemplated by the Project to commence. The Prior Lease will be further amended to allow the activities and transactions contemplated by the Project and will terminate upon occupancy of the Stadium by Sterling Mets.

Development Agreement

Under the Development Agreement between the Issuer and Ballpark LLC, the Issuer designates Ballpark LLC as agent of the Issuer for the purpose of acquiring, designing, developing, equipping and constructing the Stadium and the On-Site Parking Facilities, for managing construction of the Stadium and the On-Site Parking Facilities and for making requisitions from the Bond Trustees pursuant to the applicable Indentures for the purpose of receiving payments and/or reimbursements for the foregoing. The term of the Development Agreement will end one month after final completion of the Project, unless earlier terminated in accordance with the terms of the Development Agreement.

Under the Development Agreement, subject to the occurrence of certain unavoidable delays and the availability of the proceeds of the Series 2006 Bonds and the contributions by the City and the State for the development and construction of the Project, Ballpark LLC has agreed to diligently prosecute the construction of the Project. Under the Development Agreement Pledge and Assignment, the Issuer grants

to the Lease Revenue Bonds Trustee a security interest in all liquidated damages received by the Issuer pursuant to the Development Agreement and any and all other rights and remedies of the Issuer, in each case, under or arising out of the Development Agreement.

Prior to the commencement of construction, Ballpark LLC will be required to satisfy certain customary conditions, including obtaining required permits and approvals and approval of plans and specifications for the Stadium and the On-Site Parking Facilities by the Issuer (to the extent subject to the Issuer's review). Ballpark LLC will also be obligated to maintain insurance relating to its obligations and function under the Development Agreement throughout the term of the Development Agreement.

Title to the Stadium and On-Site Parking Facilities shall vest in the Issuer immediately upon substantial completion; all materials used in construction (other than fixtures and equipment of Ballpark LLC or any subtenant) will constitute property of the Issuer from the time of purchase and incorporation in or identification to the Project. The City may perform and exercise all obligations, reviews, consents, waivers and rights to be performed by the Issuer under the Development Agreement, and Ballpark LLC will accept the City's exercise and performance of such obligations, reviews, consents, waivers and rights, provided, among other items, that the Issuer will remain obligated to issue the Series 2006 Bonds and to cooperate with Ballpark LLC in obtaining permits.

See "APPENDIX D — SUMMARY OF THE DEVELOPMENT AGREEMENT."

Stadium Lease Agreement

Under the Stadium Lease Agreement, the Issuer will sublease the Stadium Site to Ballpark LLC for an initial term commencing on the execution of the agreement until up to 37.5 years from the substantial completion of construction of the Stadium and On-Site Parking Facilities (the "*Initial Term*"). Subject to the terms of the Stadium Lease Agreement, Ballpark LLC will have consecutive renewal options at fair market value extending through the balance of the term of the Ground Lease (totaling approximately 99 years). Ballpark LLC will pay Initial Term Base Rent in an annual amount up to $1.0 million through the end of the Initial Term.

The Stadium Lease Agreement requires Ballpark LLC to comply with customary covenants relating to the operation and maintenance of the Stadium, including a covenant to maintain the Stadium as a first-class Major League Baseball stadium. The Issuer has agreed to make funds available to Ballpark LLC for operating costs and expenses of the Stadium from the O&M Fund under the PILOT Assignment and the Operating and Maintenance Account (Lease Revenue) of the Lease Revenue Surplus Fund pursuant to the Lease Revenue Bonds Indenture, as applicable. The Stadium Lease Agreement is a partial net lease, in that, to the extent that the Issuer does not otherwise provide funds or reimburse Ballpark LLC for such costs, Ballpark LLC will be obligated for the payment of all maintenance, repair and operating expenses for the Project.

Ballpark LLC will covenant under the Stadium Lease Agreement, among other things, to make no distributions to its members, if the effect of such distributions would be that Ballpark LLC would have insufficient funds to make PILOTs and Installment Purchase Payments and to pay Initial Term Base Rent and certain other required payments in the current or succeeding fiscal year and otherwise in accordance with certain operating budgets. Ballpark LLC will also covenant under the Stadium Lease Agreement to use commercially reasonable efforts to cause as many agreements pursuant to which Retained Rights Revenue will be generated ("*Retained Rights Agreements*") as reasonably practicable to (i) be for terms of at least one year; and (ii) provide that any of its payment obligations under such agreements shall be unaffected by a strike or lockout by members of the Major League Baseball Players Association (the "*Players Association*"). Ballpark LLC further covenants under the Stadium Lease Agreement to

minimize, to the extent reasonably practicable, its rebate obligations under the Retained Rights Agreements due to a strike by or lockout of members of the Players Association for any period during which those covenants are not satisfied or which would cause it to have insufficient funds to allow it to make certain required payments.

See "APPENDIX F — SUMMARY OF THE STADIUM LEASE AGREEMENT."

On-Site Parking Agreements and Parking Letter Agreement

Under the On-Site Parking Agreements between the Issuer, as landlord, and Ballpark LLC, as tenant, Ballpark LLC will sublease the North Parking Site and the South Parking Site and, pursuant to the Parking Letter Agreement, will agree to amend the On-Site Parking Agreements to provide that Ballpark LLC, as the agent of the Agency, (a) will construct and/or improve the On-Site Parking Facilities and (b) after substantial completion of the Stadium, will operate, manage and collect revenue from the On-Site Parking Facilities. The On-Site Parking Agreements are expected to be amended prior to the first anniversary thereof in accordance with the terms of the Parking Letter Agreement, which will also address the Off-Site Parking Facilities. The On-Site Parking Facilities are expected to be comprised of approximately 7,400 parking spaces. As amended, in accordance with the terms of the Parking Letter Agreement, the On-Site Parking Agreements will have revenue sharing provisions that set forth the proportion of the revenue from the On-Site Parking Facilities to be retained by Ballpark LLC, and that proportion of such revenue to be received by the Issuer. The Parking Letter Agreement also contemplates that the City intends to issue to Ballpark LLC a concession for certain off-site parking facilities (the "*Marina East Parking Facilities*") and that the City intends to grant to Ballpark LLC certain usage rights the City may have with respect to other off-site parking facilities (the "*Stadium View Parking Facilities*" and, together with the Marina East Parking Facilities, the "*Off-Site Parking Facilities*" and such concessions and usage rights, collectively, the "*Off-Site Parking Concessions*"). The Off-Site Parking Facilities are expected to be comprised of approximately 1,100 parking spaces. Assuming certain thresholds are met, the Parking Letter Agreement contemplates that Ballpark LLC will retain the first $8.16 million (which amount will be indexed annually using the Consumer Price Index) of net annual revenue generated from parking operations at the Parking Facilities and the Issuer and Ballpark LLC will share equally in additional net annual revenue from parking operations and net annual revenue from non-parking operations. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS-Risks Relating to Operations–On-Site Parking Agreements Not Yet Amended and Off-Site Parking Concession or Usage Rights Not Yet Granted" See "APPENDIX H — SUMMARY OF THE PARKING LETTER AGREEMENT."

Stadium Use Agreement

Under the Stadium Use Agreement between Ballpark LLC and Sterling Mets, Sterling Mets will, subject to the terms of the Stadium Lease Agreement, sublease the Stadium from Ballpark LLC, and Ballpark LLC will assign certain of its rights under the Stadium Lease Agreement to Sterling Mets. Ballpark LLC will retain the Retained Rights Revenue while Sterling Mets will retain all Non-Retained Rights Revenue, which includes other revenue generated by the Stadium. See "—Ballpark LLC's Revenue" below. Sterling Mets will not be obligated to make any payments to Ballpark LLC for use of the Stadium, as Ballpark LLC's retention of Retained Rights Revenue will constitute consideration for Sterling Mets' use. Subject to the terms of the Stadium Lease Agreement, the Stadium Use Agreement and the On-Site Parking Agreements, Sterling Mets will have the right to certain parking spaces for use by employees, guests and other invitees of Sterling Mets. The terms and conditions of all Retained Rights Agreements shall be subject to Sterling Mets' approval, not to be unreasonably withheld, to the extent that such Retained Rights Agreements could reasonably be expected to have a material impact upon Sterling Mets' operations at, the Stadium.

Under the Stadium Use Agreement, Ballpark LLC appoints Sterling Mets as servicer and marketing agent with respect to agreements relating to Ballpark LLC's rights to Retained Rights Revenue (other than parking, concessions and merchandise) (collectively, the "*Serviced Retained Rights*") and Ballpark LLC's agreements with third parties arising out of such rights. Sterling Mets is obligated to service and administer such agreements (i) on a commercially reasonable basis using that level of skill and judgment commensurate with that practiced by persons regularly performing such services, (ii) in such a manner so as not to intentionally detract from the generation of Retained Rights Revenue in favor of the generation of Non-Retained Rights Revenue and (iii) with a view to the timely collection of all scheduled payments under the Serviced Retained Rights agreements or, if a Serviced Retained Rights agreement comes into and continues in default and if in the good faith and reasonable judgment of Ballpark LLC, no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery on such Serviced Retained Rights agreements (the requirements set forth in clauses (i), (ii) and (iii), collectively, the "*Servicing Standard*").

As the servicer and marketing agent for Ballpark LLC, Sterling Mets agrees to (i) market the Serviced Retained Rights in accordance with the Servicing Standard, (ii) provide ticketing facilities and ticketing, service and administration for Retained Seats to Mets' home games and for luxury suites, (iii) develop proposals with respect to the marketing of luxury suites and Retained Seats and proposals for the inclusion of additional or different amenities and accoutrements to be included in the luxury suites or Retained Seats that can be expected to increase the aggregate net revenue generated by luxury suite premiums and Retained Seats, (iv) negotiate on Ballpark LLC's behalf, and in consultation with Ballpark LLC, disputes with contracting parties in relation to Serviced Retained Rights and agreements relating to Serviced Retained Rights and resolve such disputes, consistent with the Servicing Standard and subject to the approval of Ballpark LLC, (v) provide Ballpark LLC with administrative support with respect to general Stadium operations to the extent not required to be performed by Sterling Mets and (vi) prominently disclose to third parties that Sterling Mets is acting solely as agent for, and on behalf of, Ballpark LLC with respect to its services.

In addition to retaining Non-Retained Rights Revenue under the Stadium Use Agreement, Sterling Mets will exclusively retain (i) the right to admit patrons, charge admission and set ticket prices for Mets' home games, (ii) the right to telecast or radio broadcast or otherwise transmit Mets' home games via any media (including interactive media), (iii) the right to license Mets' trademarks and copyrights and (iv) the right to receive any MLB revenue sharing payments.

Under the Stadium Use Agreement, Sterling Mets agrees to perform all of its obligations under the Non-Relocation Agreement. The Stadium Use Agreement provides that, without affecting any provision of the Non-Relocation Agreement, if Sterling Mets is unable to use the Stadium during all or part of one or more Mets' MLB seasons occurring after substantial completion of the Stadium, the Mets may play home games in a substitute facility, in which case Sterling Mets will pay Ballpark LLC all revenue received by Sterling Mets relating to rights comparable to Retained Rights Revenue with respect to such substitute facility less expenses incurred by Sterling Mets in connection with Sterling Mets' use of such substitute facility.

See "APPENDIX G — SUMMARY OF THE STADIUM USE AGREEMENT."

None of the payments made under the Primary Site Ground Lease, the South Parking Site Ground Lease, the Stadium Lease Agreement, the On-Site Parking Agreements, Off-Site Parking Concessions or the Stadium Use Agreement will be pledged to or be available for the payment of debt service on the Tax Exempt PILOT Bonds. Neither the Tax Exempt PILOT Bondholders (as defined herein) nor the PILOT Bonds Trustee will have any right to enforce the provisions or remedies under the Primary Site Ground Lease, the South Parking Site Ground Lease, the Stadium

Lease Agreement, the On-Site Parking Agreements, Off-Site Parking Concessions or the Stadium Use Agreement except as provided in the PILOT Bonds Partial Lease Assignment. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – Special Limited Obligations."

Non-Relocation Agreement

Effective as of the date the Series 2006 Bonds are issued, and extending throughout the initial term of occupancy under the Stadium Lease Agreement (which shall be no more than 37.5 years commencing after substantial completion of the construction of the Stadium), plus the initial renewal term of occupancy under the Stadium Lease Agreement, if any (which is an aggregate period of up to 40 years), unless earlier terminated as described below, the Non-Relocation Agreement requires Sterling Mets to cause the Mets to play substantially all of their home games in Shea Stadium and, commencing with the opening of the first season following completion of the Stadium's construction, in the Stadium, subject to MLB agreements, rules and regulations. The Non-Relocation Agreement provides an exception for up to six (6) home games that may be played in other venues in any MLB season, with a maximum per season average of four (4) such home games over any ten-year period, subject to provisions governing calculation of such average. The Non-Relocation Agreement also provides an exception for player or umpire labor disputes. In addition, subject to the terms and conditions of the Non-Relocation Agreement in the event of a casualty, force majeure, or condemnation action, the Mets may play their home games in another location until such conditions are remediated or repaired. If the lease for Shea Stadium is not renewed on terms substantially similar to the existing lease or certain material adverse changes to the condition of Shea Stadium occur, the Mets may play elsewhere while such conditions exist.

Pursuant to the Non-Relocation Agreement, and subject to MLB agreements, rules and regulations, Sterling Mets also agrees not to enter into or participate in any negotiations or discussions with, or apply for or seek approval from, third parties (including MLB) to relocate the Mets, other than for the purpose of relocating the Mets after expiration of the Non-Relocation Agreement.

Sterling Mets' obligations under the Non-Relocation Agreement will terminate (i) upon a casualty-, condemnation- or environmental-related termination of the Stadium Lease Agreement, (ii) upon a termination of the Stadium Lease Agreement and, in certain circumstances relating to a casualty restoration of the Stadium, upon payment by Sterling Mets of $350,000,000 thereunder, less certain amounts, (iii) upon a termination of the Stadium Lease Agreement if the construction of the Stadium is not being completed by reason of Unavoidable Delay by March 1, 2019 and upon payment by Sterling Mets of $350,000,000 thereunder; or (iv) upon the termination of the Stadium Use Agreement by Ballpark LLC or its successor in interest. The Non-Relocation Agreement also terminates upon payment in full of liquidated damages awarded thereunder or upon termination of the Stadium Lease Agreement by the Issuer in accordance with its terms and failure by Sterling Mets to exercise its rights under the Stadium Lease Agreement to obtain a new lease with itself as tenant.

In the event Sterling Mets breaches its obligations under the Non-Relocation Agreement, the City, ESDC, the Bond Insurer (in its capacity as Bond Insurer of the Taxable Bonds only), and the Issuer are entitled to declaratory relief or an equitable remedy, including specific performance. Additionally, if a "Prohibited Relocation" under the Non-Relocation Agreement occurs, and the City, ESDC, the Bond Insurer (in its capacity as Bond Insurer of the Taxable Bonds only), or the Issuer is unable to obtain an injunction or award of specific performance, the City, ESDC and/or the Bond Insurer will have the right to recover liquidated damages from Sterling Mets as specified in the Non-Relocation Agreement. Under the Non-Relocation Agreement, "Prohibited Relocation" consists of either (a) failure to play both the specified number and percentage of games at Shea Stadium or the Stadium as applicable, subject to

certain rules and exceptions in calculating the percentage, or (b) Sterling Mets or certain affiliates entering into a binding agreement with one or more third parties for the use by the Mets of another stadium, arena or other venue which agreement would be breached if Sterling Mets complied with certain obligations under the Non-Relocation Agreement, taking into account the exceptions set forth therein, or would prohibit Sterling Mets from complying with such provisions of the Non- Relocation Agreement. In the event of a Prohibited Relocation, as defined in the Non-Relocation Agreement, if a court declines to grant an injunction or other equitable remedy to any of the other parties to the Non-Relocation Agreement who seek an injunction barring the move, ESDC, the City and the Bond Insurer will have the right to seek actual damages and liquidated damages in an amount of approximately $1 billion, which amount will decline over the term of the Non-Relocation Agreement. Breaches of the Non-Relocation Agreement, other than "Prohibited Relocations," permit recovery of actual damages rather than liquidated damages.

The Non-Relocation Agreement provides that the conduct of activities in the Stadium (or at Shea Stadium, when applicable), in conjunction with any home game or other event conducted under the auspices of or in affiliation with MLB or Sterling Mets, and the obligations of Sterling Mets thereunder are subject in all respects to the rules, regulations and agreements of MLB, as the same may change from time to time. The Non-Relocation Agreement also provides that if MLB rules, regulations and agreements have the effect of causing or of requiring Sterling Mets to act or not act in a manner that is inconsistent with its covenants and agreements in the Non-Relocation Agreement and such action or failure to act would, but for the provision described in the preceding sentence, constitute an event of default thereunder, then notwithstanding such provision, the parties shall have all the rights and may exercise all of their remedies under the Non-Relocation Agreement as if such occurrence or omission were an event of default thereunder. The effect of these provisions on the parties' rights and obligations under the Non-Relocation Agreement is unclear. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS – Risks Relating to Operations—Major League Baseball—MLB Preemption."

The Issuer's rights and remedies under the Non-Relocation Agreement will not be pledged or assigned to the PILOT Bonds Trustee as security for the Tax Exempt PILOT Bonds. Tax Exempt PILOT Bondholders will have no rights under the Non-Relocation Agreement.

For risks associated with the Non-Relocation Agreement, see "RISK FACTORS AND INVESTMENT CONSIDERATIONS – Risks Relating to Operations—Relocation Risk" and "—Major League Baseball" and "BANKRUPTCY CONSIDERATIONS—Enforceability of Documents – General" and "—Enforceability of Documents with Respect to the Bankruptcy of Ballpark LLC and/or Sterling Mets."

Ballpark LLC's Revenue

Ballpark LLC's principal revenue rights and expense obligations arise under the Stadium Lease Agreement with the Issuer, the Stadium Use Agreement with Sterling Mets and the On-Site Parking Agreements and Off-Site Parking Concessions. Under the Stadium Lease Agreement, Ballpark LLC will possess, operate and maintain the Stadium and under the Stadium Use Agreement, Ballpark LLC will be entitled to receive all Retained Rights Revenue. Ballpark LLC expects that its principal sources of Retained Rights Revenue will be (1) luxury suite premiums, (2) Retained Seat Revenue, (3) food, beverage and merchandise concessions, (4) signage/advertising and naming rights and (5) certain revenue from operation of the Parking Facilities. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations—Retained Rights Revenue." Under the Stadium Use Agreement, Retained Rights Revenue does not include ticket sales other than Retained Seat Revenue. All revenue which is not specifically Retained Rights Revenue will be retained by Sterling Mets and comprise Non-Retained Rights Revenue. Ballpark LLC will use the Retained Rights Revenue to make

PILOTs and meet its obligations under the PILOT Agreement, to pay the Installment Purchase Payments and meet its obligations under the Installment Sale Agreement, to pay Initial Term Base Rent and to meet its obligations under the Stadium Lease Agreement, including the payment of certain costs of operating and maintaining the Stadium and for certain capital repairs and improvements, as well as all expenses directly related to the generation of Retained Rights Revenue, including consulting fees and legal fees. See "Projections" below. For a discussion of some of the factors which may affect Ballpark LLC's revenue, see "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations."

Although Ballpark LLC will not receive any ticket revenue other than with respect to Retained Seats at Mets' home games, attendance at Mets' home games will have a substantial effect on Retained Rights Revenue.

Ballpark LLC expects to begin collecting Retained Rights Revenue with respect to a Major League Baseball season (generally, April to October in a given year) prior to the start of the Bond Year in which such season starts and ends, through for example, advance sales of Retained Seat tickets. Such Retained Rights Revenue would be available to make PILOTs and Installment Purchase Payments and to pay Initial Term Base Rent in the next succeeding Bond Year (in which the season takes place) and any distribution of such funds to the member of Ballpark LLC is governed and restricted by the Stadium Lease Agreement. Accordingly, Ballpark LLC's projections match certain revenue and expense amounts corresponding to a Major League Baseball season with certain expense amounts corresponding to the Bond Year in which the season takes place.

All revenue assumptions and the corresponding projections are based on current dollars and escalate at the percentage described below.

Luxury Suite Premiums and Retained Seats Revenue

For purposes of the projections contained herein, Ballpark LLC assumes the licensing of up to 48 of its 49 luxury suites and five party suites at the Stadium for a total of approximately 950 seats licensed. The price of luxury suites includes two components: (1) the price of the ticket for the seat (referred to as the "*Ticket Component*") and (2) the portion of the price that entitles the holder access to that seat (or suite) and certain specified amenities (often referred to as the "*Premium Component*"). All suite licensees will be obligated to purchase tickets for all regular season Mets' home games, with the option to purchase tickets for other events.

Pursuant to the Stadium Use Agreement, Ballpark LLC and Sterling Mets have agreed that all agreements with luxury suite users will provide that Ballpark LLC shall receive all payments constituting the Premium Component and that Sterling Mets shall receive all payments constituting the Ticket Component. Suites are projected to be licensed at an initial average annual license fee of approximately $250,000, which fee includes a Ticket Component of approximately $140,000 as well as a Premium Component of approximately $110,000. Projected luxury suite revenue assumes a 92.0% sell-out percentage in the first five years of Stadium operations. Party suites are projected to be licensed at an initial average license fee of $8,000 per game, including a Ticket Component of approximately $1,300 per game and a Premium Component of approximately $6,700 per game. Projected occupancy levels for party suites are assumed to be 60%. Projected prices for luxury and party suites in 2009 are assumed to inflate at 3.5% per year thereafter.

Net ticket prices per game for the Mets' home games for the current projection of approximately 10,700 Retained Seats are projected to range from approximately $40.00 to approximately $350.00, with a net average ticket price of approximately $85.00 per game. Projected occupancy levels for Retained

Seats are estimated to range from 90% to 95% during the first five years of Stadium operations and projected ticket prices are estimated to inflate at 4% per year.

There can be no assurance as to the number of luxury suites licenses or Retained Seats that will be sold or the amount realized from such licenses and sales. Further, the amount of the license fee and ticket price that is ultimately charged is subject to many factors outside the control of Ballpark LLC and cannot be predicted with certainty.

Food, Beverage and Merchandise Concessions

Ballpark LLC intends to manage and operate the food and beverage concession services at the Stadium in a manner consistent with the management and operation of such concession services at a first-class stadium facility. Ballpark LLC will likely enter into an arrangement with a concessionaire experienced in operating stadium concessions. Under such an arrangement, Ballpark LLC would likely receive a specified percentage of all concession revenue. The remaining concession revenue will be retained by the concessionaire or used to pay applicable taxes. Ballpark LLC also will likely enter into a similar arrangement to sell merchandise and novelties at the Stadium with one or more concessionaires (which may be the same as the food and beverage concessionaire). Stadium operators generally project their food and beverage concessions, merchandise and novelties revenue based on assumed "per capita" spending by event attendees. Concessions estimates are based on the estimated season attendance for each seating segment multiplied by a weighted average of approximately $17.00 of gross revenue per capita. The projected operating cost of concessions is estimated to be approximately 60% of gross revenue. Projected merchandise revenue assumes a per capita spending of $3.75 and a 28% operating margin. Food, beverage and merchandise per capita revenue projections are estimated to inflate at 3.5% per year. The terms and conditions of any agreement relating to provision of food and beverage or merchandise concessions at the Stadium, including food and beverage menus and pricing, the location of concession stands and restaurants, menus, pricing and admission criteria for clubs and restaurants, and selection and pricing of merchandise, will be subject to the approval of Sterling Mets to the extent that such terms and conditions have an impact on Sterling Mets' use of, or operation of, the Stadium.

Parking

Under the On-Site Parking Agreements and the Parking Letter Agreement, Ballpark LLC will, on behalf of the Issuer and/or the City, operate, manage and collect revenue from the On-Site Parking Facilities and the Off-Site Parking Facilities. Assuming certain thresholds are met Ballpark LLC will retain the first $8.16 million (which amount will be indexed annually using the Consumer Price Index) of net annual revenue generated from parking operations at the Parking Facilities and 50% of additional net annual revenue from parking operations and net annual revenue from non-parking operations. All other revenue from the operation of the Parking Facilities shall be remitted to the City. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS-Risks Relating to Operations–On-Site Parking Agreements Not Yet Amended and Off-Site Parking Concession or Usage Rights Not Yet Granted." Ballpark LLC's ability to achieve the parking revenue that it projects will depend largely upon whether actual attendance at Stadium events and the use of automobiles by attendees generally remains consistent with past experience at Shea Stadium. In addition to Mets' home games, the Parking Facilities also generate revenue from events held at the USTA National Tennis Center which is adjacent to the Stadium Site, as well as from commuters to New York City who park their cars at the Parking Facilities and then use public transportation to complete their journey. If attendance were to decline and/or attendees were to make greater use of the rail and subway lines that will provide easy access to the Stadium, parking revenue could be less than projected. Projected parking revenue assumes 8,500 total parking spaces available for Mets' home games, tennis events and commuter use. The projections assume a net parking

rate for Mets' home games of approximately $14.50, an operating margin of 85% and an inflation rate of 3.5% per year.

Signage/Advertising and Naming Rights

The signage/advertising category of Retained Rights Revenue consists primarily of revenue from the sale of temporary and permanent signage in the Stadium or any portion thereof, including billboards, scoreboard and other on-site fixed and electronic advertising, and from promotional events and giveaways at Mets' home games. Sterling Mets and Ballpark LLC expect to sell signage/advertising rights, some of which may cover both on-site Stadium signage/advertising and external sponsorship. Ballpark LLC will be entitled to all revenue attributable to signage and on-site advertising and promotions in the Stadium and (subject to sharing revenues from non-public operations, as described above) the Parking Facilities; and Sterling Mets will be entitled to all other revenue attributable to team sponsorship. Signage/advertising revenue are a function of attendance at the Stadium, the quality of events and the potential for increased exposure due to the telecast of events at the Stadium. Under the Stadium Lease Agreement, Ballpark LLC has the exclusive right to grant to a third party the Stadium's naming rights. Ballpark LLC will seek to enter into a corporate sponsorship agreement (the "*Naming Rights Agreement*") pursuant to which the other party would obtain the exclusive right to name the Stadium. The projections for signage/advertising and naming rights revenue are based on historical performance at Shea Stadium, results at other comparable new MLB ballparks and Ballpark LLC's judgment and assumptions. The projected price for signage/advertising and naming rights is assumed to escalate at an annual rate of 3.5%. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations—Retained Rights Revenue." There can be no assurance as to Ballpark LLC's ability to sell naming rights to the Stadium or the amount of revenue that Ballpark LLC will receive from the sale of naming rights. The naming rights to Shea Stadium were not sold to a corporate sponsor.

Ballpark LLC's Expenses

Projected expenses of Ballpark LLC in connection with the Stadium consist of PILOTs, Installment Purchase Payments, Initial Term Base Rent and expenses incurred for the operation and maintenance of the Stadium and for certain capital repairs and improvements, as well as all expenses directly related to the generation of Retained Rights Revenue, including consulting fees and legal fees. Operating expenses include expenses incurred in connection with Stadium operations, special events, stadium concessions, general and administrative matters and any other expenses required to be paid by Ballpark LLC in connection with the operation of the Stadium, and the expenses, liabilities and compensation of the Trustees required to be paid under the Bond Indentures. Projected expenses are based, in part, upon current operations at Shea Stadium and comparable expenses at other MLB stadiums, and are assumed to escalate at an annual rate of 3.5%. Ballpark LLC will not be responsible for expenses that relate to the operation of the Mets, such as player costs or costs imposed by MLB rules.

Projections

The following table sets forth Ballpark LLC's estimates of revenue and expenses for the five MLB seasons from 2009 through 2013. These estimates are based on (1) historical performance of Shea Stadium, (2) results at other comparable new MLB ballparks, and (3) Ballpark LLC's judgment and assumptions concerning future operations that it believes are relevant and accurate, including those assumptions that are set forth above under "Ballpark LLC's Revenue" and "Ballpark LLC's Expenses." However, it is possible that assumed circumstances will not materialize, that anticipated events may not occur or may have different results than projected or that unanticipated events may occur to cause future Ballpark LLC revenue, operating expenses and net cash flow to vary materially from the projections. These projections are not intended to comply with the guidelines established by the American Institute of

Certified Public Accountants for preparation and presentation of financial projections. Please refer to "—Ballpark LLC's Revenue" and "—Ballpark LLC's Expenses" above for a discussion of the assumptions underlying the projections. See also "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations" and "CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS."

	Major League Baseball Season				
	2009	**2010**	**2011**	**2012**	**2013**
ATTENDANCE:					
Per Game Paid Attendance	42,596	42,596	41,361	40,538	40,538
Per Game Actual Attendance	38,337	37,272	35,157	33,444	32,430
OPERATING REVENUE[(1)]:					
Luxury suite premiums	$ 6,640,000	$ 6,872,000	$ 7,113,000	$ 7,362,000	$ 7,619,000
Retained Seats Revenue	81,261,000	84,511,000	85,116,000	86,597,000	90,060,000
Food and beverage concessions	23,772,000	23,921,000	23,353,000	22,993,000	23,077,000
Merchandise concessions	3,603,000	3,625,000	3,539,000	3,485,000	3,497,000
Parking	9,127,000	9,348,000	8,358,000	8,609,000	8,867,000
Signage/advertising and naming rights	43,454,000	44,975,000	46,549,000	48,179,000	49,865,000
TOTAL OPERATING REVENUE	$ 167,857,000	$ 173,252,000	$ 174,028,000	$ 177,225,000	$ 182,985,000
EXPENSES:					
PILOTs[(1)]	$ 16,500,000	$ 38,500,000	$ 38,500,000	$ 38,500,000	$ 38,500,000
Installment Purchase Payments[(1)]	1,734,806	4,806,375	4,087,549	4,086,846	4,084,269
Initial Term Base Rent[(1)]	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal	19,234,806	43,586,375	43,587,549	43,586,846	43,584,269
Stadium operations[(2)]	17,371,399	14,262,710	14,954,263	15,679,376	16,421,396
Capital expenditures	1,148,000	1,188,000	1,230,000	1,273,000	1,318,000
TOTAL EXPENSES	$ 37,754,204	$ 59,037,085	$ 59,771,811	$ 60,539,223	$ 61,323,665

(1) Amounts for PILOTs, Installment Purchase Payments and Initial Term Base Rent are based on the Bond Year commencing January 1.

(2) Exclusive of amounts funded through the Issuer from the O&M Fund under the PILOT Assignment and the Operating and Maintenance Account (Lease Revenue) of the Lease Revenue Surplus Fund pursuant to the Lease Revenue Bonds Indenture, as applicable.

Major League Baseball

As a member club of Major League Baseball, the Mets are subject to current and future MLB rules, governing agreements, MLB Constitution and other agreements, including the Basic Agreement (the "*CBA*"), between the 30 Major League Clubs and the Players Association. These rules and agreements have a substantial effect on the Mets. To the extent any current or future MLB rules or agreements adversely affect the Mets' on-field performance or Ballpark LLC's rights to Retained Rights Revenue, Retained Rights Revenue available for debt service could be adversely affected. In August 2002, the 30 Major League Clubs and the Players Association negotiated the current CBA, which will expire on December 19, 2006. Major components of the CBA include (1) enhanced revenue sharing among the 30 Major League Clubs; (2) a competitive balance tax; (3) franchise debt control; and (4) restrictions on contraction. While each of these components affects Sterling Mets directly, any provision

of the CBA which reduces the amount of revenue which Sterling Mets spends or has available to spend to enhance the performance of the Mets could indirectly adversely affect attendance at Mets' home games and, accordingly, Retained Rights Revenue. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to Operations—Major League Baseball" for a discussion of risks presented by the Mets being a member of MLB.

THE TAX EXEMPT PILOT BONDS

General

The Tax Exempt PILOT Bonds will be dated the date of delivery and will be issued in the aggregate principal amount, and will mature, as set forth on the inside cover page hereof. The Tax Exempt PILOT Bonds are subject to redemption prior to maturity as set forth below under "— Redemption."

The Tax Exempt PILOT Bonds will be issued in authorized denominations of $5,000 plus any integral multiple of $5,000 in excess thereof. The Tax Exempt PILOT Bonds will be registered with DTC or its nominee to be held in DTC's book-entry only system (the "*Book-Entry Only System*"). So long as the Tax Exempt PILOT Bonds are held in the Book-Entry Only System, DTC (or a successor securities depository) or its nominee will be the registered owner of the Tax Exempt PILOT Bonds for all purposes of the PILOT Bonds Indenture, and payments of principal of and interest on the Tax Exempt PILOT Bonds will be made solely through the facilities of DTC. See "APPENDIX A — BOOK-ENTRY ONLY SYSTEM."

The Bank of New York is the PILOT Bonds Trustee under the PILOT Bonds Indenture and is also the Paying Agent for the Tax Exempt PILOT Bonds.

The Tax Exempt PILOT Bonds will bear interest at the rates per annum set forth on the inside cover page hereof, which interest will be payable semiannually, in arrears, in cash on each January 1 and July 1, commencing January 1, 2007. Interest on the Tax Exempt PILOT Bonds will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the Issue Date (as defined herein). Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Interest on the Tax Exempt PILOT Bonds will be payable by check or draft and mailed to the persons who are the registered owners of the Tax Exempt PILOT Bonds as of the close of business on each December 15 and June 15 immediately preceding the applicable interest payment date.

Principal of the Tax Exempt PILOT Bonds will be payable upon presentation and surrender thereof at the principal corporate trust office of the PILOT Bonds Trustee.

Redemption

The Tax Exempt PILOT Bonds are subject to optional and mandatory redemption prior to their stated maturity dates as described below.

Optional Redemption

The Tax Exempt PILOT Bonds, maturing on or after January 1, 2018, are subject to redemption, in whole or in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on any date on or after January 1, 2017, at the option of the Issuer, at any time and from time to time upon notice as provided herein, on any date prior to their maturity at a Redemption Price equal to 100% of the principal amount of such Tax Exempt PILOT Bonds, plus accrued interest to the redemption date.

The Taxable Bonds are not subject to optional redemption.

Mandatory Sinking Fund Redemption

The Tax Exempt PILOT Bonds due January 1, 2031 that bear interest at a rate of 4.375% per annum and the Tax Exempt PILOT Bonds due January 1, 2031 that bear interest at a rate of 5.00% per annum, are subject to redemption, in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on and after January 1, 2027 in the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each date shown below the principal amount of Tax Exempt PILOT Bonds specified for each such date:

4.375% PILOT Bonds Due 2031		**5.00% PILOT Bonds Due 2031**	
Date	**Amount**	**Date**	**Amount**
01/01/2027	$ 175,000	01/01/2027	$ 11,995,000
01/01/2028	175,000	01/01/2028	12,635,000
01/01/2029	175,000	01/01/2029	13,305,000
01/01/2030	175,000	01/01/2030	14,010,000
01/01/2031†	175,000	01/01/2031†	14,750,000

† Stated Maturity

The Tax Exempt PILOT Bonds due January 1, 2036 are subject to redemption, in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on and after January 1, 2032 in the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each date shown below the principal amount of Tax Exempt PILOT Bonds specified for each such date:

Date	**Amount**
01/01/2032	$ 15,705,000
01/01/2033	16,525,000
01/01/2034	17,395,000
01/01/2035	18,305,000
01/01/2036†	19,260,000

† Stated Maturity

The Tax Exempt PILOT Bonds due January 1, 2039 are subject to redemption, in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on and after January 1, 2037 in the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each date shown below the principal amount of Tax Exempt PILOT Bonds specified for each such date:

Date	**Amount**
01/01/2037	$ 20,270,000
01/01/2038	21,335,000
01/01/2039†	22,450,000

† Stated Maturity

The Tax Exempt PILOT Bonds due January 1, 2042 are subject to redemption, in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on and after January 1, 2040 in

the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each date shown below the principal amount of Tax Exempt PILOT Bonds specified for each such date:

Date	Amount
01/01/2040	$ 23,625,000
01/01/2041	24,805,000
01/01/2042†	26,040,000

† Stated Maturity

The Tax Exempt PILOT Bonds due January 1, 2046 are subject to redemption, in part (in accordance with the procedures of DTC, so long as DTC is the Holder), on and after January 1, 2043 in the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each date shown below the principal amount of Tax Exempt PILOT Bonds specified for each such date:

Date	Amount
01/01/2043	$ 27,340,000
01/01/2044	28,770,000
01/01/2045	30,275,000
01/01/2046†	31,860,000

† Stated Maturity

The Taxable Installment Purchase Bonds and the Taxable Lease Revenue Bonds are subject to mandatory sinking fund redemption prior to their maturity.

Mandatory Redemption Upon the Occurrence of an Extraordinary Event

The Series 2006 Bonds shall be subject to mandatory redemption, pro rata, in whole or in part, at a Redemption Price equal to 100% of the principal amount of the Series 2006 Bonds to be redeemed, plus interest accrued thereon to the redemption date, on any date for which requisite notice of redemption can be given upon the occurrence of any of the following "Extraordinary Events":

(a) (i) All or a portion of the Stadium and the Stadium Equipment shall have been damaged or destroyed or the Stadium shall have been subject to a Taking that is less than a Substantial Taking and (1) at the direction of the Bond Insurer if (x) the Stadium and the Stadium Equipment have not been restored within seven years of the date of such damage, destruction or Taking and (y) the amount then on deposit in the Project Renewal Fund held under the PILOT Bonds Indenture is insufficient to restore the Stadium and Stadium Equipment to a condition that is reasonably likely to generate sufficient annual revenue to make PILOTs and Installment Purchase Payments and to pay Initial Term Base Rent, plus annual operations and maintenance on the Stadium and the Stadium Equipment or (2) such damage, destruction or Taking shall have occurred in the last three years of the Stadium Lease and neither Ballpark LLC nor the Issuer have elected to restore or (ii) a Substantial Taking of the Stadium shall have occurred;

(b) Liquidated Damages (or, in lieu thereof, actual damages) shall have been paid under the Non-Relocation Agreement in respect of a Prohibited Relocation, other than a One-Time Directed Temporary Relocation, each as defined therein;

(c) A determination shall have been made by the Issuer that the Project will not be completed prior to the Non-Completion Termination Date and Ballpark LLC shall have paid a Termination Payment under the Stadium Lease Agreement; or

(d) Prior to completion of excavation and grading that takes place prior to completion of foundation work for the Project, Hazardous Materials are discovered which could not have reasonably been discovered previously, and the cost of removal, containment or mitigation of such Hazardous Materials such as is necessary for the development and use of the Project is in excess of $150,000,000 above the proceeds available under insurance policies for such hazardous materials removal, containment or mitigation.

Upon the occurrence of an Extraordinary Event, the redemption price of the Series 2006 Bonds will be paid from (i) any and all funds on deposit in the various funds and accounts under the applicable Bond Indentures, including any proceeds of the Series 2006 Bonds, if any, and (ii) (A) in the case of an Extraordinary Event described in paragraph (a) Restoration Proceeds (to the extent available after application in accordance with the Stadium Lease Agreement), (B) in the case of an Extraordinary Event described in paragraph (b) above, the Liquidated Damages or actual damages, (C) in the case of an Extraordinary Event described in paragraph (c) above, the Termination Payment and (D) in the case of an Extraordinary Event described in paragraph (d) above, available insurance proceeds.

Selection of Bonds for Redemption; Notice of Redemption

Except as otherwise provided in the PILOT Bonds Indenture, in the event of any redemption of less than all of the Outstanding Tax Exempt PILOT Bonds of the same maturity, the particular Tax Exempt PILOT Bonds or portions of Tax Exempt PILOT Bonds to be redeemed shall be selected by the PILOT Bonds Trustee by lot in such manner as the PILOT Bonds Trustee in its discretion may deem fair. Except as otherwise provided in the PILOT Bonds Indenture, in the event of a redemption of less than all of the Outstanding Tax Exempt PILOT Bonds stated to mature on different dates, the principal amount of such Tax Exempt PILOT Bonds to be redeemed shall be applied in any order of maturity the Issuer may elect, with the written approval of the Bond Insurer and upon receipt of an opinion from Nationally Recognized Bond Counsel that such redemption will not adversely affect the exclusion from gross income of interest on the Tax Exempt PILOT Bonds.

Upon the occurrence of a redemption of Tax Exempt PILOT Bonds under the PILOT Bonds Indenture, the PILOT Bonds Trustee shall give notice, in the name of the Issuer, of such redemption, which notice shall specify, among other things, the maturity or maturities of the Tax Exempt PILOT Bonds to be redeemed, the Redemption Date (as defined herein) and the place or places where amounts due upon such redemption will be payable and, if less than all of the Tax Exempt PILOT Bonds of any maturity are to be redeemed, the amount of such Tax Exempt PILOT Bonds so to be redeemed. Such notice shall further state that on such Redemption Date there shall become due and payable upon the Tax Exempt PILOT Bonds to be redeemed the Redemption Price (as defined herein), and that from and after the Redemption Date, unless there is a default in the payment (or setting aside for payment) of the Redemption Price, interest thereon shall cease to accrue and be payable on the redeemed Tax Exempt PILOT Bonds. The PILOT Bonds Trustee shall mail a copy of such notice by certified mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days before the Redemption Date, (1) to Ballpark LLC, and (2) to any registered owners of Tax Exempt PILOT Bonds which are to be redeemed at the addresses appearing upon the registration books. Any notice mailed as provided in the PILOT Bonds Indenture shall be conclusively presumed to have been duly given, whether or not the registered owners of any such Tax Exempt PILOT Bonds receive the notice. Any notice of optional redemption may provide (and shall so provide if the PILOT Bonds Trustee shall be directed to do so by Ballpark LLC) that such notice of redemption may be rescinded (in which case the PILOT Bonds Trustee shall

promptly so notify the holders of such Tax Exempt PILOT Bonds in the same manner in which such notice of redemption was given), and if such notice of redemption is rescinded, the Tax Exempt PILOT Bonds scheduled to be redeemed shall remain Outstanding as if the notice of redemption had not been sent. The PILOT Bonds Trustee is also to notify any Rating Agencies then rating any Tax Exempt PILOT Bonds in the event of the redemption in whole of the Tax Exempt PILOT Bonds pursuant to the PILOT Bonds Indenture.

SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS

General

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer payable from and secured by: (i) the PILOT Revenues, (ii) the proceeds of the Tax Exempt PILOT Bonds, (iii) all right, title and interest of the Issuer in and to the Funds and Accounts (other than the PILOT Bonds Rebate Fund and the Renewal Fund) under the PILOT Bonds Indenture including the PILOT Project Fund, the PILOT Bond Fund, the PILOT Capital Improvement Fund and the PILOT Debt Service Reserve Fund (which will be funded with a surety issued by the Bond Insurer), including monies and investments therein, and (iv) all right, title and interest of the PILOT Bonds Trustee in the Debt Service and Reimbursement Fund under the PILOT Assignment. Ballpark LLC is obligated under the PILOT Agreement to make PILOTs to the Issuer. Under the PILOT Assignment, the Issuer has assigned its rights to PILOTs under the PILOT Agreement to the Independent Trustee and the Independent Trustee is required to transfer PILOTs to the PILOT Bonds Trustee in an amount sufficient to pay debt service and other amounts due on the Tax Exempt PILOT Bonds and certain other amounts payable by the PILOT Bonds Trustee. PILOT Revenues are comprised of PILOTs that are transferred to and actually received by the PILOT Bonds Trustee pursuant to the PILOT Assignment.

Special Limited Obligations

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer payable solely from PILOT Revenues derived from PILOTs made by Ballpark LLC pursuant to the PILOT Agreement and certain Funds and Accounts held under the PILOT Bonds Indenture. Neither the State nor the City is or shall be obligated to pay the principal of or interest on the Tax Exempt PILOT Bonds and neither the faith and credit nor the taxing power of the State or the City is pledged to such payment. The Issuer has no taxing power.

The Tax Exempt PILOT Bonds do not constitute an obligation of Ballpark LLC, Sterling Mets, the Mets or any of their respective affiliates. The Tax Exempt PILOT Bonds are not secured by any interest in the Stadium nor any property of or interest in Ballpark LLC, Sterling Mets, the Mets or any of their respective affiliates.

PILOT Revenues

City Resolutions

Local Law 73 of 2005 of the City provides that payments in lieu of real property taxes that have not been remitted to the City's general fund may only be spent pursuant to one or more agreements between the Mayor of the City and the City Council and that such agreement or agreements must be approved by resolution of the City Council. On October 27, 2005, the City Council adopted Preconsidered Resolution No. 1214 approving the agreement dated October 27, 2005, between the Mayor and the City Council, which resolution provides that payments in lieu of real property taxes may only be spent in the manner described in such October 27, 2005 agreement. Pursuant to Preconsidered Resolution

No. 260 dated April 26, 2006, the City Council amended the October 27, 2005 agreement to permit PILOTs to be applied to costs associated with the development of the Project. In particular, Preconsidered Resolution No. 0260-2006 permits the assignment and sale of the contract right to receive PILOTs to a trustee to secure and repay tax exempt bonds and financing arrangements related thereto which are issued or undertaken by the Issuer to fund the Project, the funding of any costs and expenses in connection therewith, and the funding of other costs and expenses relating to the Stadium, including operation and maintenance.

PILOT Agreement and PILOT Assignment

Under the PILOT Agreement, Ballpark LLC agrees to make PILOTs, without diminution, deduction or set-off whatsoever, and without prior notice or demand in the amount set forth therein; provided, however, that in no event shall Ballpark LLC be required to make PILOTs in any PILOT Year in an amount greater than the real property taxes for such PILOT Year that would have been levied upon or with respect to the Stadium, the Primary Site, the North Site Parking Facilities and any other improvements on the Primary Site, if the Stadium, the Primary Site, the North Site Parking Facilities and any other improvements on the Primary Site were not exempt by virtue of the Issuer's interest therein (the "*Actual Taxes*") (See Section 854[17] of the Act). See "RISK FACTORS AND INVESTMENT CONSIDERATIONS – Risks Relating to the Tax Exempt PILOT Bonds — Risks Associated with PILOTs." The PILOT Agreement provides for making of PILOTs by each June 15 and December 15 commencing December 15, 2009.

Payment of the principal of, premium, if any, and interest on the Tax Exempt PILOT Bonds is expected to be made from a portion of PILOTs received by the Independent Trustee under the PILOT Assignment, pursuant to which the Issuer pledges, assigns, transfers and sets over to the Independent Trustee all the Issuer's right to and interest in all PILOTs due or to become due under the PILOT Agreement, except for Unassigned PILOT Rights.

Pursuant to the PILOT Assignment, the Independent Trustee establishes the PILOT Fund, into which fund the Independent Trustee will deposit all amounts received by it pursuant to the PILOT Agreement and the PILOT Assignment, and any other amounts required or permitted to be deposited therein pursuant to the provisions of the PILOT Assignment. While the PILOT Bonds are Outstanding, amounts so deposited into the PILOT Fund are transferred:

(i) FIRST, to the PILOT Debt Service and Reimbursement Fund, immediately upon receipt by the Independent Trustee from the PILOT Bonds Trustee of the PILOT Bonds Trustee Certificate setting forth the PILOT Bond Requirement for the Payment Period beginning during the current PILOT Period, and in any event no later than each December 20 and June 20, PILOT Receipts in an amount equal to the PILOT Bond Requirement set forth in such PILOT Bonds Trustee Certificate; and

(ii) SECOND, to the O&M Fund, immediately after the transfer described in (i) above, but only to the extent that all deposits, transfers or payments required by paragraph (i) above have been made and all requirements with respect thereto have been fully and completely satisfied (including the curing of any deficiencies in prior deposits, transfers or payments), all moneys remaining in the PILOT Fund after the transfers described in paragraph (i) above.

Under the PILOT Assignment, the Independent Trustee holds the Debt Service and Reimbursement Fund for the benefit of, and such account is pledged to, the PILOT Bonds Trustee. PILOT Receipts held by the Independent Trustee while PILOT Bonds are Outstanding shall be applied

for the following purposes in the priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each deposit, transfer or payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

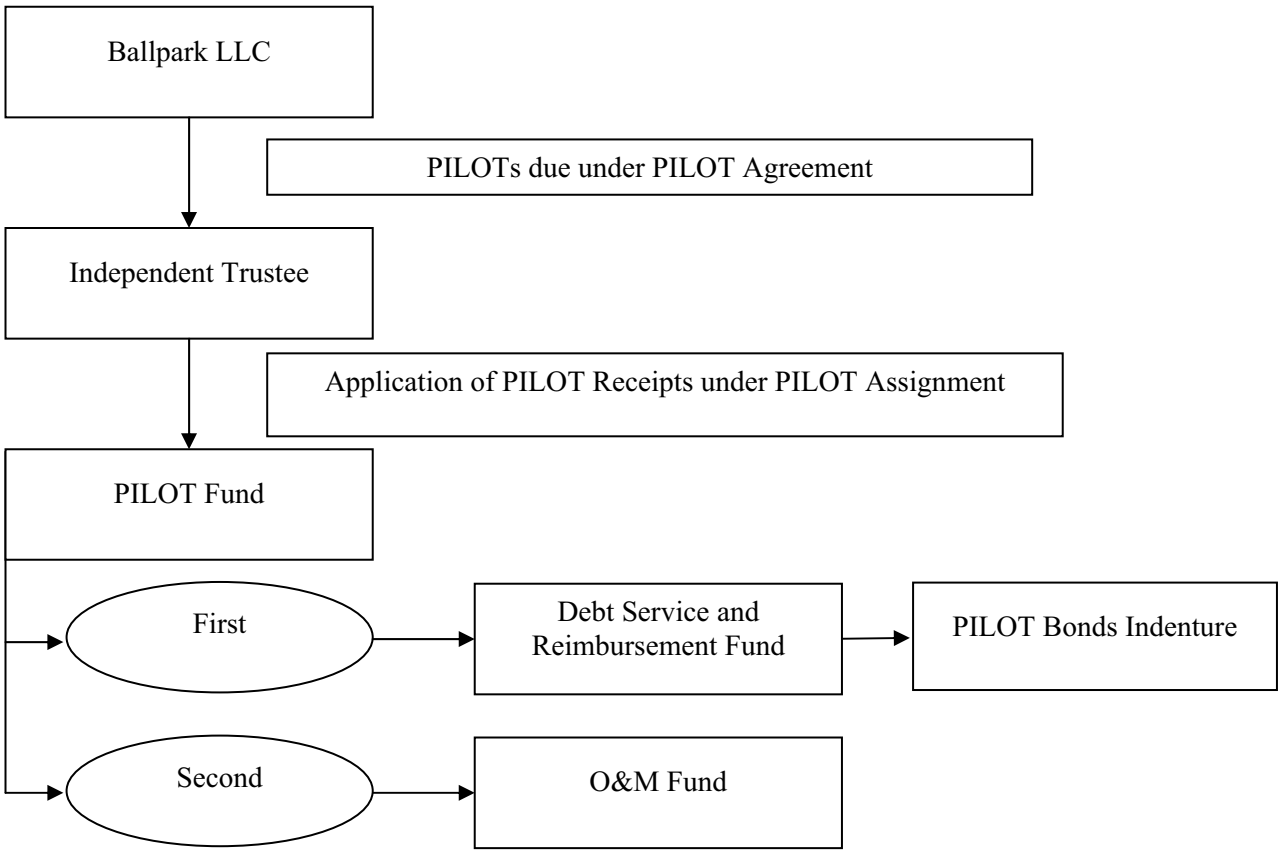
(i) FIRST, from the Debt Service and Reimbursement Fund, on each date on which an amount of PILOT Receipts is deposited the Debt Service and Reimbursement Fund, the Independent Trustee shall immediately transfer such amount of PILOT Receipts to the PILOT Bonds Trustee, in any event in an aggregate amount such that upon the final transfer of such PILOT Receipts to the PILOT Bonds Trustee during any PILOT Period, the amount so transferred to the PILOT Bonds Trustee during such PILOT Period is equal to the PILOT Bond Requirement for the Payment Period that begins during such PILOT Year; and

(ii) SECOND, on the first business day of each month, commencing with the first such Business Day following the initial deposit to the O&M Fund, the Independent Trustee shall transfer to Ballpark LLC, as agent for the Issuer, the amount requisitioned from the O&M Fund; provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such moneys on costs of operation and maintenance of the Stadium and Stadium Site incurred pursuant to the Stadium Lease Agreement; (B) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure complies with clause (A), above; and (D) to provide a certification to the Independent Trustee and the Issuer, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A) above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

The PILOT Assignment also provides for the allocation of PILOT Receipts upon the occurrence of certain unexpected events, such as a failure by the PILOT Bonds Trustee to deliver the PILOT Bonds Trustee Certificate when required under the PILOT Bonds Indenture. See "APPENDIX L — SUMMARY OF THE PILOT ASSIGNMENT."

Summary of Collection and Application of PILOTs

The following chart illustrates the collection of and application of PILOTs under the PILOT Agreement and the PILOT Assignment.



Projected PILOT

Under the PILOT Agreement, Ballpark LLC agrees to pay, as PILOTs, the amounts set forth on a schedule to the PILOT Agreement and described herein under "INTRODUCTION - PILOT Revenues," provided, however, that in no event shall Ballpark LLC be required to make PILOTs in any PILOT Year in an amount greater than the Actual Taxes. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS — Risks Relating to the Tax Exempt PILOT Bonds — Risks Associated with PILOTs." The Issuer shall compute the Actual Taxes or cause the Actual Taxes to be computed (without regard to any discretionary reduction thereof or exemption therefrom for which the Stadium, the North Site Parking Facilities and the Primary Site might otherwise be eligible under any law or regulation other than the Act) no later than August 15 of each year, as follows: the Issuer or its designee shall multiply the applicable assessment of the Stadium, the North Site Parking Facilities and the Primary Site, as most recently determined by the City, by the tax rate then applicable to Class Four Property, or any successor property classification established by the City that would otherwise be applicable to the Stadium, the North Site Parking Facilities and the Primary Site, for purposes of levying real property taxes on the Stadium, the North Site Parking Facilities and the Primary Site, if the Stadium, the North Site Parking

Facilities and Primary Site were subject to real property taxation. Such computation of the Actual Taxes shall be conclusive, absent manifest error, and written notice of the amount of the Actual Taxes shall be provided by the Issuer to Ballpark LLC on or prior to September 1 of each year; provided, however, that any failure by the Issuer to provide such notice shall not alter, reduce or diminish the obligation of Ballpark LLC to make such PILOT when due.

Calculation of Actual Taxes

Pursuant to the PILOT Agreement, Actual Taxes shall be calculated by multiplying (x) the applicable assessment of the Stadium, the North Site Parking Facilities and the Primary Site, as most recently determined by the City, by (y) the tax rate then applicable to Class Four Property, or any successor property classification established by the City that would otherwise be applicable to the Stadium, the North Site Parking Facilities and the Primary Site for the purpose of levying real property taxes on the Stadium, the North Site Parking Facilities and the Primary Site, if the Stadium, the North Site Parking Facilities and the Primary Site were subject to real property taxes. The applicable assessment of the Stadium, the North Site Parking Facilities and the Primary Site for purposes of the calculation of Actual Taxes under the PILOT Agreement is determined by the City under applicable law by multiplying (A) the then-applicable Market Value (as defined below) of the Stadium, the North Site Parking Facilities and the Primary Site, by (B) the Equalization Ratio (currently 45%).

The City Department of Finance ("*Finance*") presently uses the cost approach to determine the Market Value of the Primary Site, the North Site Parking Facilities and the Stadium. Pursuant to the cost approach, Finance would calculate the land value of the Primary Site (the "*Land Value*") and then determine the cost to replace, at current prices, the Stadium and the North Site Parking Facilities with improvements with a utility equivalent to the Stadium and the North Site Parking Facilities, using contemporary materials, standards, design and layout (the *"Replacement Cost"*). Replacement Cost also includes costs, such as financing costs, which are reasonable and necessary in connection with the replacement of the Stadium and the North Site Parking Facilities. Finally, the cost approach also factors in the current amount of depreciation and obsolescence of the Stadium and the North Site Parking Facilities ("*Accrued Depreciation*"). Under the cost approach, the "Market Value" of the Primary Site, the Stadium and the North Site Parking Facilities would be equal to (i) the then applicable Land Value, plus (ii) the then applicable Replacement Cost less (iii) Accrued Depreciation.

See "APPENDIX K – SUMMARY OF THE PILOT AGREEMENT."

Set forth below are historic property tax rates applicable to Class Four Property for the past twenty years.

Year	New York City Property Tax Rate
2006	11.306%
2005	11.558%
2004	11.431%
2003	10.678%
2002	9.712%
2001	9.768%
2000	9.989%
1999	10.236%
1998	10.164%
1997	10.252%
1996	10.402%
1995	10.608%
1994	10.724%
1993	10.698%
1992	10.631%
1991	10.004%
1990	9.539%
1989	9.582%
1988	9.460%
1987	9.460%
1986	9.460%

Source: New York City Department of Finance.

Enforcement of PILOT Obligation – Leasehold PILOT Mortgages

The obligation of Ballpark LLC under the PILOT Agreement to make PILOTs during each PILOT Year during the Initial Term shall be secured by a Leasehold PILOT Mortgage with respect to such PILOT Year, granted by Ballpark LLC and the Issuer to the Issuer and assigned to the Independent Trustee encumbering Ballpark LLC's and the Issuer's respective interests in and to the Stadium, the North Site Parking Facilities and the Primary Site. The Leasehold PILOT Mortgages will be recorded in inverse order, with the Leasehold PILOT Mortgage securing PILOTs due in the last PILOT Year during the Initial Term recorded first and the Leasehold PILOT Mortgage securing PILOTs due in the first PILOT Year recorded last. Therefore, each Leasehold PILOT Mortgage is (a) subject and subordinate to the Leasehold PILOT Mortgages securing the obligation to make PILOTs corresponding to any succeeding PILOT Year, and (b) paramount in lien to the Leasehold PILOT Mortgage securing the obligation to make PILOTs corresponding to any preceding PILOT Year. As a result, in case of any payment default under a Leasehold PILOT Mortgage and subsequent foreclosure of such Leasehold PILOT Mortgage by the Independent Trustee, the liens of each Leasehold PILOT Mortgage securing PILOTs due in subsequent PILOT Years will survive such foreclosure and retain their priority.

Upon a failure of Ballpark LLC to make PILOTs for a given PILOT Year in accordance with the PILOT Agreement (a "*PILOT Mortgage Default*"), the Independent Trustee may exercise the rights and remedies set forth in the corresponding Leasehold PILOT Mortgage, which include the right to institute proceedings to foreclose the lien of such Leasehold PILOT Mortgage against all or part of the Issuer's and Ballpark LLC's respective interests in the Stadium, the North Site Parking Facilities and the Primary

Site. However, the exercise of the rights of the Independent Trustee specified in a Leasehold PILOT Mortgage shall be expressly subject to the satisfaction of the following conditions precedent:

(i) the failure to make any of the PILOT Obligations as defined in each Leasehold PILOT Mortgage, or any interest or late payment charges thereon, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon were due, constituting such Leasehold PILOT Mortgage Default; provided such failure of payment shall have continued unremedied for a period of one (1) year after the date any such PILOT Obligations, interest or late payment charges thereon were due in accordance with the terms of the PILOT Agreement;

(ii) at least ten (10) weeks before the exercise of any such rights or remedies, the Independent Trustee shall have given Ballpark LLC, the Issuer, Sterling Mets, the Commissioner of Finance of The City of New York and the holder of record of any other mortgage encumbering all or any portion of the Mortgaged Property that is subordinate in lien to the lien of a Leasehold PILOT Mortgage (each, a "*Subordinate Mortgagee*") written notice of (A) the failure to pay any of the PILOT Obligations, interest or late payment charges thereon, as and when such PILOT Obligations, interest or late payment charges thereon were due, and (B) the intent of the Independent Trustee to exercise its rights and remedies under the Leasehold PILOT Mortgage unless such failure is cured within ten (10) weeks after the date of such notice (the "*Foreclosure Notice*"); and

(iii) a copy of the Foreclosure Notice shall have been published at least once a week for six (6) consecutive weeks in (A) the City Record and (B) two newspapers, one of which may be a law journal and the other of which is circulated generally in the Borough of Queens, the first such publication to occur at least ten (10) weeks before the exercise of any of such rights or remedies.

In addition, the Independent Trustee shall not exercise any remedy or take any other action which would result in the termination of any of the rights of Sterling Mets to use the Stadium and the Stadium Site in accordance with and pursuant to the terms of the Stadium Use Agreement prior to the expiration of a period (the "*Stay Period*") commencing on the date of the occurrence of such PILOT Mortgage Default and ending on the date that is six months after the date of such commencement; provided that if the Stay Period expires during a Team Season (as defined herein), the Stay Period shall be extended to the day after the last day of such Team Season.

The Stadium, the North Site Parking Facilities and the Primary Site are exempt from *ad valorem* real property taxes because they are owned by the City and leased to the Issuer. Although the Leasehold PILOT Mortgages do not create statutory liens to secure the making of PILOTs, the annual Leasehold PILOT Mortgage structure is intended to impose liens on the respective interests of the Issuer and Ballpark LLC in the Stadium, the North Site Parking Facilities and the Primary Site that are similar in certain respects to the liens held by taxing authorities for unpaid *ad valorem* real property taxes, and to provide for remedies that approximate the remedies that would ordinarily be exercised in the event of nonpayment of *ad valorem* real property taxes. In addition, since no *ad valorem* real property taxes are payable in connection with the Stadium, the North Site Parking Facilities or the Primary Site, no liens of any taxing jurisdictions with respect to any *ad valorem* real property taxes can obtain priority over the liens of the Leasehold PILOT Mortgages. See "RISK FACTORS AND INVESTMENT CONSIDERATIONS — Risks Relating to the Tax Exempt PILOT Bonds – Risks Associated with Leasehold PILOT Mortgages."

See "APPENDIX M — SUMMARY OF THE LEASEHOLD PILOT MORTGAGES."

Although the Leasehold PILOT Mortgages will secure the making of PILOTs by Ballpark LLC to the Independent Trustee under the PILOT Agreement, the Leasehold PILOT Mortgages will not be assigned to the PILOT Bonds Trustee and will not constitute security for the Tax Exempt PILOT Bonds. Holders of the Tax Exempt PILOT Bonds will have no rights under the Leasehold PILOT Mortgages and the Tax Exempt PILOT Bonds will not be secured by any interest in the Stadium, the North Site Parking Facilities or the Primary Site. The Independent Trustee's interest in the Leasehold PILOT Mortgages will be insured by a mortgage title insurance policy in an amount equal to approximately one year of PILOTs.

No Impairment

The State and, pursuant to the PILOT Assignment, the City, to the fullest extent permitted by Section 868 of the Act, acknowledge, covenant and agree for the benefit of the holders of the Tax Exempt PILOT Bonds that the State and the City will not limit or alter the rights vested in the Issuer under the Act to undertake the Project, to establish and collect PILOTs and to fulfill the terms of the PILOT Assignment and the other PILOT Security Documents entered into on behalf of the holders of the Tax Exempt PILOT Bonds, nor will the State or the City in any way impair the rights and remedies of the Independent Trustee, the PILOT Bonds Trustee or the holders of the Tax Exempt PILOT Bonds until the Tax Exempt PILOT Bonds, together with interest thereon, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders of the Tax Exempt PILOT Bonds are fully met and discharged.

PILOT Bonds Indenture

General

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer, payable from and secured by: (i) the PILOT Revenues, (ii) the proceeds of the Tax Exempt PILOT Bonds, (iii) all right, title and interest of the Issuer in and to the Funds and Accounts (other than the PILOT Rebate Fund and the Project Renewal Fund) under the PILOT Bonds Indenture, including the PILOT Project Fund, the PILOT Bond Fund, the PILOT Capital Improvement Fund and the PILOT Debt Service Reserve Fund, including monies and investments therein, and (iv) all right, title and interest of the PILOT Bonds Trustee in the Debt Service and Reimbursement Fund under the PILOT Assignment. See "APPENDIX J — SUMMARY OF THE TAX EXEMPT PILOT BONDS INDENTURE."

Flow of Funds Under the PILOT Bonds Indenture

Pursuant to the PILOT Bonds Indenture, all PILOT Revenues are deposited with the Issuer to the credit of the PILOT Payment Fund established under the PILOT Bonds Indenture; provided, however, that, (i) moneys paid to the PILOT Bonds Trustee for the purchase or the redemption of PILOT Bonds, (ii) Liquidated Damages payable under the Non-Relocation Agreement to the City and assigned to the Issuer under the Ground Lease, (iii) any Termination Payment under the Stadium Lease and (iv) the proceeds of a Substantial Taking received by the PILOT Bonds Trustee under the Stadium Lease and disbursed in accordance with the provisions of the Intercreditor Agreement, in each, case, shall be deposited into the Redemption Account (PILOT Bonds) in the PILOT Bond Fund, without the deposit of such moneys into the PILOT Payment Fund; and provided, further, that Restoration Proceeds shall be deposited in the Project Renewal Fund, without the deposit of such moneys into the PILOT Payment Fund. Earnings from investments of the PILOT Payment Fund shall be deposited in the PILOT Payment Fund as received. The PILOT Bonds Trustee will make in each month the following transfers from the PILOT Payment Fund in the order of priority set forth below.

No later than two Business Days after receipt of any PILOT Revenues, the PILOT Bonds Trustee shall make the following transfers from the PILOT Payment Fund in the following order, subject to credits for amounts already on deposit in the Funds and Accounts described below:

(i) To the Interest Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to the interest due and any Bond Fees related to PILOT Bonds due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(ii) To the Principal Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to one-half of the principal and Sinking Fund Installment due and payable on the next succeeding January 1 due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(iii) To the Redemption Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to the redemption price of any PILOT Bond that is due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(iv) To reimburse each Reserve Account Credit Facility Provider for any amounts advanced under its Reserve Account Credit Facility relating to the PILOT Bonds, including paying interest thereon, in accordance with the terms of such Reserve Account Credit Facility and any reimbursement agreement between the Issuer and the Reserve Account Credit Facility Provider; to the extent that on any date the amounts available for such reimbursement payments are insufficient to make all such payments, including interest, the amounts actually available shall be paid, pro rata, to each Reserve Account Credit Facility Provider in proportion to the payments then due under the respective Reserve Account Credit Facilities; provided, however, that if any such payment shall not result in the reinstatement of a portion of such Reserve Account Credit Facility in an amount equal to such payment (excluding the portion thereof representing interest on such advance), such reimbursement payment shall be made only after the payments otherwise required by subparagraphs (i) through (v) hereof;

(v) If the balance in the PILOT Debt Service Reserve Fund, prior to any draw of monies from such Fund made on such first (1st) Business Day of the month, is less than the Debt Service Reserve Fund Requirement, to the PILOT Debt Service Reserve Fund the amount necessary to satisfy the Debt Service Reserve Requirement;

(vi) To the PILOT Subordinated Bond Fund, the amount necessary to pay any principal of and interest of PILOT Bonds not otherwise funded by subparagraphs (i) and (ii) above due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period; and

(vii) After making the deposits required by subparagraphs (i) through (vi) above, any monies remaining in the PILOT Payment Fund shall be held in the PILOT Payment Fund.

The PILOT Bonds Indenture permits the Issuer, with the prior written consent of the Bond Insurer, to enter into Qualified Swaps. Regularly scheduled payments under any Qualified Swaps may be secured on a parity with the payment of principal of and interest on the PILOT Bonds. Any termination payment under a Qualified Swap is required to be subordinated to the payment of principal of and interest on the Tax Exempt PILOT Bonds. See "APPENDIX J — SUMMARY OF THE TAX EXEMPT PILOT BONDS INDENTURE."

Subject to the Issuer's Reserved Rights and the Issuer's non-recourse obligation under the PILOT Bonds Indenture, the Issuer has covenanted under the PILOT Bonds Indenture that it will take no action nor omit to take any action under any Issuer Document that would materially impair the right or remedies of the Tax Exempt PILOT Bondholders under the Tax Exempt PILOT Bonds or the PILOT Bonds Indenture.

Remedies Upon Default Under the Indenture

Monies held by the Independent Trustee under the PILOT Assignment in the Debt Service and Reimbursement Fund are held for the benefit of, and such fund is pledged to, the PILOT Bonds Trustee. In the event that an Event of Default under the PILOT Bonds Indenture shall occur and be continuing, the PILOT Bonds Trustee may demand the transfer by the Independent Trustee to the PILOT Bonds Trustee of all amounts, if any, held for the benefit of the PILOT Bonds Trustee in the Debt Service and Reimbursement Fund. **In no event will the obligation of Ballpark LLC to make PILOTs under the PILOT Agreement be accelerated because of the occurrence of an Event of Default under the PILOT Bonds Indenture, and the Tax Exempt PILOT Bonds are not subject to acceleration. The Tax Exempt PILOT Bondholders have no rights under the Leasehold PILOT Mortgages and the Tax Exempt PILOT Bonds are not secured by any interest in the Stadium, the North Site Parking Facilities or the Primary Site.** See "RISK FACTORS AND INVESTMENT CONSIDERATIONS — Risks Relating to the Tax Exempt PILOT Bonds — No Acceleration of PILOTs."

An Event of Default under the PILOT Bonds Indenture is an Event of Default under the Installment Purchase Bonds Indenture and the Lease Revenue Bonds Indenture. See "— Intercreditor Agreement."

PILOT Debt Service Reserve Fund

The PILOT Debt Service Reserve Fund is required to be funded at 150% of the maximum Aggregate Annual Debt Service (the "*Debt Service Reserve Fund Requirement*"). Amounts in the PILOT Debt Service Reserve Fund will be available to pay the principal of and interest on the Tax Exempt PILOT Bonds to the extent moneys on deposit in the Interest Account (PILOT Bonds) and the Principal Account (PILOT Bonds), if, on the Business Day preceding an Interest Payment Date the balances in such Accounts shall be insufficient for the purposes thereof on such Interest Payment Date. All earnings on amounts in the PILOT Debt Service Reserve Fund will be retained therein if the amount on deposit therein is not at least equal to the Debt Service Reserve Fund Requirement. Amounts on deposit in the PILOT Debt Service Reserve Fund in excess of the Debt Service Reserve Fund Requirement will be transferred to the Interest Account (PILOT Bonds) of the PILOT Bonds Fund. Simultaneously with the delivery of the Tax Exempt PILOT Bonds, the Issuer expects to satisfy the Debt Service Reserve Fund Requirement with a surety bond in an amount equal to the Debt Service Reserve Fund Requirement to be provided by the Bond Insurer.

Additional PILOT Bonds

General

Additional PILOT Bonds may be issued for any purpose of the Issuer authorized by the Act, including, but not limited to, (i) paying costs of design, development, acquisition, construction and equipping of the Project, (ii) completing the Project, (iii) paying costs of one or more Capital Improvements, (iv) funding the required deposit to the PILOT Debt Service Reserve Fund for such Tax Exempt PILOT Bonds, or (v) refunding Outstanding Tax Exempt PILOT Bonds. All Additional PILOT Bonds shall be payable from the PILOT Revenues.

Additional PILOT Bonds may be issued upon receipt by the PILOT Bonds Trustee of, among other things, (i) the prior written consent of the Bond Insurer, (ii) Rating Confirmation with respect to any Outstanding Tax Exempt PILOT Bonds and (iii) a written statement from an independent accountant that the Pro Forma PILOT Revenues Coverage Percentage is at least equal to the Initial PILOT Revenues Coverage Percentage.

Completion Bonds

The Issuer also may issue one or more Series of Additional Bonds as Completion Bonds at any time or from time to time for the purpose of providing additional funds for the payment of the Project Costs; provided, however, that in no event shall the aggregate principal amount of Completion Bonds issued exceed ten percent (10%) of the aggregate principal amount of the Tax Exempt PILOT Bonds. In addition to the requirements for Additional Bonds generally, Completion Bonds may be issued only upon receipt by the PILOT Bonds Trustee of, among other things, a written statement from the Independent Engineer (i) giving an estimate of the cost of achieving Completion (including all financing and related costs) and the date on which Completion is likely to be achieved; and (2) stating an opinion that the proceeds of such Completion Bonds, together with any monies identified and available for such purpose, will be sufficient to pay the cost of achieving Completion. Certain of the conditions generally required to issue Additional Bonds (such as ratings confirmations and the consent of the Bond Insurer) are not a condition to issuing Completion Bonds.

Refunding Bonds

The Issuer may issue one or more Series of Refunding Bonds at any time to refund Outstanding Tax Exempt PILOT Bonds. Refunding Bonds may be issued upon receipt of, among other things, a certificate of an Authorized Representative of the Issuer stating that such Refunding PILOT Bonds are being issued to reduce Project Costs or that the issuance of such Refunding PILOT Bonds is otherwise advantageous to the Issuer.

Intercreditor Agreement

The PILOT Bonds Trustee for the benefit of the Tax Exempt PILOT Bonds, the Installment Purchase Bonds Trustee for the benefit of the Taxable Installment Purchase Bonds and the Lease Revenue Bonds Trustee for the benefit of the Taxable Lease Revenue Bonds (the Installment Purchase Bonds Trustee, the Lease Revenue Bonds Trustee and the PILOT Bonds Trustee shall be referred to in this "Intercreditor Agreement" Section collectively as the "*parties*" or individually as a "*party*") will enter into an intercreditor agreement dated as of August 1, 2006 (the "*Intercreditor Agreement*"). The Intercreditor Agreement provides, among other things, that:

- the PILOT Bonds Trustee and the Lease Revenue Bonds Trustee permit the Installment Purchase Bonds Trustee to take and perfect a security interest in and lien upon the Stadium Equipment to secure the payment when due of all of the Installment Purchase Payments and any other obligations owed to the Installment Purchase Bond Trustee under the Installment Sale Agreement or the Installment Purchase Bonds Indenture;

- each party shall cooperate with each other party to coordinate the exercise of their remedies under any agreements to which they are a party and otherwise share in the net proceeds they might realize from certain sources of funds;

- each party shall give to each other party (i) a copy of any written notice by such party of an event of default under any agreement, instrument or other document to which it is a

party or a written notice of demand for payment from Ballpark LLC, and (ii) a copy of any written notice sent by such party to Ballpark LLC stating such party's intention to exercise any material enforcement rights or remedies against Ballpark LLC, including written notice pertaining to any foreclosure on all or any material portion of any collateral therefore or other judicial or non-judicial remedy in respect thereof, and any legal process served or filed in connection therewith;

- each party agrees to consult with each other party before taking any action to enforce any right it may have as against Ballpark LLC or against any collateral provided to it under any agreement, instrument or other document to which it is a party, including without limitation, any rights such parties have under the Partial Lease Assignment, Installment Purchase Bonds Partial Lease Assignment or Lease Revenue Bonds Partial Lease Assignment;

- each party agrees not to commence, or join with any other creditor in commencing, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings with respect to the Issuer and/or Ballpark LLC without the prior written consent of each other party in each instance;

- in the event that the Stadium, the Stadium Equipment, or any part thereof, suffers any damage, is destroyed or is condemned and, as a result thereof, any of the parties receives any net proceeds from casualty insurance or condemnation awards which net proceeds will not be used to repair or rebuild the Stadium or Stadium Equipment, or should any of the parties receive Liquidated Damages pursuant to the Non-Relocation Agreement, then all such net proceeds or liquidated damages shall be shared by the parties *pro rata* based on the principal amount of Series 2006 Bonds Outstanding;

- each party agrees that any liquidated damages paid pursuant to the Construction Contract or any other Construction Agreement and received by the Lease Revenue Bonds Trustee pursuant to the Development Agreement Pledge and Assignment Agreement shall be shared by the parties as follows (i) if such Contractor Liquidated Damages apply to the Stadium only, the Contractor Liquidated Damages shall be shared by the PILOT Bonds Trustee and the Lease Revenue Bonds Trustee *pro rata* based on the principal amount of the Tax Exempt PILOT Bonds and Taxable Lease Revenue Bonds Outstanding and applied in accordance with the PILOT Bonds Indenture and the Lease Revenue Bonds Indenture, respectively, (ii) if the Contractor Liquidated Damages apply to the Stadium Equipment only, then only the Installment Purchase Bonds Trustee shall be entitled to such Contractor Liquidated Damages and such Contractor Liquidated Damages shall be applied in accordance with the Installment Purchase Bonds Indenture and (iii) if the Contractor Liquidated Damages apply to both the Stadium and the Stadium Equipment, then such Contractor Liquidated Damages shall be shared by the PILOT Bonds Trustee, the Lease Revenue Bonds Trustee and the Installment Purchase Bonds Trustee *pro rata* based on the principal amount of Series 2006 Bonds Outstanding and applied in accordance with the PILOT Bonds Indenture, the Lease Revenue Bonds Indenture and the Installment Purchase Bonds Indenture, respectively; and

- each party agrees that, until all amounts payable under all of their respective agreements shall have been paid in full, each party will not, without consent of the other parties in each instance, (i) modify, amend, increase, extend, renew or replace its agreement, or (ii) assign any interest of such party in any agreement.

THE BOND INSURANCE POLICY

*The following, in addition to information provided elsewhere herein, summarizes certain provisions of the Bond Insurance Policy. This summary is only a brief description of certain provisions of the Bond Insurance Policy, is not complete or definitive and is qualified in its entirety by reference to the full text of the Bond Insurance Policy. See "*APPENDIX C — SPECIMEN BOND INSURANCE POLICY*."*

Payment Pursuant to Bond Insurance Policy

The Bond Insurer has made a commitment to issue a financial guaranty insurance policy (the "*Bond Insurance Policy*") relating to the Tax Exempt PILOT Bonds effective as of the date of issuance of the Tax Exempt PILOT Bonds. Under the terms of the Bond Insurance Policy, the Bond Insurer will pay to The Bank of New York in New York, New York or any successor thereto (the "*Insurance Trustee*") that portion of the principal of and interest on the Tax Exempt PILOT Bonds which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor (as such terms are defined in the Bond Insurance Policy). The Bond Insurer will make such payments to the Insurance Trustee on the later of the date on which such principal and interest becomes Due for Payment or within one business day following the date on which the Bond Insurer shall have received notice of Nonpayment from the PILOT Bonds Trustee/Paying Agent/Bond Registrar. The insurance will extend for the term of the Tax Exempt PILOT Bonds and, once issued, cannot be canceled by the Bond Insurer.

The Bond Insurance Policy will insure payment only on stated maturity dates and on mandatory Sinking Fund Installment dates, in the case of principal, and on stated dates for payment, in the case of interest. If the Tax Exempt PILOT Bonds become subject to mandatory redemption and insufficient funds are available for redemption of all Outstanding Tax Exempt PILOT Bonds, the Bond Insurer will remain obligated to pay principal of and interest on Outstanding Tax Exempt PILOT Bonds on the originally scheduled interest and principal payment dates including mandatory sinking fund redemption dates. In the event of any acceleration of the principal of the Tax Exempt PILOT Bonds, the insured payments will be made at such times and in such amounts as would have been made had there not been an acceleration, except to the extent that the Bond Insurer elects, in its sole discretion, to pay all or a portion of the accelerated principal and interest accrued thereon to the date of acceleration (to the extent unpaid by the Issuer). Upon payment of all such accelerated principal and interest accrued to the acceleration date, the Bond Insurer's obligations under the Bond Insurance Policy shall be fully discharged.

In the event the Insurance Trustee has notice that any payment of principal of or interest on any Tax Exempt PILOT Bond which has become Due for Payment and which is made to a Holder by or on behalf of the Issuer has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such registered owner will be entitled to payment from the Bond Insurer to the extent of such recovery if sufficient funds are not otherwise available.

The Bond Insurance Policy does not insure any risk other than Nonpayment, as defined in the Policy. Specifically, the Bond Insurance Policy does not cover:

- payment on acceleration, as a result of a call for redemption (other than mandatory sinking fund redemption) or as a result of any other advancement of maturity;
- payment of any redemption, prepayment or acceleration premium; or

- nonpayment of principal or interest caused by the insolvency or negligence of any PILOT Bonds Trustee, Paying Agent or Bond Registrar, if any.

If it becomes necessary to call upon the Bond Insurance Policy, payment of principal requires surrender of Tax Exempt PILOT Bonds to the Insurance Trustee together with an appropriate instrument of assignment so as to permit ownership of such Tax Exempt PILOT Bonds to be registered in the name of the Bond Insurer to the extent of the payment under the Bond Insurance Policy. Payment of interest pursuant to the Bond Insurance Policy requires proof of Holder entitlement to interest payments and an appropriate assignment of the Holder's right to payment to the Bond Insurer.

Upon payment of the insurance benefits, the Bond Insurer will become the owner of the applicable Tax Exempt PILOT Bond, appurtenant coupon, if any, or right to payment of principal or interest on such Tax Exempt PILOT Bond and will be fully subrogated to the surrendering Holder's rights to payment.

The Bond Insurance Policy does not insure against loss relating to payments of the purchase price of the Tax Exempt PILOT Bonds upon tender by a registered owner thereof or any preferential transfer relating to payments of the purchase price of the Tax Exempt PILOT Bonds upon tender by a registered owner thereof.

The insurance provided by the Bond Insurance Policy is not covered by the property/casualty insurance security fund specified by the insurance laws of the State of New York.

The Bond Insurer

The Bond Insurer is a Wisconsin-domiciled stock insurance corporation regulated by the Office of the Commissioner of Insurance of the State of Wisconsin and licensed to do business in 50 states, the District of Columbia, the Territory of Guam, the Commonwealth of Puerto Rico and the U.S. Virgin Islands, with admitted assets of approximately $9,599,000,000 (unaudited) and statutory capital of approximately $6,000,000,000 (unaudited) as of June 30, 2006. Statutory capital consists of the Bond Insurer's policyholders' surplus and statutory contingency reserve. Standard & Poor's Credit Markets Services, a Division of The McGraw-Hill Companies, Moody's Investors Service and Fitch Ratings have each assigned a triple-A financial strength rating to the Bond Insurer.

The Bond Insurer has obtained a ruling from the Internal Revenue Service to the effect that the insuring of an obligation by the Bond Insurer will not affect the treatment for Federal income tax purposes of interest on such obligation and that insurance proceeds representing maturing interest paid by the Bond Insurer under policy provisions substantially identical to those contained in its financial guaranty insurance policy shall be treated for Federal income tax purposes in the same manner as if such payments were made by the Issuer of the Tax Exempt PILOT Bonds.

The Bond Insurer makes no representation regarding the Tax Exempt PILOT Bonds or the advisability of investing in the Tax Exempt PILOT Bonds and makes no representation regarding, nor has it participated in the preparation of, this Official Statement other than the information supplied by the Bond Insurer and presented under the heading "THE BOND INSURANCE POLICY."

Available Information

The parent company of the Bond Insurer, Ambac Financial Group, Inc., is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), and in accordance therewith files reports, proxy statements and other information with the Securities and

Exchange Commission (the "*SEC*"). These reports, proxy statements and other information can be read and copied at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC maintains an internet site at http://www.sec.gov that contains reports, proxy and information statements and other information regarding companies that file electronically with the SEC, including Ambac Financial Group, Inc. These reports, proxy statements and other information can also be read at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

Copies of the Bond Insurer's financial statements prepared in accordance with statutory accounting standards are available from the Bond Insurer. The address of the Bond Insurer's administrative offices and its telephone number are One State Street Plaza, 19th Floor, New York, New York 10004 and (212) 668-0340.

Incorporation of Certain Documents by Reference

The following documents filed by Ambac Financial Group, Inc. with the SEC (File No. 1-10777) are incorporated by reference in this Official Statement:

1. Ambac Financial Group, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and filed on March 13, 2006;

2. Ambac Financial Group, Inc.'s Current Report on Form 8-K dated and filed on April 26, 2006;

3. Ambac Financial Group, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarterly period ended March 31, 2006 and filed on May 10, 2006;

4. Ambac Financial Group, Inc.'s Current Report on Form 8-K dated July 25, 2006 and filed on July 26, 2006;

5. Ambac Financial Group, Inc.'s Current Report on Form 8-K dated and filed on July 26, 2006; and

6. Ambac Financial Group, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarterly period ended June 30, 2006 and filed on August 9, 2006.

All documents subsequently filed by Ambac Financial Group, Inc. pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in the same manner as described above in "—Available Information."

RISK FACTORS AND INVESTMENT CONSIDERATIONS

An investment in the Tax Exempt PILOT Bonds involves certain risks, including the risk of nonpayment of interest or principal due to Bondholders. The Tax Exempt PILOT Bonds are special limited obligations of the Issuer, payable solely from specific sources. The risk of nonpayment depends upon the financial condition of Ballpark LLC and is affected by the factors set forth below under "Bankruptcy Considerations" and the following additional factors, among others, that should be considered by prospective investors, along with the other information presented in this Official Statement, in judging the suitability of an investment in the Tax Exempt PILOT Bonds. For convenience, these risk factors and investment considerations have been organized into three categories: Risks Relating to the Tax Exempt PILOT Bonds, Risks Relating to the Construction of the Stadium and Risks Relating to Operations.

Risks Relating to the Tax Exempt PILOT Bonds

Special Limited Obligations and Limitation on Recourse

The Tax Exempt PILOT Bonds are special limited obligations of the Issuer only. None of the City, State, ESDC, Sterling Mets or Ballpark LLC will be obligated to pay the principal of the Tax Exempt PILOT Bonds or the premium, if any, or interest thereon. The Issuer's obligations with respect to the Tax Exempt PILOT Bonds are not general obligations of the Issuer but rather are special limited obligations of the Issuer only payable from and only secured by the revenues of the Issuer derived and to be derived from the PILOT Agreement and the PILOT Assignment and the other sources described herein. Neither the faith and credit nor the taxing power of the State or the City is pledged to the payment of the principal of or premium, if any, or interest on the Tax Exempt PILOT Bonds. The Issuer has no taxing power.

Ballpark LLC is an indirect subsidiary of Sterling Mets and a special purpose entity formed for the purpose of designing, developing, leasing, operating and maintaining, and managing construction of, the Project under the Stadium Lease Agreement and performing its obligations under the Development Agreement. In general, Ballpark LLC's liabilities cannot be attributed to any person or entity owning any direct or indirect interest in it or any entity that is under common control with it, including, without limitation, Sterling Mets. Ultimately, the Tax Exempt PILOT Bondholders are relying upon the making of PILOTs for principal of, premium, if any, and interest on, the PILOT Bonds. There can be no assurance that PILOTs will be paid in any particular amount (or at all) and, as a result, such payments may be insufficient to pay principal of, premium, if any, and interest on the Tax Exempt PILOT Bonds, when due. In that event, the Tax Exempt PILOT Bondholders will not have recourse against the City, the State, ESDC, the Issuer, Sterling Mets or the Mets.

Limited Security; Limitations on Ability to Foreclose

The Tax Exempt PILOT Bonds are only secured as set forth under "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS" above. No other asset of the Issuer, Ballpark LLC or any other person is pledged to secure any of the Tax Exempt PILOT Bonds. Upon a failure by Ballpark LLC to pay in full PILOTs, the Independent Trustee may exercise the rights and remedies set forth in the PILOT Mortgage described in "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS" above, which ultimately include the right to institute proceedings to foreclose the liens securing any then owing and delinquent PILOTs against all or part of the Issuer's and Ballpark LLC's respective interests in the Project. The Independent Trustee's ability to foreclose upon such interests could be restricted under the United States Bankruptcy Code, which could prevent the Independent Trustee from exercising its rights and remedies under the PILOT Mortgages if a bankruptcy case is commenced by or against Ballpark LLC. In addition, timing constraints in complying with the foreclosure process could have an adverse affect on the ability of the Independent Trustee to foreclose the liens discussed above.

Enforceability of Remedies

The remedies available to the PILOT Bonds Trustee and the Tax Exempt PILOT Bondholders upon an Event of Default under the PILOT Bonds Indenture are in many respects dependent upon judicial actions which, in turn, are often subject to discretion. Under existing constitutional and statutory laws and judicial decisions, including specifically the United States Bankruptcy Code, a particular remedy specified by the PILOT Bonds Indenture may not be readily available or, if available, may be limited or subject to substantial delay. The various legal opinions to be delivered concurrently with the issuance and delivery of the Tax Exempt PILOT Bonds will be qualified as to the enforceability of the various legal

instruments by limitations imposed by principles of equity and by bankruptcy, reorganization, insolvency, moratorium and similar laws affecting the rights of creditors generally.

Risks Associated with PILOTs

Under the PILOT Agreement, Ballpark LLC agrees to pay, as PILOTs, the amounts set forth herein; **provided, however, that in no event shall Ballpark LLC be required to make PILOTs in any PILOT Year in an amount greater than the real property taxes for such PILOT Year which would have been levied upon or with respect to the Stadium, the North Site Parking Facilities and the Primary Site if the Stadium, the North Site Parking Facilities and the Primary Site were not exempt by virtue of the City's and the Issuer's interest therein (the "Actual Taxes")**. It is currently anticipated that Actual Taxes will exceed the scheduled PILOTs and PILOTs will be sufficient in each year to provide for the PILOT Bond Requirements for the Tax Exempt PILOT Bonds. However, in the event that Actual Taxes are less than the scheduled PILOTs, Ballpark LLC will only be required to make PILOTs equal to the amount of Actual Taxes. Actual Taxes could be lower if, among other things, there is substantial, unanticipated delay in the construction of the Stadium or in its reconstruction following a casualty or condemnation. In any such event, PILOTs may not be sufficient to satisfy Debt Service requirements for the Tax Exempt PILOT Bonds. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – PILOT Revenues – PILOT Agreement and PILOT Assignment."

The amount of Actual Taxes will be based upon (i) the applicable assessment of the Stadium, the North Site Parking Facilities and the Primary Site as determined by the City and (ii) the applicable tax rate of the City. Each of the foregoing components is subject to change and accordingly the amount of Actual Taxes in each year is subject to change. In addition, the assessed valuation for the Stadium, the North Site Parking Facilities and the Primary Site may be reduced as a result of administrative appeals or court challenges. Reduction in the City tax rate, and/or reductions in the assessed valuation of the Stadium, the North Site Parking Facilities or the Primary Site due to legal proceedings, administrative proceedings or otherwise may reduce Actual Taxes to an amount less than anticipated PILOTs. No assurance can be given that PILOTs will be in an amount sufficient to satisfy the Debt Service requirements of the Tax Exempt PILOT Bonds. See "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS – PILOT Revenues – PILOT Agreement and PILOT Assignment." If the Issuer defaults under its obligation to pay Debt Service on the Tax Exempt PILOT Bonds, it will trigger a cross default under each of the Installment Purchase Bonds Indenture and Lease Revenue Bonds Indenture.

No Acceleration of PILOTs

Failure by Ballpark LLC to make PILOTs or payments required to be made under the Stadium Lease Agreement, or failure by Ballpark LLC to comply with any other terms, covenants or conditions contained in the Stadium Lease Agreement, constitute an event of default under the Stadium Lease Agreement and permit the Issuer to pursue any and all remedies available under the terms of the Stadium Lease Agreement. Failure in the payment of principal or interest on the Tax Exempt PILOT Bonds when due and payable shall constitute an event of default under the PILOT Bonds Indenture and permit the PILOT Bonds Trustee to pursue remedies under the PILOT Bonds Indenture. In the event of a default, notwithstanding anything in the Stadium Lease Agreement or in the PILOT Bonds Indenture to the contrary, THERE SHALL BE NO RIGHT UNDER ANY CIRCUMSTANCES TO ACCELERATE THE MAKING OF PILOTS OR TAX EXEMPT PILOT BONDS OR OTHERWISE DECLARE ANY PILOTS NOT THEN IN DEFAULT TO BE IMMEDIATELY DUE AND PAYABLE.

Risks Associated with Leasehold PILOT Mortgages

The obligation of Ballpark LLC under the PILOT Agreement to make PILOTs during each PILOT Year shall be secured by a Leasehold PILOT Mortgage granted by Ballpark LLC and the Issuer to the Issuer and assigned to the Independent Trustee encumbering Ballpark LLC's and the Issuer's respective interests in and to the Stadium, the North Site Parking Facilities and the Primary Site.

Although the Leasehold PILOT Mortgages will secure the making of PILOTs by Ballpark LLC to the Independent Trustee under the PILOT Agreement, the Leasehold PILOT Mortgages will not be assigned to the PILOT Bonds Trustee and will not constitute security for the Tax Exempt PILOT Bonds. Tax Exempt PILOT Bondholders will have no rights under the Leasehold PILOT Mortgages.

Upon the occurrence of a PILOT Mortgage Default, the Independent Trustee may exercise the rights and remedies set forth in the corresponding Leasehold PILOT Mortgage, which include the right to institute proceedings to foreclose the lien of a Leasehold PILOT Mortgage against all or part of the Issuer's and Ballpark LLC's respective interests in the Stadium, the North Site Parking Facilities and the Primary Site. However, the exercise of the rights of the Independent Trustee specified in a Leasehold PILOT Mortgage is expressly subject to the procedures described in "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS — Summary of Collection and Application of PILOTs — Enforcement of PILOT Obligation — Leasehold PILOT Mortgages."

In addition, the Independent Trustee shall not exercise any remedy or take any other action which would result in the termination of any of the rights of Sterling Mets to use the Stadium in accordance with and pursuant to the terms of the Stadium Use Agreement prior to the expiration of the PILOT Stay Period commencing on the date of the occurrence of the PILOT Mortgage Default and ending on the date that is six (6) months after the date of such commencement; provided that if the PILOT Stay Period expires during a Team Season, the PILOT Stay Period shall be extended to the day after the last day of such Team Season.

Each of the foregoing notice and cure periods limits the timely resolution and enforcement remedies of the Independent Trustee resulting from a PILOT Mortgage Default.

No assurance can be given with respect to lien priority of the Leasehold PILOT Mortgages. Although the Stadium Site is owned by the City and the Stadium will be owned by the Issuer, no assurance is given that the Leasehold PILOT Mortgages will constitute a first priority lien against the leasehold interests pledged under the Leasehold PILOT Mortgages. Lien priority of the Leasehold PILOT Mortgages could affect the Independent Trustee's ability to realize upon a foreclosure of the Leasehold PILOT Mortgages. A leasehold title insurance policy may not be purchased with respect to the Ground Lease, the Stadium Lease Agreement or the Stadium Use Agreement. The Independent Trustee's interest in the Leasehold PILOT Mortgages will be insured by a mortgage title insurance policy in an amount equal to approximately one year of PILOTs.

Limitations of Bond Insurance

In the event the Issuer fails to make payment of the principal of, and interest on, the Tax Exempt PILOT Bonds when the same become due, a Tax Exempt PILOT Bondholder will have the right to demand payment from the Bond Insurer. However, the Bond Insurance Policy does not insure payment of the principal of, or interest on, the Tax Exempt PILOT Bonds coming due by reason of acceleration or redemption, nor does it insure the payment of any redemption premium payable upon redemption of the Tax Exempt PILOT Bonds. Furthermore, so long as the Bond Insurer performs its obligations under the

Bond Insurance Policy, the Bond Insurer may direct, and its consent must be obtained before the exercise of, any remedies to be undertaken by the PILOT Bonds Trustee under the PILOT Bonds Indenture. In the event that the Bond Insurer is unable to make payments of principal of and interest on the Tax Exempt PILOT Bonds under the terms of the Bond Insurance Policy as such payments become due (whether due to its own insolvency or other circumstances), or otherwise defaults on its obligations under the Bond Insurance Policy, Bondholders may not receive principal and interest payments on the Tax Exempt PILOT Bonds when expected (or at all).

Dependence on Timely Completion of the Stadium and Retained Rights Revenue

The proceeds of the Series 2006 Bonds will be used to finance the design, development, acquisition, construction, equipping and leasing of the Stadium. The sole source of repayment of the amounts due under the Tax Exempt PILOT Bonds will be PILOTs payable by Ballpark LLC from Retained Rights Revenue, which can only be earned if construction of the Stadium is successfully and timely completed. Although the technical review of documents for the Stadium is on-going, the initial opinion of the Independent Engineer is that both the budget and the schedule appear to be reasonable for the Project. As discussed in more detail below under "Risks Relating to the Construction of the Stadium," a variety of factors could substantially delay or preclude successful completion of the Stadium, including litigation or an uninsured or underinsured casualty, act of war or terrorism or other force majeure event. In such an event, there likely would be little, if any, Retained Rights Revenue available to make PILOTs necessary to pay the Tax Exempt PILOT Bonds currently or in full. Even if the Stadium is successfully and timely completed the ability of Ballpark LLC to earn Retained Rights Revenue sufficient to make all payments of PILOTs is subject to substantial risks, which are discussed in more detail below under "Risks Relating to Operations."

Additional Bonds

Subject to certain conditions described herein under "SOURCES OF PAYMENT AND SECURITY FOR THE TAX EXEMPT PILOT BONDS" and, provided no Event of Default (as defined herein) exists under the PILOT Bonds Indenture, the Issuer may issue Additional Bonds under the PILOT Bonds Indenture on a parity with or subordinated to the Tax Exempt PILOT Bonds to finance: (i) costs of the design, development, acquisition, construction and equipping of the Project; (ii) completing the Project; (iii) paying the costs of capital improvements; (iv) funding the required deposit to the PILOT Debt Service Reserve Fund; and (v) refunding Outstanding Tax Exempt PILOT Bonds. Additional Bonds may also be issued under the Installment Purchase Bonds Indenture and the Lease Revenue Bonds Indenture. Completion Bonds may also be issued specifically to complete the Project. Certain of the conditions generally required to issue Additional Bonds (such as ratings confirmations and the approval of the Bond Insurer) are not a condition to issuing Completion Bonds under the PILOT Bonds Indenture; provided, however, that in no event shall the aggregate principal amount of Completion Bonds issued exceed ten percent (10%) of the aggregate principal amount of the Tax Exempt PILOT Bonds offered pursuant to this Official Statement. Any Additional Bonds issued under the PILOT Bonds Indenture after this offering may be secured equally and ratably with the Tax Exempt PILOT Bonds.

Risks Relating to the Construction of the Stadium

Construction Delays and Overruns

Ballpark LLC projects that the Stadium will open by the start of the 2009 MLB season in April 2009. As with any large-scale construction project, the Stadium will be subject to a variety of risks that could delay the construction schedule or increase construction costs, such as delays in the permitting; licensing and the governmental approval process; delays caused by litigation, including litigation relating

to environmental law compliance; force majeure events, such as fire, explosion, collapse, weather interferences, terrorism, construction accidents, strikes, labor disputes and work stoppages and shortages in materials or labor; significant increases in materials costs, as have recently occurred for steel, lumber and other key commodities; unforeseen engineering, geotechnical or environmental problems; errors and omissions by architects, engineers and contractors, defective workmanship and unanticipated cost increases. In addition, in recent years, these problems have been particularly significant in the construction of large sports stadiums, many of which have encountered serious delays and cost overruns. Any such delays and overruns may materially and adversely affect the Stadium construction budget, which may result in the issuance of Additional Bonds (thereby diluting, potentially substantially, the security available to the Holders of Tax Exempt PILOT Bonds, as discussed above under "Risks Relating to the Tax Exempt PILOT Bonds—Additional Bonds") or value-engineering out of the Stadium otherwise desirable features or amenities, including features or amenities important to the creation of Retained Rights Revenue. Although the technical review of documents for the Stadium is on-going, the initial opinion of the Independent Engineer based on currently proposed design documents is that both the budget and the schedule appear to be reasonable for the Project. The inability to open the Stadium on time would materially adversely affect Ballpark LLC's ability to generate Retained Rights Revenue to make PILOTs.

Construction Risks

Although the Stadium Construction Contract has an IGMP of approximately $597 million and the Contractor assumes certain construction-related risks, there are other risks that Ballpark LLC has retained under the Stadium Construction Contract. For example, Ballpark LLC retains the risk of certain events beyond the reasonable control of the Contractor, including events of force majeure. See "APPENDIX E—SUMMARY OF THE STADIUM CONSTRUCTION AGREEMENT AND THE ARCHITECT'S AGREEMENT."

Ballpark LLC, as agent for the Issuer, will provide an Owner's Controlled Insurance Program ("*OCIP*") for the construction job which will cover the Contractor and subcontractors having subcontracts of at least $250,000, and may cover smaller subcontractors as well. Subcontractors enrolled in the OCIP will be provided with worker's compensation coverage, employer's liability coverage and commercial general liability coverage. Contractors not enrolled in the OCIP will be required to maintain appropriate amounts and types of coverage. Ballpark LLC will carry, as agent for the Issuer, in addition to the OCIP, builder's risk coverage, excess liability coverage, terrorism coverage and other customary coverages. There can be no assurance that such insurance will provide sufficient coverage. If such insurance is inadequate and a substantial casualty occurs, Additional Bonds may need to be issued to finance reconstruction or repair, diluting (potentially substantially) the security for the Tax Exempt PILOT Bonds.

Environmental Matters

Environmental matters may arise during the construction of the Project and, as a result, Ballpark LLC or its affiliates may incur significant expenses related to any such environmental conditions if found liable for such conditions. In particular, normal construction activity could trigger the need for additional permits dealing with, among other things, such issues as construction noise, accidental spills or discharges, equipment malfunctions or removal of contamination disturbed by such activity.

If prior to completion of excavation and grading that takes place prior to completion of foundation work for the Project, types or quantities of Hazardous Materials are discovered on the premises, which types or quantities of Hazardous Materials were not revealed in Ballpark LLC's environmental conditions investigation, and the cost of removal, containment or mitigation of such

Hazardous Materials necessary for the development and use of the Stadium for the purposes contemplated in the Stadium Lease Agreement is more than $150 million dollars in excess of the proceeds available under insurance policies for such removal, containment or mitigation, Ballpark LLC may terminate the Stadium Lease Agreement.

Third-Party Contract Risk

Completion of the Stadium depends on the performance by the Contractor of its obligations under the Stadium Construction Contract, including the obligation to manage the construction job and coordinate with the Architect and coordinate the work under subcontractor agreements. If these parties do not perform their obligations, if construction and design are not adequately coordinated, if disputes arise between parties, or if third parties are excused from performing their obligations because of nonperformance by Ballpark LLC or force majeure events, Ballpark LLC or others may not be able to acquire substitute services on substantially the same terms and conditions (if at all) or may be required to incur greater design or construction costs and the ability to complete construction on at timely basis and commence generation of Retained Rights Revenue may be adversely affected. See "APPENDIX E—SUMMARY OF THE STADIUM CONSTRUCTION AGREEMENT AND THE ARCHITECT'S AGREEMENT." In addition, although Ballpark LLC, as agent for the Issuer, will by the closing, enter into substantially all of the contracts necessary for the completion of the Project, including the agreement with the architect and the Stadium Construction Contract, Ballpark LLC has not yet formalized arrangements with respect to certain necessary utilities (such as gas, water and electric). Failure to formalize these arrangements in a timely or favorable manner could adversely affect the timely completion of the Stadium or the construction budget.

This Official Statement contains no financial information of the parties with which Ballpark LLC and its affiliates will enter into the Stadium Construction Contract and related agreements. As a result, in making an investment decision with respect to the Series 2006 Bonds, there is no assurance that any third party will have the ability to meet its obligations under the agreements to which it is a party, including the financial ability to pay actual or liquidated damages upon a failure to meet a contractual milestone, such as a deadline for substantial completion of the Stadium.

Governmental Permits and Approvals

Construction of the Project requires numerous federal, state and local governmental permits or approvals, of which those presently required to commence excavation and foundation work have been obtained. See "THE PROJECT— Governmental Permits and Approvals." The permits and approvals that have been obtained in connection with the Project contain conditions and those that have not yet been obtained are expected to contain conditions when and if they are issued. In addition, the federal, state and local statutory and regulatory requirements (including requirements to obtain additional permits or approvals) applicable to the Project are subject to change. As a result, there can be no assurance that Ballpark LLC will be able to obtain or maintain such approvals and permits. Delay in obtaining or failure to obtain and maintain in full force and effect any such approval or permit, or delay in or failure to satisfy any such conditions or other applicable requirements, could delay or prevent completion of the Project or result in additional costs or reduced Retained Rights Revenue. For a discussion of certain land use and environmental permitting and regulatory issues relating to the Project, see "THE PROJECT—Governmental Permits and Approvals."

The Release of the City's and the State's Funding Portions

Pursuant to Sections 328 and 375 of the City's Charter, a portion of the City's contribution under the Funding Agreement, equal to $78.4 million, will not and cannot be released and/or available for

disbursement to Ballpark LLC until the Office of the City Comptroller registers the Funding Agreement. In accordance with the City Charter, the Office of the City Comptroller has 30 days from the date it receives the Funding Agreement to determine that there are sufficient funds in the City's budget to cover such disbursement such that the Funding Agreement can be registered, which is expected to occur on or about September 5, 2006. If the Funding Agreement is not registered, or registration is delayed, or postponed, therefore not allowing the City's funding portion pursuant to the Funding Agreement to be released or disbursed to NYCEDC, the timing and scope of the Project or the construction thereof could be materially adversely affected.

In addition, the Funding Agreement provides that NYCEDC shall not be under any obligation to pay any portion of the City funding to Ballpark LLC except when, and to the extent, funds for such payment are released and made available to NYCEDC by the City, and ESDC shall not be under any obligation to pay any portion of the State funding to Ballpark LLC except when, and to the extent, funds for such payment are made available to ESDC from the State. Further, the Funding Agreement provides that if there shall be a termination or reduction of the funds to be provided to NYCEDC by the City, or made available to ESDC from the State for the Funding Agreement for any reason whatsoever, then, NYCEDC or ESDC, in its sole discretion, upon discharging its obligation to pay Ballpark LLC such funds that are otherwise payable to Ballpark LLC under the Funding Agreement and are released and made available to NYCEDC by the City or to ESDC by the State for such payment, may terminate the Funding Agreement on written notice to all parties thereto. Further, if NYCEDC and ESDC determine, in their reasonable discretion, that the cost of undertaking the Project to completion will exceed the funds available to Ballpark LLC for such purpose NYCEDC and ESDC shall not be required to make any further disbursements of the City and State funding, and may suspend the Funding Agreement upon sixty (60) days prior notice to Ballpark LLC, unless prior to the expiration of such sixty (60) day period, Ballpark LLC provides evidence reasonably satisfactory to NYCEDC and EDSC, in their reasonable discretion, that Ballpark LLC has sufficient funds at hand to undertake the Project to completion plus a reasonable contingency acceptable to all parties. NYCEDC and ESDC shall not exercise any such right of termination if Ballpark LLC is diligently pursuing funding to complete the Project.

Any termination of the Funding Agreement or any reduction or suspension of funding for the Project by NYCEDC or ESDC thereunder could have a material adverse affect on Ballpark LLC's ability to complete the Project on the scope of the Project. No assurance can be given that alternative funds would otherwise be available for the Project or what the terms of such alternative funding, if available, would be.

Risks Relating to Operations

Retained Rights Revenue

Substantial uncertainty exists regarding the ability of Ballpark LLC to generate Retained Rights Revenue from audiences, advertisers, event promoters and other potential revenue sources. The availability and amount of Retained Rights Revenue will be dependent upon a host of on-field and off-field factors affecting the Mets, MLB, the Stadium, the New York and national markets, and sports and entertainment venues generally.

Among other factors, Retained Rights Revenue will likely be affected by the following:

- the on-field performance and popularity of the Mets, which in turn may be dependent in part upon the Mets' ability to attract and retain talented players and ability and willingness to pay those players competitive salaries;

- the competitiveness of the other MLB franchises against which the Mets are scheduled to play at the Stadium;

- the ability to obtain signage and advertising sponsors, including a naming rights sponsor, on economically attractive terms (and to renew those arrangements on economically attractive terms);

- the ability to enter into license agreements for luxury suites and Retained Seats on economically attractive terms (and to renew those agreements on economically attractive terms);

- the ability of the other parties to advertising, sponsorship, marketing, luxury suite and Retained Seat agreements to perform their financial obligations thereunder;

- general and local economic conditions (See "—General Economic Conditions and Other Factors" below);

- competition for audiences, advertisers, promoters and other potential revenue sources from other stadia, arenas, sports facilities, amphitheaters, theaters and entertainment venues within the New York metropolitan area (See "—Competition" below)

- work stoppages or slowdowns by MLB players or workers performing essential functions at the Stadium;

- changes in technology, public tastes and demographic trends, including changes that may affect the continuing popularity of live sporting events generally and baseball in particular in the greater New York area;

- the condition and location of, and traffic flows to and from, the Stadium;

- the convenience and availability of parking, subway and pedestrian access to the Stadium; and

- the ability to attract events other than Mets' home games to the Stadium.

While Ballpark LLC will not receive any ticket revenue other than those relating to Retained Seats, Retained Rights Revenue such as parking, food and beverage concessions, merchandise, novelties and, to some extent, signage/advertising revenues will depend on the number of tickets sold and actual attendance at Mets' home games. Attendance can be affected by a variety of factors, including factors that affect Retained Rights Revenue generally. In addition, while the opening of new MLB ballparks in other markets generally has resulted in an increase in attendance in the seasons immediately after opening, and in strong initial sales of premium seating inventory, many of these ballparks have subsequently experienced a decline in MLB attendance and difficulties in premium seating renewal when the novelty of a new facility has worn off; these issues have particularly affected teams without strong on-field performance. Any decline in attendance or difficulty in renewing premium seating agreements could materially and adversely affect Retained Rights Revenue and Ballpark LLC's ability to make PILOTs, payments of Initial Term Base Rent and Installment Sale Payments when due.

Relocation Risk

If, at any time prior to the indefeasible payment in full of all obligations under the Tax Exempt PILOT Bonds, (a) Sterling Mets were to seek to relocate Mets' home games to a site other than the Stadium in violation of the Stadium Use Agreement and Non-Relocation Agreement and a court, upon a motion by one or more of the relevant parties in interest under such agreements failed to enjoin such breach and order Sterling Mets to perform its obligations under those agreements, or (b) Sterling Mets were to become subject to bankruptcy proceedings and were to successfully take the position that its obligations under those agreements are dischargeable claims rendering its obligations under those agreements unenforceable, the sole source of funds for the Tax Exempt PILOT Bonds could be eliminated. There can be no assurance of the outcome of such litigation. Moreover, in such litigation, or in litigation outside of a bankruptcy case regarding the issuance of an injunction enforcing the non-relocation covenants, a court may rely on the liquidated damages provision to determine that money damages is an appropriate remedy, which could render an injunction unavailable and result in the obligations under the non-relocation covenants being dischargeable claims. Further, although the Non-Relocation Agreement expressly provides for the payment of liquidated damages, there can be no assurance that a court will enforce such a provision, either in whole or in part, or that Sterling Mets (particularly if they are the subject of bankruptcy proceedings) will be required, or will have the financial resources, to discharge fully any such award. See "BANKRUPTCY CONSIDERATIONS." If a court does not award the full amount of liquidated damages contemplated by the Non-Relocation Agreement, or awards actual damages less than the liquidated damages contemplated by such agreements, or if Sterling Mets is unable to pay in full any damages that are awarded, there may not be sufficient funds to repay in full the Tax Exempt PILOT Bonds. The amounts available to repay the Tax Exempt PILOT Bonds may be further reduced to the extent that the City, State, ESDC, the Bond Insurer and the Issuer have claims to any such damages that are awarded. Although the relevant parties in interest, including the City, State, ESDC, the Issuer and the Bond Insurer under the Taxable Bonds would have a common interest, following any relocation of the Mets by Sterling Mets, in attracting another MLB team to play its home games in the Stadium on terms that would result in full repayment of the Tax Exempt PILOT Bonds, there can be no assurance that a team can be attracted (either through relocation of an existing team or expansion), that MLB would approve such a relocation (or agree to expand) or that any team that was attracted to the Stadium would agree to such terms, would begin play on a timely basis or would generate Retained Rights Revenue comparable to that projected by Ballpark LLC.

In addition, the Non-Relocation Agreement contains exceptions permitting Sterling Mets to have the Mets play in other venues due to force majeure, casualty or condemnation and the Non-Relocation Agreement will terminate if the Stadium Lease Agreement is terminated upon a casualty-related, condemnation-related, environmental-related or restoration-related termination, upon the termination of the Stadium Use Agreement by Ballpark LLC or its successor in interest or upon Ballpark LLC's exercise of its lease termination option in the event the construction of the Stadium is not substantially completed by reason of Unavoidable Delay by March 1, 2019. These occurrences would have a material adverse effect on PILOT Revenue and the ability to pay the Tax Exempt PILOT Bonds.

Competition

The Stadium and its key tenant, the Mets, will share the greater New York market with ten professional sports teams that play in major professional sports leagues, including the New York Yankees (MLB), New York Giants and New York Jets (NFL), New York Islanders, New York Rangers and New Jersey Devils (National Hockey League), New York Knicks and New Jersey Nets (NBA), New York Liberty (Women's National Basketball Association) and Red Bull New York (formerly the Metrostars) (Major League Soccer). They also will compete for fans, sponsors and advertisers with other major sporting events that occur in the greater New York market, including the U.S. Open tennis tournament

and PGA and LPGA golf tournaments, and a variety of minor league and less popular sports. While the Mets have a large existing fan base, sharing the New York market with other professional teams, particularly another MLB team, may from time to time detract from the Mets' popularity and the corresponding ability of Ballpark LLC to generate Retained Rights Revenue. Further, additional professional teams, including a third MLB team, could be added to the market.

In addition, the ability of the Stadium to attract attendees to concerts, family shows, sporting events other than Mets' home games and other events suitable for an outdoor stadium will depend, in part, on the availability, suitability and cost of the Stadium compared to the availability, suitability and cost of competing facilities. In the greater New York metropolitan area, there are currently seven competing major stadia and arenas: Shea Stadium, Yankee Stadium, Madison Square Garden, Giants Stadium, Nassau Veterans Memorial Coliseum, Arthur Ashe Stadium and Continental Airlines Arena, as well as smaller venues that host concerts and other events. With the exception of Arthur Ashe Stadium, which generally is used only for the annual two week U.S. Open tennis tournament, each of the other stadia and arenas is outdated and has relatively limited premium seating and amenities in comparison to comparable newer facilities in other markets. The New York metropolitan area is expected, however, to experience a dramatic increase in new state-of-the-art sports stadia and arenas over the next five years. Specifically, in addition to the Stadium, proposals have been made, plans have been announced, agreements have been reached or construction is underway with respect to each of the following:

- new Yankee Stadium (for the Yankees);
- new Meadowlands Stadium (for the Jets and Giants);
- new Madison Square Garden (for the Knicks, Rangers, and Liberty);
- new Brooklyn Arena (for the Nets);
- new Newark Arena (for the Devils);
- new soccer-specific stadium in Harrison, NJ (for Red Bull New York);
- new Long Island Arena (for the Islanders); and
- new auto racetrack in Staten Island (for NASCAR and other major professional auto races).

In addition, the New Jersey Sports & Exposition Authority has stated its intention to continue to operate Continental Airlines Arena after the planned departure of the Devils and the Nets. While there can be no certainty as to which, if any of the projects will be completed, if each of the planned facilities is successfully constructed, the number of state-of-the-art sports and entertainment facilities in the New York metropolitan area will increase from one (Arthur Ashe Stadium) to ten, the total number of major sports and entertainment facilities (including Arthur Ashe Stadium and Continental Airlines Arena) will increase from seven to eleven, and the quantity of premium seating, amenities for fans and advertising opportunities for sponsors (including naming rights opportunities) will increase dramatically. Accordingly, notwithstanding the size, wealth and demographics of the New York market and the potential advantage that Ballpark LLC believes the Mets enjoy by virtue of the location of the Stadium in Queens in reaching consumers in Queens and Long Island (where only the Islanders' arena and Arthur Ashe Stadium are located), it is possible that this level of enhanced competition could result in lower attendance, sales and pricing, and correspondingly lower Retained Rights Revenue, than projected, which could materially and adversely affect the ability of Ballpark LLC to pay Rent, make Installment Payments and make PILOTs in full.

Major League Baseball

Sterling Mets and its affiliates, including Ballpark LLC, and personnel are bound by a number of rules, regulations and agreements, including the Constitution of MLB, national television contracts and collective bargaining agreements. Any changes to these rules, regulations and agreements adopted by MLB may be binding upon Sterling Mets and its personnel regardless of whether it agrees or disagrees with them and could adversely affect Retained Rights Revenue. MLB has the power and authority to take actions that it deems to be in the best interests of MLB, which may not be consistent with the best interests of the Mets, Sterling Mets or Ballpark LLC (or its ability to maximize Retained Rights Revenue). Sterling Mets has limited influence over, and does not control, the decisions of MLB. Ballpark LLC has no rights at all to participate in MLB decisions.

- *MLB Preemption*: The rules, regulations and agreements of MLB afford plenary authority to the Office of the Commissioner of Baseball, which authority has application to the Sterling Mets and Ballpark LLC. The Non-Relocation Agreement and certain aspects of the Stadium Use Agreement and Stadium Lease Agreement are also subject to the rules, regulations and agreements of MLB. The Office of the Commissioner of Baseball has the authority to take actions that it deems to be in the best interests of MLB, which may not be consistent with the best interests of the Mets, Sterling Mets or Ballpark LLC. In addition, certain baseball-related disputes are required by the rules, regulations and agreements of MLB to be submitted to the Office of the Commissioner of Baseball, rather than the courts, for resolution. The MLB rules and regulations provide that all determinations of the Office of the Commissioner of Baseball are final and binding on the MLB clubs. The Office of the Commissioner of Baseball has the power to impose sanctions, including fines and suspensions, on Sterling Mets and Ballpark LLC for violations of the rules, regulations and agreements of MLB. The effect of the MLB agreements, rules and regulations on the ability of Sterling Mets or Ballpark LLC to perform their obligations and/or to exercise their rights under various agreements to which either of them is a party, including, but not limited to, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the Stadium Lease Agreement and the Stadium Use Agreement, can not be known at this time. Existing or future MLB agreements, rules or regulations could limit, modify or prevent the enforcement of those agreements, modify the benefits afforded thereby, have a material adverse effect on PILOT Revenues and the ability to pay the Tax Exempt PILOT Bonds and affect any aspect of the Mets' and Ballpark LLC's activities at Shea Stadium or the Stadium. While future changes are impossible to predict, MLB could change the duration of the season, the scheduling of home or other games, the teams against which the Mets play their games, the league in which the Mets play, the manner of play, the sharing of revenues, the player draft or any number of other items which could affect Retained Rights Revenue and/or the enforcement of the Stadium Use Agreement and the Non-Relocation Agreement. No assurance can be given as to the effect that future changes in the rules, regulations and agreements of MLB may have upon the Project, the generation and Retained Rights Revenue and the application thereof to make PILOTs and/or the payment of the Tax Exempt PILOT Bonds.

- *Revenue Sharing and Competitive Balance Tax*: MLB has the right to impose a variety of revenue sharing and other payment obligations on member clubs by majority or supermajority vote. Sterling Mets could be disproportionately burdened by such obligations. Even though Ballpark LLC is not subject to any revenue sharing obligation, any new revenue sharing or other payment obligations, or any extension of the existing revenue sharing or competitive balance tax obligations on terms adverse to Sterling Mets, could create substantial payment obligations that could adversely affect Sterling Mets and, in turn,

its ability to maintain a highly competitive team capable of generating substantial Retained Rights Revenue from which Ballpark LLC could fund the repayment of the Tax Exempt PILOT Bonds.

- *Debt Service Rules*: It is anticipated that under generally accepted accounting principles, the obligations to make PILOTs, Installment Purchase Payments and Initial Term Base Rent will not be considered Mets' indebtedness and, accordingly, will not be considered indebtedness under MLB's current debt service rules. If MLB were to change this interpretation, or to adopt different club debt limits in the future that included such obligations in club debt, the exercise of the Commissioner's remedial power could adversely affect the Mets, which, in turn, could adversely affect its ability to maintain a highly competitive team capable of generating substantial Retained Rights Revenue from which Ballpark LLC could fund the repayment of the Tax Exempt PILOT Bonds.

- *Liability for Debts and Obligations of League*: Sterling Mets and Ballpark LLC are subject to liabilities and rules and restrictions due to the Mets' membership in MLB. Because MLB is a joint venture, the members of the League are generally liable for the debts and obligations of the League. If Sterling Mets were to incur a material liability by virtue of the Mets' membership in MLB, its financial condition and the Mets' competitiveness could be adversely affected, which in turn could adversely affect Retained Rights Revenue from which Ballpark LLC could fund repayment of the Tax Exempt PILOT Bonds.

- *Dependence on Other Clubs and MLB*: The success of MLB and its member clubs and attendance at baseball games depends in part on the competitiveness of the other Clubs in the League and their ability to maintain fiscally sound Clubs. Certain Clubs have at times encountered financial difficulties, and neither Sterling Mets nor Ballpark LLC has any capacity to ensure that MLB and its respective Clubs will continue to be able to operate on a fiscally stable and effective basis.

- *Player Relations*: Relations between Clubs and their players have been contentious at times. During the 1994 MLB season, a work stoppage resulted in the cancellation of a substantial portion of the 1994 MLB season, including the 1994 World Series, and the first few weeks of the 1995 MLB season. In addition to the work stoppage during 1994 and 1995, professional baseball has suffered five work stoppages ranging from two to 50 days since 1972. MLB and the MLB Players' Association entered into their current collective bargaining agreement in August 2002. The four-year agreement expires on December 19, 2006. There can be no assurance that there will not be a work stoppage involving players or litigation against MLB upon the expiration of the current or any subsequent collective bargaining agreement, and any such work stoppage or litigation if it occurred or continued during the term of occupancy of the Stadium could have a material adverse effect on the Mets and MLB Clubs generally, which, in turn, could have a material adverse impact on Ballpark LLC's ability to generate Retained Rights Revenue sufficient to repay the Tax Exempt PILOT Bonds.

Financial Projections

The estimates used by Ballpark LLC with respect to future Ballpark LLC revenue and operating expenses, are based on (1) historical performance of Shea Stadium, (2) results at other comparable new MLB ballparks and (3) Ballpark LLC's judgment and assumptions concerning future operations that it believes are relevant and accurate, including those assumptions that are set forth above under "STADIUM MANAGEMENT AND OPERATIONS — Ballpark LLC's Revenue." However, it is possible that

assumed circumstances will not materialize, that anticipated events may not occur or may have different results than projected or that unanticipated events may occur to cause future Ballpark LLC revenue, operating expenses, net cash flow and coverage ratios to vary materially from the projections. There can be no assurance that future events will correspond with past events or that future financial results of the Stadium will correspond with the past financial results of Shea Stadium. Furthermore, there can be no assurance that the assumptions and conclusions of Ballpark LLC with respect to future operations will be achieved. If Ballpark LLC's assumptions are incorrect, Ballpark LLC's ability to make all payments required under the Series 2006 Bonds could be materially and adversely affected. See "CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS."

Dependence on Sterling Mets Personnel and Service Providers

Ballpark LLC will be highly dependent on the services of officers and employees of Sterling Mets pursuant to the Stadium Use Agreement. Under the Stadium Use Agreement, Ballpark LLC appoints Sterling Mets as servicer and marketing agent with respect to agreements relating to Ballpark LLC's rights to Retained Rights Revenue (other than parking, concessions and merchandise) and Ballpark LLC's agreements with third parties arising out of such rights. While Sterling Mets is obligated to service and administer such agreements in accordance with the Servicing Standard, no particular Sterling Mets personnel are obligated to perform these services for Ballpark LLC or to devote any particular amount of time to the business and affairs of Ballpark LLC. Further, there can be no assurances that Sterling Mets will be able to retain its officers and employees with experience and competencies necessary to perform services for Ballpark LLC, particularly in marketing and selling the Service Retained Rights, or replace its officers and employees with equally competent officers and employees. The failure of Ballpark LLC to obtain from Sterling Mets necessary services from skilled individuals, the loss of the services of any of these individuals, or the failure of such individuals to perform satisfactorily or to work together successfully and any inability of Ballpark LLC to procure from any third party services substantially similar to those required of Sterling Mets under the Stadium Use Agreement, may adversely affect Retained Rights Revenue.

Potential Conflicts of Interest With Sterling Mets

Sterling Mets' interests may conflict with those of Ballpark LLC. Ballpark LLC will receive all Retained Rights Revenue, which includes, but is not limited to, revenue arising out of or relating to the luxury suite premiums and Retained Seats. Ballpark LLC will use Retained Rights Revenue to make PILOTs under the PILOT Agreement, Installment Purchase Payments under the Installment Sale Agreement and Initial Term Base Rent payments under the Stadium Lease Agreement and to pay certain costs of operating and maintaining the Stadium. Sterling Mets, and not Ballpark LLC, will receive the revenue associated with the sale of tickets to Mets' home games (other than luxury suite premiums and Retained Seats revenue) and the Ticket Component payable under luxury suite licenses. Under the Stadium Use Agreement, Sterling Mets will act as servicer and marketing agent for Ballpark LLC, and will therefore have substantial impact upon the marketing and sale of tickets to Mets' home games. Sterling Mets also retains the right to set all ticket prices and to admit patrons and charge admission. Because Sterling Mets will receive all revenue associated with non-Retained Seats, and will receive only a portion of the revenue associated with luxury suites, Sterling Mets may have an incentive to focus its efforts on promoting the sales of tickets that are not for either Retained Seats or luxury suites, and to set ticket prices which assist those efforts, which efforts, if successful, may be detrimental to the revenue of luxury suites and Retained Seats, and therefore detrimental to Ballpark LLC.

In addition, Ballpark LLC will enter into agreements and set policies with respect to parking and with respect to food and novelty concessions at the Stadium. Pursuant to the Stadium Use Agreement terms and conditions of all such agreements and policies will be subject to the approval of Sterling Mets

(which approval cannot be unreasonably withheld, conditioned or delayed) to the extent that any such terms and conditions could reasonably be expected to have a material impact on Sterling Mets operations at the Stadium. Accordingly, Sterling Mets will have substantial input and influence upon matters that primarily relate to Retained Rights Revenue.

General Economic Conditions and Other Factors

Apart from competition and other business risks facing Ballpark LLC, the financial performance of Ballpark LLC will depend to some degree upon factors beyond the control of Ballpark LLC, including general national and local economic conditions (e.g., inflation, unemployment, population growth and distribution trends) and federal, state and local taxation and laws and regulations affecting Ballpark LLC and its business. The demand for entertainment and leisure activities tends to be sensitive to consumers' disposable incomes. Further, the premium seating market is sensitive to the profitability of businesses and corporations who typically are significant purchasers of such inventory, as well as laws affecting the deductibility for tax purposes or the disclosure of such business expenses. A decline in general economic conditions or adverse changes in law may lead to a decline in customers' income available for (or interest in) purchasing premium and non-premium seating at Mets' games or spending on goods and services ancillary to Stadium events, such as food and beverage and licensed products. Signage/advertising budgets are also sensitive to general economic conditions and adverse general economic conditions could lead to a decline in Stadium signage/advertising revenue.

On-Site Parking Agreements Not Yet Amended and Off-Site Parking Concession or Usage Rights Not Yet Granted

The Parking Letter Agreement between the Issuer, the City and Ballpark LLC sets forth the terms of the required amendments of the On-Site Parking Agreements. If the On-Site Parking Agreements are not amended as required by the Parking Letter Agreement, then Ballpark LLC may not receive any, or a portion of, the revenue generated from parking operations at the Parking Facilities, which could materially and adversely affect the ability of Ballpark LLC to make PILOTs in full.

Ballpark LLC's ability to operate, manage and collect revenue from the 1,100 parking spaces located at the Offsite Parking Facilities, is subject to receiving a concession from the City's Franchise and Concession Review Committee and/or usage rights from the City. In addition such concession must be renewed on an annual basis and is cancelable at any time. If such concession and/or usage rights are not granted or renewed or are revoked, Ballpark LLC will be unable to receive revenue from the Offsite Parking Facilities which could materially and adversely affect the ability of Ballpark LLC to make PILOTs in full.

Further, if the terms set forth in the Parking Letter Agreement are not embodied in amendments to the On-Site Parking Agreements, there may not be parking spaces in sufficient quantity or adequate quality to meet customer demand. It is possible that such insufficiency and/or inadequacy could result in lower attendance, sales, and pricing and correspondingly lower Retained Rights Revenue, than projected, which could materially and adversely affect the ability of Ballpark LLC to make PILOTs in full.

Future War, Terrorist Activities or Political Uncertainties

Sporting and other spectator events and leisure travel are vulnerable to threats occasioned by war and terrorist activities. New York City, in particular, remains a primary target of international terrorism, and an attack on the New York metropolitan area would likely decrease customer interest in attending Mets' games and other Stadium events. Also, terrorist attacks at other sports or entertainment venues in the United States or elsewhere could reduce attendance at the Stadium. As a result, future acts of war,

terrorism or hostilities could adversely affect Ballpark LLC's ability to generate Retained Rights Revenue.

Weather Conditions

The Stadium will be an outdoor venue. Adverse weather conditions such as rain, snow, extreme heat or cold temperatures can result in postponed or cancelled events. The MLB regular season is from March or early April to late September or early October; the playoffs extend throughout October. The New York metropolitan area is in a colder climate region of the United States. Unseasonably cold Spring and/or Fall seasons could affect attendance at Mets' games and other events in Stadium. In addition, the ability to book other events during the Mets' off-season will be significantly limited due to cold temperatures during the winter months.

Maintenance, Repair and Risk of Loss

Ballpark LLC will be responsible for all maintenance, repairs, capital repairs, capital improvements and risk of loss associated with the operation of the Stadium. These responsibilities can require substantial expenditures. Although the Stadium Lease Agreement will require Ballpark LLC to purchase and maintain customary insurance coverage following completion of construction, including property insurance at full replacement cost, there can be no assurance that the deductibles and exclusions from such policies will not increase over time, that such insurance will be sufficient or will cover each potential loss (either in whole or in part), or that the applicable insurers will have the financial ability to pay covered losses or will pay such losses without the necessity of litigation. Although Ballpark LLC's projections include estimates of the normal operating and repair obligations it expects to incur annually, it has not included a reserve for uninsured losses and has only included a reserve of $1.0 million for future capital repairs and improvements. The actual capital repairs and improvements Ballpark LLC will eventually need to make to the Stadium will likely exceed the amount of these reserves (plus accrued interest). If Ballpark LLC fails to comply with its obligations to make necessary capital repairs, or fails to make discretionary capital improvements necessary to maintain the competitiveness of the Stadium, Retained Rights Revenue (and the repayment of the Series 2006 Bonds) could be adversely affected.

Damage to or Destruction of the Stadium; Condemnation

In the event of damage to, or destruction of, the Stadium, Ballpark LLC will be required under the Stadium Lease Agreement to apply any net proceeds of insurance to the restoration of the premises, subject to its right to terminate the Stadium Lease Agreement if the casualty occurs in the final three years of the term of the Stadium Lease Agreement. There can be no assurance that the net insurance proceeds will be sufficient for the required purposes or that the applicable insurers will have the financial ability to pay the covered losses or will pay the covered losses without the necessity for litigation. While the Stadium Lease Agreement requires Ballpark LLC to furnish its own funds to restore the premises in the event that restoration is required and net insurance proceeds are insufficient, there can no assurance that Ballpark LLC will have sufficient funds available for such purpose. Further, while Ballpark LLC's obligations continue upon a casualty as if the casualty had not occurred, it is likely that in such event that the Mets would play their home games at an alternative location during reconstruction, subject to their obligations under the Non-Relocation Agreement and Stadium Use Agreement. The use of another facility during reconstruction could adversely affect Ballpark LLC's ability to generate Retained Rights Revenue. Similarly, if the Stadium is taken by condemnation by a governmental authority through the exercise of its eminent domain powers, the Stadium Lease Agreement would either be replaced with any net proceeds, if sufficient, or the Stadium Lease Agreement would terminate, subject to certain rights of the PILOT Bonds Trustee to receive a share of the condemnation proceeds. There can be no assurance that such proceeds will be sufficient to pay in full all obligations due under the Tax Exempt PILOT

Bonds. If the Stadium is partially taken by a governmental authority and is restored by Ballpark LLC pursuant to the Stadium Lease Agreement, Retained Rights Revenue could decline during and following such restoration. In addition, the Actual Taxes calculated under the PILOT Agreement may be reduced as a result of damage to or destruction or condemnation of the Stadium. Such a reduction could result in a material adverse reduction in the revenues from PILOTs.

Continuing Governmental Requirements

Following completion of the Project, operation of the Stadium by Ballpark LLC will require certain state and local governmental permits or approvals, including event licenses, signage permits, liquor licenses and advertising and parking licenses. No assurances can be given that Ballpark LLC will be able to obtain such permits and licenses in the future. Failure to obtain any of these permits and licenses could limit Ballpark LLC's ability to generate Retained Rights Revenue.

BANKRUPTCY CONSIDERATIONS

Although no assurances can be given that Ballpark LLC, Sterling Mets, the Issuer or their affiliates will not file for bankruptcy protection, provisions included in the Bond Documents and in the Bond Insurance Policy are intended to mitigate the ultimate risk of non-payment to Bondholders. Possible reasons for a bankruptcy filing include a decline in the results of operations of Ballpark LLC (or the Mets generally), the underperformance of the Project or the occurrence of other events that affect the profitability of the ownership or operation of the Project. If Ballpark LLC, Sterling Mets or their affiliates file for bankruptcy, there could be adverse effects on the holders of Tax Exempt PILOT Bonds. These adverse effects could include, but might not be limited to, the risks set forth under "RISK FACTORS AND INVESTMENT CONSIDERATIONS—Risks Relating to the Tax Exempt PILOT Bonds—Limited Security; Limitations on Ability to Foreclose" and "—Enforceability of Remedies" or one or more of the following events. The occurrence of any of these, as well as the occurrence of other possible effects of a bankruptcy of Ballpark LLC, could result in delays or reductions in payments to the holders of the Tax Exempt PILOT Bonds.

Enforceability of Documents - General

Receipt of payments owed to Tax Exempt PILOT Bondholders depends upon the enforceability of various instruments and agreements. The various legal opinions to be delivered concurrently with the delivery of the Tax Exempt PILOT Bonds will be qualified as to the enforceability of various instruments and agreements because of limitations imposed by U.S. federal and state laws affecting remedies and other matters, and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights generally.

Insofar as the PILOT Agreement, PILOT Assignment, Stadium Lease Agreement, Stadium Use Agreement, Installment Sale Agreement and Non-Relocation Agreement, as well as other documents that are being executed as part of the Project, contain equitable remedies, a court of equity has broad discretion as to whether or not to grant equitable relief, including requiring the specific performance of any such agreement. Furthermore, the liquidated damages provision contained in the Non-Relocation Agreement may be found to be excessive or punitive, in which case it may be disallowed.

The obligations of Sterling Mets under the Non-Relocation Agreement and certain obligations of Ballpark LLC and Sterling Mets under the Stadium Lease Agreement and Stadium Use Agreement are, and other Project agreements to which they are a party may be, subject to the rules, regulations and agreements of MLB, as the same may change from time to time. The legal effect of the rules, regulations and agreements of MLB on the enforceability of the Non-Relocation Agreement, the Installment Sale

Agreement, the Stadium Lease Agreement, the Stadium Use Agreement and/or other Project agreements is unclear. Existing or future changes to the rules, regulations and agreements of MLB could limit, modify or prevent the enforcement of those agreements, modify the benefits afforded thereby and ultimately have a material adverse effect on Retained Rights Revenue and the ability to pay the Tax Exempt PILOT Bonds. See herein "RISK FACTORS AND INVESTMENT CONSIDERATIONS – Risks Relating to Operations– Major League Baseball."

Enforceability of Documents with Respect to the Bankruptcy of the Issuer

If the Issuer were to become a debtor in a case under Title 11 of the United States Code (the "*Bankruptcy Code*"), among other things, payments to Tax Exempt PILOT Bondholders could be prohibited absent a specific order of the bankruptcy court, and a bankruptcy court could confirm a plan that could affect the Bondholders by reducing or eliminating the amount of the Issuer's indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising, modifying, or terminating and discharging the rights and remedies of the Bondholders against the Issuer. Furthermore, a bankruptcy court has the power to avoid and recover certain payments made to creditors prior to the filing of the bankruptcy case.

Enforceability of Documents with Respect to the Bankruptcy of Ballpark LLC and/or Sterling Mets

In the event a voluntary or involuntary case is filed under the Bankruptcy Code with respect to Ballpark LLC and/or Sterling Mets, a bankruptcy court could determine that various agreements, including but not limited to the PILOT Agreement, PILOT Assignment, Stadium Lease Agreement, Stadium Use Agreement, Installment Sale Agreement, Parking Letter Agreement, On-Site Parking Agreements and/or Non-Relocation Agreement are executory contracts or unexpired leases. In a bankruptcy case, an executory contract or unexpired lease is capable of being rejected by a trustee or debtor-in-possession pursuant to Section 365 of the Bankruptcy Code. If an executory contract or unexpired lease is rejected, the debtor may no longer be required to perform its obligations under that contract. In addition, with the authorization of the bankruptcy court, Ballpark LLC and/or Sterling Mets may be able to assign their respective rights and obligations under various agreements, including but not limited to the PILOT Agreement, PILOT Assignment, Stadium Lease Agreement, Stadium Use Agreement, Installment Sale Agreement, Parking Letter Agreement, On-Site Parking Agreements and/or Non-Relocation Agreement, to which they are a party, to another entity, despite any contractual prohibition to the contrary. Furthermore, were a bankruptcy court to determine that such agreements are executory contracts or unexpired leases, claims and remedies arising from such an agreement, as well as other claims and remedies against Ballpark LLC and/or Sterling Mets, as the case may be, may be reduced, modified, or terminated and discharged in the bankruptcy case, and equitable remedies may become unenforceable.

In a bankruptcy case statutory claims of a lessor for damages flowing from the termination of a lease of real property that would otherwise be available under state law are subject to a cap pursuant to Section 502 of the Bankruptcy Code. Both the Stadium Lease Agreement and the Stadium Use Agreement are, and, when executed, the On-Site Parking Agreements will be, leases of real property. In the event a voluntary or involuntary case is filed under the Bankruptcy Code with respect to Ballpark LLC and/or Sterling Mets, the Stadium Lease Agreement, and/or the Stadium Use Agreement and/or On-Site Parking Agreements, as the case may be, is subject to being rejected. Should any of them be rejected, the amount of any corresponding claim by the lessor within the bankruptcy case resulting from the termination of such lease would be limited to the rent payable under such lease (without acceleration) for the greater of one year or 15% not to exceed three years, of the remaining term of such lease following

the earlier of (a) the date the bankruptcy petition was filed and (b) the date on which the lessor repossessed, or the lessee surrendered, the leased property, plus any unpaid rentals or guaranteed payments (without acceleration) on the earlier of such dates. As a result, the lessor may not be able to assert its full damages as a claim in the bankruptcy case. Furthermore, when a claim is asserted in a bankruptcy case, the amount that is actually recovered on account of a claim is subject to a variety of factors including the value of the total assets available to pay such claims, the total amount of claims asserted in the case by all creditors, and the priority of such claims. In addition, a bankruptcy court could determine that various other agreements, including but not limited to the PILOT Agreement, PILOT Assignment, Installment Sale Agreement and/or Non-Relocation Agreement are part of the Stadium Lease Agreement or the Stadium Use Agreement and are therefore all part of a non-residential real property lease. If a trustee in bankruptcy or Ballpark LLC or Sterling Mets as a debtor-in-possession, as the case may be, were to reject any of these agreements and if any such agreement were determined to be part of an unexpired lease of non-residential real property, each lessor's resultant claim for damages would be subject to the same cap on damages that would impact the amount of the claim that could be asserted for the rejection of the Stadium Lease Agreement and/or the Stadium Use Agreement and/or On-Site Parking Agreements. This determination could further limit the claim that could be asserted against the bankrupt lessee and, thereby, limit the amounts that could be recovered and made available to pay to Bondholders.

In the event a voluntary or involuntary case is filed under the Bankruptcy Code with respect to Ballpark LLC and/or Sterling Mets, a bankruptcy court could determine that various agreements including but not limited to the PILOT Agreement, PILOT Assignment, Stadium Lease Agreement, Installment Sale Agreement, Parking Letter Agreement, On-Site Parking Agreements, Stadium Use Agreement and/or Non-Relocation Agreement are all part of a financing. If a bankruptcy court determines that an agreement is a financing, a bankruptcy court could also determine that a debtor is no longer required to perform its obligations under that agreement or that the agreement would not be effective.

In the event a voluntary or involuntary case is filed under the Bankruptcy Code with respect to Ballpark LLC and/or Sterling Mets, actions against Ballpark LLC or Sterling Mets as the case may be would be stayed. In addition, among other things, a bankruptcy court could confirm a plan that could affect the Tax Exempt PILOT Bondholders by reducing or eliminating the amount of their obligations, their indebtedness, deferring or rearranging their debt service schedule, reducing or eliminating their interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising, modifying, or terminating and discharging the rights and remedies of creditors against Ballpark LLC and/or Sterling Mets, as the case may be. Furthermore, a bankruptcy court has the power to avoid and recover certain payments made to creditors prior to filing of the bankruptcy case.

In addition, Sterling Mets or another affiliate of Ballpark LLC and/or Sterling Mets that is in bankruptcy, or any of their creditors or representatives might attempt to reach assets of Ballpark LLC under one or more theories that exist under state or federal law, including but not limited to ‘alter ego,’ ‘piercing the veil,’ ‘substantive consolidation’ or a similar equitable concept. While ‘separateness covenants’ have been included in Ballpark LLC’s organizational documents in part to mitigate the chances of one of these legal theories being successfully employed, no assurance can be given that a court, utilizing its equity jurisdiction, might not be convinced based upon the facts and circumstances present at the time of the request, to grant the requested relief. If that relief were granted, it could have a detrimental impact on Ballpark LLC and/or Sterling Mets, and the Tax Exempt PILOT Bondholders.

LITIGATION

Issuer

There is no litigation, action, suit, proceeding, claim, arbitration or investigation pending or, to the knowledge of the Issuer, threatened in writing against the Issuer, as to which there is a reasonable likelihood of an adverse determination and which, if adversely determined, would have a material adverse effect on the issuance of the Tax Exempt PILOT Bonds or the design, development, acquisition, construction, equipping, leasing or operation of the Stadium.

Ballpark LLC

There is no litigation, action, suit, proceeding, claim, arbitration or investigation pending or, to the knowledge of Ballpark LLC or its affiliates, threatened in writing against Ballpark LLC or its affiliates, as to which there is a reasonable likelihood of an adverse determination and which, if adversely determined, individually or in the aggregate, with all such other litigation, actions, suits, proceedings, claims, arbitrations or investigations, would have a material adverse effect on Ballpark LLC, the issuance of the Tax Exempt PILOT Bonds or the design, development, acquisition, construction, equipping, leasing or operation of the Stadium.

LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Tax Exempt PILOT Bonds and the exclusion of the interest on the Tax Exempt PILOT Bonds from gross income for Federal income tax purposes will be subject to the approving opinion of Nixon Peabody LLP, Bond Counsel. See "APPENDIX O — FORM OF BOND COUNSEL OPINION." Certain legal matters will be passed upon for Ballpark LLC and Sterling Mets by Fulbright & Jaworski L.L.P. and Stroock & Stroock & Lavan LLP. Certain legal matters will be passed upon for the Issuer by its Vice President of Legal Affairs. Certain legal matters will be passed upon for the Underwriters by Proskauer Rose LLP.

TAX MATTERS

Federal Income Taxes

Generally, the Code imposes certain requirements that must be met subsequent to the issuance and delivery of the Tax Exempt PILOT Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Tax Exempt PILOT Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Tax Exempt PILOT Bonds. Pursuant to the Indenture, the Issuer has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Tax Exempt PILOT Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Issuer, Sterling Mets and Ballpark LLC have made certain representations and certifications in the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Code. Bond Counsel will not independently verify the accuracy of those representations and certifications; however, it has no reason to believe that such representations or certifications are false or incorrect.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Issuer, Sterling Mets and Ballpark LLC described above, interest on the Tax Exempt PILOT Bonds is excluded from gross income for Federal income tax purposes under Section 103

of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Tax Exempt PILOT Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Tax Exempt PILOT Bonds maturing on January 1, 2011 and bearing interest at 3.625%, on January 1, 2012 and bearing interest at 3.70%, on January 1, 2013 and bearing interest at 3.80%, on January 1, 2014 and bearing interest at 3.90%, on January 1, 2015 and bearing interest at 4.00%, on January 1, 2016 and bearing interest at 4.00%, on January 1, 2017 and bearing interest at 4.10%, on January 1, 2021 and bearing interest at 4.25%, on January 1, 2026 and bearing interest at 4.30% and on January 1, 2031 and bearing interest at 4.375%; (collectively the "*Discount Bonds*") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for Federal income tax purposes to the same extent as interest on the Tax Exempt PILOT Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

The Tax Exempt PILOT Bonds maturing on January 1, 2011 through 2026 each bearing interest at 5.00%, on January 1, 2031 and bearing interest at 5.00%, on January 1, 2036 and bearing interest at 5.00%, on January 1, 2039 and bearing interest at 5.00%, on January 1, 2042 and bearing interest at 4.75% and on January 1, 2046 and bearing interest at 5.00%; (collectively, the "*Premium Bonds*") are being offered at prices in excess of their principal amounts. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Tax Exempt PILOT Bonds may result in other Federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred continued indebtedness to purchase or to carry the Tax Exempt PILOT Bonds. Bond Counsel is not rendering any opinion as to any Federal tax matters other than those described under the caption "Tax Matters." Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Tax Exempt PILOT Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Federal Tax Law and Post Issuance Events

From time to time proposals are introduced in Congress that, if enacted into law, could have an adverse impact on the potential benefits of the exclusion from gross income for Federal income tax purposes of the interest on the Tax Exempt PILOT Bonds, and thus on the economic value of the Tax Exempt PILOT Bonds. This could result from reductions in Federal income tax rates, changes in the structure of the Federal income tax rates, changes in the structure of the Federal income tax or its replacement with another type of tax, repeal of the exclusion of the interest on the Tax Exempt PILOT Bonds from gross income for such purposes, or otherwise. It is not possible to predict whether any legislation having an adverse impact on the tax treatment of holders of the Tax Exempt PILOT Bonds may be proposed or enacted.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Tax Exempt PILOT Bonds may affect the tax status of interest on the Tax Exempt PILOT Bonds. Bond Counsel expresses no opinion as to any Federal, State or local tax law consequences with respect to the Tax Exempt PILOT Bonds, or the interest thereon, if any action is taken with respect to the Tax Exempt PILOT Bonds or the proceeds thereof upon the advice or approval of other counsel.

State Taxes

Bond Counsel is further of the opinion that interest on the Tax Exempt PILOT Bonds is exempt, by virtue of the New York General Municipal Law, from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York).

RATINGS

Prior to the delivery of the Tax Exempt PILOT Bonds, Moody's Investors Service ("*Moody's*") will give the Tax Exempt PILOT Bonds a rating of "Aaa" and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("*S&P*"), will give the Tax Exempt PILOT Bonds a rating of "AAA", in each case on the understanding that the Bond Insurance Policy, insuring the timely payment of the principal and interest on the Tax Exempt PILOT Bonds when due, will be issued by the Bond Insurer upon delivery of the Tax Exempt PILOT Bonds. Moody's and S&P have assigned the Tax Exempt PILOT Bonds an underlying rating of "Baa3" and "BBB-", respectively. Such ratings reflect only the views of such organizations, and an explanation of the significance of such ratings may be obtained only from the rating agencies furnishing the ratings. Explanations of the ratings may be obtained from Moody's at 99 Church Street, New York, New York 10007, and from S&P at 25

Broadway, New York, New York 10004. There is no assurance that such ratings will be continued for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect on the market price of the Tax Exempt PILOT Bonds. The Issuer has undertaken no responsibility either to bring to the attention of the owners of the Tax Exempt PILOT Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

FINANCIAL ADVISOR

Public Resources Advisory Group is acting as financial advisor to Ballpark LLC and Sterling Mets in connection with financing of the Project.

CONTINUING DISCLOSURE

The Issuer and Ballpark LLC will enter into an agreement for the benefit of the holders of the Tax Exempt PILOT Bonds to provide, so long as the Tax Exempt PILOT Bonds are Outstanding, certain financial information to certain information repositories annually and to provide notice to each Nationally Recognized Municipal Securities Information Repository ("*NRMSIR*"), the Municipal Securities Rulemaking Board and to any existing depository of certain events, in accordance with the requirements of Section (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240 Section 15c2-12). See "APPENDIX P — FORM OF CONTINUING DISCLOSURE AGREEMENT."

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this Official Statement, including in the Appendices hereto and in any other information provided by Ballpark LLC, that are not purely historical are forward-looking statements. Such forward-looking statements can be identified, in some cases, by terminology such as "may," "will," "should," "expects," "project," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "illustrate," "example," and "continue," or the singular, plural, negative or other derivations of these or other comparable terms. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to such parties on the date hereof, and the Issuer and Ballpark LLC assume no obligation to update any such forward-looking statements. Ballpark LLC's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including, but not limited to, risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in economic, industry, market, legal and regulatory circumstances, and conditions and actions taken or omitted to be taken by third parties, including customers, fans, MLB, suppliers, business partners, and competitors, and legislative, judicial, and other governmental authorities and officials. Accordingly, actual results may vary from the projections, forecasts and estimates contained in this Official Statement and such variations may be material, which could affect Ballpark LLC's ability to generate Retained Rights Revenue and to fulfill some or all of its obligations under the PILOT Agreement, the Installment Sale Agreement and the Stadium Lease Agreement.

Some important factors that could cause actual results to differ materially from those in any projections, forecasts and estimates contained herein include market conditions and changes in general

economic conditions (whether local, national, international or otherwise). Consequently, the inclusion of projections, forecasts and estimates herein should not be regarded as a representation by any party of the results that will actually be achieved by Ballpark LLC.

Neither Ballpark LLC nor the Issuer assumes any obligation to update or otherwise revise any projections, forecasts and estimates, including any revisions to reflect changes in conditions or circumstances arising after the date of this Official Statement, or to reflect the occurrence of unanticipated events. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of Ballpark LLC. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate. New factors emerge from time to time and it is not possible for Ballpark LLC to predict all of such factors. Further, Ballpark LLC cannot assess the impact of each such factor on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

UNDERWRITING

Citigroup Global Markets Inc., as representative (the "*Representative*") of the Underwriters, has agreed, subject to certain conditions (including the consummation of the offering of the Taxable Bonds simultaneously with this offering), to purchase all of the Tax Exempt PILOT Bonds from the Issuer at an aggregate purchase price of $563,197,732.10, reflecting the net original issue premium of $20,632,088.35 and the Underwriters' discount of $4,789,356.25. The Underwriters are obligated to purchase all of the Tax Exempt PILOT Bonds, if any are purchased, such obligation being subject to certain terms and conditions set forth in a separate Bond Purchase Agreement (the "*Bond Purchase Agreement*"), among the Representative, on behalf of the Underwriters, the Issuer and Ballpark LLC, the approval of certain legal matters by counsel and certain other conditions. The Bond Purchase Agreement provides that the obligation of the Underwriters to purchase the Tax Exempt PILOT Bonds is conditioned on the simultaneous closing of the sale of the Taxable Bonds. Ballpark LLC has agreed to indemnify the Underwriters and the Issuer against certain liabilities, and to contribute to any payments required to be made by the Underwriters and the Issuer relating to such liabilities, including, to the extent permitted under applicable law, liabilities under the federal securities laws. The initial offering prices may be changed from time to time by the Underwriters.

The Underwriters intend to offer the Tax Exempt PILOT Bonds to the public initially at the offering prices set forth in the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join the dealers and other underwriters in offering the Tax Exempt PILOT Bonds to the public. The Underwriters may offer and sell the Tax Exempt PILOT Bonds to certain dealers at prices lower than the public offering price. In connection with this offering, the Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Tax Exempt PILOT Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

MISCELLANEOUS

All summaries herein of documents and agreements are qualified in their entirety by reference to the original documents and agreements, and all summaries herein of the Tax Exempt PILOT Bonds are qualified in their entirety by reference to the form thereof included in the PILOT Bonds Indenture, and the provisions with respect thereto included in the aforementioned documents and agreements. Copies of the documents referred to herein may be obtained upon request from The Bank of New York, 101 Barclay Street, Floor 21W, New York, New York 10286.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer, Ballpark LLC or the Underwriters and the registered owners or beneficial owners of the Tax Exempt PILOT Bonds.

NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY

By: /s/ Kei Hayashi
Name: Kei Hayashi
Title: Deputy Executive Director

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APPENDIX A — BOOK-ENTRY ONLY SYSTEM

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Tax Exempt PILOT Bonds, payment of principal of and interest on the Tax Exempt PILOT Bonds to DTC, its nominees, Participants (defined below) or Beneficial Owners (as defined below), confirmation and transfer of beneficial ownership interests in the Tax Exempt PILOT Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC. None of the Issuer, Ballpark LLC or the Underwriters assume any responsibility for the accuracy or completeness of such information.

The Depository Trust Company ("*DTC*"), New York, New York, will act as securities depository for the Tax Exempt PILOT Bonds. The Tax Exempt PILOT Bonds are to be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued in the aggregate principal amount of the Tax Exempt PILOT Bonds and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Tax Exempt PILOT Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Tax Exempt PILOT Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Tax Exempt PILOT Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Tax Exempt PILOT Bonds, except in the event that use of the book-entry system for the Tax Exempt PILOT Bonds is discontinued.

To facilitate subsequent transfers, all Tax Exempt PILOT Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Tax Exempt PILOT Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Tax Exempt PILOT Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Tax Exempt PILOT Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the Tax Exempt PILOT Bonds within a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Tax Exempt PILOT Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Tax Exempt PILOT Bonds, as applicable, are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of, redemption premium, if any, and interest payments on the Tax Exempt PILOT Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption proceeds and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Tax Exempt PILOT Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Tax Exempt PILOT Bonds are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Tax Exempt PILOT Bonds will be printed and delivered.

THE ISSUER WILL HAVE NO RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS, WITH RESPECT TO

(1) THE PAYMENT BY DTC TO ANY DIRECT PARTICIPANT, OR INDIRECT PARTICIPANT OF THE PRINCIPAL OF, OR ANY INTEREST ON, THE EXEMPT PILOT BONDS, (2) THE PROVIDING OF NOTICE TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS, (3) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT, (4) THE SELECTION OF ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE TAX EXEMPT PILOT BONDS OR (5) ANY CONSENT GIVEN OR OTHER ACTIONS TAKEN BY DTC AS THE REGISTERED HOLDER OF THE TAX EXEMPT PILOT BONDS, INCLUDING THE EFFECTIVENESS OF ANY ACTION TAKEN PURSUANT TO AN OMNIBUS PROXY.

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and Ballpark LLC believe to be reliable, but the Issuer and Ballpark LLC take no responsibility for the accuracy thereof.

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APPENDIX B - CERTAIN DEFINITIONS

"Accounts" shall mean with respect to each Bond Indenture, shall mean each of the accounts established pursuant to Section 5.01 thereunder and certain special funds created thereunder.

"Act" shall mean, collectively, the Enabling Act and Chapter 1082 of the 1974 Laws of New York, as amended.

"Actual Taxes" shall mean the real estate taxes and assessments for such PILOT Year which would have been levied upon or with respect to the Facility if the Facility were not exempt by virtue of the Agency's interest therein.

"Additional Bonds" shall mean any Bonds issued after the Closing Date pursuant to Section 2.02 (b) of the Installment Purchase Bonds Indenture, the Lease Revenue Bonds Indenture or the PILOT Bonds Indenture.

"Additional Proceeds" shall mean amounts contributed by Ballpark LLC after the occurrence of a Loss Event for the purpose of rebuilding, replacing, repairing or restoring the Stadium Equipment to substantially its condition immediately prior to the Loss Event.

"Agency" shall mean the New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State, duly organized and existing under the laws of the State, and any body, board, authority, agency or other governmental agency or instrumentality which shall hereafter succeed to the powers, duties, obligations and functions thereof.

"Agency Documents" shall mean the Bond Documents and the Non-Relocation Agreement.

"Agency's Reserved Rights" shall mean, collectively**,**

(i) the right of the Agency in its own behalf to receive all Opinions of Counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications required to be delivered to the Agency under the Agency Documents;

(ii) the right of the Agency to grant or withhold any consents or approvals required of the Agency under the Agency Documents except to the extent such right has been specifically assigned under such Agency Document;

(iii) the right of the Agency to enforce in its own behalf the obligation of Ballpark LLC to complete the Project or any Capital Improvements thereto;

(iv) the right of the Agency in its own behalf to enforce, receive amounts payable under or otherwise exercise its rights under Sections 4.04, 4.07, 4.08, 6.01, 6.02, 7.03, 9.01, 9.02, 9.04, 10.01, 10.03, 10.04, 13.01, 14.01, 14.02, 14.03, 14.04, 14.05, 14.06, 14.07, 17.01, 18.01, 19.04, 19.08, 21.01, 21.03, 22.01, 23.01, 23.02, 23.04, 26.01, 28.02, 32.01, 32.03, 33.01, 34.01, 36.01, 36.02, 38.05(a) and 38.19 of the Lease Agreement subject to the limitations contained therein;

(v) the right of the Agency in its own behalf to enforce, receive amounts payable under or otherwise exercise its rights under 2.2, 2.4, 3.1, 4.1, 4.4, 4.5, 4.6, 4.7, 6.1, 6.2, 6.3, 6.6, 6.7, 6.9, 6.12, 6.13, 6.14, 6.15, 7.2, 7.7, 9.3, 9.10, 9.17, 9.18 and 9.19 of the Installment Sale Agreement subject to the limitations contained therein;

(vi) the right of the Agency in its own behalf to enforce, receive amounts payable under or otherwise exercise its rights under 4.01, 4.02, 4.03, 4.04, 4.05, 5.01, 5.02, 5.03, 5.04, 5.05, 5.06, 5.07, 6.01, 6.02, 6.03, 6.08, 7.01, 7.02, 8.04, 8.06, 8.08, 8.09, 11.01, 11.03, 11.04, 12.01, 12.02, 13.01, 13.02, 13.04, 15.02, 18.01,

18.02, 20.01, 21.02, 22.02, 23.02, 23.03, 23.04, 23.06, 24.04(a), 24.10, 24.15 and 24.16 of the Development Agreement subject to the limitations contained therein; and

(vii) the right of the Agency in its own behalf to declare an Event of Default under Section 24.01 of the Lease Agreement or with respect to any of the Agency's Reserved Rights, subject to the limitations contained therein;

which Agency's Reserved Rights in each case may be enforced by the Agency and any assignee thereof jointly or severally.

"Aggregate Annual Debt Service" shall mean with respect to a Series of Bonds, for any period and as of any date of calculation, the sum of the amounts of Debt Service for such period with respect thereto.

"**Architect**" shall be as defined in "Appendix D - Summary of the Development Agreement."

"Architect's Agreement" shall be as defined in "Appendix D - Summary of the Development Agreement."

"Authorized Representative" shall mean, (i) in the case of the Agency, the Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary, Executive Director, Deputy Executive Director, General Counsel or Vice President for Legal Affairs of the Agency, or any officer or employee of the Agency authorized to perform specific acts or to discharge specific duties, (ii) in the case of Ballpark LLC, any officer of Ballpark LLC, including its Chairman, President, Chief Operating Officer, any Vice President, (including any Executive Vice President or Senior Vice President), and any Treasurer, Assistant Treasurer, Secretary or Assistant Secretary.

"Ballpark LLC" shall mean Queens Ballpark Company, L.L.C., a limited liability company organized and existing under the laws of the State of New York, and its permitted successors and assigns.

"Bankruptcy Code" shall mean the Federal bankruptcy code (as amended from time to time and including any successor legislation thereto).

"Bond" or "Bonds" shall mean a bond or bonds issued by the Agency, whether tax exempt or taxable for the Project, including, without limitation, PILOT Bonds, Installment Purchase Bonds and Lease Revenue Bonds.

"Bond Counsel" shall mean Nationally Recognized Bond Counsel.

"Bond Documents" shall mean the PILOT Agreement, the PILOT Bonds, the PILOT Assignment, the PILOT Bonds Indenture, the First Supplemental PILOT Bonds Indenture, the PILOT Mortgage, the Installment Sale Agreement, the Installment Purchase Bonds, Pledge and Assignment (Installment Sale Agreement), the Installment Purchase Bonds Indenture, the First Supplemental Installment Purchase Bonds Indenture, the Lease Revenue Bonds, Pledge and Assignment (Development Agreement), the Lease Revenue Bonds Indenture, the First Supplemental Lease Revenue Bonds Indenture, the Ground Leases, the Parking Lease Agreements, the Stadium Lease, the Stadium Use Agreement, the Development Agreement, the Leasehold Rental Mortgage, the Partial Rent Assignment, the Partial Lease Assignment, the Continuing Disclosure Agreements and the Purchase Contracts.

"Bond Fees" shall mean with respect to a Series of Bonds (i) any fees and expenses required to be paid in order to maintain, or in respect of, ratings or bond insurance on such Bonds, (ii) periodic fees of any Persons (other than employees of the Agency or any affiliate thereof) required to facilitate any variable or auction rate program relating to such Bonds (such as an auction agent, broker-dealer, market agent or remarketing agent); (iii) the periodic fees and expenses of the Dissemination Agent; and (iv) the period fees and expenses of the applicable Bond Trustee.

"Bond Indenture" or **"Indenture"** shall mean each of the PILOT Bonds Indenture, the Installment Purchase Bonds Indenture and the Lease Revenue Bonds Indenture.

"Bond Insurance Policy" shall mean a financial guaranty insurance policy insuring the scheduled payment of principal and interest on a Series of Bonds.

"Bond Insurer" shall mean the issuer of a Bond Insurance Policy.

"Bond Trustee" or **"Trustee"** shall mean each of the PILOT Bonds Trustee, the Installment Purchase Bonds Trustee and the Lease Revenue Bonds Trustee.

"Bond Year" shall mean the twelve-month period commencing on January 1 of each calendar year and ending on December 31.

"Bondholder" or "Bondholders" shall mean the registered owners of the applicable Bonds as shown on register of Bond owners maintained by the applicable Bond Registrar.

"Business Day" (a) any day of the year other than (i) a Saturday or Sunday, (ii) a State legal holiday, (iii) any day which shall be in the City of New York, New York, a legal holiday or a day on which Banks in any of such cities are required or authorized by law or other government action to close, or (b) with respect to any Series of Bonds, as may be provided by applicable Supplemental Indenture.

"Capital Improvement" shall be as defined in "Appendix F - Summary of the Stadium Lease."

"Capitalized Interested Account (PILOT Bonds)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Casualty Restoration" shall be as defined in "Appendix F - Summary of the Stadium Lease."

"City" shall mean The City of New York.

"City Fund" shall mean the Fund by that name established pursuant to Section 5 of the PILOT Assignment.

"Code" shall mean the Internal Revenue Code of 1986, as amended, including the regulations thereunder.

"Completion" shall mean that (i) the Stadium is complete in all material respects and available for the Intended Purpose and any unfinished work can be completed without any material disruption to or unavailability or inaccessibility of the Stadium for the Intended Purpose; (ii) all applicable governmental authorities have issued all required permits and approvals for use and occupancy of the Stadium in all material respects for the Intended Purpose, including any temporary permits so long as it is reasonably likely that permanent permits and approvals will be granted in the ordinary course and in the ordinary course permanent permits and approvals are normally granted following the issuance of temporary permits, without material additional requirements; (iii) the Stadium Infrastructure is complete in all material respects and any unfinished work can be completed without any material disruption to or unavailability or inaccessibility of the Stadium for the Intended Purpose; (iv) all applicable governmental authorities have issued all required permits and approvals in connection with the Stadium Infrastructure, including any temporary permits so long as it is reasonably likely that permanent permits and approvals will be granted in the ordinary course and in the ordinary course permanent permits and approvals are normally granted following the issuance of temporary permits, without material additional requirements; (v) the Stadium is free from all liens and encumbrances other than Permitted Encumbrances; (vi) the Independent Engineer has delivered to the Agency, Ballpark LLC and the applicable Trustee its certification to the effect set forth in (i) through (v) above; provided, however, that in making such certification the Independent Engineer shall be entitled to rely on a certificate of the Architect that the Stadium is available for the staging of MLB games, including home games of the Team, in a manner that does not violate applicable MLB rules and requirements, as set forth in clause (i) of the defined term Intended Purpose herein; and (vii) the documents required to be recorded have been recorded.

"Completion Bonds" shall mean PILOT Bonds, Lease Revenue Bonds and Installment Purchase Bonds issued pursuant to Section 2.04 of the applicable Bond Indenture.

"Completion Date" shall mean the date on which Completion occurs.

"Construction and Acquisition Account (PILOT Bond)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Construction Period" shall mean the period prior to the Completion of the Project.

"Continuing Disclosure Agreements" shall mean, collectively, the PILOT Bonds Continuing Disclosure Agreement, the Lease Revenue Bonds Continuing Disclosure Agreement and the Installment Purchase Bonds Continuing Disclosure Agreement.

"Contractor Liquidated Damages" shall mean any liquidated damages received by the Lease Revenue Bonds Trustee under the construction contract or any other construction agreement pursuant to the Pledge and Assignment (Development Agreement).

"Costs of Issuance" shall mean costs described in phrases (vi) and (x) of the definition of Project Costs.

"Cost of Issuance Account (PILOT Bonds)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Counsel's Opinion" shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the Agency.

"Credit Facility Reimbursement Obligation" shall mean the obligation to directly reimburse the issuer of any Enhancement Facility that is evidenced by an obligation to reimburse such issuer that is separate from the Agency's obligations on Bonds.

"Debt Service" shall mean, for purposes of determining deposits to and balances required to be on deposit in the Bond Fund established under the applicable Bond Indenture and the applicable Debt Service Reserve Fund Requirement, for any period and as of any date of calculation, with respect to any Bonds Outstanding under such Bond Indenture, an amount equal to the sum of (i) interest accruing during such period on such Bonds, except to the extent that such interest is to be paid from deposits in the applicable Bond Fund made from the proceeds of Bonds or Subordinated Indebtedness, and (ii) that portion of each Principal Installment for such Bonds which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Bonds (or, if there shall be no such preceding Principal Installment due date or such preceding Principal Installment due date is more than one (1) year preceding the due date of such Principal Installment or from the date of issuance of such Bonds, whichever date is later). For purposes of such calculations, the following assumptions are to be used:

(i) such interest and Principal Installments shall be calculated on the assumptions that (a) no Bonds (except for Option Bonds actually tendered for payment and not purchased in lieu of redemption prior to the redemption date thereof) Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof and (b) the principal amount of Option Bonds tendered for payment shall be deemed to be payable on the date required to be paid pursuant to such tender;

(ii) if 20% or more of the principal of such Bonds is not due until the final stated maturity of such Bonds, principal and interest on such Bonds may, at the option of the Agency, written notice of which shall be signed by an Authorized Officer and filed with the applicable Bond Trustee, be treated as if such principal and interest were due based upon an amortization of principal resulting in approximately level debt service (principal and interest) over the respective terms of such Bonds;

(iii) interest accruing on Variable Rate Bonds during any future period shall be assumed to accrue at a rate equal to the greater of (a) 130% of the highest average interest rate on such Variable Rate Bonds in any calendar month during the twelve (12) calendar months ending with the month preceding the

date of calculation, or such shorter period that such Variable Rate Bonds shall have been Outstanding, or (b) 4.0%;

(iv) the principal of Bonds issued as Commercial Paper will be treated as if such principal were due based upon level amortization of principal from the date of calculation to the latest maturity date of any Bonds, and the interest on such Commercial Paper shall be calculated as if such Commercial Paper were Variable Rate Bonds;

(v) the principal and interest portions of the Accreted Value of Capital Appreciation Bonds becoming due at maturity or by virtue of a Sinking Fund Installment shall be included in the calculations of accrued and unpaid and accruing interest or Principal Installments in such manner and during such period of time as is specified in the Supplemental Resolution authorizing such Capital Appreciation Bonds;

(vi) notwithstanding paragraphs (iii) or (iv) above, if the Agency, in connection with any Variable Rate Bonds or Commercial Paper, has entered into a Qualified Swap that provides that the Agency is to pay to the counterparty an amount determined based upon a fixed rate of interest on such Outstanding principal amount of such Variable Rate Bonds or Commercial Paper, and that the counterparty is to pay to the Agency an amount determined based upon a variable rate of interest on such Outstanding principal amount of such Variable Rate Bonds or Commercial Paper (a "variable rate payment") or the amount by which the rate at which such Variable Rate Bonds or Commercial Paper bear interest exceeds a stated rate of interest or, if the Agency has entered into a Qualified Swap that provides that the Agency is to pay to the counterparty one variable rate payment and that the counterparty is to pay to the Agency a different variable rate payment, for so long as and to the extent that such Qualified Swap remains in full force and effect it shall be assumed that such Variable Rate Bonds and Commercial Paper bear interest at a rate equal to the sum of (A) the fixed rate of interest to be paid by the Agency or the rate in excess of which the counterparty is to make payment to the Agency in accordance with such Qualified Swap, and (B) the greater of (if positive) (1) the average difference between the actual interest rate paid by the Agency on such Variable Rate Bonds or Commercial Paper and the variable interest rate the relevant counterparty paid to the Agency, taking into account all variable rate payments, during the twelve (12) calendar months ending with the calendar month preceding the date of calculation, or such shorter period that such Variable Rate Bonds or Commercial Paper shall have been Outstanding, and (2) the difference between the actual interest rate paid by the Agency on such Variable Rate Bonds or Commercial Paper and the variable interest rate received from the relevant counterparty, taking into account all variable rate payments, as calculated at the end of the calendar month preceding the date of calculation;

(vii) if the Agency, in connection with any fixed rate Bonds, has entered into a Qualified Swap that provides that the Agency is to pay to the counterparty an amount determined based upon a variable rate of interest on the Outstanding principal amount of such Bonds, it shall be assumed that such Bonds bear interest at the variable rate of interest to be paid by the Agency, with interest on such Bonds calculated as if they were Variable Rate Bonds as described in paragraph (iii) above; provided, however, if the counterparty is to pay to the Agency a fixed rate of interest on the amount of such Bonds that is less than the fixed rate payable thereon by the Agency, it shall be assumed that such Bonds bear additional interest at the rate which is the difference between the fixed rates payable by and to the Agency; and

(viii) principal and interest payments on Bonds shall be excluded to the extent such payments are to be paid from amounts then currently on deposit with the applicable Bond Trustee or other Fiduciary in escrow specifically thereof and restricted to Defeasance Securities.

"Debt Service and Reimbursement Fund" shall mean the Fund by that name established pursuant to Section 5 of the PILOT Assignment.

"Debt Service Reserve Fund" shall mean each of the PILOT Debt Service Reserve Fund, the Installment Purchase Debt Service Reserve Fund and the Lease Revenue Debt Service Reserve Fund.

"Debt Service Reserve Fund Requirement", unless otherwise set forth in a Supplemental Indenture authorizing a particular Series of Bonds, shall mean, as of any date of calculation, an amount equal to 150% of Maximum Aggregate Annual Debt Service on Outstanding Bonds issued the applicable Bond Indenture.

"Default Rate" shall mean eighteen percent (18%) per annum.

"Development Agreement" shall mean the Development Agreement, dated as of August 1, 2006, between the Agency and Ballpark LLC.

"Dissemination Agent" shall mean The Bank of New York, acting in its capacity as Dissemination Agent under the Continuing Disclosure Agreements, or any successor Dissemination Agent designated in writing by the Dissemination Agent and which has filed with the Trustee a written acceptance of such designation.

"Enabling Act" shall mean New York State Industrial Development Agency Act, Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York.

"Enhancement Facility" shall mean any letter of credit, standby purchase agreement, line of credit, policy of bond insurance, surety bond, guarantee or similar instrument, or any other agreement, securing, providing liquidity for, supporting or enhancing Outstanding Bonds, including any Bond Insurance Policy or Reserve Account Credit Facility or any combination of the foregoing, or any agreement relating to the reimbursement thereof whether or not such instrument or agreement has been drawn upon, obtained by the Agency.

"Equipment" shall mean all fixtures, equipment, machinery, apparatus, appliances, fittings and chattels and articles of personal property of every kind and nature, and all building equipment, materials and supplies of any nature whatsoever, now or hereafter incorporated in, or attached to, the Land, the Stadium and/or the Parking Facilities and owned by the Agency or in which the Agency has or shall have an interest and all renewals and replacements thereof and additions and accessions thereto, including, without limitation, all partitions, elevators, lifts, heating, lighting, incinerating and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus, exhaust and heater fans, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, refrigerators, attached cabinets, partitions, ducts and compressors, all of which shall be deemed to be, remain and form a part of the Facility and be encumbered by and subject to the lien of the PILOT Mortgages.

"ESDC" shall mean the New York State Urban Development Corporation, doing business as Empire State Development Corporation, a public instrumentality of the State of New York.

"Event of Default", when used with respect to the Leasehold Rental Mortgage, shall mean the failure of Ballpark LLC to pay within ten (10) days after the date when due any of the Rental Payments as set forth in the Stadium Lease, or any interest or late payment charges, as specified in the Stadium Lease, as and when payment of such Rental Payments, interest or late charges thereon are due, when used with respect to the PILOT Mortgages, shall mean the failure to pay any of the PILOT Obligations as set forth in the PILOT Agreement, or any interest or late payment charges, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon, are due, and, when used with respect to any other Bond Document, shall mean an event of default as defined in such Bond Document.

"Facility" shall mean the Primary Site, the Stadium, the North Site Parking Facilities and any other improvements on the Primary Site.

"Fair Market Rental Value" shall mean a determination of the Base Rent as set forth in Section 3.01(e) of the Stadium Lease.

"Fiduciary or Fiduciaries" shall mean any Bond Trustee, any Co-Trustee, any Registrar, any Paying Agent, or any or all of them, as may be appropriate.

"Fiscal Year" shall mean the Fiscal Year of the Agency or the Fiscal Year of Ballpark LLC as the context shall require.

"Fiscal Year of the Agency" shall mean the twelve-month period commencing on July 1 of each year; provided, however, that the Agency may at any time adopt a different twelve-month period as the Fiscal Year, in which case July 1, when used herein with reference to Fiscal Year, shall be construed to mean the first day of the first calendar month of such different Fiscal Year.

"Fiscal Year of Ballpark LLC" shall mean a year of 365 or 366 days, as the case may be, commencing on January 1 and ending on December 31, or such other year of similar length as to which Ballpark LLC shall have given prior written notice thereof to the Agency and each of the Bond Trustees at least ninety (90) days prior to the commencement thereof.

"Foreclosure Notice" shall mean notice given by the Mortgagee, under the PILOT Mortgages, at least ten (10) weeks before the exercise of any rights or remedies under the PILOT Mortgages, to Ballpark LLC, the Agency, the Partnership, the Commissioner of Finance of The City of New York and each Subordinate Mortgagee of (A) the failure to pay any of the PILOT Obligations, interest or late payment charges thereon, as and when such PILOT Obligations, interest or late payment charges thereon, were due, and (B) the intent of the Mortgagee to exercise its rights and remedies under the PILOT Mortgages unless such failure is cured within ten (10) weeks after the date of such notice.

"**Form of Requisition**" shall mean the Form of Requisition attached to each of the PILOT Bonds Master Indenture, Lease Revenue Bonds Master Indenture and the Installment Purchase Bonds Master Indenture.

"Funds" with respect to each Bond Indenture, shall mean each of the funds established pursuant to Section 5.01 thereunder and certain special funds created thereunder.

"GMP" shall mean the guaranteed maximum price construction contract between Ballpark LLC, as agent for the Agency, and Hunt/Bovis Lend Lease Alliance II, a joint venture, for the construction of the Stadium.

"Government Obligations" shall mean direct and general obligations of, or obligations unconditionally guaranteed by, the United States of America.

"Ground Leases" shall mean the Primary Site Ground Lease and the South Parking Site Ground Lease.

"Hazardous Materials" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Holder" or "Holders" shall mean Bondholder or Bondholders.

"Imposition" or **"Impositions"** shall have the meaning set forth in Section 6.01(b) of the Stadium Lease.

"Improvements" shall mean all buildings, structures, foundations, related facilities, fixtures and other improvements now existing or at any time made, erected or situated on the Land (including any improvements made as part of the Project pursuant to Section 2.1 of the Installment Sale Agreement) and all replacements, improvements, extensions, substitutions, restorations, repairs or additions thereto.

"Independent Engineer" shall mean a Person (not an employee of either the Agency, Ballpark LLC or any Affiliate thereof) registered and qualified to practice engineering or architecture under the laws of the State, selected by Ballpark LLC, and approved in writing by each of the Bond Trustees and the Agency (which approval shall not be unreasonably withheld).

"Independent Trustee" shall mean The Bank of New York, in its capacity as Independent Trustee under the PILOT Assignment, and its successors in such capacity and their assigns appointed in the manner provided in the PILOT Assignment.

"Initial PILOT Revenue Coverage Percentage" shall mean 115%, which is equal to the percentage determined by dividing PILOT Revenues by Maximum Aggregate Annual Debt Service payable in any Bond Year.

"Initial Term Base Rent" shall be as defined in "Appendix F - Summary of the Stadium Lease."

"Installment Purchase Bond" or **"Installment Purchase Bonds"** shall mean collectively, any obligations, issued in any form of debt, authorized by the Installment Purchase Bonds Indenture and secured by a pledge of and lien on the Installment Purchase Bonds Trust Estate on a parity with each other and with Installment Purchase Bonds Parity Obligations, including, but not limited to, bonds, notes, bond anticipation notes, and commercial paper, but such term shall not include any Installment Purchase Bonds Subordinated Indebtedness or Installment Purchase Bonds Subordinated Obligations.

"Installment Purchase Bondowner" shall mean the Owner of an Installment Purchase Bond.

"Installment Purchase Bonds Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement by and among Ballpark LLC and the Dissemination Agent in connection with the issuance of the Series 2006 Taxable Installment Purchase Bonds.

"Installment Purchase Bonds Event of Default" or **"Installment Purchase Bonds Indenture Event of Default"** shall mean:

(i) Failure in the payment of the interest on any Installment Purchase Bonds when the same shall become due and payable;

(ii) Failure in the payment of the principal or redemption premium, if any, of any Installment Purchase Bonds, when the same shall become due and payable, whether at the stated maturity thereof or upon proceedings for redemption thereof or otherwise, or interest accrued thereon to the date of redemption after notice of redemption thereof or otherwise;

(iii) Failure of the Agency to observe or perform any covenant, condition or agreement in the Installment Purchase Bonds or under the Installment Purchase Bonds Indenture on its part to be performed (except as set forth in clauses (i) and (ii) above) and (A) continuance of such failure for a period of thirty (30) days after receipt by the Agency and Ballpark LLC of written notice specifying the nature of such default from the Installment Purchase Bond Trustee or the Bondholder, or (B) if by reason of the nature of such default the same can be remedied, but not within the said 30 days, the Agency or Ballpark LLC fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(iv) The occurrence of an "Installment Purchase Event of Default" under the Installment Sale Agreement or any other Installment Purchase Bonds Security Document;

(v) Ballpark LLC, shall (A) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (F) take any action for the purpose of effecting any of the foregoing, or (G) be adjudicated a bankrupt or insolvent by any court;

(vi) A proceeding or case shall be commenced, without the application or consent of Ballpark LLC, in any court of competent jurisdiction, seeking, (A) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (B) the appointment of a trustee, receiver, liquidator, custodian or the like of Ballpark LLC or any substantial part of their respective assets, (C) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts,

and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against Ballpark LLC shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (D) Ballpark LLC shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code; or

(vii) The occurrence of a PILOT Event of Default under the PILOT Bonds Indenture or a Lease Revenue Event of Default under the Lease Revenue Bonds Indenture; or (viii) with respect to a Series of Installment Purchase Bonds, any additional events as may be specified in the Installment Purchase Bonds Supplemental Indenture authorizing the issuance of such Series.

"Installment Purchase Bonds Indenture" shall mean the Installment Purchase Bonds Master Indenture of Trust as from time to time amended or supplemented by Installment Purchase Bonds Supplemental Indentures in accordance with Article XI of the Installment Purchase Bonds Indenture.

"**Installment Purchase Bonds Master Indenture of Trust**" shall mean the Installment Purchase Bonds Master Indenture of Trust, dated as of August 1, 2006, between the Agency and the Installment Purchase Bonds Trustee.

"Installment Purchase Bonds Partial Lease Assignment" shall mean the Installment Purchase Bonds Partial Lease Assignment, dated as of August 1, 2006, from the Agency to the Installment Purchase Bonds Trustee.

"**Installment Purchase Bonds Security Document**" or **"Installment Purchase Bonds Security Documents**" or **"Installment Purchase Security Document"** shall mean the Installment Sale Agreement, any Supplemental Installment Agreement, the Installment Purchase Bonds Indenture, the Pledge and Assignment (Installment Sale Agreement), each Installment Purchase Bonds Supplemental Indenture, and, to the extent made applicable by the issuance of Tax Exempt Bonds under the Installment Purchase Bonds Indenture, the Tax Compliance Agreement in respect of such Tax Exempt Bonds.

"Installment Purchase Bonds Supplemental Indenture" shall mean any indenture supplemental to or amendatory of the Installment Purchase Bonds Indenture, executed and delivered by the Agency and the Installment Purchase Bond Trustee in accordance with Article XI of the Installment Purchase Bonds Indenture.

"Installment Purchase Bonds Trustee" shall mean The Bank of New York, in its capacity as Installment Purchase Bonds Trustee under the Installment Purchase Bonds Indenture, and its successors in such capacity and their assigns appointed in the manner provided in the Installment Purchase Bonds Indenture.

"Installment Purchase Payments" shall mean the Installment Purchase Payments to be made by Ballpark LLC under the Installment Sale Agreement.

"Installment Purchase Trust Estate" shall mean (i) all Installment Purchase Payments; (ii) all Installment Purchase Revenues; (iii) the Installment Purchase Project Fund, and (iv) the Installment Purchase Debt Service Reserve Fund, subject to the application thereof as provided in the Installment Purchase Bonds Indenture; and (v) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Installment Purchase Bonds and Parity Obligations by the Agency, or by anyone on its behalf, or with its written consent, to the Installment Purchase Bond Trustee, which is hereby authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms of the Installment Purchase Bonds Indenture.

"Installment Sale Agreement" shall mean the Installment Sale Agreement, dated as of August 1, 2006, between the Agency and Ballpark LLC, as the same may be amended and supplemented.

"Installment Sale Agreement Event of Default" shall mean:

(a) Failure of Ballpark LLC to pay any Installment Purchase Payment that has become due and payable by the terms of the Installment Purchase Bonds Indenture which results in a default in the due and punctual payment of the principal of, redemption premium, if any, or interest on any Installment Purchase Bond;

(b) Failure of Ballpark LLC to pay any amount (except as set forth Section 7.1(a) of the Installment Purchase Bonds Indenture) that has become due and payable or to observe and perform any covenant, condition or agreement on its part to be performed under Sections 4.4 or 4.5 of the Installment Purchase Bonds Indenture and continuance of such failure for a period of thirty (30) days after receipt by Ballpark LLC of written notice specifying the nature of such default from the Agency, the Bond Insurer the Installment Purchase Bonds Trustee or the Bondholder;

(c) Failure of Ballpark LLC to observe and perform any covenant, condition or agreement hereunder on its part to be performed (except as set forth in Section 7.1(a) or (b) of the Installment Purchase Bonds Indenture) and (1) continuance of such failure for a period of thirty (30) days after receipt by Ballpark LLC of written notice specifying the nature of such default from the Agency, the Bond Insurer, the Installment Purchase Bonds Trustee or the Bondholders, or (2) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, Ballpark LLC fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(d) Ballpark LLC shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (ii) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (vi) take any action for the purpose of effecting any of the foregoing, or (vii) be adjudicated a bankrupt or insolvent by any court;

(e) A proceeding or case shall be commenced, without the application or consent of Ballpark LLC, in any court of competent jurisdiction, seeking, (i) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (ii) the appointment of a trustee, receiver, liquidator, custodian or the like of Ballpark LLC or of all or any substantial part of their respective assets, (iii) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against Ballpark LLC shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (iv) Ballpark LLC shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code; the terms "dissolution" or "liquidation" of Ballpark LLC as used above shall not be construed to prohibit any action otherwise permitted by Section 6.1 of the Installment Purchase Bonds Indenture;

(f) Any representation or warranty made (i) by or on behalf of Ballpark LLC in the application, commitment letter and related materials submitted to the Agency for approval of the Project or its financing or (ii) by Ballpark LLC herein or in any of the other Installment Purchase Security Documents shall in any case prove to be knowingly false, misleading or incorrect in any material respect as of the date made; or

(g) The occurrence of an Event of Default under the PILOT Agreement or the Stadium Lease.

"Intended Purpose" shall mean (i) the staging of MLB games, including Team Home Games, in a manner that does not violate applicable MLB rules and requirements; (ii) capacity at MLB games of approximately 45,000 seating and standing room; (iii) fully equipped and operational food and beverage facilities and other concessions and catering services to serve the suites, club seats and other ticket holders at MLB games in the usual course of

business; and (iv) reasonable access to the Stadium and reasonably adequate parking facilities for MLB games (which may include currently available satellite lots), assuming in each case that the MLB game being staged at the Stadium is sold out.

"Intercreditor Agreement" shall mean the Intercreditor Agreement, dated as of August 1, 2006, by and among the PILOT Bonds Trustee, the Lease Revenue Bonds Trustee and the Installment Purchase Bonds Trustee.

"Interest Account (PILOT Bonds)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Interest Payment Date" shall mean, with respect to a Series of Bonds, the Interest Payment Date set forth in the Supplemental Indenture authorizing such Bonds.

"Issue Date" shall mean the date of delivery of a Series of Bonds

"Issuer" shall mean the Agency.

"January 1 Payment Period" shall mean, unless otherwise designated in a Supplemental Indenture relating to a Series of Bonds, the period commencing on January 1 to and including the succeeding June 30.

"July 1 Payment Period" shall mean, unless otherwise designated in a Supplemental Indenture relating to a Series of Bonds, the period commencing on a July 1 to and including the next succeeding December 31.

"Land" shall mean collectively, the Stadium Site, the North Parking Site and the South Parking Site.

"Late Charge Rate" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"League Schedule" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Lease Revenue Bonds" shall mean collectively, any obligations, issued in any form of debt, authorized by the Lease Revenue Bonds Indenture and secured by a pledge of and lien on the Lease Revenue Trust Estate on a parity with each other and with Parity Obligations, including, but not limited to, Lease Revenue Bonds, notes, bond anticipation notes, and commercial paper, but such term shall not include any Subordinated Indebtedness or Subordinated Obligations.

"Lease Revenue Bonds Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement by and among the Agency, Ballpark LLC and the Dissemination Agent in connection with the issuance of the Series 2006 Taxable Lease Revenue Bonds.

"Lease Revenue Bonds Indenture" shall mean the Lease Revenue Bonds Master Indenture of Trust as from time to time amended or supplemented by Lease Revenue Bonds Supplemental Indentures in accordance with Article XI of Lease Revenue Bonds Indenture.

"**Lease Revenue Bonds Master Indenture of Trust**" shall mean the Lease Revenue Bonds Master Indenture of Trust, dated as of August 1, 2006, between the Agency and the Lease Revenue Bonds Trustee.

"Lease Revenue Bonds Partial Lease Assignment" shall mean the Lease Revenue Bonds Partial Lease Assignment, dated as of August 1, 2006, from the Agency to the Lease Revenue Bonds Trustee.

"Lease Revenue Bonds Trustee" shall mean The Bank of New York, in its capacity as Lease Revenue Bonds Trustee under the Lease Revenue Bonds Indenture, and its successors in such capacity and their assigns appointed in the manner provided in the Lease Revenue Bonds Indenture.

"Lease Revenue Event of Default" shall mean:

(i) Failure in the payment of the interest on any Lease Revenue Bond when the same shall become due and payable;

(ii) Failure in the payment of the principal or redemption premium, if any, of any Lease Revenue Bonds, when the same shall become due and payable, whether at the stated maturity thereof or upon proceedings for redemption thereof or otherwise, or interest accrued thereon to the date of redemption after notice of redemption thereof or otherwise;

(iii) Failure of the Agency to observe or perform any covenant, condition or agreement in the Lease Revenue Bonds or thereunder on its part to be performed (except as set forth in clauses (i) and (ii) above) and (A) continuance of such failure for a period of thirty (30) days after receipt by the Agency of written notice specifying the nature of such default from the Lease Revenue Bonds Trustee or the Lease Revenue Bondholder, or (B) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, the Agency fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(iv) The Agency shall (A) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (F) take any action for the purpose of effecting any of the foregoing, or (G) be adjudicated a bankrupt or insolvent by any court; or

(v) A proceeding or case shall be commenced, without the application or consent of the Agency, in any court of competent jurisdiction, seeking, (A) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (B) the appointment of a trustee, receiver, liquidator, custodian or the like of the Agency or any substantial part of their respective assets, (C) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against the Agency shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (D) the Agency shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code.

"Lease Revenue Security Documents" shall mean, collectively, the Stadium Lease, the Partial Rent Assignment, the Pledge and Assignment (Development Agreement), the Leasehold Rental Mortgage, the Lease Revenue Bonds Indenture and any Supplemental Indentures relating to Lease Revenue Bonds.

"Lease Revenue Surplus Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the Lease Revenue Bonds Indenture.

"Lease Revenue Trust Estate" shall mean (i) all Rental Revenues; (ii) the Lease Revenue Project Fund, (iii) the Lease Revenue Bond Fund (iv) the Lease Revenue Payment Fund, (v) the Lease Revenue Capital Improvement Fund, (vi) the Lease Revenue Surplus , (vii) the Lease Revenue Debt Service Reserve Fund, subject to the application thereof as provided in the Lease Revenue Bonds Indenture; and (viii) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Lease Revenue Bonds Indenture for the Lease Revenue Bonds and Parity Obligations by the Agency, or by anyone on its behalf, or with its written consent, to the Lease Revenue Bond Trustee, which is authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms of the Lease Revenue Bonds Indenture.

"Leasehold PILOT Mortgages" shall mean the PILOT Mortgages from Ballpark LLC and the Agency, as Mortgagors, to the Agency, as Mortgagee, dated as of August 1, 2006.

"Leasehold Rental Mortgage" shall mean the Leasehold Rental Mortgage, dated as of August 1, 2006, from Ballpark LLC and the Agency, as Mortgagors, to the Agency, as Mortgagee.

"Lien" shall mean any liens, encumbrances, charges, judgments, decrees, orders, levies, processes and claims.

"**Liquidated Damages**" shall mean the Liquidated Damages payable under the Non-Relocation Agreement to the City and assigned to the Agency under the Ground Leases.

"Loss Event" shall mean that all or a portion of the Stadium or the Stadium Equipment shall be damaged or destroyed, or taken or condemned by a competent authority for any public use or purpose, or by agreement between the Agency and those authorized to exercise such right or if the temporary use of the Stadium or the Stadium Equipment shall so be taken by condemnation or agreement.

"Maximum Aggregate Annual Debt Service" shall mean, as of any date of calculation, an amount equal to the maximum Aggregate Debt Service coming due on Bonds then Outstanding in any calendar year thereafter, commencing with the then current calendar year, excluding interest to be paid from the proceeds of Bonds or Subordinated Indebtedness and on deposit in the respective Interest Account.

"Maximum Rate" shall mean the maximum rate of interest as set forth in a Supplemental Indenture with respect to a Series of Additional Bonds which are Variable Rate Bonds.

"Mets Limited Partnership" shall mean Mets Limited Partnership, a Delaware limited partnership.

"Mets Partners, Inc." shall mean Mets Partners, Inc., a New York corporation.

"MLB" shall mean Major League Baseball.

"Moody's" shall mean Moody's Investors Service, Inc., or its successors or assigns.

"Mortgaged Equipment" shall mean the Equipment, to the extent that the Equipment or such other property constitutes property which could be subject to, or be the subject of, a real property tax in rem foreclosure proceeding in the City.

"Mortgaged Property" shall mean the property described as such in the Granting Clauses of the Leasehold Rental Mortgage with respect to the Leasehold Rental Mortgage and in the Granting Clauses of the PILOT Mortgages with respect to the PILOT Mortgages.

"Mortgagee" shall mean the Agency under the Leasehold Rental Mortgage and under the PILOT Mortgages.

"Mortgagor" shall mean Ballpark LLC and the Agency under the Leasehold Rental Mortgage and under the PILOT Mortgages.

"Net Proceeds" shall mean, when used with respect to any insurance proceeds or condemnation award, compensation or damages, the gross amount from any such proceeds, award, compensation or damages less all expenses (including attorneys' fees and expenses, and any extraordinary expenses of the Agency or the applicable Bond Trustee) incurred in the collection thereof.

"Non-Completion Termination Date" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Non-Relocation Agreement" shall mean the Non-Relocation Agreement, dated as of August 1, 2006 between the City, ESDC, the Agency, Ambac Assurance Corporation, the Partnership, Mets Partners, Inc. and Mets Limited Partnership, as the same may be amended and supplemented.

"North Parking Site" shall mean the location of the North Site Parking Facilities.

"North Parking Site Lease Agreement" shall mean the North Parking Site Lease Agreement, dated as of August 1, 2006, between the Agency and Ballpark LLC, in regard to the North Parking Site.

"North Site Parking Facilities" shall mean the parking facilities on the Primary Site to be used in connection with the Stadium.

"NYCEDC" shall mean New York City Economic Development Corporation, a not-for-profit local development corporation pursuant to Section 1411 of the New York Not-for-Profit Corporation Law.

"O&M Fund" shall mean the Fund by that name established pursuant to Section 5 of the PILOT Assignment.

"Obligations" shall mean, with respect to the Stadium Lease, all of the Rental Payments to be paid by Ballpark LLC under Article 3 of the Stadium Lease during the Initial Term.

"Obligations" shall mean the following with respect to the PILOT Mortgages:

(i) the payment by Ballpark LLC of the PILOT Obligations, with interest and late payment charges thereon as specified in the PILOT Agreement;

(ii) the payment, performance and observance of all obligations of Ballpark LLC under the PILOT Mortgages whether now existing or hereafter arising, direct or indirect, absolute or contingent, joint or several, due or to become due, liquidated or unliquidated, secured or unsecured; and

(iii) the payment by Ballpark LLC of any damage claim arising out of or resulting from the possible rejection in a bankruptcy proceeding of the PILOT Agreement or the discharge or elimination in any other way of Ballpark LLC's obligations under the PILOT Agreement in the context of any bankruptcy or insolvency of Ballpark LLC.

"Off-Site Parking Facilities" shall mean certain off-site parking facilities to be used in connection with the Stadium.

"On-Site Parking Agreements" shall mean the North Parking Site Lease Agreement and the South Parking Site Lease Agreement.

"On-Site Parking Facilities" shall mean the North Site Parking Facility and the South Site Parking Facility.

"On-Site Parking Sites" shall mean the North Parking Site and the South Parking Site.

"Opinion of Counsel" shall mean a written opinion of counsel who may (except as otherwise expressly provided in the Bond Document) be counsel for Ballpark LLC or the Agency and who shall be acceptable to the applicable Bond Trustee.

"Opinion of Nationally Recognized Bond Counsel" shall mean a written opinion of Nixon Peabody LLP or other counsel acceptable to the Agency, the applicable Bond Trustee and the Bond Insurer experienced in matters relating to bonds issued by states and their political subdivisions.

"Other Swap Payments" shall mean any payments to be made by the Agency pursuant to a Qualified Swap other that the Regularly Scheduled Swap Payments and Swap Termination Payments, and shall include any other fees, expenses, indemnification payments or other payments due thereunder and shall, for the purpose of determining amounts due and amounts to be deposited in the Subordinated Bond Fund, include any accrued but unpaid Other Swap Payments, including any interest due on such unpaid amounts.

"Outstanding," when used with reference to a Bond or Bonds, as of any particular date, shall mean all Bonds which have been issued, executed, authenticated and delivered under the applicable Bond Indenture, except:

(1) Bonds cancelled by the applicable Bond Trustee because of payment or redemption prior to maturity or surrendered to the applicable Bond Trustee under the applicable Bond Indenture for cancellation;

(2) any Bond (or portion of a Bond) for the payment or redemption of which, in accordance with the provisions of the applicable Bond Indenture, there has been separately set aside and held in the applicable Redemption Account of the applicable Bond Fund either:

(a) moneys, and/or

(b) Government Obligations in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys, in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment or redemption date, which payment or redemption date shall be specified in irrevocable instructions given to the applicable Bond Trustee to apply such moneys and/or Government Obligations to such payment on the date so specified, provided, that, if such Bond or portion thereof is to be redeemed, notice of such redemption shall have been given as provided in the applicable Bond Indenture or provision satisfactory to the applicable Bond Trustee shall have been made for the giving of such notice;

(3) Bonds in exchange for or in lieu of which other Bonds shall have been authenticated and delivered under Article III of the applicable Bond Indenture;

(4) Bonds cancelled pursuant to Section 3.08 of the applicable Bond Indenture;

(5) Option Bonds tendered or deemed tendered in accordance with the provisions of the Supplemental Indenture authorizing such Bonds on the applicable tender date, if the purchase price thereof and interest thereon shall have been paid or amounts are available and set aside for such payment as provided in such Supplemental Indenture, except to the extent such tendered Option Bonds are held by the Agency or an issuer of an Enhancement Facility and/or thereafter may be resold pursuant to the terms thereof and of such Supplemental Indenture; and

(6) as may be provided with respect to such Bonds by the Supplemental Indenture authorizing such Bonds.

"Owner" or **"Owners"** shall mean Bondholder or Bondholders.

"**Parity Debt**" means any Parity Reimbursement Obligation or any Parity Swap Obligation. For purposes of Section 8.04 of the PILOT Bonds Master Indenture or Lease Revenue Bonds Master Indenture, any Parity Debt entered into or issued shall specify, to the extent applicable, the interest and principal components of, or the scheduled payments corresponding to interest under, such Parity Debt. Parity Debt shall comply with Section 8.13 of the PILOT Bonds Master Indenture and Lease Revenue Bonds Master Indenture.

"**Parity Reimbursement Obligations**" means a Reimbursement Obligation which is secured by a pledge of and lien on the applicable Trust Estate on a parity with Bonds.

"**Parity Swap Obligations**" means the Agency's obligation to make Regularly Scheduled Swap Payments under a Qualified Swap which are secured by a pledge of and lien on the applicable Trust Estate on a parity with Bonds.

"Parking Facilities" shall mean the Off-Site Parking Facilities and the On-Site Parking Facilities located on the Parking Site which are to be improved and used in connection with the Project.

"Parking Lease Agreements" shall mean collectively, the North Parking Site Lease Agreement and the South Parking Site Lease Agreement.

"Parking Site" shall mean a parcel of land in the Borough and County of Queens and the City and State of New York bounded on the north by the south side of Roosevelt Avenue, on the east by the west side of 126th Street, on the south by lands of the City occupied by the New York City Transit Authority and on the west by the east side of the Grand Central Parkway, but excepting from such parcel the portion thereof fronting on Roosevelt Avenue occupied by the New York City Transit Authority as a substation, which parcel is more particularly bounded and described on Schedule B to the Leasehold Rental Mortgage.

"Partial Lease Assignment" shall mean each of the PILOT Bonds Partial Lease Assignment, the Lease Revenue Bonds Partial Lease Assignment and the Installment Purchase Bonds Partial Lease Assignment.

"Partial Rent Assignment" shall mean the Partial Rent Assignment from the Agency to the Lease Revenue Bonds Trustee, dated as of August 1, 2006.

"Partnership" shall mean Sterling Mets, L.P., a Delaware limited partnership.

"Paying Agent" shall mean any paying agent for the applicable Bonds appointed pursuant to the applicable Bond Indenture (and may include the applicable Bond Trustee) and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the applicable Bond Indenture.

"Payment Period" shall mean, unless otherwise designated in a Supplemental Indenture relating to a Series of Bonds, the January 1 Payment Period or the July 1 Payment Period, as the case may be.

"Permitted Encumbrances" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"PILOT Agreement" shall mean the Payment-in-Lieu-of-Tax Agreement dated as of August 1, 2006 between the Agency and Ballpark LLC, as the same may be amended and supplemented.

"PILOT Assignment" shall mean the PILOT Assignment and Escrow Agreement dated as of August 1, 2006 among the Agency, the PILOT Bonds Trustee, the City and the PILOT Independent Trustee**.**

"PILOT Bond Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Bond Requirement" unless otherwise set forth in a Supplemental Indenture authorizing a particular Series of PILOT Bonds, for any Payment Period shall mean, an amount equal to the sum of (i) the interest due and the Parity Reimbursement Obligations, Regularly Scheduled Swap Payments payable under related Parity Swap Obligations and any Bond Fees related to Series 2006 Tax Exempt PILOT Bonds due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period; (ii) an amount equal to (i) (A) except for the January 1, 2010 Interest Payment Date one-half of the principal and Sinking Fund Installment due and payable on the Series 2006 Tax Exempt PILOT Bonds on the next succeeding January 1 and (B) the related Parity Reimbursement Obligations due and payable on the next succeeding Interest Payment Date or during the next

succeeding Payment Period and (ii) in the case of the January 1, 2010 Interest Payment Date, an amount required by the PILOT Bonds Indenture; (iii) the redemption price of any Series 2006 Tax Exempt PILOT Bonds which is due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period; (iv) the mount necessary to reimburse each Reserve Account Credit Facility Provider for any amounts advanced under its Reserve Account Credit Facility relating to the Series 2006 Tax Exempt PILOT Bonds, including paying interest thereon, in accordance with the terms of such Reserve Account Credit Facility and any reimbursement agreement between the Agency and the Lease Revenue Reserve Account Credit Facility Provider; (v) the amount, if any, necessary to fund the PILOT Debt Service Reserve Fund at the applicable Debt Service Reserve Requirement; and the amount necessary to pay any principal of and interest of Series 2006 Tax Exempt PILOT Bonds not otherwise funded by subparagraphs (i) and (ii) above and any Swap Termination Payments and Other Swap Payments due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period.

"PILOT Bonds" shall mean collectively, any obligation, issued in any form of debt, authorized by the PILOT Bonds Indenture and secured by a pledge of and lien on the PILOT Trust Estate on a parity with each other and with Parity Obligations, including, but not limited to, PILOT Bonds, notes, bond anticipation notes, and commercial paper, but such term shall not include any Subordinated Indebtedness or Subordinated Obligations.

"PILOT Bonds Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement by and among the Agency, Ballpark LLC and the Dissemination Agent in connection with the issuance of the Series 2006 Tax Exempt PILOT Bonds.

"PILOT Bonds Indenture" shall mean the PILOT Bond Master Indenture of Trust, dated as of August 1, 2006, between the Agency and the PILOT Bonds Trustee, as from time to time amended or supplemented by PILOT Bond Supplemental Indentures in accordance with Article XI of the PILOT Bonds Master Indenture.

"**PILOT Bonds Master Indenture of Trust**," dated as of August 1, 2006, between the Agency and the PILOT Bonds Trustee.

"PILOT Bonds Partial Lease Assignment" shall mean the PILOT Bonds Partial Lease Assignment, dated as of August 1, 2006, from the Agency to the PILOT Bonds Trustee.

"PILOT Bonds Rebate Certificate" shall mean a certificate of the Agency delivered to the PILOT Bonds Trustee setting forth the PILOT Bonds Rebate Requirement and directing that a transfer be made to the PILOT Bonds Rebate Fund in the amount of the PILOT Bonds Rebate Requirement, in accordance with the PILOT Bonds Indenture.

"PILOT Bonds Rebate Requirement" shall mean the Rebate Requirement as defined in Section 4 of the Tax Certificate.

"PILOT Bonds Trustee" shall mean The Bank of New York, in its capacity as PILOT Bonds Trustee under the PILOT Bonds Indenture, and its successors in such capacity and their assigns appointed in the manner provided in the PILOT Bonds Indenture.

"PILOT Bonds Trustee Certificate" shall mean the PILOT Bonds Trustee Certificate from the PILOT Bonds Trustee to the Independent Trustee setting forth the PILOT Bond Requirement for the Payment Period beginning during the current PILOT Period.

"PILOT Capital Improvement Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Debt Service Reserve Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Event of Default" shall mean:

(i) Failure in the payment of the interest on any PILOT Bond when the same shall become due and payable;

(ii) Failure in the payment of the principal or redemption premium, if any, of any PILOT Bonds, when the same shall become due and payable, whether at the stated maturity thereof or upon proceedings for redemption thereof or otherwise, or interest accrued thereon to the date of redemption after notice of redemption therefor or otherwise;

(iii) Failure of the Agency to observe or perform any covenant, condition or agreement in the PILOT Bonds or under the PILOT Bonds Indenture on its part to be performed (except as set forth in Section 8.01(a)(i) and (ii) thereof) and (A) continuance of such failure for a period of thirty (30) days after receipt by the Agency of written notice specifying the nature of such default from the PILOT Bonds Trustee or the PILOT Bondholder, or (B) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, the Agency fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(iv) The occurrence of an "Event of Default" under the PILOT Assignment;

(v) The Agency, shall (A) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or PILOT Bonds Trustee of itself or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (F) take any action for the purpose of effecting any of the foregoing, or (G) be adjudicated a bankrupt or insolvent by any court;

(vi) A proceeding or case shall be commenced, without the application or consent of the Agency, in any court of competent jurisdiction, seeking, (A) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (B) the appointment of a PILOT Bonds Trustee, receiver, liquidator, custodian or the like of Ballpark LLC or any substantial part of their respective assets, (C) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against the Agency shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (D) the Agency shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code; or

(vii) With respect to a Series of PILOT Bonds, any additional events as may be specified in the Supplemental Indenture authorizing the issuance of such Series.

"PILOT Fund" shall mean the Fund by that name established pursuant to Section 4 of the PILOT Assignment.

"PILOT Mortgages" shall mean, collectively, each annual obligation of Ballpark LLC, secured by a separate Leasehold PILOT Mortgage, to pay the PILOTs to the Agency under the PILOT Agreement, each dated as of August 1, 2006.

"PILOT Obligations" shall mean the obligation of Ballpark LLC, secured by the PILOT Mortgages, to pay PILOTS to the Agency under the PILOT Agreement, which is intended to be recorded in the Office of the City Register, Queens County.

"PILOT Payment Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Period" shall mean a six-month period (1) beginning December 1 and ending May 31, or (2) beginning June 1 and ending November 30, as applicable.

"PILOT Project Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Rebate Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Receipts" shall mean the proceeds of any PILOTS received by the Independent Trustee.

"PILOT Revenues" shall mean amounts transferred by the Independent Trustee to the PILOT Bonds Trustee pursuant to the PILOT Assignment.

"PILOT Security Documents" shall mean, collectively, the PILOT Assignment, the PILOT Bonds Indenture, the Supplemental Indentures and the PILOT Bond Tax Certificate.

"PILOT Subordinated Indebtedness Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"PILOT Trust Estate" shall mean (i) all PILOT Revenues; (ii) the PILOT Project Fund, (iii) the Project Renewal Fund, (iv) the PILOT Bond Fund and (v) the PILOT Debt Service Reserve Fund, subject to the application thereof as provided in the PILOT Bonds Indenture; and (vi) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the PILOT Bonds and Parity Obligations by the Agency, or by anyone on its behalf, or with its written consent, to the PILOT Bonds Trustee, which is thereby authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms thereof; provided, however, that no such additional security shall be received, held or applied by the PILOT Bonds Trustee unless accompanied by a Counsel's Opinion to the effect that such additional security may be pledged under the Act and that it would not cause the PILOT Bonds or Parity Obligations to constitute a debt or liability of the State within the meaning of any constitutional or statutory provision or restriction, unless such constitutional or statutory provision or restriction shall have been complied with; provided, however, that the PILOT Trust Estate shall not include, as to any PILOT Bond, any moneys or securities held in the PILOT Rebate Fund, any moneys or securities set aside under the PILOT Bonds Indenture specifically for the payment of other PILOT Bonds pursuant to Sections 4.06, 11.01 and 11.03 of the PILOT Bonds Indenture or otherwise and, as to any Option PILOT Bond, any moneys or securities set aside for the purchase thereof as may be provided in the PILOT Bonds Indenture.

"PILOT Year" shall mean the twelve-month period commencing on December 1 of each calendar year and ending on November 30 of the following calendar year.

"PILOTs" means payments in lieu of taxes.

"Plans and Specifications" shall be as defined in "Appendix F - Summary of the Stadium Lease" in respect to the Project and, when used in regard to the Stadium Equipment pursuant to the Installment Sale Agreement, shall mean the plans and specifications prepared for the acquisition and installation of the Stadium Equipment by or on behalf of Ballpark LLC, as amended from time to time by or on behalf of Ballpark LLC to reflect any remodeling or relocating of the Stadium Equipment or substitutions, additions, modifications and improvements to the Stadium Equipment made by Ballpark LLC, said plans and specifications being duly certified by an Authorized Representative of Ballpark LLC and filed in the principal corporate trust office of the Installment Purchase Bond Trustee and available to the Agency.

"Pledge and Assignment (Development Agreement)" shall mean the Pledge and Assignment (Development Agreement), dated as of August 1, 2006, from the Agency to the Lease Revenue Bonds Trustee.

"Pledge and Assignment (Installment Sale Agreement)" shall mean the Pledge and Assignment (Installment Sale Agreement), dated as of August 1, 2006, from the Agency to the Installment Purchase Bonds Trustee.

"Primary Site" shall mean the certain parcel of land on which the Stadium will be located in the Borough and County of Queens and the City and State of New York bounded on the north by the south side of Northern Boulevard, on the east by the west side of 126th Street, on the south by the north side of Roosevelt Avenue and on the west by the east side of Grand Central Parkway, which is more particularly described on Schedule A attached to the Stadium Lease.

"Primary Site Ground Lease" shall mean the Primary Site Ground Lease between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006, as it may be amended from time to time.

"Principal Account (PILOT Bonds)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Principal Installment" shall mean, as of any date of calculation and with respect to any Series so long as any Bonds thereof are Outstanding, (i) the principal amount of Bonds (including the principal amount of any Option Bonds tendered for payment and not purchased) of such Series due (or so tendered for payment and not purchased) on any date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance of any Sinking Fund Installments due on any date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if both clause (i) and clause (ii) apply on the same date with respect to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such date plus such applicable redemption premiums, if any.

"Principal Payment Date" shall mean, unless otherwise specified in a Supplemental Indenture authorizing a Series of Bonds, January 1.

"Pro Forma PILOT Revenue Coverage Percentage", with respect to a particular Series of Additional Bonds, shall be the percentage determined by dividing PILOT Revenues (which calculation of PILOT Revenues shall include the increased PILOT Revenues resulting from the Project and/or Capital Improvement financed with the proceeds of such Additional Bonds, if any) by Maximum Aggregate Annual Debt Service (which calculation of Maximum Aggregate Annual Debt Service shall include such Additional Bonds) payable in any Bond Year.

"Prohibited Person" shall mean (i) any Person (A) that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with the Agency or the City, or (B) that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with the Agency or the City, unless such default or breach has been waived in writing by the Agency or the City, as the case may be, and (ii) any Person (A) that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or (B) that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

"Project" shall mean (a) the design, development, acquisition, construction and equipping of the Stadium, (b) the construction and/or improvement of the On-Site Parking Facilities; and (c) the demolition of the existing baseball stadium on the Primary Site known as Shea Stadium.

"Project Costs" shall mean costs, expenses and purposes for which Bonds may be issued under the Act, including, but not limited to, the following: (i) the cost of preparing the Plans and Specifications and any preliminary study or planning of the Project or any aspect thereof, including, without limitation, environmental studies, site testing, traffic surveys and similar studies; (ii) all costs of acquiring, designing, constructing, renovating, equipping, and installing the Project (including architectural, engineering and supervisory services with respect to the Project, any expense incurred prior to the date the Project is placed in service that is either (a) chargeable to the capital account of the Project, or would be so chargeable either with an election or but for the election to deduct the amount of such expense or (b) in the aggregate with all such other similar expenses, not in excess of 5% of the gross proceeds of the Bonds, and deemed necessary, desirable or incidental to the Project within the meaning of the Enabling Act, and all insurance premiums payable by the Agency with respect to the Project during the construction period); (iii) all fees, taxes, charges and other expenses for recording or filing, as the case may be, any security interest contemplated by the applicable Bond Indenture; (iv) the premium on any fee or mortgagee title insurance procured on the Land and the Improvements; (v) interest payable on the Bonds during the Construction Period and interest payable during such Construction Period on such interim financing as Ballpark LLC or any Affiliate may have secured with respect to the Stadium Project in contemplation of the issuance of the Bonds; (vi) all legal, accounting, financing, consulting and any other fees, costs and expenses incurred in connection with the preparation, printing, reproduction, authorization, issuance, execution, sale and distribution of the Bonds, any Additional Bonds and the Bond Documents and all other documents in connection herewith or therewith, with the issuance of the Bond Insurance, with the acquisition of title to the Project and with any other transaction contemplated by the Stadium Lease or the applicable Bond Indenture; (vii) the acceptance fee and annual fee and reasonable legal fees and disbursements of the Bond Trustees; (viii) reimbursement to Ballpark LLC for any of the above-enumerated costs and expenses incurred after date of Official Action; (ix) costs of establishing or maintaining reserves required or permitted by the applicable Bond Indenture, including, but not limited to, debt service reserve; (x) costs of issuing Bonds or costs incidental to their payment or security, including, but not limited to, fees, expenses, and costs payable, and reimbursements, under Enhancement Facilities; and (xi) payment of principal, interest, and redemption, tender or purchase price of any (a) Bonds issued by the Agency for the payment of any Costs, (b) Bonds issued to refund other Bonds, or (c) any other bonds, notes, or other evidences of indebtedness issued by the Agency for purposes of the Act. Notwithstanding the foregoing, Costs shall not include (1) depreciation or obsolescence charges or reserves therefor, (2) amortization of intangibles or other bookkeeping entries of a similar nature; or (3) any costs of the Agency relating to a Separately Financed Program.

"Project Renewal Fund" shall mean the Fund by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Purchase Contracts" shall mean the Tax Exempt Bonds Purchase Contract and the Taxable Bonds Purchase Contract.

"Purchase Price" shall mean, with respect to any Bond, 100% of the principal amount thereof plus accrued and unpaid interest, if any, plus, in the case of a Bond subject to mandatory tender for purchase on a date when such Bond is also subject to optional redemption at a premium, an amount equal to the premium that would be payable on such Bond if redeemed on such date.

"Qualified Investments" shall mean, so long as Ambac Assurance Corporation insures the Bonds, the following investments for all purposes other than Defeasance pursuant to the Master Indenture:

(i) Obligations of, or obligations guaranteed as to principal and interest by, the United States of America or an agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America, including:

- U.S. Treasury obligations
- All direct or fully guaranteed obligations
- Farmers Home Administration
- General Services Administration
- Guaranteed Title XI financing
- Government National Mortgage Association
- State and Local Government Series

(ii) Direct obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America:

- Export-Import Bank
- Rural Economic Community Development Administration
- U.S. Maritime Administration
- Small Business Administration
- U.S. Department of Housing & Urban Development (PHAs)
- Federal Housing Administration
- Federal Financing Bank

(iii) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations issued by the Federal National Mortgage Association
- (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
- Obligations of the Resolution Funding Corporation (REFCORP)
- Senior debt obligations of the Federal Home Loan Bank System
- Senior debt obligations of other Government Sponsored Agencies approved by the Bond Insurer

(iv) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.);

(v) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(vi) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

(vii) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the Agency prior to maturity or as to which irrevocable instructions have been given by the Agency to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (a)(ii) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(viii) Municipal Obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P.

(ix) Investment Agreements approved in writing by the Bond Insurer (supported by appropriate opinions of counsel); and

(x) Other forms of investments (including repurchase agreements) approved in writing by Ambac Assurance.

The value of the above investments shall be determined as follows:

(i) For the purpose of determining the amount in any fund, all Qualified Investments credited to such fund shall be valued at fair market value. The applicable Bond Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by Financial Times Interactive Data Corporation, Merrill Lynch, Salomon Smith Barney, Bear Stearns, or Lehman Brothers.

(ii) As to certificates of deposit and bankers' acceptances: the face amount thereof, plus accrued interest thereon; and

(iii) As to any investment not specified above: the value thereof established pursuant to prior agreement among the Agency, the applicable Bonds Trustee and the Bond Insurer.

"Qualified Swap" shall mean, to the extent from time to time permitted by law, with respect to Bonds, (a) any financial arrangement (i) which is entered into by the Agency with an entity that is a Qualified Swap Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar, forward rate, future rate, swap (such swap may be based on an amount equal either to the principal amount of such Bonds of the Agency as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Bonds), asset, index, price or market-linked transaction or agreement, other exchange or rate protection transaction agreement, other similar transaction (however designated), or any combination thereof, or any option with respect to any of the foregoing, executed by the Agency, and (iii) which has been designated as a Qualified Swap with respect to such Bonds in a written determination signed by an Agency Authorized Representative and filed with the applicable Bond Trustee, and (b) any letter of credit, line of credit, policy of insurance, surety bond, guarantee or similar instrument securing the obligations of the Agency under any financial arrangement described in clause (a) above.

"Qualified Swap Provider" shall mean an entity whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, are rated at the time of the execution of such Qualified Swap either (i) at least as high as the second highest Rating Category of each Rating Agency then maintaining a rating for the Qualified Swap Provider, but in no event lower than any Rating Category designated by any such Rating Agency for the Installment Purchase Bonds subject to such Qualified Swap, or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Agency and the applicable Bond Trustee will not, by itself, result in a reduction or withdrawal of its rating on the Outstanding Bonds subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap.

"Rating Agency" with respect to Outstanding Bonds, shall mean each nationally recognized securities rating agency then maintaining a rating on such Bonds at the request of the Agency.

"Rating Category" shall mean one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

"Rating Confirmation" shall mean evidence that no rating assigned by a Rating Agency to a Bond issued under a particular Bond Indenture will be withdrawn or reduced solely as a result of the issuance of Additional Bonds under such Bond Indenture.

"Record Date" shall mean, with respect to any Interest Payment Date for the Bonds, the close of business on the fifteenth (15th) day of the month next preceding such Interest Payment Date, or, if such day is not a Business Day, the next preceding Business Day, or such other date as may be specified in the Supplemental Indenture authorizing such Bonds.

"Redemption Account (PILOT Bonds)" shall mean the Account by that name established pursuant to Section 5.01 of the PILOT Bonds Indenture.

"Redemption Date" shall mean, when used with respect to a Bond, the date on which the principal amount thereof shall be payable prior to maturity pursuant to the applicable Bond Indenture.

"Redemption Price" shall mean, with respect to any Bond or a portion thereof, the principal amount thereof to be redeemed in whole or in part, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or the applicable Bond Indenture, or such price as may be specified in a Supplemental Indenture.

"Refunding Bonds" shall mean all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Section 2.03 of the applicable Bond Indenture.

"Registrar" shall mean any registrar for the Bonds of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the applicable Bond Indenture or a Supplemental Indenture.

"Regularly Scheduled Swap Payments" shall mean those payments to be made by or to the Agency at regularly scheduled intervals or on regularly scheduled dates pursuant to a Qualified Swap and shall, for the purpose of determining amounts due and amounts to be deposited in the respective Bond Fund or Subordinated Bond Fund, as applicable, include any accrued but unpaid Regularly Scheduled Swap Payments, including any interest due on such unpaid amounts.

"Reimbursed Party" shall mean any beneficiary of any Reimbursement Obligations in connection with the PILOT Bonds.

"Reimbursement Certification" shall have the meaning given to it in Section 11(a)(i) of the PILOT Assignment.

"Reimbursement Date" shall have the meaning given to it in Section 11(a)(i) of the PILOT Assignment.

"Reimbursement Obligation" shall mean a Credit Facility Reimbursement Obligation.

"Reimbursement Payment" shall have the meaning given to it in Section 11(a)(i) of the PILOT Assignment.

"Rental" shall be as defined in "Appendix F – Summary of the Stadium Lease."

"Rental Payment Date" shall mean each December 1 and June 1.

"Rental Payments" shall mean revenues of the Agency derived or to be derived from the payment by Ballpark LLC of the Initial Term Base Rent.

"Reserve Account Credit Facility" shall mean (i) any irrevocable, unconditional letter of credit issued by a bank or savings and loan association whose long-term uncollateralized debt obligations are rated in one of the two highest Rating Categories by each nationally recognized rating agency then rating any Series of Bonds at the request of the Agency, or if no Series of Bonds is then rated, by any nationally recognized rating agency, and (ii) any insurance policy providing substantially equivalent liquidity as an irrevocable, unconditional letter of credit, and which is issued by a municipal bond or other insurance company, obligations insured by which are rated in one of

the two highest Rating Categories by each nationally recognized rating agency then rating any Series of Bonds at the request of the Agency, or if no Series of Bonds is then rated, by a nationally recognized rating agency, and which is used, to the extent permitted under applicable law, including the Act, to fund all or a portion of a Debt Service Reserve Fund Requirement.

"Reserve Account Credit Facility Provider" shall mean the provider of a Reserve Account Credit Facility.

"Reserved Rights" shall mean the Agency's Reserved Rights.

"Restoration Proceeds" means collectively, the Net Proceeds and the Additional Proceeds.

"Retained Rights" shall have the meaning given to in "Appendix G – Summary of the Stadium Use Agreement."

"Retained Rights Agreements" shall mean all agreements entered into with respect to the Retained Rights (together with the terms and conditions of such agreements).

"Retained Rights Revenue" shall mean the revenue derived from any or all of the Retained Rights.

"Retained Seats" shall mean the seats contained in those seating areas that will be located in that portion of the Stadium in substantially the same location as the Retained Seats Area, which shall include club seats as well as other premium seats that do not have access to a designated club facility.

"Retained Seats Revenue" shall mean proceeds derived from the sale, lease or license of the use of any Retained Seats for Team Home Games.

"S&P" shall mean Standard & Poor's Ratings Service, or its successors or assigns.

"Sales Tax Letter" shall mean the Letter of Authorization for Sales Tax Exemption, which the Agency shall make available to Ballpark LLC in accordance with and substantially in the form set forth in the Appendices to the Installment Sale Agreement, the Development Agreement or the Stadium Lease, as applicable.

"Separately Financed Program" shall mean, collectively, (i) any program, project or purpose described as such in Section 2.08 of the applicable Bond Indenture and (ii) any program, project or purpose of the Agency unrelated to the Project.

"Series" shall mean all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the applicable Bond Indenture.

"Series 2006 Taxable Installment Purchase Bonds" shall mean the Agency's $58,450,000 Installment Purchase Bonds (Queens Baseball Stadium Project), Series 2006.

"**Series 2006 Taxable Lease Revenue Bonds"** shall mean the Agency's $7,115,000 Lease Revenue Bonds (Queens Baseball Stadium Project), Series 2006.

"**Series 2006 Tax Exempt PILOT Bonds**" shall mean the Agency's $547,355,000 PILOT Bonds (Queens Baseball Stadium Project), Series 2006.

"Sinking Fund Installment" shall mean (a) with respect to a Series of Bonds, an amount so designated in a Supplemented Indenture, and (b), with respect to any Parity Reimbursement Obligations, the amount due thereunder as sinking fund installments payable on a parity with the Bonds attributable to any principal on Bonds purchased or otherwise paid.

"South Parking Site" shall mean the location of the South Site Parking Facilities.

"South Parking Site Ground Lease" shall mean the South Parking Site Ground Lease between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006, as it may be amended from time to time.

"South Parking Site Lease Agreement" shall mean the South Parking Site Lease Agreement, dated as of August 1, 2006, between the Agency and Ballpark LLC, in regard to the South Parking Site.

"South Site Parking Facilities" shall mean the parking facilities to be used in connection with the Stadium located on the South Parking Site.

"Stadium" shall mean the approximately 45,000 seating and standing room capacity Major League Baseball stadium, including related concession areas, ancillary structures and other improvements (but excluding the Stadium Equipment).

"Stadium Equipment" shall mean those items of equipment, furniture, furnishings or other tangible personalty acquired for installation or use at the Facility Realty as part of the Project pursuant to Section 2.1 of the Installment Sale Agreement and described in the Description of Stadium Equipment in the Appendices attached thereto and made a part thereof, together with all repairs, replacements, improvements, substitutions and renewals thereof or therefor, and all parts, additions and accessories incorporated therein or affixed thereto. The Stadium Equipment shall, in accordance with the provisions of Sections 4.2 and 5.1 of the Installment Sale Agreement, include all property substituted for or replacing items of Stadium Equipment and exclude all items of Stadium Equipment so substituted for or replaced, and further exclude all items of Stadium Equipment removed as provided in Section 4.2 of the Installment Sale Agreement.

"Stadium Lease Agreement" or **"Stadium Lease"** means the Stadium Lease Agreement, dated as of August 1, 2006, by and between the Agency, as Landlord and Ballpark LLC, as Tenant, and all exhibits thereto and all amendments, modifications, and supplements thereof.

"Stadium Site" shall mean the portion of the Primary Site described on Schedule B to the Stadium Lease Agreement.

"Stadium Use Agreement" shall mean the Stadium Use Agreement, dated as of August 1, 2006, by and between Ballpark LLC and the Partnership, as the same may be amended and supplemented.

"State" shall mean the State of New York.

"Stay Period" shall mean, upon the occurrence and during the continuation of an Event of Default under the Leasehold Rental Mortgage and/or the PILOT Mortgages, the period of time when the Mortgagee thereunder shall not exercise any remedy or take any other action which would result in the termination of any of the rights of the Partnership to use the Facility in accordance with and pursuant to the terms of the Stadium Use Agreement, commencing on the date of the occurrence of such Event of Default and ending on the date that is six (6) months after the date of such commencement; provided that if the Stay Period expires during a Team Season, the Stay Period shall be extended to the day after the last day of such Team Season.

"Subordinated Indebtedness", as used in the applicable Bond Indenture, shall mean any bond, note or other indebtedness authorized by a resolution or indenture of the Agency and permitted under the Act and designated as constituting "Subordinated Indebtedness" in a certificate of an Agency Authorized Representative delivered to the applicable Bond Trustee, which shall be payable from the applicable Trust Estate subject and subordinate to the prior payments to be made therefrom as provided for in the applicable Indenture. Subordinated Indebtedness may be secured by a lien on and pledge of the applicable Trust Estate junior and inferior to the lien on and pledge of the applicable Trust Estate in the applicable Bond Indenture created for the payment of the Bonds and Parity Obligations to the extent permitted by the applicable Bond Indenture, and may also be payable from such other sources and additionally secured as provided by the applicable Bond Indenture.

"Subordinate Mortgagee" shall mean, when used in the Leasehold Rental Mortgage, any mortgage encumbering all or any portion of the Mortgaged Property that is subordinate in lien to the lien of the Leasehold Rental Mortgage and, when used in the PILOT Mortgages, any mortgage encumbering all or any portion of the Mortgaged Property that is subordinate in lien to the lien of the PILOT Mortgages.

"Subordinated Obligation", as used in the applicable Bond Indenture, shall mean any payment obligation (other than a payment obligation constituting a Parity Obligation or Subordinated Indebtedness) of the Agency incurred pursuant to the Act arising under any contract, agreement or other obligation incurred with respect to the applicable Trust Estate not constituting Bonds or Parity Obligations. Each Subordinated Obligation shall be payable from the applicable Trust Estate subject and subordinate to the prior payments to be made therefrom as provided for in the applicable Bonds Indenture. Subordinated Obligations may be secured by a lien on and pledge of the applicable Trust Estate junior and inferior to the lien on and pledge of the applicable Trust Estate therein created for the payment of the applicable Bonds and Parity Obligations to the extent permitted by the applicable Bond Indenture, and may also be payable from such other sources and additionally secured as provided by the applicable Bond Indenture.

"Substantial Completion", "Substantially Completed" or "Substantially Complete Construction of the Stadium" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Substantial Taking" shall be as defined in "Appendix F - Summary of the Stadium Lease."

"Supplemental Indenture" shall mean any Bond Indenture supplemental to or amendatory of a Bond Indenture, executed and delivered by the Agency and the related Bond Trustee in accordance with Article XI of the applicable Bond Indenture.

"Swap Termination Payments" shall mean any payments to be made by or to the Agency pursuant to a Qualified Swap arising out of events of termination or default thereunder, and shall not include Regularly Scheduled Swap Payments and Other Swap Payments and shall, for the purpose of determining amounts due and amounts to be deposited in the Subordinated Bond Fund, include any accrued but unpaid Swap Termination Payments, including any interest due on such unpaid amounts.

"Taking" shall be as defined in "Appendix F - Summary of the Stadium Lease."

"Tax Certificate" with respect to any Series of Tax Exempt Bonds, shall mean the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986.

"Tax Exempt Bonds" shall mean Bonds the interest on which is intended by the Agency to be generally excluded from gross income for federal income tax purposes.

"Tax Exempt Bonds Purchase Contract" shall mean the Purchase Contract between the Agency, Ballpark LLC and the Underwriters named therein in connection with the Series 2006 Tax Exempt PILOT Bonds.

"Tax Exempt PILOT Bondholder" or "Tax Exempt PILOT Bondholders" shall mean the registered owners of the applicable Tax Exempt PILOT Bonds as shown on register of Tax Exempt PILOT Bond owners maintained by the applicable Bond Registrar.

"Taxable Bondholder" or "Taxable Bondholders" shall mean the registered owners of the applicable Taxable Bonds as shown on register of Taxable Bond owners maintained by the applicable Bond Registrar.

"Taxable Bonds" shall mean Bonds which are not Tax Exempt Bonds.

"Taxable Bonds Purchase Contract" shall mean the Purchase Contract between the Agency, Ballpark LLC and the Initial Purchasers in connection with the Series 2006 Taxable Installment Purchase Bonds and the Series 2006 Taxable Lease Revenue Bonds.

"Team" means the New York Mets Major League Baseball Team.

"**Team Home Games**" or **"Home Games"** means each Team game played at the Stadium that is designated as a "home game" in the League Schedule.

"Team Season" shall mean the period from the date of the first Team Home Game (as defined in the Stadium Lease) to the date of the last Team Home Game in each Lease Year (as defined in the Stadium Lease) or such other period as shall be fixed by Major League Baseball (as defined in the Stadium Lease).

"Termination Payment" shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease."

"Trust Estate" shall mean each of the Installment Purchase Trust Estate, the Lease Revenue Trust Estate and the PILOT Trust Estate.

"Unassigned PILOT Rights" shall mean the Rights of the Agency under Sections 8(a), 15 and 18 of the PILOT Agreement.

"Unavoidable Delays", when used with respect to the Stadium Lease shall have the meaning given to it in "Appendix F - Summary of the Stadium Lease" and when used with respect to the Development Agreement shall have the meaning given to it in "Appendix D – Summary of the Development Agreement."

"Variable Rate Bonds" shall mean, as of any date of determination, any Bonds on which the interest rate borne thereby may vary thereafter.

APPENDIX C — SPECIMEN BOND INSURANCE POLICY

Ambac

Financial Guaranty Insurance Policy

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004
Telephone: (212) 668-0340

Obligor: Policy Number:

Obligations: Premium:

Ambac Assurance Corporation (Ambac), a Wisconsin stock insurance corporation, in consideration of the payment of the premium and subject to the terms of this Policy, hereby agrees to pay to The Bank of New York, as trustee, or its successor (the "Insurance Trustee"), for the benefit of the Holders, that portion of the principal of and interest on the above-described obligations (the "Obligations") which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor.

Ambac will make such payments to the Insurance Trustee within one (1) business day following written notification to Ambac of Nonpayment. Upon a Holder's presentation and surrender to the Insurance Trustee of such unpaid Obligations or related coupons, uncanceled and in bearer form and free of any adverse claim, the Insurance Trustee will disburse to the Holder the amount of principal and interest which is then Due for Payment but is unpaid. Upon such disbursement, Ambac shall become the owner of the surrendered Obligations and/or coupons and shall be fully subrogated to all of the Holder's rights to payment thereon.

In cases where the Obligations are issued in registered form, the Insurance Trustee shall disburse principal to a Holder only upon presentation and surrender to the Insurance Trustee of the unpaid Obligation, uncanceled and free of any adverse claim, together with an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee duly executed by the Holder or such Holder's duly authorized representative, so as to permit ownership of such Obligation to be registered in the name of Ambac or its nominee. The Insurance Trustee shall disburse interest to a Holder of a registered Obligation only upon presentation to the Insurance Trustee of proof that the claimant is the person entitled to the payment of interest on the Obligation and delivery to the Insurance Trustee of an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee, duly executed by the Holder or such Holder's duly authorized representative, transferring to Ambac all rights under such Obligation to receive the interest in respect of which the insurance disbursement was made. Ambac shall be subrogated to all of the Holders' rights to payment on registered Obligations to the extent of any insurance disbursements so made.

In the event that a trustee or paying agent for the Obligations has notice that any payment of principal of or interest on an Obligation which has become Due for Payment and which is made to a Holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from the Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such Holder will be entitled to payment from Ambac to the extent of such recovery if sufficient funds are not otherwise available.

As used herein, the term "Holder" means any person other than (i) the Obligor or (ii) any person whose obligations constitute the underlying security or source of payment for the Obligations who, at the time of Nonpayment, is the owner of an Obligation or of a coupon relating to an Obligation. As used herein, "Due for Payment", when referring to the principal of Obligations, is when the scheduled maturity date or mandatory redemption date for the application of a required sinking fund installment has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of required sinking fund installments), acceleration or other advancement of maturity; and, when referring to interest on the Obligations, is when the scheduled date for payment of interest has been reached. As used herein, "Nonpayment" means the failure of the Obligor to have provided sufficient funds to the trustee or paying agent for payment in full of all principal of and interest on the Obligations which are Due for Payment.

This Policy is noncancelable. The premium on this Policy is not refundable for any reason, including payment of the Obligations prior to maturity. This Policy does not insure against loss of any prepayment or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Ambac, nor against any risk other than Nonpayment.

In witness whereof, Ambac has caused this Policy to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

President

AMBAC ASSURANCE CORPORATION CORPORATE SEAL WISCONSIN

Secretary

Effective Date:

Authorized Representative

THE BANK OF NEW YORK acknowledges that it has agreed to perform the duties of Insurance Trustee under this Policy.

Authorized Officer of Insurance Trustee

Form No.: 2B-0012 (1/01)

Ambac

Ambac Assurance Corporation
One State Street Plaza,
New York, New York 10004
Telephone: (212) 668-0340

Endorsement

Policy for:

Attached to and forming part of Policy No.:

Effective Date of Endorsement:

The insurance provided by this Policy is not covered by the property/casualty insurance security fund specified by the insurance laws of the State of New York.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned Policy other than as above stated.

In Witness Whereof, Ambac has caused this Endorsement to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

Ambac Assurance Corporation

Robert J. Genader

AMBAC ASSURANCE CORPORATION CORPORATE SEAL WISCONSIN

Anne G. Gill

President

Secretary

Authorized Representative

APPENDIX D

SUMMARY OF THE DEVELOPMENT AGREEMENT

The following is a brief summary of certain provisions of the Development Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the Development Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

Definitions

"Affiliate" or "Affiliates" shall mean (a) any Person that has, directly or indirectly, a ten percent (10%) or greater ownership interest in Ballpark LLC or the Partnership, or any Person in which Ballpark LLC, the Partnership, any partner, member or shareholder of Ballpark LLC or the Partnership, or any partner, member or shareholder of any Person that is a partner, member or shareholder of Ballpark LLC or the Team, has a ten percent (10%) or greater ownership interest, or (b) any individual who is a member of the immediate family (whether by birth or marriage) of an individual who is an Affiliate, which includes for purposes of this definition a spouse, a brother or sister of the whole or half blood (including an individual related by or through legal adoption) of such individual or his/her spouse, a lineal descendant or ancestor (including an individual related by or through legal adoption) of any of the foregoing, or a trust for the benefit of any of the foregoing. Ownership of or by Ballpark LLC or the Partnership referred to in this definition includes beneficial ownership effected by ownership of intermediate entities.

"Architect" shall mean HOK Sports Facilities Architects, P.C. d/b/a HOK Sport + Venue + Event (HOK Sport) or any other registered duly licensed architect or engineer selected by Ballpark LLC and reasonably satisfactory to the Agency to perform architectural design, engineering, contract administration and supervision services with respect to the Construction Work.

"Architect's Agreement" shall mean the agreement between Ballpark LLC and the Architect for architectural services in connection with the design, development, acquiring, construction and equipping of the Stadium and the construction and/or improvement of the On-Site Parking Facilities, together with all amendments and modifications thereto, it being agreed that any material amendments and modifications thereto shall be subject to the Agency's approval, which shall not be unreasonably withheld.

"Authorized Representative" shall mean, (i) in the case of the Agency, the Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary, Executive Director, Deputy Executive Director, General Counsel or Vice President for Legal Affairs of the Agency, or any officer or employee of the Agency authorized to perform specific acts or to discharge specific duties, (ii) in the case of Ballpark LLC, any officer of Ballpark LLC, including its Chairman, President, Chief Operating Officer, any Vice President, (including any Executive Vice President or Senior Vice President), and any Treasurer, Assistant Treasurer, Secretary or Assistant Secretary.

"Bond Proceeds" shall mean the proceeds of the issuance of the PILOT Bonds and the Lease Revenue Bonds.

"Certificate of Occupancy" shall mean the earlier to be issued of a temporary or permanent certificate of occupancy, or its functional equivalent, with respect to the Stadium and the On-Site Parking

Facilities, as the case may be, issued by the City's Department of Buildings, or other City agency having jurisdiction over the Premises.

"Change Order" shall mean any change with respect to the construction and/or equipping of the Stadium and the On-Site Parking Facilities under the Construction Contract, prepared on AIA Document G701.

"Construction Agreement(s)" shall mean any agreement for Construction Work, including, without limitation, the Construction Contract, together with any and all amendments and modifications thereof.

"Construction Contract" shall mean the Guaranteed Maximum Price agreement between Ballpark LLC and the Contractor with respect to the construction and equipping of the Stadium and the construction and/or improvement of the On-Site Parking Facilities, dated a date to be determined together with any and all amendments and modifications thereto, it being agreed that any material amendments and modifications thereto shall be subject to the Agency's approval, which shall not be unreasonably withheld.

"Construction Monitor" shall mean Merritt & Harris, Inc. or any other engineering firm selected by Ballpark LLC and reasonably satisfactory to the Agency for the purpose of reviewing the Contract Documents, making inspections of the Stadium and the On-Site Parking Facilities during the Construction Period on behalf of the Agency and issuing reports to the Agency that (a) detail the Construction Work completed to date, (b) review and advise on all requisitions for disbursement of Bond Proceeds, (c) provide an analysis of the adequacy of the Source of Funds to complete the Project and (d) analyze and advise on all proposed Material Change Orders.

"Construction Period" shall mean the period beginning on the Effective Date and ending on the Final Completion Date.

"Construction Work" shall mean any demolition and/or construction performed in connection with the Project.

"Contract Documents" shall mean the Architect's Agreement, the Plans and Specifications, the Construction Contract and the Payment and Performance Bonds.

"Contractor" shall mean Hunt/Bovis Lend Lease Alliance II, a Joint Venture or any other contractor selected by Ballpark LLC and reasonably satisfactory to the Agency to perform the Construction Work.

"Conviction" shall have the meaning set forth in the section below entitled "Indictment."

"Default" shall mean any condition or event, or failure of any condition or event to occur, which constitutes or would, after notice or the lapse of time, or both, constitute an Event of Default.

"Development Agreement Administrator" shall mean the New York City Department of Parks and Recreation or its successor-in-function, or such other governmental or quasi-governmental agency or instrumentality designated by the Agency, consented to by the City and approved by Ballpark LLC, which approval will not be unreasonably withheld.

"Equipment" shall mean all fixtures and equipment incorporated in, or attached to, and used or usable in the operation and/or maintenance of the Stadium and the On-Site Parking Facilities and will

include, without limitation, all machinery, apparatus, devices, motors, engines, dynamos, compressors, pumps, boilers and burners, heating, lighting, plumbing, ventilating, air cooling and air conditioning equipment; chutes, ducts, pipes, tanks, fittings, conduits and wiring; incinerating equipment; elevators, escalators and hoists; doors, hardware; floor, wall and ceiling coverings; wash room, toilet and lavatory equipment; lockers; windows, window washing hoists and equipment; communication equipment; and all additions or replacements thereof, in each case as incorporated in, or permanently attached to, the Stadium by Ballpark LLC, as the agent of the Agency, pursuant to the Plans and Specifications, but excluding, however, from the definition of Equipment any personalty or trade fixtures not incorporated into or permanently attached to the Premises.

"Event of Default" shall have the meaning set forth below under the heading "Events of Default."

"Expiration Date" shall mean the day that is one month after Final Completion of the Project; provided that if either the Agency or Ballpark LLC, as the case may be, exercises its right to terminate the Development Agreement pursuant to any provision of the Development Agreement granting such right to the Agency or Ballpark LLC (or as otherwise provided in accordance with law), as the case may be, the Expiration Date will be the date on which such termination becomes effective in accordance with such provision.

"Fee Owner" shall mean the City or any successor-in-interest in fee title to the Land.

"Final Completion" shall mean completion of all of the items on the Final Punch List.

"Final Punch List" shall mean a list formulated by the Architect and/or the Contractor, after Substantial Completion setting forth a description of any Construction Work to be corrected or completed in accordance with the Plans and Specifications or any observable defects and deficiencies and any other defects or deficiencies in the Construction Work of which the Architect has knowledge, including, without limitation, deficiencies due to non-compliance with Requirements.

"Funding Agreement(s)" shall mean (a) a certain Funding Agreement between MDC and EDC, dated as of June 7, 2006, and (b) a certain Funding Agreement among EDC, ESDC and Ballpark LLC, dated as of August 2, 2006 (the "Big Funding Agreement").

"Governmental Authority" or "Authorities" shall mean the United States of America, the State, the City and any agency, department, legislative body, commission, board, bureau, instrumentality or political subdivision of any of the foregoing, now existing or hereafter created, having jurisdiction over the Premises or any portion thereof or any street, road, avenue, sidewalk or water immediately adjacent to the Premises, or any vault in or under the Premises, or over the design, development, acquisition, construction, equipping, ownership, use, operation, maintenance, repair, rebuilding and/or leasing of the Stadium and the On-Site Parking Facilities.

"Hazardous Materials" shall have the meaning set forth under the heading "Obligation to Preserve Against Liability; Ballpark LLC Obligation to Indemnify—Hazardous Materials."

"Improvements" shall mean the Stadium, the On-Site Parking Facilities and any and all structures or other improvements and the Equipment or other appurtenances of every kind and description now existing on the Land or hereafter erected, constructed, or placed upon the Land or any portion thereof, including, without limitation, landscaping and any and all alterations thereto, replacements thereof, and substitutions therefor, but will not include any trade fixtures and personality not incorporated into or permanently attached to the Premises.

"Indemnitees" shall have the meaning set forth under the heading "Obligation to Preserve Against Liability; Ballpark LLC Obligation to Indemnify."

"Institutional Lender" shall mean any savings bank, a savings and loan association, a commercial bank or trust company (whether acting individually or in a fiduciary capacity), an insurance company organized and existing under the laws of the United States or any state thereof, a not-for-profit religious, educational or eleemosynary institution, a federal, state or municipal employee's welfare, benefit, pension or retirement fund, any governmental agency or entity insured by a governmental agency, a credit union, investment bank or company, trust or endowment fund or any combination of Institutional Lenders. In all of the above cases, any Person will qualify as an Institutional Lender only if it will (a) be subject (by law or by consent) to service of process within the State of New York, and (b) have a net worth of not less than $50,000,000 and net assets of not less than $250,000,000 (except that (b) will not apply in the case of a governmental agency). "Institutional Lender" shall also mean any subsidiary of any of the foregoing, and any trustee or fiduciary for the holders of bonds, notes, commercial paper or other evidence of indebtedness approved by the Agency, or any other Person approved by the Agency, which approval will not be unreasonably withheld.

"Liens" shall mean any lien (statutory or otherwise), encumbrance, lease, easement, option, restriction, estate or other interest including, but not limited to, mechanic's, laborer's, materialman's and public improvement liens, security interest, mortgage, deed of trust, priority, pledge, charge, conditional sale, title retention agreement, financing lease or other similar right of others, or any other agreement to give any of the foregoing.

"Major League Baseball" shall mean Major League Baseball and any successor to substantially all of its operations.

"Major League Baseball Club" shall mean any baseball team that is a member of Major League Baseball, or successor thereto.

"Material Change Order" shall mean a Change Order which is likely to have a material adverse effect on (a) the Retained Rights or (b) the utility of the Stadium for its intended purpose as a first-class Major League Baseball stadium or (c) the Project schedule or Project cost, which in the case of the Project cost shall be deemed to have a material adverse effect if the cost (as reflected by the Project Budget in effect on the date of the Development Agreement) as a result of such Change Order (taking into account all other previous Change Orders) will cause there to be an increase in the initial Project cost by more than 10% of the initial Project cost.

"MLB Documents" shall mean the constitution, bylaws, rules, regulations and practices of Major League Baseball in effect from time to time, including without limitation, the following documents, including any successor documents, revised versions, replacements or amendments thereof: (a) the Major League Constitution; (b) the MLB Rules and Regulations, including all attachments thereto; (c) the Professional Baseball Agreement between the Office of the Commissioner of Baseball, on behalf of itself and the Major League Baseball Clubs and the National Association of Professional Baseball Leagues; (d) the Basic Agreement effective as of September 30, 2002 by and between the Major League Clubs and the Major League Baseball Players Association; (e) the Amended and Restated Agency Agreement effective as of November 1, 2003 by and between Major League Baseball Properties, Inc. and the various Major League Baseball Clubs, the American and National Leagues of Professional Baseball Clubs and the Office of the Commissioner of Baseball (and related Operating Guidelines); (f) the Interactive Media Rights Agreement; and (g) any amendments and any interpretations to items (a)-(f) above issued from time to time by the Commissioner of Baseball.

"MLB Entities" shall mean Office of the Commissioner of Baseball, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., MLB Advanced Media, L.P., MLB Advanced Media, Inc., MLB Media Holdings, Inc., MLB Media Holdings, L.P., MLB Online Services, Inc., and/or any of their respective present or future affiliates, assigns or successors.

"MLB Rules and Regulations" shall mean (a) any present or future agreements or arrangements regarding the telecast, broadcast, recording (audio or visual), or other transmission or retransmission (including, but not limited to, transmission via the Internet or any other medium of interactive communication, now known or hereafter developed) of Major League Baseball games, and/or other MLB Entities; (b) any other present or future agreements or arrangements entered into with third parties by, or on behalf of, any commerce, and/or the exploitation of intellectual property rights in any medium, including the Internet or any other medium of interactive communication; (c) any present or future agreements or arrangements entered into by the Major League Baseball clubs and/or one or more of the MLB Entities (including, without limitation, the MLB Documents); and (d) the applicable rules, regulations, policies, bulletins or directives issued or adopted either by the Commissioner of Baseball or otherwise pursuant to the Major League Constitution or any such agency agreement.

"Non-Completion Termination Date" shall have the meaning set forth in the Stadium Lease.

"Obligations" shall mean the terms, covenants and conditions of the Development Agreement (including specifically, but without limitation, the terms, covenants and conditions contained in the Bond Documents) on the part of Ballpark LLC to be performed, observed and/or satisfied.

"Operating Agreement" shall mean that certain Amended and Restated Limited Liability Company Agreement of Queens Ballpark Company L.L.C., dated a date certain, as amended and supplemented as permitted by the Development Agreement.

"Orders" shall have the meaning set forth below under the heading "Non-Discrimination and Affirmative Action."

"Parks" shall mean the New York City Department of Parks and Recreation.

"Payment and Performance Bonds" shall mean the labor and material payment and performance bonds with respect to each Subcontractor that is to perform Construction Work in excess of $300,000. The Agency will be named as an obligee under said Bonds.

"Permitted Encumbrances" shall have the meaning set forth in the Stadium Lease.

"Person" shall mean an individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association; any federal, state, county or municipal government or any bureau, department or agency thereof; and any fiduciary acting in such capacity on behalf of any of the foregoing.

"PILOT Documents" shall mean the PILOT Agreement, the PILOT Assignment, the PILOT Mortgage, the PILOT Mortgages Assignment, the Partial Lease Assignment and the PILOT SNDA.

"Plans and Specifications" shall mean the completed final drawings and plans and specifications for the Project prepared by the Architect, and approved by the Agency with respect to the Reviewable Features and Requirements, as such drawing Plans and Specifications may be modified from time to time in accordance with the Development Agreement.

"Police Substation" shall have the meaning set forth in the Primary Site Ground Lease.

"Premises" shall mean the Stadium Site, the On-Site Parking Sites, the Stadium, the Improvements and the On-Site Parking Facilities.

"Prime Rate" shall mean the rate announced as such from time to time by JPMorgan Chase Bank, N.A. or its successors, at its principal office. Any interest payable under the Development Agreement with reference to the Prime Rate will be adjusted on a daily basis, based upon the Prime Rate in effect at the time in question, and will be calculated on the basis of a 365-day year.

"Prohibited Person" shall mean:

(a) Any Person that is in material default or in material breach, beyond any applicable grace period, of its obligations under any written agreement with the City, or that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations, involving an amount of $10,000 or more, under any written agreement with the City, unless such default or breach is then being contested with due diligence in proceedings in a court or other appropriate forum or has been waived in writing by the City, as the case may be.

(b) Any Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

(c) Any government, or any Person that is directly or indirectly controlled (rather than only regulated) by a government, that is finally determined to be in violation of (including, but not limited to, any participation in an international boycott in violation of) the Export Administration Act of 1979, or its successor, or the regulations issued pursuant thereto, or any government that is, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government that is, subject to the regulations or controls thereof.

(d) Any government, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government, the effects of the activities of which are regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President of the United States of America issued pursuant to the Trading with the Enemy Act of 1917, as amended.

(e) Any Person that has received written notice of default in the payment to the City of any Taxes, sewer rents or water charges of $10,000 or more, unless such default is then being contested with due diligence in proceedings in a court or other appropriate forum.

(f) Any Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City, or that, directly or indirectly controls, is controlled by, or is under common control with a Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City.

"Project Budget" shall mean a budget prepared by Ballpark LLC which identifies all estimated costs of the Project and includes an estimated capital expenditure and estimated drawdown schedule by cost category.

"Project Documents" shall have the meaning set forth in the Stadium Lease, and shall also include the Development Agreement, the Funding Agreements, the Construction Contract, and the Architect's Agreement.

"Recognized Mortgage" shall mean the PILOT Mortgages and Rental Mortgage.

"Recognized Mortgagee" shall mean the holder of a Recognized Mortgage.

"Regulations" shall have the meaning set forth below under the heading "Non-Discrimination and Affirmative Action."

"Requirements" means:

(a) the Zoning Resolution of The City of New York (as the same may be amended and/or replaced) (the "Zoning Resolution"), to the extent applicable, and any and all laws, rules, regulations, orders, ordinances, statutes, codes, executive orders, resolutions, and requirements of all Governmental Authorities (currently in force or hereafter adopted) (including without limitation any required Art Commission approval) applicable to the Premises or any sidewalk comprising a part of or lying adjacent to the Premises or any body of water below the Premises (including, without limitation, specific provisions and reasonable interpretations of the Americans with Disabilities Act, the Building Code of New York City, and any applicable equivalent, and the laws, rules, regulations, orders, ordinances, statues, codes and requirements of any applicable fire rating bureau or other body exercising similar functions);

(b) any and all provisions and requirements of any property, casualty or other insurance policy required to be carried by Ballpark LLC under the Development Agreement;

(c) the Certificate(s) of Occupancy issued for the Premises as then in force;

(d) MLB Rules and Regulations, to the extent applicable to comply with the terms, covenants and conditions made under the Development Agreement;

(e) Federal, State or local laws, regulations, guidelines, codes, permits, rules, administrative and judicial decisions, orders and ordinances and any other Requirements (collectively, "Hazardous Materials Laws") applicable to (A) the use, generation, manufacture, handling, processing, distribution, emission, discharge, release, storage, treatment, transportation, recycling and/or disposal of any Hazardous Materials, including, without limitation, any pollutant, contaminant or chemical, any toxic, explosive, corrosive, flammable, radioactive, caustic, or otherwise hazardous substance, waste or material or any substance, waste or material having any constituent elements displaying any of the foregoing characteristics, including, without limitation, any substances now or hereafter defined as or included in the definition of "hazardous substance," "hazardous waste," "hazardous material," "hazardous chemical," "pollutant or contaminant," or "toxic substance" under any applicable Federal, State or local laws or regulations, (B) the clean up or other remediation of Hazardous Materials, or (C) the effect of the environment or Hazardous Materials on human health or natural resources;

(f) all provisions of the Labor Law of the State applicable to the construction and equipping of the Stadium and/or the On-Site Parking Facilities will include in all construction contracts

all provisions which may be required to be inserted therein by such provisions. The foregoing sentence is not intended to and does not create any obligations or duties not created by applicable law outside of the terms of the Development Agreement;

(g) the Act;

(h) the Authorizing Resolution; and

(i) the ULURP approvals for the Project.

"Restoration Funds" shall have the meaning set forth below under the heading "Application of Restoration Funds."

"Retained Rights" shall have the meaning set forth in the Stadium Use Agreement.

"Reviewable Features" shall mean all Stadium exterior features and facilities, including those exterior features relating to the surrounding streets and park, such as exits, entrances, traffic and pedestrian control improvements in parking areas, walkways, apron, illumination, landscaping and signage; features relating to security including the Police Substation; and, to the extent not expressly governed by Art Commission approvals, architectural style, finishes, and color. Consistency of any and all of the foregoing items with the Stadium Drawings will be deemed a "Reviewable Feature."

"Scheduled Completion Date" shall have the meaning set forth below under the heading "Ballpark LLC Obligation."

"Source of Funds" shall mean the funds available to Ballpark LLC at any given time to complete the Project, including undisbursed Bond Proceeds.

"Stadium Drawings" shall mean the design development drawings with respect to the Stadium, which are subject to the approval by the Agency.

"Subcontract" shall mean any contract, subcontract, purchase order or materials contract between the Contractor and Subcontractor for the performance of certain work and/or the supplying of certain materials in connection with the construction of the Stadium and/or improvement of the On-Site Parking Facilities.

"Subcontractor" shall mean any Person who has agreed to perform certain work and/or to supply certain materials in connection with the construction of the Stadium and/or the improvement of the On-Site Parking Facilities under a Subcontract.

"Substantial Completion," "Substantially Completed" or "Substantially Complete Construction of the Stadium" or similar terms used with respect to the construction of the Stadium and and/or the improvement of the On-Site Parking Facilities will mean the condition of construction of the Project or any components thereof that is substantially in accordance with the Plans and Specifications therefor and in accordance with all Requirements, for which a Certificate of Occupancy has been issued, and which is ready for the Team to play its Team Home Games.

"Taxes" shall mean the real property taxes assessed and levied against the Premises or any part thereof (or, if the Premises or any part thereof or the owner or occupant thereof is exempt from such real property taxes then the real property taxes assessed and which would be levied if not for such exemption), pursuant to the provisions of Chapter 58 of the Charter of New York City and Title 11, Chapter 2 of the

Administrative Code of New York City, as the same may now or hereafter be amended, or any statute or ordinance in lieu thereof in whole or in part.

"Team Games" shall mean all exhibition, regular-season and post-season games played or to be played by the Team as a member of Major League Baseball and all games between the Team and a minor league affiliate or a foreign baseball team.

"Term" shall mean the period commencing on the Effective Date and, except as to those provisions of the Development Agreement that expressly survive the termination or expiration thereof, expiring on the Expiration Date, unless sooner terminated as provided in the Development Agreement.

"Trustees" shall mean, collectively, the Tax-Exempt Bond Trustee and the Lease Revenue Bond Trustee.

"Unavoidable Delays" shall have the same meaning set forth in the Big Funding Agreement.

"Zoning Resolution" shall have the meaning set forth above in the definition of the term "Requirements."

Designation of Ballpark LLC as Agent

The Agency has designated Ballpark LLC to be the agent of the Agency, and Ballpark LLC has accepted such agency (i) to design, develop, construct and install the Project substantially in accordance with the Plans and Specifications, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other Persons, and in general to do all things that may be requisite or proper, all for constructing the Project, with the same powers and with the same validity as the Agency could do if acting on its own behalf, (iii) to pay all fees, costs and expenses incurred in the construction of the Project and the acquisition and installation of the Equipment from funds made available therefor in accordance with the provisions of the Development Agreement described below under the heading "Ballpark LLC Obligation", and (iv) to ask, demand, sue for, levy, recover and receive all such sums or money, debts, dues and other demands whatsoever which may be due, owing and payable to the Agency under the terms of any contract, order, receipt, or writing in connection with the construction and completion of the Project and the acquisition and installation of the Equipment, and to enforce the provisions of any contract, agreement, obligation, bond or other performance security. In connection therewith, and pursuant and subject to the Development Agreement, the Agency agrees to such designation subject to the terms of the Development Agreement, and Ballpark LLC acknowledges that it will have the sole responsibility to satisfy all the conditions and obligations under the Development Agreement and under the Bond Documents necessary for it to requisition disbursements from the Trustees for purposes of paying for the costs of the design, development and construction of the Stadium and the improvement of the On-Site Parking Facilities.

The Agency will enter into, and accept the assignment of (but not assume any of the obligations under), such contracts as Ballpark LLC may request (with recourse to Ballpark LLC) in order to effectuate the purposes set forth in the preceding paragraph.

Ballpark LLC, as agent for the Agency, will undertake the design, development, acquisition, construction and equipping of the Project with the funds to be made available for such purpose under the Bond Indentures pursuant to and in accordance with the terms of such instruments.

In order to provide funds for payment of the costs of the Project, together with other payments and incidental expenses in connection therewith, the Agency agrees that it will issue, sell and cause the

Bonds to be delivered on the terms set forth in the Bond Documents. Bond Proceeds will be deposited by the Agency with the Trustees as provided in the Bond Documents and, upon the written request for disbursement certified by an Authorized Representative of Ballpark LLC complying with the conditions provided for in the Development Agreement and in the Bond Indentures, will be applied to pay for costs and items of expense in accordance with the Bond Indentures and the Tax Certificates.

Construction of Project by Ballpark LLC

Construction of the Project will commence on or before October 1, 2006. Ballpark LLC shall, subject to the provisions of the Development Agreement and as the agent of the Agency, (i) diligently prosecute the construction of the Project, (ii) use commercially reasonable efforts to cause the Project to be Substantially Completed on or before March 1, 2013 (the "Scheduled Completion Date") and (iii) and cause Final Completion of the Project to occur as soon as reasonably practicable after Substantial Completion, subject in each case to Unavoidable Delays.

Submission and Review of Plans and Specifications. As soon as practicable after the Effective Date, Ballpark LLC will submit the Plans and Specifications to the Agency for its review and approval with respect to the Reviewable Features and all Requirements. If the Agency reasonably determines that the Plans and Specifications are inconsistent or noncompliant with the Reviewable Features as approved in the Stadium Drawings or any Requirements, or has other reasonable objections insofar as they relate to the Reviewable Features or any Requirements, the Agency will so notify Ballpark LLC, specifying the objection, and Ballpark LLC will revise them to so conform and will resubmit the Plans and Specifications to the Agency for review. Notwithstanding the foregoing and anything in the Development Agreement to the contrary, the Agency's review of the Plans and Specifications and right to object thereto will be limited to the Reviewable Features and compliance with Requirements. In reviewing the Reviewable Features, the Agency shall cooperate in Ballpark LLC's efforts to maximize available parking within the On-Site Parking Facilities and the parking areas in the vicinity of the Premises, including, without limitation, cooperation in obtaining approvals from any necessary agencies and cooperation in retention of temporary parking added in connection with the construction of the Stadium. In furtherance thereof, the Agency will cooperate with Ballpark LLC's efforts to maximize the available parking within the new Stadium site plan with an intent to achieve the current amount of parking spaces from the On-Site Parking Facilities and the other parking, which cooperation will include, without limitation, at no cost to the Agency (i) reasonable cooperation in approval and obtaining the approval of design site plan and the landscaping plan intended to facilitate such effort; and (ii) reasonable cooperation in the effort to retain as many as possible of the temporary parking spaces that have been or will be added within the perimeter of the existing lots. Each review by the Agency will be carried out within fifteen (15) Business Days of the date of submission of the Plans and Specifications by Ballpark LLC or any revisions thereof, whichever is applicable. If the Agency has not notified Ballpark LLC of its determination within the fifteen (15) Business Days period, provided that Ballpark LLC's submission contains a letter making express reference to the provisions of the Development Agreement described in this paragraph and the fifteen (15) Business Day turnaround time set forth in the Development Agreement, the Agency will be deemed to have waived any objection to the Plans and Specifications. Ballpark LLC will use commercially reasonable efforts to cause each resubmission by Ballpark LLC to be made within thirty (30) Business Days of the date of the Agency's notice to Ballpark LLC stating that the Plans and Specifications do not comply the Reviewable Features and/or any Requirements or the terms and conditions of the Development Agreement. The Agency's review and approval or disapproval of the Plans and Specifications will be limited to compliance with the Reviewable Features and Requirements. The Agency will not raise any objection to any aspect of the Plans and Specifications which has already been submitted to the Agency and either approved or objections waived or deemed approved or objections deemed waived by the Agency, unless such aspect is objectionable because of subsequent changes made by Ballpark LLC to the Stadium Drawings or Plans and Specifications (in which case if such submission

contains a notice making express reference to the provisions of the Development Agreement described in this paragraph and the fifteen (15) Business Days turnaround time set forth in the Development Agreement, the Agency will notify Ballpark LLC of such objections within fifteen (15) Business Days after the Agency will have been notified of such subsequent change(s)). A copy of the Plans and Specifications will be sent to the Bond Insurer for review and approval (with respect to only Reviewable Features and Requirements) at the same time as it is sent to the Agency. The Bond Insurer will have the same period of time as the Agency to review and approve or raise objections to the Plans and Specifications.

Modification of Approved Plans and Specifications. If Ballpark LLC desires to materially modify any Reviewable Features set forth in any Plans and Specifications after they have been approved by the Agency, Ballpark LLC will submit the proposed modifications to the Agency. The Agency will review the proposed changes to determine whether they conform to all Requirements, or if there are any objectionable changes insofar as they relate to the Reviewable Features. If the Agency determines that they are not objectionable, the Agency will so notify Ballpark LLC. If the Agency reasonably determines that the Plans and Specifications, as so revised, do not materially comply with any Requirements, or if there are any reasonable objectionable changes insofar as they relate to the Reviewable Features, the Agency will so notify Ballpark LLC, specifying in what respects they do not so conform. Ballpark LLC will either (i) withdraw the proposed modifications, in which case the construction of the Stadium and/or the improvement of the On-Site Parking Facilities will proceed on the basis of the Plans and Specifications previously approved by the Agency, or (ii) revise the proposed modifications to so comply and resubmit them to the Agency for review. Each review by the Agency will be carried out within fifteen (15) Business Days of the date of submission of the proposed modifications to the Plans and Specifications. If the Agency has not notified Ballpark LLC of its determination within the fifteen (15) Business Day period, provided that Ballpark LLC's submission contains a letter making specific reference to this paragraph and the fifteen (15) Business Days turnaround time set forth in the Development Agreement, the Agency will be deemed to have waived any objection to the Plans and Specifications submitted. Ballpark LLC will use commercially reasonable efforts to cause each resubmission by Ballpark LLC to be made within thirty (30) Business Days of the date of the Agency's notice to Ballpark LLC that they do not so conform. Notwithstanding the foregoing, Ballpark LLC may, without the Agency's consent, modify the Plans and Specifications to the extent reasonably necessary as a result of field conditions or to comply with Requirements, provided that such modifications do not materially affect the Reviewable Features and provided that Ballpark LLC will with reasonable promptness inform the Agency of such changes, and that such modified Plans and Specifications will in all cases comply with all Requirements and previously approved Plans and Specifications insofar as they relate to the Reviewable Features. The Agency will not raise any objection to any aspect of the Plans and Specifications which has already been submitted to the Agency and either approved or objections waived or deemed approved or objections deemed waived by the Agency, unless such aspect is objectionable because of subsequent changes made by Ballpark LLC to the Plans and Specifications (in which case if such submission contains a notice making express reference to this paragraph and the fifteen (15) Business Days turnaround time set forth in the Development Agreement, the Agency will notify Ballpark LLC of such objections within fifteen (15) Business Days after the Agency will have been notified of such subsequent change(s)). A copy of each proposed modification of the Plans and Specifications will be sent to the Bond Insurer for review and approval at the same time as it is sent to the Agency. The Bond Insurer will have the same period of time as the Agency to review and approve or raise objections to each such modification.

Compliance with Requirements. The Plans and Specifications will comply with all Requirements. It will be Ballpark LLC's responsibility to assure such compliance on behalf of the Agency.

Performance of Construction Work; Approval of Certain Change Orders. All Construction Work, once commenced, shall be performed diligently (subject to Unavoidable Delays) in a good and workmanlike manner and, if applicable, substantially in accordance with the approved and/or modified Plans and Specifications therefor (to the extent approval may be required) and all Requirements and all materials and equipment utilized or furnished in connection with the Project shall be new and in good condition, fully operational without patent or latent defects and suitable for their intended use. If Ballpark LLC desires to have any Material Change Order approved, Ballpark LLC shall submit such proposed Material Change Order to the Agency and the Bond Insurer for their review and approval. The Agency and the Bond Insurer agree in connection with their review and approval or disapproval of a Material Change Order to cooperate in good faith with Ballpark LLC, at no cost to the Agency, in engaging in and considering so called "value engineering" if budgeting is at issue with respect to such Material Change Order. The Agency and the Bond Insurer agree to advise Ballpark LLC of any objections to the Material Change Order within seven (7) Business Days and three (3) Business Days, respectively of their receipt thereof. Failure by the Agency or the Bond Insurer to so advise Ballpark LLC of their objections within said seven (7) Business Day and three (3) Business Day period, respectively shall be deemed an approval thereof by the Agency or the Bond Insurer, as applicable. At all times during the Term, including during the performance of the Construction Work, Ballpark LLC shall maintain the Premises in a clean, neat and orderly condition suitable for a construction site and shall be responsible for all maintenance and repairs of any nature in connection therewith, to be done in compliance with all Requirements and keep the Project in good working order and operation and protect the Premises against deterioration, loss, damage and theft.

Supervision of Architect and Contractor. All Construction Work performed by Ballpark LLC will be carried out under the supervision of the Architect and/or the Contractor.

Construction Work

Permits and Insurance. Except for the work to be performed in connection with the Funding Agreement, Ballpark LLC will not commence any Construction Work with respect to the Stadium or the On-Site Parking Facilities unless and until (i) Ballpark LLC will have obtained and delivered to the Agency copies of all necessary permits, consents, certificates and approvals of all Governmental Authorities with regard to the particular phase of the work to be performed and (ii) Ballpark LLC will have delivered to the Agency certified copies, certificates or memoranda of the policies of insurance required to be carried pursuant to the provisions of Article 5 of the Development Agreement.

Cooperation of Agency in Obtaining Permits. The Agency shall cooperate with Ballpark LLC in obtaining the permits, consents, certificates and approvals required by the paragraph immediately above, and shall sign any application made by Ballpark LLC required to obtain such permits, consents, certificates and approvals. Ballpark LLC shall reimburse the Agency within thirty (30) days after the Agency's demand for any reasonable out-of-pocket cost or expense paid by the Agency in cooperating with Ballpark LLC in obtaining the permits, consents, certificates and approvals required by the paragraph immediately above, together with reasonably detailed evidence of any such costs or expenses.

Approval of Plans and Specifications. Ballpark LLC will not (i) commence any phase of Construction Work with respect to the Stadium or the On-Site Parking Facilities unless and until the Agency will have determined or will be deemed to have determined that the Reviewable Features set forth in such Plans and Specifications for such phase of Construction Work are consistent with the Reviewable Features for such phase of Construction Work as set forth in the Stadium Drawings, or (ii) if applicable to the phase of Construction Work being performed, commence any other phase of Construction Work unless and until the Agency will, if required under the Development Agreement, have approved or be deemed to have approved the proposed plans and specifications for such phase of Construction Work in

the manner provided in the Development Agreement, in each case as provided in the provisions of the Development Agreement described under the heading "Ballpark LLC Obligation." The Agency's review and approval is limited to determining that the Reviewable Features set forth therein are consistent with the Reviewable Features as set forth in the Stadium Drawings and are in compliance with all Requirements. The Agency acknowledges that the piling work has been approved and is currently being performed by Mets Development Company, LLC ("MDC").

Substantial Completion of Construction Work. Upon Substantial Completion of any Construction Work which required the Agency's consent, Ballpark LLC will furnish the Agency with (a) a certification of the Architect that it has examined the Plans and Specifications and that, in its best professional judgment, after diligent inquiry, to its best knowledge and belief, the Construction Work has been completed substantially in accordance with the Plans and Specifications and that, as constructed, the Stadium and the On-Site Parking Facilities comply with the Building Code of New York City and all other Requirements and the Stadium Drawings insofar as they relate to the Reviewable Features (Ballpark LLC agreeing to cause the Architect to deliver a Certificate in the form set forth in the Development Agreement) and (b) a copy or copies of the temporary or permanent certificate(s) of occupancy for the Stadium and the On-Site Parking Facilities issued by the New York City Department of Buildings. Upon final completion of the Project, Ballpark LLC will furnish the Agency with two complete sets (hard copies) of the "as built" drawings and specifications, and two (2) complete sets of the as-built drawings and specifications prepared on ADT 2006 or the latest version available at that time. The Agency will have an unrestricted non-exclusive license to use such "as built" drawings and specifications for any purpose related to the Stadium and the On-Site Parking Facilities without paying any additional cost or compensation therefor, which license will be subject to the rights of the parties preparing such drawings and specifications under copyright and other applicable laws.

Title to Improvements. Title to the Stadium and the On-Site Parking Facilities will vest in the Agency immediately upon completion. Ballpark LLC will execute, deliver and record or file all instruments necessary or appropriate to so vest title to the Agency and will take all action necessary or appropriate to protect such title against claims of any third persons. Materials incorporated or to be incorporated in the Stadium (but not including any trade fixtures of Ballpark LLC or any Subtenant) will, effective upon their purchase and at all times thereafter but, in all events, subject to the Development Agreement, constitute the property of the Agency, and upon Substantial Completion of the Stadium and the On-Site Parking Facilities or the incorporation of such materials, title thereto will vest in the Agency. However, (i) neither Fee Owner nor the Agency will be liable in any manner for payment or for damage or risk of loss or otherwise to any contractor, subcontractor, laborer or supplier of such materials in connection with the purchase or installation of any such materials, and (ii) neither Fee Owner nor the Agency will have any obligation to pay any compensation to Ballpark LLC by reason of its acquisition of title to any such materials. Title to and tax ownership of all materials will vest in the Agency.

Ballpark LLC will obtain the customary guaranties and warranties on labor, materials and equipment for each component of the Project as are generally available in the relevant industry. Any guaranties and warranties relating to the construction of the Stadium and the improvement of the On-Site Parking Facilities or materials utilized in connection therewith issued by any Person other than Ballpark LLC will be made for the benefit of Ballpark LLC and the Agency and the City, and, to the extent that the Agency and the City are not expressly named in any such warranty or guaranty, Ballpark LLC will upon obtaining such guaranties and warranties assign its rights and interest therein to the Agency pursuant to an assignment reasonably satisfactory to the Agency in form and substance. Ballpark LLC and the Agency shall cooperate with each other in the prosecution of any claims against any Person issuing a guaranty and/or warranty for the benefit of the Agency under the Development Agreement.

Construction Monitor

Ballpark LLC shall engage Merritt & Harris, Inc. as the Construction Monitor. The Construction Monitor shall monitor the Construction Work from time to time throughout the Term of the Development Agreement. The Construction Monitor shall also serve as an independent engineer on behalf of the Agency for the purposes set forth in the Definition of Construction Monitor contained in Article 1 of the Development Agreement. The scope of the monitoring by the Construction Monitor as well as the scope of its services in its capacity as an independent engineer on behalf of the Agency, including, without limitation, for review of progress of work, review of contracts and substantive budget reviews, review of Payment and Performance Bonds, status of approvals and permits, review of proposed Material Change Orders and the Source of Funds is more fully set forth in the Bond Indentures. The Construction Monitor will serve in its capacity as the Construction Monitor under the Development Agreement with respect to the Bond Documents as well as with respect to the Funding Agreements.

Dispute Resolution

(a) If a dispute arises between the Agency and Ballpark LLC over (i) whether or not any Plans and Specifications or modifications thereof submitted to the Agency substantially conform to the Stadium Drawings insofar as they relate to the Reviewable Features; or (ii) whether any consent or approval was unreasonably withheld pursuant to Article 4 of the Development Agreement; or (iii) whether any Construction Work is in substantial conformity with the applicable plans and specifications insofar as they relate to Reviewable Features; the matter will be settled in accordance with the expedited arbitration procedures set forth in the Development Agreement, which arbitration procedure will be the exclusive remedy as to items described in this paragraph and Ballpark LLC and the Agency will have no right to seek any injunctive or other mandatory relief pending completion of the procedures set forth in this summarized section.

(b) The Agency and Ballpark LLC will hold harmless the Arbiter(s) for any damages resulting from the good faith arbitration of the dispute.

(c) Any Recognized Mortgagee(s) will have the right, at its sole option, to participate in any arbitration as contemplated by the Development Agreement and, to effect the same, any notice of dispute given in accordance with the procedures set forth in the Development Agreement will simultaneously be given to all Recognized Mortgagee(s).

Furnishing and Fit-Out of Project

The Agency has no obligation to furnish, finish, or fit-out the Project, or to provide furnishings or equipment.

City to Perform the Agency's Obligations Under the Development Agreement

The City, acting in its proprietary capacity, will perform and exercise all obligations, reviews, consents, waivers and rights to be performed by the Agency pursuant to the Development Agreement, and Ballpark LLC will look solely to the City and accept the City's exercise and performance of any of the same, except that the Agency will remain obligated under the terms of the Development Agreement described under the heading "Construction Work" and "Designation of Ballpark LLC as Agent" to the extent the Agency is necessary for Ballpark LLC to accomplish any of the undertakings contemplated therein. All submissions, notices, requests and demands by Ballpark LLC will be delivered to the Development Agreement Administrator.

Ballpark LLC's Obligations. Notwithstanding anything to the contrary contained in the Development Agreement, the Agency specifically acknowledges and agrees that Ballpark LLC is obligated to construct and complete the Project, and to otherwise fulfill its obligations under the Development Agreement, only to the extent that (a) the Bond Proceeds are made available to Ballpark LLC for such purpose as contemplated in the Development Agreement, (b) the Infrastructure Funds are made available to Ballpark LLC (and/or MDC, as the case may be) pursuant to the Funding Agreements, and (c) insurance proceeds are made available to Ballpark LLC under the Development Agreement for the purpose of constructing and completing the Project.

Liquidated Damages. The parties acknowledge that to the extent Ballpark LLC receives liquidated damages under the Construction Contract or any other Construction Agreement, Ballpark LLC will assign such liquidated damages to the Agency, to be further assigned to the Lease Revenue Bonds Trustee pursuant to the Pledge and Assignment (Development Agreement).

Insurance Requirements. From and after the date of the Development Agreement, Ballpark LLC shall carry and maintain (or shall cause to be carried and maintained) insurance coverage of the following types, in the minimum limits and for the periods set forth below.

Builder's Risk Insurance Requirements.

(a) At all times during the Term, including during the period of any construction, renovation, improvement and reconstruction activity by Ballpark LLC on the Premises under the Development Agreement, Ballpark LLC, in its capacity as agent of Agency under the Development Agreement, shall provide builder's risk insurance coverage covering the Project on an "all risk basis" [Cause of Loss – Special Form] on a completed value form with "extended coverage" (including earthquake (subject to the next paragraph), flood, riot, windstorm, civil commotion, sabotage and collapse, but not including certified and non-certified terrorism) and "soft cost coverage" on a no coinsurance basis and providing (i) coverage for the Project site, including removal of debris, insuring the buildings, structures, machinery, equipment, facilities, fixtures and other properties constituting a part of the Project in a minimum aggregate amount not less than the Full Replacement Value of the Project, and in any case subject to a construction term aggregate limit of $25,000,000 for flood coverage and for earthquake coverage; (ii) off site coverage with a per occurrence limit of $10,000,000; (iii) transit coverage with a per occurrence limit of not less than $10,000,000; (iv) delay in opening coverage for interest during construction, debt service and continuing expenses in an amount not less than $120,000,000 on an "all risk" basis, as set forth in (i) through (iii) above. Builder's risk insurance shall not contain an exclusion for freezing, mechanical breakdown, or resultant damage caused by faulty workmanship, design or materials. Policies may have commercially reasonable or customary exclusions and deductibles, as reasonably determined by Ballpark LLC.

Earthquake coverage shall include coverage for earthquakes, shocks, tremors, landslides, or subsidence.

Flood coverage shall include, but not be limited to, coverage for waves, tide or tidal water, inundation, surface water or the rising (including the overflowing or breaking boundaries) of lakes, ponds, reservoirs, rivers, streams, or other bodies of water, whether or not driven by wind.

(b) Full Replacement Value. "Full Replacement Value" shall be deemed to be an amount equal to the full cost of replacing all Improvements at the Premises according to valuations of the planned Improvements at the time the applicable policy is bound, subject to a 5% margin clause, including, without limitation, architect's and development fees, but exclusive of the cost of foundations and excavation, to the extent that such costs can be covered under a Causes of Loss-Special Form insurance policy, adjusted annually as provided below.

(c) The insurance coverage required under this summarized section shall be applicable during the Term of the Development Agreement, and is irrespective of any insurance required to be maintained by Ballpark LLC under the Stadium Lease.

Liability Insurance.

(a) Commercial General Liability Insurance. At all times throughout the Term, Ballpark LLC, in its capacity as agent of Agency under the Development Agreement, shall maintain Commercial General Liability Insurance coverage protecting against liability for personal injury, bodily injury and death, and property damage (including by reason of liability arising from the Construction Work being performed by or for the Contractor and enrolled (for purposes of the OCIP addressed in the summarized section entitled "Owner Controlled Insurance Program" below) contractors and subcontractors engaged by or on behalf Ballpark LLC, in its capacity as agent of Agency under the Development Agreement, to work on the Premises) written on an occurrence basis with respect to the Project and all operations related thereto, whether conducted on or (subject to Section 1.01(b) of Schedule I of the Development Agreement) off the Premises. The coverage shall be provided through the following policies: a primary coverage policy with combined single limits of not less than $2,000,000 per occurrence and a $4,000,000 annual aggregate limit, $4,000,000 Products Completed Operations, $2,000,000 Personal and Advertising Injury Limit, $100,000 Damage to Premises Rented to Insured, and an umbrella policy or policies containing at least $100,000,000 of excess coverage above the primary general liability coverage, as more fully described in paragraph (c) of the summarized section entitled "Other Types of Required Insurance". The commercial general liability policy shall also include a severability of interest clause and a cross liability clause in the event more than one entity is "named insured" under the liability policy. Such liability insurance policies required by this summarized section shall be written on ISO Coverage Form CG 00 01 10 01 (or successor form) and include the following coverages, provisions and clauses:

(i) a broad form property damage liability endorsement with fire legal liability limit of not less than $50,000;

(ii) premises operation liability coverage;

(iii) blanket contractual liability insurance covering written contractual liability;

(iv) contractual liability insurance specifically covering Ballpark LLC's indemnification obligations under Article 11 of the Development Agreement to the extent covered under the Commercial General Liability policy required to be maintained by Ballpark LLC under this summarized section;

(v) products/completed operations coverage with an endorsement that such completed operations continue for a period of at least five (5) years after expiration or termination of the commercial general liability policy;

(vi) personal injury liability coverage (including incidental malpractice coverage);

(vii) independent contractors liability coverage;

(viii) a notice of occurrence clause;

(ix) a knowledge of occurrence clause;

(x) an unintentional errors and omissions clause;

(xi) coverage for suits arising from the use of reasonable force to protect persons and property;

(xii) coverage for explosion, collapse and underground property damage (XCU); and

(xiii) medical payments;

with no exclusions other than those exclusions that are customary for projects similar in nature and scope to the Project or as found in ISO Coverage Form CG 00 01 10 01 (or successor form) unless specifically provided for in the Development Agreement or approved in each instance by the IDA.

(b) Additional Insureds. All policies addressed under paragraph (a) of the summarized section entitled "Liability Insurance" above shall name the Agency, EDC, ESDC and the City as additional insureds on a primary and non-contributory basis.

(c) Motor Vehicle Liability Insurance. During the Term, the Contractor or its constituent members shall maintain or (with respect to any subcontractors) require to be maintained, as further set forth in the following sentence, Motor Vehicle Liability Insurance with coverage for all owned, non-owned and hired automobiles and licensed vehicles used in connection with the Project written on an occurrence basis and containing appropriate no-fault insurance provisions and other endorsements in accordance with all Requirements. The coverage shall be provided through the following policies: (i) with respect to the owned, non-owned and hired automobiles and licensed vehicles of the Contractor, the Contractor or its constituent members shall maintain a primary coverage policy with combined single limits of not less than $1,000,000 primary coverage per occurrence and an umbrella policy containing $10,000,000 excess coverage above the primary Motor Vehicle Liability coverage (which umbrella policy's limits may also include the Commercial General Liability excess coverage), and (ii) with respect to the owned, non-owned and hired automobiles and licensed vehicles of any subcontractors of the Contractor, the Contractor shall require such subcontractors to maintain a primary coverage policy with combined single limits of not less than $1,000,000 primary coverage per occurrence and an umbrella policy containing $2,000,000 excess coverage above the primary Motor Vehicle Liability coverage (which umbrella policy's limits may also include the Commercial General Liability excess coverage). Such coverage shall cover injury or death and property damage arising out of ownership maintenance or use of any private passenger or commercial vehicles required to be licensed for road use.

Other Types of Required Insurance.

(a) Workers Compensation and Disability. During the Term, Ballpark LLC shall maintain Statutory Workers' Compensation Insurance and New York State Disability Benefits Insurance in statutorily required amounts with a waiver of subrogation in favor of the Agency, EDC, ESDC and the City (with respect to Statutory Workers' Compensation Coverage only) and Employer's Liability Insurance and (on an "if any" basis with respect each of the following) USL&H Act coverage and Jones Act and Federal Employees Liability Act with limits of not less than $1,000,000 per accident or disease and $1,000,000 aggregate by disease, covering Ballpark LLC with respect to all persons employed by Ballpark LLC and all enrolled (for purposes of the OCIP addressed in the summarized section entitled "Owner Controlled Insurance Program" below) contractors and subcontractors in connection with the operations of Ballpark LLC conducted at the Premises or in connection with the Project.

(b) Boiler and Machinery Insurance. During the Term, Ballpark LLC, in its capacity as agent of Agency under the Development Agreement, shall maintain comprehensive Boiler and Machinery Insurance, applying to the entire heating, ventilating, air-conditioning, mechanical and electrical systems that are or are to be components of the Infrastructure Improvements (as defined in the Big Funding

Agreement) or the Improvements, in all its applicable forms, including Broad Form, boiler explosion, extra expense and loss of use in an amount not less than the portion of the Full Replacement Value attributable to such heating, ventilating air conditioning, electrical and mechanical systems, located on any portion of the Premises and other machinery located on such portion of the Premises, which shall name the Agency, EDC, the City and ESDC as additional insureds. The Boiler and Machinery Insurance required under this paragraph (b), may be carried as part of the Builder's Risk Coverage described in paragraph (a) of the summarized section entitled "Builder's Risk Insurance Requirements" above so long as by doing so the coverage required under the Development Agreement shall not be reduced or compromised in any fashion.

(c) Umbrella/Excess Liability Insurance. During the Term, Ballpark LLC, in its capacity as agent of Agency under the Development Agreement, shall maintain umbrella/ excess liability insurance of not less than (i) $100,000,000 per occurrence; (ii) $100,000,000 products completed operations aggregate; and (iii) $100,000,000 general aggregate. Such coverage shall be on a per occurrence policy form over and above coverage provided by the policies described in paragraph (a) of the summarized section entitled "Liability Insurance" and the summarized section entitled "Other Types of Required Insurance" (except with respect to New York State Disability Benefits Insurance). Products Completed operations coverage shall be extended for five (5) years after expiration or termination of the commercial general liability policy described in paragraph (a) of the summarized section entitled "Liability Insurance" above. The umbrella and/or excess policies shall not contain endorsements which restrict coverages as set forth in paragraph (a) of the summarized section entitled "Liability Insurance" and the summarized section entitled "Other Types of Required Insurance" (except with respect to New York State Disability Benefits Insurance and the removal of memorabilia from Shea Stadium, and which are provided in the underlying policies).

(d) Contractors/Subcontractors Insurance. Subject to the provisions of the summarized section entitled "Owner Controlled Insurance Program" below, during the Term, Ballpark LLC, in its capacity as agent for the Agency under this Development Agreement, shall be responsible to have contractors and subcontractors carry the insurance coverage required pursuant to Schedule I of the Development Agreement and as otherwise required under the Development Agreement.

(e) Acts of Terrorism. During the Term, Ballpark LLC, in its capacity as agent for the Agency under the Development Agreement, shall maintain insurance against property damage resulting from certified and non-certified acts of terrorism, or an insurance policy without an exclusion for property damages resulting from terrorism, on terms not contrary to the property insurance policies required under the Development Agreement.

(f) Pollution Insurance. Ballpark LLC, shall maintain or cause to be maintained during the Term insurance against damage from pollution, including:

(1) If the work involves abatement, removal, repair, replacement, enclosure, encapsulation and/or disposal of any petroleum, petroleum product, hazardous material or substance, pollution legal liability insurance with limits of not less than Twenty-Five Million Dollars ($25,000,000), providing coverage for bodily injury and property damage, including loss of use of damaged property or of property that has not been physically injured. Such policy shall provide coverage for actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of pollutants, including any loss, cost or expense incurred as a result of any cleanup of pollutants or in the investigation, settlement or defense of any claim, suit, or proceedings against the Agency, the City, EDC or ESDC arising from contractors' or subcontractors' work;

(2) If disposal of materials from the job site is undertaken: evidence of pollution legal liability insurance in the amount of Twenty-Five Million Dollars ($25,000,000) maintained by the disposal site operator for losses arising from the disposal site accepting waste; and

(3) If vehicles are used for transporting hazardous materials: pollution liability broadened coverage for covered vehicles (endorsement CA 99 48) as well as proof of MCS 90.

(g) Mold Insurance. Ballpark LLC shall maintain or cause to be maintained during the Term reasonable insurance against loss resulting from mold, spores or fungus on or about the Premises if hereafter required by the Agency in the event the Agency determines in its reasonable discretion that there is significant exposure to loss as a result of the presence on or about the Premises of the any of the foregoing.

Adjustment of Limits.

All of the limits of insurance required under the Development Agreement pursuant to the Development Agreement shall be subject to review by the Agency and, in connection therewith, Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, shall carry or cause to be carried such additional amounts as the Agency may reasonably require from time to time, if and to the extent available at a reasonable cost. Any request by the Agency that Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, carry or cause to be carried additional amounts of insurance shall not be deemed reasonable unless such additional amounts are commonly carried in the case of premises similarly situated to the Premises, with respect to business operations of a size, nature or character similar to the size, nature and character of the business operations being conducted at the Premises; provided, however, that in no event shall the provisions of this summarized section relieve Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, of its obligation to carry or to cause to be carried property insurance in an amount not less than the Full Replacement Value; and provided further, however, that in no event shall Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, be required to carry or to cause to be carried property insurance in an amount which is greater than the Full Replacement Value.

Treatment of Proceeds.

(a) Payment. All insurance proceeds paid pursuant to any Builder's Risk insurance required to be carried pursuant to the Development Agreement or carried in connection with the Development Agreement, shall be applied to the repair and reconstruction of the Premises pursuant to the Development Agreement.

(b) Cooperation in Collection of Proceeds. The parties shall cooperate in connection with the collection of any insurance moneys that may be due in the event of loss, and the parties shall promptly execute and deliver such proofs of loss and other instruments which may be required of each party, respectively, for the purpose of obtaining the recovery of any such insurance moneys.

General Provisions Applicable to All Policy Requirements.

(a) Insurance Companies. All of the insurance required by any provision of the Development Agreement shall be in such form and shall be issued by such insurance companies licensed or authorized to do business in the State of New York as are reasonably acceptable to the Agency. Any insurance company rated by Bests Insurance Reports (or any successor publication of comparable standing) as "A-IX" or better (or the then equivalent of such rating) shall be deemed a responsible

company and acceptable to the Agency. All policies referred to in the Development Agreement shall be obtained for periods of not less than one (1) year.

(b) Waiver of Subrogation. All casualty policies required under the Development Agreement by any provision of the Development Agreement shall permit Ballpark LLC to waive subrogation rights against the Agency, EDC, ESDC and the City, and shall waive any rights of the insurers to any setoff or counterclaims or any other deduction, whether by attachment or otherwise in respect of any liability of the Agency, EDC, ESDC or the City. Ballpark LLC waives any claims against the Agency, EDC, ESDC and the City it may otherwise have under any and all casualty policies required under the Development Agreement by any provision of the Development Agreement.

(c) Certificates and Copies; Payment of Premiums. As of the first time that Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, is obligated to effect any applicable insurance coverage under the Development Agreement, Ballpark LLC shall deliver to the Agency proof of payment of (i) the premium in full in advance for a period of one (1) year (or more) or (ii) any premium installment for a shorter period then due and payable for the policy, and a properly authorized certificate giving to the Agency, EDC, ESDC and the City, care of Ballpark LLC, thirty (30) days (or, in the case of non-payment, ten (10) days) advance notice of cancellation, termination or material change. A certified copy, signed by an authorized representative of the insurer, of each policy shall be delivered to all persons required to be insured thereby under the Development Agreement (the "Insured Persons"), reasonably promptly (but in all events within ten (10) Business Days) upon its receipt by Ballpark LLC from the insurance company or companies. Certified copies of new or renewal policies replacing any policies expiring during the Term shall be delivered to the Agency, EDC, ESDC and the City within thirty (30) days prior to the expiration of expired policies, together with proof that the premiums for at least the first year of the term of each of such new or renewal policies or such premium installments for shorter periods then due and payable for such policies shall have been paid. Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, may pay the premiums for any of the insurance required under the Development Agreement to the carrier in installments in accordance with the provisions of the applicable policies, provided that Ballpark LLC pays all such installments in full not later than ten (10) days prior to the respective due dates for such installments and provides proof of payment of such installments by such dates.

(d) Multiple Property Policies. Ballpark LLC shall not carry separate property insurance, concurrent in form, or contributing in the event of loss, with that required by the Development Agreement, unless the Agency is a named insured with loss payable as provided in the Development Agreement or unless the policy is required by the Project Documents or is generally provided by one or more MLB Entities, provided, however, that in any such event (y) the same shall not result in less insurance coverage than is required under the Development Agreement or reduce Ballpark LLC's obligations to the Agency in any fashion and (z) the Agency must also be named as an insured party with loss payable as provided in the Development Agreement on such policy. Ballpark LLC shall promptly notify the Agency of the carrying of such separate insurance and shall cause certified copies of such policies or certified copies of abstracts of such policies, as the case may be, together with proof of payment of all premiums (or required installment payments on account of such premiums) to be delivered to the Agency in accordance with the provisions of paragraph (c) of this summarized section.

(e) Compliance with Policies. Ballpark LLC shall not violate or permit to be violated any of the conditions, provisions or requirements of any insurance policy required under the Development Agreement and Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, shall perform and satisfy or cause to be performed and satisfied the conditions, provisions and requirements of the policies so that, at all times, companies acceptable to the Agency shall be providing the insurance required by the Development Agreement. Notwithstanding the foregoing, Ballpark LLC, in

its capacity as agent of the Agency under the Development Agreement, shall be entitled at its sole cost and expense to contest the conditions, provisions and requirements of any insurance company providing the insurance carried or caused to be carried under the Development Agreement by Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, provided that, at all times during the Term, the insurance required by the Development Agreement shall be in full force and effect in accordance with the provisions of the Development Agreement and the coverage provided by such insurance shall not be impaired or compromised in any manner despite Ballpark LLC's contesting of any such conditions, provisions or requirements, and, in such event, Ballpark LLC shall not be in default under the Development Agreement by reason of its failure to comply with such contested conditions, provisions or requirements.

(f) Required Endorsements. Each policy of insurance required to be carried pursuant to the provisions of the Development Agreement shall contain (i) a provision that no unintentional act or omission of Ballpark LLC shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained by the Agency, EDC, ESDC or the City, as their interests may appear, (ii) an agreement by the insurer that such policy shall not be canceled or denied renewal without at least thirty (30) days prior written notice to the Agency, EDC, ESDC and the City, (iii) a waiver of subrogation by the insurer of any right to recover the amount of any loss resulting from the negligence of the Agency, EDC, ESDC or the City or their respective designees, agents or employees, and (iv) a provision that such insurance shall be primary insurance without any right of contribution from any other insurance carried by the Agency, EDC, ESDC, the City, and any other party as may be required to be included under the Development Agreement, to the extent that such other insurance provides the Agency, EDC, ESDC, the City, and said other parties, as the case may be, with contingent and/or excess liability insurance with respect to its respective interest as such in the Stadium.

(g) All property insurance coverage required under the Development Agreement shall be on a "no coinsurance/replacement cost" basis.

(h) In the event that any policy is written on a "claims-made" basis and such policy is not renewed or the retroactive date of such policy is to be changed, Ballpark LLC shall obtain or cause to be obtained for each such policy or policies the broadest basic and supplemental extended reporting period coverage or "tail" reasonably available in the commercial insurance market for each such policy or policies and shall provide the Agency with proof that such basic and supplemental extended reporting period coverage or "tail" has been obtained.

(i) The words "bodily injury", "injury" and "damages" in all policies shall include mental anguish, shock, mental injury or illness.

(j) All insurance coverage shall cover both pre and post judgment interest.

(k) THE AGENCY, EDC, ESDC AND THE CITY DO NOT IN ANY WAY REPRESENT THAT THE INSURANCE SPECIFIED IN THE DEVELOPMENT AGREEMENT, WHETHER IN SCOPE OR COVERAGE OR LIMITS OF COVERAGE, IS ADEQUATE OR SUFFICIENT TO PROTECT THE BUSINESS OR INTEREST OF BALLPARK LLC, THE PARTNERSHIP, THE TEAM OR ANY CONTRACTOR OR SUBCONTRACTOR.

Modification By Insurer.

Without limiting any of Ballpark LLC's obligations or the Agency's rights under Article 5 of the Development Agreement, upon an insurer's modification, in any material respect, of any insurance policy that is required to be carried by Ballpark LLC according to the provisions of the Development

Agreement, Ballpark LLC shall give notice to the Agency, EDC, ESDC and the City of such modification within thirty (30) days after Ballpark LLC's receipt of notice of such modification.

Interpretation.

With respect to policies written on ISO forms, all insurance terms used in the Development Agreement shall have the meanings ascribed by the Insurance Services Offices of New York.

Owner Controlled Insurance Program.

(a) Ballpark LLC, in its capacity as agent of the Agency under the Development Agreement, shall provide the Worker's Compensation, Employer's Liability, Commercial General Liability and/or Excess/Umbrella insurance coverage required under the Development Agreement through an Owner Controlled Insurance Program ("OCIP"), and said coverages shall in all respects meet the requirements set forth in the Development Agreement. Any contractor's subcontractor that is a party to a contract for Construction Work that calls for such subcontractor to be paid an amount equal to or greater than $250,000 shall be enrolled in the OCIP or, if the Contractor determines (based upon factors including the type of work to be performed, risk, and the ability of the subcontractor to provide the insurance required if it is not enrolled) that such Contractor or subcontractor will not be enrolled in the OCIP, shall be required to maintain general liability insurance naming the City, the Agency, EDC and ESDC as additional insureds and to maintain the minimum insurance coverages and limits set forth in Section 1.01(b) of Schedule I of the Development Agreement. Notwithstanding the foregoing, there shall be no obligation for the following to be enrolled in the OCIP: Local 3 electrical union, contract haulers or truckers, consultants, vendors, suppliers, material dealers, asbestos abatement or other hazardous material contractors, or others merely making deliveries to or pickups from the Project site.

(b) Ballpark LLC shall cause there to be, and shall direct and supervise, an OCIP administrator that will be responsible for (a) reviewing/approving forms and/or providing further information, providing telephone assistance in enrollment, and providing contractors with OCIP evidence of insurance, and (b) in the event of claims under the OCIP, reporting all claims that are reported to the OCIP administrator to the carriers, assisting the insurers in coordinating its investigations, and submitting supplementary documents (e.g. work records, estimates, letters of representation) to the carriers.

(c) Ballpark LLC, itself or through the OCIP administrator or Contractor, shall require any contractors' subcontractor that is not enrolled in the OCIP to furnish evidence of required insurance (as described in Section 1.01(b) of Schedule I of the Development Agreement) to both Ballpark LLC and the Contractor, prior to such subcontractor performing Construction Work.

(d) Notwithstanding anything to the contrary contained in the Development Agreement, the Agency acknowledges and agrees that, upon or after Substantial Completion of the Project, Ballpark LLC may elect to discontinue providing the insurance required under the Development Agreement through the OCIP and may instead elect to provide said insurance through other means, including, without limitation, through Major League Baseball, provided that (i) such coverage shall not result in less insurance coverage than is required under the summarized sections entitled "Builder's Risk Insurance Requirements", "Liability Insurance" and "Other Types of Required Insurance" or reduce Ballpark LLC's obligations to the Agency in any fashion, and (ii) the Agency, EDC, ESDC and the City are named as insureds, additional insureds or loss payees, as the case may be, on such policies. Ballpark LLC shall promptly notify the Agency of the carrying of such insurance and shall cause certified copies of such policies or certified copies of abstracts of such policies, as the case may be, together with proof of payment of all premiums (or required installment payments on account of such premiums) by Ballpark LLC to the insurance company(ies) or to Major League Baseball, as the case may be, to be delivered to the Agency in

accordance with the provisions of paragraph (c) of the summarized section entitled "General Provisions Applicable to All Policy Requirements".

(e) Ballpark LLC covenants to pay over rebated prepaid deductible amounts to the PILOT Bonds Trustee for deposit into the Insurance Rebate Subaccount of the Construction and Acquisition Account (PILOT Bonds) under the PILOT Bonds Indenture.

Damage, Destruction and Restoration and Condemnation

Notice to Agency.

During the Term of the Development Agreement, Ballpark LLC shall notify the Agency promptly thereafter if the Stadium and/or the On-Site Parking Facilities are damaged or destroyed in whole or in part by fire or other casualty.

Casualty Restoration.

(a) Obligation to Restore. If all or any portion of the Stadium and/or the On-Site Parking Facilities (whether during the course of construction or thereafter are damaged or destroyed by fire or other casualty, ordinary or extraordinary, foreseen or unforeseen, to the extent that insurance proceeds are made available to Ballpark LLC, Ballpark LLC shall restore the Stadium and/or the On-Site Parking Facilities to the condition in which it existed immediately before such casualty (a "Casualty Restoration") and shall otherwise proceed diligently to construct and complete the Project in accordance with the terms of the Development Agreement.

(b) Commencement of Construction Work. To the extent that insurance proceeds and/or other funds are made available to Ballpark LLC, and such proceeds and/or other funds, taken together with funds then in the Construction and Acquisition Account (PILOT Bonds) and Construction and Acquisition Account (Lease Revenue), shall be sufficient to perform a Casualty Restoration, Ballpark LLC shall commence the Casualty Restoration promptly after adjustment of the insurance claim relating to the damage or destruction, subject to Unavoidable Delays, and, thereafter, shall perform the Casualty Restoration and shall otherwise proceed to construct and complete the Project in accordance with the terms of the Development Agreement as continuously and diligently as possible.

Application of Restoration Funds.

(a) All insurance proceeds with respect to any casualty (the "Restoration Funds") shall be paid to the PILOT Bonds Trustee (for deposit into the PILOT Renewal Fund), or, if none exists, to an Institutional Lender to be held in trust for application in accordance with the terms of the Development Agreement, such proceeds to be held in an interest-bearing account and to be paid over in accordance with the provisions of Article 6 of the Development Agreement.

(b) Ballpark LLC shall cause the Restoration Funds to be applied toward the cost of the Casualty Restoration, provided that any Restoration Funds, together with any interest earned thereon, remaining after the completion of a Casualty Restoration shall be paid to Ballpark LLC; provided, however, that with respect to a Casualty Restoration occurring prior to Substantial Completion, any such Restoration Funds remaining after such Casualty Restoration shall be applied toward construction of the Project.

(c) If Ballpark LLC is not required to and does not perform a Casualty Restoration, the Agency shall retain all of the Restoration Funds, subject to the terms of the Stadium Lease and the Bond Documents.

Effect of Casualty on the Development Agreement.

The Development Agreement shall neither terminate, be forfeited nor be affected in any manner, by reason of damage to, or total, substantial or partial destruction of, the Stadium and/or the On-Site Parking Facilities, or by reason of the unlicensability of the Improvements or any part thereof, or for any reason or cause whatsoever (other than as provided in Section 38.22(b) of the Stadium Lease).

Subordination.

Notwithstanding anything to the contrary set forth in Article 6 of the Development Agreement with respect to the use and disposition of Restoration Funds, the use and disposition of Restoration Funds shall be subject and subordinate to the terms and conditions of the Bond Documents, for as long as any bonds issued pursuant to the Bond Documents remain outstanding thereunder.

Assignment

To the extent that property insurance proceeds are payable to the Agency and not required to be applied (and are not applied) to the restoration of the Stadium and the On-Site Parking Facilities or the redemption of the bonds issued pursuant to the Bond Documents under the terms of the Bond Documents, the Agency assigns its right to receive the proceeds thereof to Fee Owner.

Condemnation.

If and to the extent there is a condemnation of the Premises or portion thereof, and pursuant to the Stadium Lease, the Stadium Lease shall terminate, then the Development Agreement shall similarly terminate, and neither party shall have any further obligations to the other, other than those, if any, which expressly survive the expiration or earlier termination of the Development Agreement. If, however, the Stadium Lease shall not terminate as a result of such condemnation, then the Development Agreement similarly shall not terminate and use and application of the condemnation awards and Ballpark LLC's obligation to construct the Project shall be treated in the same fashion as the insurance proceeds are treated under the summarized section entitled "Application of Restoration Funds", subject to the summarized section entitled "Subordination".

Requirements

Obligation to Comply. Ballpark LLC will comply with all Requirements applicable to the construction of the Project, without regard to the nature of the acts undertaken or the work required to be done, whether extraordinary or ordinary, and whether requiring the removal of any encroachment, or affecting the maintenance, operation, repair, development, improvement, use or occupancy of the Premises, or involving or requiring any structural changes or additions in or to the Premises during the Term (it being understood that such obligations will be that of Ballpark LLC under the Stadium Lease after the expiration of the Term of the Development Agreement), and regardless of whether such changes or additions are required by reason of any particular use to which the Premises, or any part thereof, may be put. No actual or deemed consent to, approval of or acquiescence in any plans or actions of Ballpark LLC by the Agency, in its proprietary capacity as the Agency under the Development Agreement, or the Agency's designee, will be relied upon or construed as being a determination that such are in compliance with the Requirements, or, in the case of construction plans, are structurally sufficient.

Ballpark LLC will, promptly after becoming aware of the same, advise the Agency, in writing of (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable Hazardous Materials Laws, (ii) all claims made or threatened in writing by any third party against Ballpark LLC or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (ii) above are hereinafter referred to as "Hazardous Materials Claims"), and (iii) Ballpark LLC's discovery of any occurrence or conditions on the Premises or any real property adjoining or in the vicinity of the Premises that is likely to cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Hazardous Materials Law. Ballpark LLC will remediate any Hazardous Materials conditions on the Premises for which it is responsible under the provisions of the Development Agreement described below under the heading "Obligation to Preserve Against Liability; Ballpark LLC Obligation to Indemnify—Hazardous Materials" in accordance with all applicable Requirements.

Hazardous Materials

In furtherance of the provisions of the Development Agreement described above under the heading "Requirements," Ballpark LLC will not allow the use, generation, manufacture, handling, processing, distribution, storage, treatment, transportation, recycling or disposal of Hazardous Materials at the Premises or allow Hazardous Materials to be released, emitted or discharged at, upon, under, or from the Premises or to be located at the Premises without the prior written consent of the Agency, except in full compliance with all Hazardous Materials Laws.

Ballpark LLC Representations and Warranties

(a) Ballpark LLC is a duly formed limited liability company under the laws of the State of New York, validly existing, and in good standing under the laws of the State of New York and has the power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged, and is duly qualified as a foreign entity and in good standing under the laws of each other jurisdiction in which such qualification is required, and has the power and authority to enter into and perform its obligations under the Development Agreement and the other Project Documents to which it is a party, and by proper action has duly authorized Ballpark LLC's execution and delivery of, and its performance under, the Development Agreement and the other Project Documents and all other agreements and instruments relating thereto.

(b) The execution, delivery and performance by Ballpark LLC of the Development Agreement and the other Project Documents do not and will not (a) other than consents or approvals that have been obtained by Ballpark LLC (or permits that will be obtained in the course of performance of the Construction Work), require any consent or approval by any Person, (b) contravene the charter or by-laws or Operating Agreement of Ballpark LLC, (c) violate any provision of, or require any filing, registration, consent or approval under, any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to Ballpark LLC or its Affiliates, (d) result in a breach of, or constitute a default or require any consent under, any indenture or agreement, lease or instrument to which Ballpark LLC is a party or its properties may be bound or affected, including, without limitation, any of the Project Documents, (e) cause Ballpark LLC or any of its Affiliates to be in violation of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or in default under any such indenture, agreement, lease or instrument, including, without limitation, any of the Project Documents, or (f) result in or require the creation or imposition of a lien, upon or with respect to any of the properties or interests now owned or hereafter acquired by Ballpark LLC or any of its Affiliates (other than the Recognized Mortgages and other Permitted Encumbrances).

(c) There are no suits or proceedings pending or, to the best of Ballpark LLC's knowledge, threatened against Ballpark LLC or any Affiliate which might materially affect the construction of the Improvements, the consummation of the transactions contemplated by the Development Agreement, or the full performance of the Obligations of Ballpark LLC under the Development Agreement, the Architect's Agreement or the Construction Contract.

(d) Ballpark LLC possesses all licenses, permits, franchises, patents, copyrights, trademarks and trade names, or rights thereto, to conduct its business substantially as now conducted and as presently proposed to be conducted under the Development Agreement, and Ballpark LLC is not in violation of any valid rights of others with respect to any of the foregoing. Ballpark LLC is in compliance in all respects with all Requirements.

(e) The Architect's Agreement, the Construction Contract and each and every Construction Agreement with respect to which Ballpark LLC has sought or proposes to seek a disbursement from the Bond Proceeds comply with the requirements of Schedule I of the Development Agreement.

(f) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to its knowledge, threatened against Ballpark LLC or its Affiliates with respect to (i) the organization and existence of Ballpark LLC, (ii) its authority to execute, deliver and perform its obligations under the Development Agreement and the other Project Documents to which Ballpark LLC is a party, (iii) the validity or enforceability of the Development Agreement and the other Project Documents to which Ballpark LLC is a party, or the transactions contemplated thereby, or (iv) the ability of Ballpark LLC to design, develop, construct, fit out and equip the Stadium and the On-Site Parking Facilities for the uses provided for in Article 4 of the Stadium Lease.

(g) Ballpark LLC has obtained all consents, approvals, permits, authorizations and orders of any governmental or regulatory authority that are required to be obtained by Ballpark LLC as a condition precedent to the execution and delivery of the Development Agreement and the other Project Documents to which it is a party and the performance by Ballpark LLC of its obligations under the Development Agreement and under the Project Documents, or that are required for Ballpark LLC to design, develop, construct, fit out and equip the Stadium and the On-Site Parking Facilities for the uses provided for in Article 4 of the Stadium Lease, other than permits of a ministerial nature that are granted in the ordinary course or permits that are obtained in the course of performance of the Construction Work and other than those permits and consents which have not yet been obtained as of the date of the Development Agreement and which are so identified in the Development Agreement. There are no appeals pending with respect to any of the foregoing consents, approvals, permits, authorizations and orders, except as set forth in the Development Agreement; and all such consents, approvals, permits, authorizations and orders are final and unappealable, except as set forth in the Development Agreement. The consummation by Ballpark LLC of the transactions set forth in the Development Agreement and the other Project Documents to which Ballpark LLC is a party in the manner and under the terms and conditions as provided in the Development Agreement assuming receipt by Ballpark LLC of those permits and consents which have not yet been obtained as of the date of the Development Agreement and which are so identified in the Development Agreement as having not yet been obtained complies in all respects with all Requirements.

(h) A correct and complete copy of the Project Budget as in effect on the date of the Development Agreement has been furnished to the Agency.

(i) With respect to each of the Architect's Agreement and the Construction Contract, Ballpark LLC has obtained and delivered to the Agency such party's consent to the assignment thereof to the Agency or no such consent is required under the terms thereof.

(j) No approval or consent (that has not been duly obtained and that is not in full force and effect) on the part of MLB is required in connection with the execution or delivery of and the performance by Ballpark LLC of the Development Agreement and the other Project Documents to which it is a party.

(k) All material easements, rights of way and other interests in realty necessary for the consummation of the transactions contemplated by the Development Agreement and the other Project Documents to which Ballpark LLC is a party have been or will in the course of construction be obtained.

Use of Bond Proceeds

The Bond Proceeds may only be used by Ballpark LLC to reimburse Ballpark LLC for costs incurred and paid or to be paid from such proceeds by Ballpark LLC in connection with the Project in accordance with the provisions of the Bond Indentures and the Development Agreement.

No Representation as to Sufficiency of the Funding; Funding is Not Compensation; Excess Costs

Ballpark LLC understands and agrees that neither the Agency nor the City represents or warrants that the Bond Proceeds are sufficient to cover the costs of undertaking the Project and that the Bond Proceeds do not constitute a fee or other compensation earned by or paid to Ballpark LLC. To the extent additional funds are necessary, the Agency may, in its sole discretion, issue an additional series of bonds pursuant to the Bond Documents.

Limitations on Disbursement

Payments to Affiliates. Notwithstanding any provision to the contrary contained in the Development Agreement, costs paid or incurred by Ballpark LLC with respect to any architect or contractor which is an Affiliate performing labor or services at or supplying materials to the Premises will first be subject to prior written approval of the Agency, which approval will not be unreasonably withheld, and then reimbursed under the Development Agreement and the Bond Indentures only to the extent that such costs are substantially similar (to be determined by the Agency acting reasonably) to those which would have been paid by Ballpark LLC to an unrelated party in an arms length transaction.

Maintenance of Existence

Ballpark LLC will preserve and maintain its existence and good standing under the laws of the State of New York.

Sale of Assets, Mergers, Etc.

Ballpark LLC will not merge or consolidate with any Person, or sell, assign, lease or otherwise dispose of any of its assets (whether now owned or hereafter acquired) to any Person, or acquire all or substantially all of the assets or the business of any Person or transfer, convey, pledge, or assign the Development Agreement to any Person, without the Agency's prior written consent, it being understood and agreed that the Agency will not grant or deny any such consent without the prior written consent of the City (which City consent may be granted or withheld in the City's sole and absolute discretion).

Transactions with Affiliates.

Ballpark LLC shall not enter into any transaction, including, without limitation, the purchase, sale or exchange of property or the rendering of any service related to the Development Agreement with any

Affiliate, including without limitation, the purchase, sale or exchange of property or the rendering of any service with any Affiliate, except in the ordinary course of and pursuant to the reasonable requirements of Ballpark LLC's business, upon terms substantially similar to those that would be obtained in a comparable arm's length transaction with a Person who is not an Affiliate.

No Demolition, Removal or Alteration of Improvements

Ballpark LLC agrees that none of the Improvements will be demolished, removed or materially altered in any way by, through or as the result of the action or inaction of Ballpark LLC (whether direct or indirect) before the expiration of the Term of the Development Agreement unless the Agency's prior written consent will have been obtained. It is understood and agreed that none of the following will constitute breach of this covenant:

(a) the demolition, removal or material alteration of any Improvement as a result of the intervention of any of the following actions and occurrences that occur without the negligence or fault, and beyond the reasonable control, of Ballpark LLC and of which Ballpark LLC has given the Agency express written notice within ten (10) days after Ballpark LLC knows of same: (i) governmental actions, (ii) orders of any court of competent jurisdiction, (iii) war or act of war (whether an actual declaration or war is made or not), (iv) insurrection, riot, act of public enemy, terrorist acts, (v) accidents, (vi) mechanical failure and (vii) acts of God (including, fire, flood or other inordinately severe weather conditions);

(b) the undertaking of any repair, replacement or restoration of any Improvement as may be reasonably necessary to protect and preserve its character and functionality;

(c) the removal and disposal of any item of machinery and/or equipment as may become worn, provided that simultaneously or prior to such removal, any such item of machinery and/or equipment will be replaced with other equipment functionally comparable (or better) to the removed machinery and/or equipment in all material respects; or

(d) the demolition of Shea Stadium.

Additional Covenants of Ballpark LLC

Notwithstanding anything contained in the Development Agreement to the contrary, during the Term, Ballpark LLC covenants and agrees with the Agency as follows:

(a) Ballpark LLC will comply with all Requirements, including, without limitation, Requirements relating to obtaining and maintaining licenses and permits necessary to construct, operate and maintain the Stadium and the On-Site Parking Facilities, in accordance with the provisions of Article 7 of the Development Agreement;

(b) Ballpark LLC will not transfer, sell or assign the Development Agreement or any interest therein or any interest in Ballpark LLC, beneficial or otherwise, to any other Person without the prior written consent of the Agency and the Bond Insurer, which consent may be granted or withheld in the sole discretion of the Agency and the Bond Insurer;

(c) Ballpark LLC will pursue all remedies available to it under the Architect's Agreement and the Construction Contract, will not terminate the Architect's Agreement or the Construction Contract or suspend the services of the Architect or the Contractor, as applicable, thereunder without the prior written consent of the Agency. If the Agency consents to a termination of the

Architect's Agreement or the Construction Contract, it will not unreasonably withhold or delay its approval of a replacement architect or contractor selected by Ballpark LLC.

(d) Ballpark LLC will keep and maintain the Premises free from all mortgages, liens, security interests and encumbrances other than the lien created by the Recognized Mortgages and other Permitted Encumbrances;

(e) Without the prior written consent of the Agency, which consent shall not be unreasonably withheld, Ballpark LLC will not in any material respect amend, supplement or waive any rights under the Architect's Agreement or the Construction Contract. Furthermore, Ballpark LLC will not exercise any rights it may have to terminate or cancel the Architect's Agreement or the Construction Contract without the prior written consent of the Agency. If the Agency consents to a termination of the Architect's Agreement or the Construction Contract, it will not unreasonably withhold or delay its approval of a replacement architect or contractor selected by Ballpark LLC. This paragraph (e) is not intended, however, to prohibit the development of design development documents under the Construction Contract and approval by Ballpark LLC of such documents as contemplated by the Development Agreement;

(f) Ballpark LLC will not enter into any contract with any Affiliate of Ballpark LLC without the prior written consent of the Agency and the Bond Insurer (which consent shall not be unreasonably withheld) other than agreements for the purchase of goods and services in the ordinary course of business on terms no less favorable to Ballpark LLC than those generally available in the marketplace and which may involve intercompany payables and receivables that will not at any time aggregate more than $1,000,000 and other than agreements for the sale or other transfer of equipment to or from Ballpark LLC outside the ordinary course of business on terms no less favorable to Ballpark LLC than those generally available in the marketplace;

(g) Ballpark LLC will not incur any indebtedness for borrowed money;

(h) Ballpark LLC will not guarantee any indebtedness or liability of any other Person; and

(i) Without the prior written consent of the Agency and the Bond Insurer, Ballpark LLC will not enter into any agreement or series of related agreements among Ballpark LLC, any Affiliate of Ballpark LLC and a third party (with any such agreement or series of related agreements referred to as "Bundled Agreements") if pursuant to the terms of such Bundled Agreement or Bundled Agreements the economic benefits and burdens allocated to Ballpark LLC are, taken as a whole, less favorable to Ballpark LLC, and the economic benefits and burdens allocated to the applicable Affiliate are, taken as a whole, more favorable to the applicable Affiliate, than the relative allocation of benefits and burdens that would reasonably be expected based on the relative fair market value of the economic benefits and burdens that would be available from a third party on an arm's-length basis. At the request of the Agency, Ballpark LLC will deliver a certificate of an Authorized Representative confirming that a particular Bundled Agreement or series of Bundled Agreements comply with the provisions of this paragraph (i).

No Warranty of Condition or Suitability

The Agency has not made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, fitness, design, operation or workmanship of any part of the Premises, its fitness for any particular purpose, the quality or capacity of the Premises, or the suitability of the Premises for the purposes or needs of Ballpark LLC, the Partnership or the Team or the extent to which proceeds derived from the sale of the Bonds will be sufficient to pay the cost of

completion of the Project. Ballpark LLC acknowledges that the Agency is not the manufacturer of the Equipment or the Stadium Equipment nor the manufacturer's agent nor a dealer therein. Ballpark LLC is satisfied that the Premises is suitable and fit for its purposes. The Agency will not be liable in any manner whatsoever to Ballpark LLC, the Team or any other Person for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Property or the Stadium and/or the On-Site Parking Facilities or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, unless and only to the extent by which any such loss, damage or expense is determined to be caused by the negligence or wrongful conduct or omissions of the Agency or its directors, officials, employees, agents, invitees or contractors or the City or any instrumentality of the City, or EDC or ESDC or their respective officials, employees, agents, invitees or contractors.

It is understood and agreed that for purposes of Articles 9, 10 and 11 of the Development Agreement (and elsewhere in the Development Agreement, where applicable), contractors of the Agency, the City or any instrumentality of the City or EDC or ESDC will not and will not be deemed to include Ballpark LLC, its affiliates or any of its respective contractors or subcontractors or anyone acting by, through or under any of them. It is further understood and agreed that any negligence or wrongful conduct or omissions of the Agency or its directors, officials, employees, agents, invitees or contractors or of the City or of any instrumentality of the City or EDC or ESDC or their respective officials, employees, agents, invitees, or contractors will not in any event include or be deemed to include the negligence, wrongful conduct or omission of Ballpark LLC, its affiliates, directors, officers, members, trustees, officials, employees, agents or contractors or anyone acting by, through or under them.

Liability

Neither the Agency nor the City nor any instrumentality of the City nor EDC or ESDC nor their respective directors, officials, employees, agents, invitees or contractors will be liable for any injury or damage to Ballpark LLC or to any Person happening on, in or about the Premises or its appurtenances, whether during construction or at other times nor for any injury or damage to the Premises or to any property belonging to Ballpark LLC or to any other Person that may be caused by fire, by breakage, or by the use, misuse or abuse of any portion of the Premises (including, but not limited to, any of the common areas within the Improvements, hatches, openings, installations, stairways or hallways or other common facilities, the streets or sidewalk areas) or that may arise from any other cause whatsoever, unless, and only to the extent of the proportion of which, any such injury or damage is determined to be caused by the negligence or wrongful conduct or omissions of the Agency or its respective directors, officials, employees, agents, invitees or contractors or the City or any instrumentality of the City or EDC or ESDC, or their respective officials, employees, agents, invitees or contractors. In addition, neither the Agency nor the City nor any instrumentality of the City nor EDC or ESDC nor their respective directors, officials, employees, agents, invitees or contractors will not be liable to Ballpark LLC or to any Person for any failure of water supply, gas or electric current, nor for any injury or damage to any property of Ballpark LLC or of any Person or to the Premises caused by or resulting from gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storm or disturbance or by or from water, rain or snow which may leak or flow from the street, sewer, gas mains or subsurface area or from any part of the Premises, or body of water under or adjacent to the Premises, or by or from leakage of gasoline or oil from pipes, appliances, sewer or plumbing works therein or from any other place, nor from interference with light or other incorporeal hereditaments by any Person, or caused by any public or quasi-public work, unless, and only to the extent of the proportion by which, caused by the negligence or wrongful conduct or omissions of the Agency or its directors, officials, employees, agents, invitees or contractors, or the City or any instrumentality of the City, or their respective officials, employees, agents, invitees or contractors.

Obligation to Preserve Against Liability; Ballpark LLC Obligation to Indemnify

Except with respect to its own negligence or wrongful acts or omissions, none of the Agency, the City, EDC or ESDC shall have (or shall have at any time) any responsibility or liability whatsoever for any of the following activities: (i) the construction of the Improvements, or (ii) the use, operations and activities of Ballpark LLC, its contractors, subcontractors, agents, employees, invitees and guests at the Premises, thereabove and thereabout, or (iii) Ballpark LLC's performance of, or failure to perform, its Obligations under the Development Agreement. At all times Ballpark LLC shall assume sole responsibility for each and every one of the foregoing activities so as to avoid injury to any Person and/or property damage (except if and to the extent that any such injury arises from the negligence or wrongful acts or omissions of the Agency, the City, EDC or ESDC). Ballpark LLC shall not perform any act, or do anything, or permit that any act be performed or thing done at the Premises, or any portion thereof, or in connection with any of the activities listed above at any time that subjects or may subject the Agency, the City, EDC or ESDC to any liability or responsibility for injury to any Person or damage to property for any reason whatsoever, including, without limitation, by reason of any violation of any Requirement.

To the fullest extent permitted by law, Ballpark LLC will indemnify and save the Agency, the City, EDC and ESDC and their respective directors, trustees, officials, members, officers, employees, agents, servants, contractors and subcontractors (collectively, the "Indemnitees") harmless from and against any and all liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorneys' fees, court costs and disbursements, that may be imposed upon or incurred by or asserted against any of the Indemnitees by reason of any of the following, except that no Indemnitee will be so indemnified and saved harmless to the extent of which such liabilities, etc., are caused by the negligence or wrongful acts or omissions of such Indemnitee:

Acts or Failure to Act. Any act or failure to act on the part of Ballpark LLC.

Design, Construction Work. The planning, design, site preparation, construction, equipping, furnishing, installation or completion of the Improvements or any part thereof or the effecting of any work done in or about or in connection with the Improvements, or any part thereof, or any defects (whether latent or patent) in or in connection with the Improvements or any part thereof, by or on behalf of Ballpark LLC, except for City "fit-out" work or other work performed by or on behalf of the City or any Indemnitee (except with respect to such work to the extent of the proportion caused by the negligence or wrongful acts or omissions of Ballpark LLC, its partners, joint venturers, directors, trustees, officials, members, officers, employees, agents, invitees, servants or contractors).

Control. The control, use, non-use, possession, alteration, condition, operation, improvement, or management by or on behalf of Ballpark LLC of the area of the Premises on which the Improvements are being performed or any part thereof or of any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent thereto, including, without limitation, any violations imposed by any Governmental Authorities in respect of any of the foregoing; provided that this paragraph will not apply to the Police Substation that will be within the exclusive control and possession of the City, except if and to the extent that any such liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses will be attributable to the negligence or wrongful acts or omissions of Ballpark LLC or its directors, officers, members, trustees, officials, employees, agents or contractors.

Accidents, Injury to Person or Property. Any accident, injury (including death at any time resulting therefrom) or damage to any Person or property occurring in, on, or about the Premises or any part thereof, or in any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent

thereto to the extent such accident, injury or damage in any way relates to or arises from the activities of Ballpark LLC.

Lien, Encumbrance or Claim Against Premises. To the extent related to or arising from the Project or in connection with the Improvements, any lien, encumbrance or claim that may be alleged to have been imposed or arisen against or on the Premises, or any Lien, encumbrance or claim created or permitted to be created by Ballpark LLC or any of its partners, joint venturers, shareholders, directors, officers, employees, agents, invitees, servants or contractors against any assets of, or funds appropriated to, the Agency, the City, EDC or ESDC or any liability that may be asserted against the Agency or the City with respect thereto.

Hazardous Materials. The presence, storage, transportation, disposal, release or threatened release of any Hazardous Materials over, under, in, on, from or affecting the Premises or any persons, real property, personal property, or natural substances thereon or affected thereby, to the extent related to the Improvements or activities of Ballpark LLC, except that Ballpark LLC will not indemnify and save harmless the Indemnitees to the extent that such Hazardous Materials were present, stored, disposed of, or released at the Premises prior to the date Ballpark LLC first gains access to the Premises for the purpose performing the Improvements (but the foregoing will not release Ballpark LLC from its obligation to indemnify the Indemnitees for damages arising from any disposal or release after such date with respect to any Hazardous Materials preexisting such date of Ballpark LLC's physical possession). "Hazardous Materials" means (i) any "hazardous waste" as defined under the Resource Conservation and Recovery Act, 42 U.S.C. Section 9601 et seq., or (ii) "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., or (iii) "hazardous materials" as defined under the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., or (iv) "hazardous waste" as defined under New York Environmental Conservation Law Section 27-0901 et seq., or (v) "hazardous substance" as defined under the Clean Water Act, 33 U.S.C. Section 1321 et seq.

Notwithstanding anything to the contrary contained in the Development Agreement, Ballpark LLC shall not provide any indemnification under the Development Agreement except to the extent caused by or resulting from (i) Ballpark LLC's own actions or failures to act while in possession or control of the Project or activities related to the Improvements, (ii) the actions or failures to act by any Affiliate of Ballpark LLC, (iii) any actions or failures to act by any contractor pursuant to a Construction Agreement, and (iv) any actions or failures to act by any contractor performing Construction Work or work related to the Improvements or any Person doing work as a subcontractor or sub-subcontractor (or any other or further level of subcontractor) of such contractor in connection with the Project or the Improvements.

Contractual Liability

The obligations of Ballpark LLC under Article 11 of the Development Agreement will not be affected in any way by the absence of insurance coverage, or by the failure or refusal of any insurance carrier to perform an obligation on its part to be performed under insurance policies affecting the Premises.

Defense of Claim, Etc.

If any claim, action or proceeding is made or brought against any of the Indemnities in connection with any event to which reference is made to the provisions of the Development Agreement described above under the heading "Obligation to Preserve Against Liability; Ballpark LLC Obligation to Indemnify," then upon demand by the Agency, the City, EDC or ESDC, Ballpark LLC will either resist, defend or satisfy (or cause to be resisted, defended or satisfied) such claim, action or proceeding in such

Indemnitee's name, by the attorneys for, or approved by, the applicable insurance carrier (if such claim, action or proceeding is covered by insurance) or by such other attorneys as such Indemnitee will reasonably approve. The foregoing notwithstanding, any such Indemnitee may engage its own attorneys to defend such Indemnitee, or to assist such Indemnitee, in such Indemnitee's defense of such claim, action or proceeding, as the case may be provided that Ballpark LLC shall have no obligation to pay any amounts therefor. Ballpark LLC shall be responsible for administering (or arranging for the administration of) all claims, including but not limited to coordination with applicable insurance providers, and the Agency, the City, EDC and ESDC shall cooperate (and, to the extent possible, cause other Indemnitees to cooperate) with Ballpark LLC in connection therewith.

Third Party Beneficiaries

The City, EDC and ESDC are made third-party beneficiaries of the provisions of Article 11 of the Development Agreement.

Partnership's Right to Cure Ballpark LLC's Defaults

The Partnership will have the same rights under Article 13 of the Development Agreement to cure a default by Ballpark LLC with respect to the performance of Ballpark LLC's covenants under the Development Agreement as the Partnership has under the provisions of Section 24.04 of the Stadium Lease, and the Agency will comply with all of the obligations thereunder to provide notice to the Partnership as if the same were incorporated in the Development Agreement by reference.

Recognized Mortgagee's Right to Cure Ballpark LLC's Defaults

A Recognized Mortgagee will have the same rights under Article 13 of the Development Agreement to cure a default by Ballpark LLC with respect to the performance of Ballpark LLC's covenants under the Development Agreement as such Recognized Mortgagee has under the provisions of Section 17.04 of the Stadium Lease, and the Agency will comply with all of the obligations thereunder to provide notice to such Recognized Mortgagee as if the same were incorporated in the Development Agreement by reference.

Bond Insurer's Right to Cure Ballpark LLC's Defaults

The Bond Insurer will have the same rights under Article 13 of the Development Agreement to cure a default by Ballpark LLC with respect to the performance of Ballpark LLC's covenants under the Development Agreement as a Recognized Mortgagee of Section 17.04 of the Stadium Lease, and the Agency will comply with all of the obligations thereunder to provide notice to the Bond Trustee as if the same were incorporated in the Development Agreement by reference.

Events of Default

Each of the following will constitute an event of default ("Event of Default"):

(a) if, subject to Unavoidable Delays and the summarized section entitled "Ballpark LLC Obligation", Ballpark LLC will fail to Substantially Complete construction of the Project on or before the Scheduled Completion Date and in all events on or before the Non-Completion Termination Date, or fails to diligently prosecute the Substantial Completion of the Project and such failure will continue for a period of sixty (60) days after notice (provided that after a notice for failure to diligently prosecute Substantial Completion of the Project has been provided, no further notice will be required for any future default for same, but such Default will be an Event of Default without further notice);

(b) Ballpark LLC will use or apply all or any portion of the Bond Proceeds in violation of the terms, covenants and conditions of the Development Agreement or any of the Bond Documents and not corrected within the applicable cure period set forth in the Development Agreement or therein, if any or if none is provided for a period of ten (10) days after notice thereof to Ballpark LLC;

(c) Ballpark LLC will fail to perform or observe any of the terms, covenants or conditions on its part to be performed or observed pursuant to the Development Agreement and such failure continues for sixty (60) days after written notice to Ballpark LLC specifying such Default (unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such sixty (60) day period, in which case no Event of Default will be deemed to exist as long as Ballpark LLC will commence the requisite performance or observance within such sixty (60) day period and will diligently and continuously prosecute the same within a reasonable period of time thereafter);

(d) Ballpark LLC or any of its Affiliates will fail to perform or observe any term, covenant or condition on its part to be performed or observed under any of the Project Documents, beyond the grace periods provided in said documents;

(e) Ballpark LLC ceases to perform at any time the Construction Work for any period of time in excess of sixty (60) consecutive calendar days unless: (i) the cessation of the Construction Work will have been caused by Unavoidable Delays and the Construction Work will have resumed promptly after the end of the Unavoidable Delay; and (ii) Ballpark LLC will have made adequate provision reasonably acceptable to the Agency for the protection of the Premises and materials stored on site against deterioration, loss, damage or theft;

(f) Any material representation or warranty made or deemed made by Ballpark LLC or any of its Affiliates in the Development Agreement or in any other of the Project Documents or that is contained in any certificate, document, opinion, financial or other statement furnished by Ballpark LLC pursuant to the Development Agreement, or by any third party for or on behalf of Ballpark LLC pursuant to the Development Agreement, will be false, incomplete or misleading in any material respect when made or deemed made; provided that if such misrepresentation was unintentionally made and the underlying condition is susceptible of being corrected, then Ballpark LLC will have thirty (30) days to remedy the same after notice thereof from the Agency;

(g) To the extent permitted by law, if Ballpark LLC will admit, in writing, that it is unable to pay its debts as such become due;

(h) To the extent permitted by law, if Ballpark LLC will make an assignment for the benefit of creditors;

(i) To the extent permitted by law, if Ballpark LLC will file a voluntary petition under the present or any future Federal Bankruptcy Act or any other present or future Federal, state or other bankruptcy or insolvency statute or law or if such petition will be filed against Ballpark LLC and an order for relief will be entered, or if Ballpark LLC will file a petition or an answer seeking, consenting to or acquiescing in, any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other present or future federal, state or other bankruptcy or insolvency statute or law, or will seek, or consent to, or acquiesce in, or suffer the appointment of, any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Ballpark LLC, or of all or any substantial part of its properties, or of the Premises or any interest of Ballpark LLC therein, or if Ballpark LLC will take any partnership or corporate action in furtherance of any action described above under paragraph (g) or (h) or in this paragraph (i);

(j) To the extent permitted by law, if within ninety (90) days after the commencement of a proceeding against Ballpark LLC seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Code or any other present or future applicable federal, state or other bankruptcy or insolvency statute or law, such proceeding will not be dismissed, or if, within 120 days after the appointment, without the consent or acquiescence of Ballpark LLC, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Ballpark LLC, or of all or any substantial part of its properties, or of the Premises or any interest of Ballpark LLC therein, such appointment will not be vacated or stayed on appeal or otherwise, or if, within 120 days after the expiration of any such stay, such appointment will not be vacated;

(k) One or more judgments, decrees or orders for the payment of money that are final beyond any right of appeal, and individually or in the aggregate will result in a material adverse change in the financial condition of Ballpark LLC will be filed or entered against Ballpark LLC, and any such judgments, decrees or orders will continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied or stayed or bonded pending appeal;

(l) A levy under execution or attachment will be made against the Premises or any part thereof, the income therefrom or the Development Agreement and such execution or attachment will not be vacated or removed by court order, bonding or otherwise within a period of ten (10) days;

(m) Unless caused by an Unavoidable Delay, Ballpark LLC will vacate or abandon the Premises, or any portion thereof (the fact that any of Ballpark LLC's property remains in the Premises will not be evidence that Ballpark LLC has not abandoned the Premises) for a period exceeding thirty (30) consecutive days;

(n) Ballpark LLC transfers any interest in Ballpark LLC or in the Development Agreement to a Prohibited Person, or Ballpark LLC or any Affiliate of Ballpark LLC is or becomes a Prohibited Person. Nothing contained in the Development Agreement will permit Ballpark LLC and Ballpark LLC will not cause or permit any transfer of interest in and to Ballpark LLC to any person, whether voluntarily, involuntarily or by operation of law, without the prior written consent of the Agency;

(o) if Ballpark LLC will fail to obtain and maintain any insurance policy required under the Development Agreement within ten (10) days after notice; or

(p) If Ballpark LLC will default in the performance of any covenant, term, condition or obligation (including without limitation any payment obligation) under the Stadium Lease or the Bond Documents beyond the grace periods provided in said documents, or, if none is provided, for a period of thirty (30) days after notice thereof to Ballpark LLC.

Remedies

Upon the occurrence and during the continuance of an Event of Default, and subject to the provisions of the Development Agreement described above under the headings "Team's Right to Cure Ballpark LLC's Defaults," "Recognized Mortgagee's Right to Cure Ballpark LLC's Defaults," and "Bond Insurer's Right to Cure Ballpark LLC's Defaults," the Agency may exercise any right, power or remedy permitted to it by law, in equity, or under the Development Agreement, including, without limitation:

(a) Suspending the disbursement of Bond Proceeds to Ballpark LLC;

(b) Enforcing Ballpark LLC's obligations under the Development Agreement administratively or by equitable remedies of specific performance, declaratory judgment or injunction and/or recovering damages for a breach of Ballpark LLC's obligations under the Development Agreement;

(c) Removing Ballpark LLC as the developer under the Development Agreement and exercising the rights and remedies of the Agency under the provisions of the Development Agreement described below under the heading "Additional Remedies"; or

(d) Terminating the Development Agreement by giving notice to this effect to Ballpark LLC (reserving, however, all remedies provided in Article 23 of the Development Agreement or otherwise available at law and/or equity).

Additional Remedies

(a) Upon the occurrence and during the continuance of an Event of Default, and subject to the provisions of the Development Agreement described above under the headings "Team's Right to Cure Ballpark LLC's Defaults," "Recognized Mortgagee's Right to Cure Ballpark LLC's Defaults," and "Bond Insurer's Right to Cure Ballpark LLC's Defaults," the Agency will have the right (but not the obligation), in its sole discretion, to enter the Premises to cure Ballpark LLC's Defaults and/or to perform portions of the construction (including, without limitation, leveling and grading of the Premises), or to complete construction of the Project in accordance with the Plans and Specifications, with such reasonable changes therein as the Agency in its reasonable discretion, may deem appropriate, all at the risk, cost and expense of Ballpark LLC. In such circumstances, the Agency will have the right at any and all times to discontinue any work commenced by it, or to change any course of action undertaken by it.

(b) Upon the occurrence and during the continuance of an Event of Default, and subject to the provisions of the Development Agreement described above under the headings "Team's Right to Cure Ballpark LLC's Defaults," "Recognized Mortgagee's Right to Cure Ballpark LLC's Defaults," and "Bond Insurer's Right to Cure Ballpark LLC's Defaults,", if the Agency has exercised its right to complete the Project pursuant to the provisions of the Development Agreement described in this section, the Agency will have the right (but not the obligation), in the Agency's sole discretion, to assume the Architect's Agreement and the Construction Contract and to take over and use all or any part or parts of the labor, materials, supplies and equipment contracted for, by, or on behalf of Ballpark LLC, whether or not previously incorporated into the Premises. For this purpose, Ballpark LLC collaterally assigns to the Agency the Architect's Agreement and the Construction Contract relating to the Project and the work product of the professional design contracts and the Architect, whether presently existing or hereafter created, and agrees to execute any additional documents that may be reasonably requested by the Agency to evidence or effectuate the foregoing, including, without limitation, the documents attached to the Development Agreement as Schedules G-1 through G-3 (with respect to which documents on Schedules G-1 through G-3 Ballpark LLC shall execute and cause such parties thereto to execute, as the case may be) which shall also be addressed to and delivered for the benefit of the Agency as well. The Agency will also have the right, and Ballpark LLC grants to the Agency an irrevocable license, to enter, or cause its architect, contractors and subcontractors to enter, the Premises or any part thereof and perform any and all work and labor necessary to complete the Project or any portion thereof as determined by Agency in accordance with the Plans and Specifications. In connection with any demolition or construction undertaken by the Agency pursuant to the provisions of this paragraph, the Agency may: (i) engage builders, contractors, architects, engineers and others for the purpose of furnishing labor, materials and equipment; (ii) reasonably pay, settle or compromise all bills or claims which may become liens against the Premises, or which have been or may be properly incurred, or for the discharge of liens,

encumbrances or defects in the title of the Premises; and (iii) take such other reasonable action (including the employment of watchmen) to protect the Premises.

Right to Refrain

The Agency will have the right, in its sole discretion, to refrain from exercising any of its rights under the Development Agreement at any time or from time to time.

No Waivers; Remedies Not Exclusive; Etc.

No course of dealing on the part of the Agency or any failure or delay on the part of the Agency to exercise any right will operate as a waiver of such right or otherwise prejudice the Agency's powers and remedies. Except as may otherwise be expressly set forth in the Development Agreement, no right, power or remedy conferred upon or reserved to the Agency is intended to be exclusive of any other right, power or remedy. Except as may otherwise be expressly set forth in the Development Agreement, every right, power and remedy will, to the extent permitted by law, be cumulative and in addition to every other right, power and remedy contained in the Development Agreement or existing at any time at law or in equity, or otherwise, and may be exercised from time to time and as often and in such order as the Agency may deem appropriate. The exercise of any right, power or remedy will not be construed as an election or a waiver of any other right, power or remedy. No failure by the Agency to insist upon Ballpark LLC's strict performance of any covenant, agreement, term or condition of the Development Agreement or to exercise any right or remedy available to it under the Development Agreement, will constitute a waiver of any Default or Event of Default or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of the Development Agreement to be performed or complied with by Ballpark LLC, and no Default or Event of Default, will be waived, altered or modified, except by a written instrument executed by the Agency. No waiver of any Default or Event of Default will affect or alter the Development Agreement, but each and every covenant, agreement, term and condition of the Development Agreement will continue in full force and effect with respect to any other then existing or subsequent Default or Event of Default.

Right to Enjoin Defaults or Threatened Defaults

In the event of a Default or threatened Default by a party to the Development Agreement, the other party will be entitled to seek to enjoin such Default or threatened Default and will have the right to invoke any rights and remedies allowed at law or in equity or by statute or by the Development Agreement, other remedies that may be available to such party notwithstanding. Except as may otherwise be expressly set forth in the Development Agreement, each right and remedy of each party provided for in the Development Agreement will be cumulative and will be in addition to every other right or remedy provided for in the Development Agreement or now or hereafter existing at law or in equity or by statute, and the exercise or beginning of the exercise by a party of any one or more of the rights or remedies provided for in the Development Agreement or now or hereafter existing at law or in equity or by statute will not preclude the simultaneous or later exercise by such party of any or all other rights or remedies provided for in the Development Agreement or now or hereafter existing at law or in equity or by statute.

Limitation on Liability

Agency Exculpation. The liability of the Agency or any other Person who has acted at any time as the landlord under the Stadium Lease, for damages or otherwise, will be limited to the Agency's interest in the Premises, the proceeds, payable to the Agency of any insurance policies covering or relating to the Premises, and any awards payable to the Agency in connection with any condemnation of part or all of the Premises. In no event, however, will the Agency's interest in the Premises include:

(i) any rights, claims, or interests of the Agency that at any time may exist pursuant to a loan document to which the Agency is a party or any note or mortgage given to the Agency in connection with the Premises; (ii) any rights, claims, or interests of the Agency that at any time may arise from or be a result of the Agency's governmental powers or rights or the Agency's actions in its governmental capacity; or (iii) any other rights, claims, or interests of the Agency that would otherwise be within the Agency's interest in the Premises (other than rents, issues and/or proceeds from or in connection with the Premises) from and after such time as such other rights, claims, or interests have been received by the Agency; provided that the Agency's interest in the Land and Improvements shall be included within the Agency's interest in the Premises. None of the directors, officers, partners, joint venturers, principals, shareholders, employees, agents or servants of the Agency will have any liability (personal or otherwise) the Development Agreement or be subject to levy, execution or other enforcement procedure for the satisfaction of any remedies of Ballpark LLC available the Development Agreement or at law or equity.

Ballpark LLC's Members Exculpation. None of the members, directors, officers, partners, joint venturers, principals, shareholders, employees, agents or servants of Ballpark LLC will have any liability (personal or otherwise) under the Development Agreement or be subject to levy, execution or other enforcement procedure for the satisfaction of any remedies of the Agency available under the Development Agreement or at law or equity so long as none of such Persons are the agent of the Agency under the Development Agreement.

Sole Cost and Expense of Performance

None of Ballpark LLC's obligations under the Development Agreement shall be performed at the Agency's cost or expense.

Transfer of Lease Interests

Transfer of Agency's Interest. Subject to the provisions of the Development Agreement, for as long as any of the Bonds remain outstanding, the Agency may not sell, assign or transfer all or any portion of the Agency's interest in (i) the Premises, except to a fully tax exempt public benefit corporation, which is fully exempt from all real estate taxes, sales and use taxes, and other taxes from which the Project is exempt by virtue of the Agency's leasehold interest in the Premises, subject to the rights of the holders of the Bonds, or (ii) the Development Agreement, except to the Bond Insurer. In the event of any permitted sale or sales, assignment or assignments, or transfer or transfers of the Agency's interest in the Premises and/or the Development Agreement, the seller, assignor or transferor, as the case may be, will be and is entirely freed and relieved of all agreements, covenants and obligations of the Agency the Development Agreement to be performed, whether accruing before or after the date of such sale, assignment or transfer, and it will be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the Person who acquires or owns the Premises, including, without limitation, the purchaser, assignee or transferee on any such sale, assignment or transfer, that such Person has assumed and agreed to carry out any and all agreements, covenants and obligations of the Agency the Development Agreement whether accruing before or after the date of such sale, assignment or transfer, and security for such obligations in term and substance reasonably satisfactory to the Agency.

Transfer of Ballpark LLC's Interest. Ballpark LLC will not transfer its interest in the Development Agreement or assign the Development Agreement without the Agency's consent, to be granted or withheld in the Agency's sole discretion.

Performance on Behalf of Agency

Without limitation of anything set forth in the Development Agreement, it is understood and agreed that any and all of the rights, covenants and obligations of the Agency the Development Agreement may be exercised or performed on the Agency's behalf by Fee Owner (acting in its proprietary capacity through DPR or other agency or instrumentality of the City), other than with respect to (i) the planning, design, construction and equipping of the Stadium and the On-Site Parking Facilities undertaken by Ballpark LLC as agent of the Agency, (ii) issuance of the Bonds, (iii) cancellation of Taxes, and (iv) exemption from Sales Taxes. Any specific provision in the Development Agreement that the City or DPR or any other agency or instrumentality of the City may perform and exercise any of the covenants, rights and obligations of the Agency under the Development Agreement will not in any way impair or diminish the general applicability of the preceding sentence with respect to any right, covenant or obligation which does not contain such a specific provision. Ballpark LLC further understands, acknowledges and agrees that, until Ballpark LLC is notified to the contrary by the Agency, DPR will administer the Development Agreement on behalf of the Agency, and unless and until such notice is received, DPR will provide all consents and approvals to be provided under the Development Agreement on behalf of the Agency, and Ballpark LLC agrees to accept from DPR any notices of default, notices of termination, bills, invoices and any other notices and demands executed and/or delivered by DPR or any other agency or instrumentality of the City (or any entity designated by the Agency or DPR to act on its behalf) as having been fully authorized by the Agency under the Development Agreement and having the same force, effect and validity as if executed and/or delivered by the Agency under the Development Agreement.

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APPENDIX E — SUMMARY OF THE STADIUM CONSTRUCTION AGREEMENT AND THE ARCHITECT'S AGREEMENT

The following is a brief summary of certain provisions of the Stadium Construction Agreement and the Architect's Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the Stadium Construction Agreement and the Architect's Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B — Certain Terms."

Stadium Construction Agreement

Ballpark LLC, in its capacity as agent for the Agency, currently intends to enter into a guaranteed maximum price ("GMP") construction agreement (the "Contract") with Hunt/Bovis Lend Lease Alliance II, a Joint Venture ("Hunt Bovis"), pursuant to which Hunt Bovis will construct the Stadium and related parking facilities. The Contract is comprised of an AIA A111 owner-contractor agreement (the "Agreement") and an AIA A201 general conditions addendum (the "General Conditions"), as modified by the parties.

Contract Time: Preconstruction work for the Project is ongoing, and construction work under the Contract (the "Work") is anticipated to begin in August 2006, and in any event in or about the first week of September 2006, with Substantial Completion of (x) the Stadium to occur by March 1, 2009, and (y) the demolition of Shea Stadium and the restoration of parking areas affected thereby by July 1, 2009 (provided that (i) interior demolition work begins by November 1, 2008, and (ii) structural demolition work begins by November 18, 2008). If Hunt Bovis is not permitted to commence the Work by September 1, 2006 for any reason not attributable to the fault or neglect of Hunt Bovis, the time in which the Work is to be performed under the Contract (the "Contract Time") will be extended accordingly. In no event will Hunt Bovis be required to commence or continue performance of the Work until Ballpark LLC has provided Hunt Bovis with (a) a copy of the executed PILOT Bonds Master Indenture of Trust dated as of August 1, 2006, between the Agency and the Bank of New York, as PILOT Bonds Trustee (the "Indenture"), (b) a copy of the executed Funding Agreement, dated as of August 2, 2006 between Ballpark LLC and EDC and ESDC (the "Funding Agreement"), (c) that certain Development Agreement, dated as of August 1, 2006, between Ballpark LLC and the Agency (the "Development Agreement"), and (d) evidence that the requisite amounts have been deposited into the Construction and Acquisition Account (PILOT Bond) of the PILOT Project Fund (with the terms "Construction and Acquisition Account (PILOT Bond)" and "PILOT Project Fund" having the meanings ascribed to them in the Indenture). In addition, Hunt Bovis will not have to commence or continue Work, nor will the Contract Time commence to run, until Ballpark LLC receives (1) grant funds for the Project from EDC and ESDC (with such funds being hereinafter referred to as the "Public Funds"), which Public Funds are intended to be used for certain infrastructure improvements related to the construction and operation of the Stadium (the "Infrastructure Improvements"), and (2) bond proceeds made available pursuant to a bond issuance by the Agency. "Substantial Completion" will be deemed to have occurred when the Work (or a designated portion thereof) is sufficiently complete so that (A) Ballpark LLC can occupy or utilize the Work for its intended use, and (B) Hunt Bovis has performed all of its obligations in accordance with the Contract so that all permits and licenses required for Ballpark's occupancy may be obtained (provided that clause (B) will not be a condition to the occurrence of Substantial Completion if Ballpark LLC is unable to obtain such permits and licenses for reasons not attributable to the fault or neglect of Hunt Bovis or any subcontractors).

Liquidated Damages:

- *Stadium*: Subject to the occurrence of an event or condition that is beyond the reasonable control of Hunt Bovis, if the Stadium is not substantially completed by March 1, 2009, and the failure to substantially complete is due to Hunt Bovis's failure to perform in accordance with the terms of the Contract, then Ballpark LLC will be entitled to liquidated damages (x) in the amount of $25,000 per day for each day after March 1, 2009 that the Stadium is not substantially complete until the day ("Opening Day") on which the first 2009 Major League Baseball regular season game is scheduled to be played, and (y) in the amount of $100,000 per day for each day after Opening Day that the Stadium is not substantially complete (collectively, "Stadium Liquidated Damages"). Notwithstanding the foregoing, Hunt Bovis will not be responsible for Stadium Liquidated Damages if the Stadium is Substantially Completed by Opening Day

- *Demolition of Shea*: Subject to the occurrence of an event or condition that is beyond the reasonable control of Hunt Bovis, if the demolition of Shea Stadium and the restoration of the parking areas affected by such demolition are not substantially completed by July 1, 2009, assuming start dates of November 1, 2008 for interior demolition and November 18, 2008 for structural demolition, and the failure to substantially complete is due to Hunt Bovis's failure to perform in accordance with the terms of the Contract, then Ballpark LLC, until Substantial Completion of such demolition and restoration is achieved, will be entitled to liquidated damages in the amount of (x) $20,000, multiplied by (y) the number of games played at the Stadium after July 1, 2009 ("Parking Liquidated Damages"). Any such liquidated damages will be pro rated as parking spaces in such affected areas are made available for use.

- *Limitations*: The maximum amount of liquidated damages payable by Hunt Bovis, whether Stadium Liquidated Damages, Parking Liquidated Damages, or a combination of the two, is fifty percent (50%) of the Fee (as hereinafter defined) plus fifty percent (50%) of any incentives that might otherwise have been paid to Hunt Bovis in accordance with the provisions of the Contract. Additionally, Ballpark LLC will not be entitled to assess Stadium Liquidated Damages and Parking Liquidated Damages concurrently. If both Stadium Liquidated Damages and Parking Liquidated Damages would otherwise be payable simultaneously, Hunt Bovis will be responsible only for Stadium Liquidated Damages.

Delays and Extensions of Time: If Hunt Bovis is delayed at any time in the commencement or progress of the Work by an act or neglect of Ballpark LLC, HOK Sports Facilities Architects, P.C. d.b.a. HOK Sport + Venue + Event (HOK Sport) ("HOK"), or of an employee of either, or of a separate contractor employed by Ballpark LLC, acts of God, adverse weather conditions that could not have been reasonably anticipated and had an adverse effect on scheduled Work, terrorist acts, concealed or changed site conditions, hazardous materials not identified as Hunt Bovis's responsibility at the time the GMP is established, the requirements of laws, statutes, regulations and other legal requirements that change after the time the GMP is established, shortage or unavailability of materials, supplies, labor, equipment or systems, provided that such shortages or unavailability were reasonably not anticipated by Hunt Bovis at the time that the GMP is established, by changes ordered in the Work in accordance with the provisions of the Contract, or by industry-wide strikes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond Hunt Bovis's reasonable control any one of which were reasonably not anticipated by Hunt Bovis at the time the GMP is established, or by delay authorized by Ballpark LLC pending dispute resolution in accordance with the provisions of the Contract, or by other causes that HOK determines may justify delay, then the Contract Time shall, if and to the extent appropriate, be extended by Change Order for each day of delay and the Contract Sum shall, if and to the extent appropriate, be adjusted by Change Order for additional costs due to delay.

Compensation: Hunt Bovis will be paid a fee (the "Fee") of $12,000,000 for the construction of the Stadium and related parking facilities. If the GMP, once established, is equal to or less than $578,500,000, the Fee will be increased to $14,000,000. The Fee will be increased by 2.5% of the amount of change orders requiring construction of certain additional structures if approved by Ballpark LLC. Additionally, Hunt Bovis may be entitled to up to $6,000,000 in incentive payments if certain performance goals are achieved.

GMP: Due to the fast track nature of the Project, the GMP will not be established until after the Contract is executed. Ballpark LLC and Hunt Bovis have, however, agreed to an interim GMP (the "IGMP") in the amount of Five Hundred Ninety-Seven Million Dollars ($597,000,000). The IGMP has been determined based on the status of the Project drawings and specifications as of July 21, 2006 (which drawings represented the approximate completion of the design development phase of the Project), subject to certain assumptions made by Hunt Bovis based on Hunt Bovis's professional experience and its expectations concerning the progress of the Project. Ballpark LLC and Hunt Bovis are required to work together (and with HOK) to cause the Project drawings and specifications to be further developed in such a manner so as to result in a GMP that does not exceed the IGMP. When the plans and specifications are sufficiently developed, Hunt Bovis will submit a GMP proposal to Ballpark LLC. Once the parties reach agreement on the GMP they will execute an amendment to the Contract evidencing their agreement on the GMP and the terms and conditions associated with that GMP, including all assumptions, clarifications, contingencies, and allowances. Once established, the GMP will be subject to additions and deductions by Change Order and Construction Change Directive as provided in the Contract. Except as otherwise expressly provided in the Contract, costs that would cause the GMP to be exceeded will be paid by Hunt Bovis without reimbursement by Ballpark LLC. If Hunt Bovis and Ballpark LLC cannot agree on the GMP within ten days after such submission, then Ballpark LLC may either terminate the Contract for convenience or allow Hunt Bovis to proceed with the Work, in which case the IGMP will become the GMP.

Contingency: The GMP includes a "Contractor's Contingency" of three percent (3%) of the estimated cost of all subcontracts and purchase orders plus Hunt Bovis's general conditions costs. (The Contractor's contingency under the IGMP is $25,000,000.) This account is included for the purpose of defraying unanticipated charges and additional expenses, including errors in estimating both time and money, and increased costs for items reasonably inferable from the further development, refinement and coordination of the Agreement and the General Conditions, Drawings, Specifications, addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract (collectively, the "Contract Documents"). The Contractor's Contingency will not be applied to costs and expenses associated with Scope Changes/Change Orders approved by Ballpark LLC, concealed or changed conditions, design defects or deficiencies and/or other changes in the Work, which expenses shall be borne by Ballpark LLC through a Change Order. Hunt Bovis will be required to furnish documentation evidencing expenditures charged to the Contractor's Contingency, and the reasons therefor. If and to the extent that portions of the Contractor's Contingency are applied (and proper documentation in connection therewith is provided), Ballpark LLC will pay such amounts on a monthly basis in accordance with the payment provisions of the Contract**.** Notwithstanding anything to the contrary contained in this paragraph, Hunt Bovis agrees to use up to $500,000.00 of the Contractor's Contingency for design defects or deficiencies arising from design coordination or design completion issues. All other design defects and deficiencies shall be borne by Ballpark LLC through a Change Order. For the purposes hereof: (i) the "Drawings" are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams; (ii) the "Specifications" are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services; and (iii) a "Modification" is (1) a

written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive or (4) a written order for a minor change in the Work issued by the Architect.

Cost Overruns: Unless Ballpark LLC and Hunt Bovis agree on the issuance of a Change Order, or unless the cost overrun is due to events beyond the reasonable control of Hunt Bovis, cost overruns in excess of the Contractor's Contingency will be borne by Hunt Bovis. Hunt Bovis will notify Ballpark LLC as soon as Hunt Bovis is aware if any of the estimated allowances provided for under the GMP may be exceeded.

Changes in the Work: Changes in the Work may be accomplished in three different ways. Minor changes (i.e., changes that don't affect the Contract Sum or the Contract Time) may be authorized by HOK without Ballpark LLC's approval. "Construction Change Directives" are changes authorized by Ballpark LLC before Ballpark LLC and Hunt Bovis have agreed on an adjustment to the Contract Sum or the Contract Time due to the work contemplated by such Construction Change Directive. A "Change Order" (also referred to as a "Scope Change") is a written agreement signed by both Ballpark LLC and Hunt Bovis pursuant to which both agree to the scope of the change in the Work and the amount of the adjustment in either or both of the Contract Sum and the Contract Time, which may or may not affect the GMP, depending on whether the Contractor's Contingency has been fully utilized. Change Orders will be based on Hunt Bovis's best estimate of the cost of the change, inclusive of general condition items. If Ballpark LLC fails to approve a Change Order within a reasonable time after submission thereof by Hunt Bovis, then the proposed change covered by the Change Order will not proceed.

Discounts: Ballpark LLC is entitled to receive the benefit of any cash discounts obtained by Hunt Bovis if (1) the savings in question relates to an amount previously included in an application for payment for which Hunt Bovis had already received payment from Ballpark LLC, or (2) Ballpark LLC has previously deposited funds with Hunt Bovis for the purpose of making payments. Trade discounts, rebates, refunds and amounts received from the sale of surplus materials and equipment shall also accrue to Ballpark LLC. Ballpark LLC may also receive the benefit of any savings attributable to national vendor agreements entered into by Hunt Bovis if and to the extent that the cost savings accrue at the time that a purchase is made under those agreements; if the cost savings are determined based on annual overall volume of purchases, the cost savings will be retained by Hunt Bovis.

Retainage: Payments to subcontractors will be subject to retainage of ten percent. However, when the work of any particular subcontractor is fifty percent completed, Hunt Bovis may, with Ballpark LLC's prior approval and on a subcontractor-by-subcontractor basis, elect to withhold no additional retention from payments to the relevant subcontractor.

Termination by Hunt Bovis: Hunt Bovis may terminate the Contract for any of the following reasons: (i) all Work must be stopped pursuant to a court or other governmental order for a period of 90 consecutive days, and the same is not due to the act or fault of Hunt Bovis or any of its subcontractors or agents; (ii) a national emergency that requires that all Work be stopped for a period of 90 consecutive days, and the same is not due to the act or fault of Hunt Bovis or any of its subcontractors or agents; (iii) Ballpark LLC has not paid Hunt Bovis within seven days after payment is due, provided that Hunt Bovis gives Ballpark LLC written notice and an additional seven day cure period if payment is not made by the seventh day after the same is due; (iv) Ballpark LLC has not furnished to Hunt Bovis reasonably promptly after Hunt Bovis's request therefor reasonable evidence of financing necessary to fulfill Ballpark LLC's obligations under the Contract; (v) through no fault of Hunt Bovis, or anyone working under Hunt Bovis, suspensions, delays or interruptions of the Work constitute, in the aggregate, more than 100% of the total number of days scheduled for completion or 60 days in any 365-day period, whichever is less; and (vi) if the Work is stopped for a period of 100 days in the aggregate, through no fault of Hunt Bovis or anyone working under Hunt Bovis, because Ballpark LLC has persistently and wrongfully failed

to fulfill Ballpark LLC's obligations with respect to matters important to the progress of the Work. Hunt Bovis may terminate the Contract if Ballpark LLC does not cure any such default within seven days after notice thereof. In the event of any such termination, Hunt Bovis may recover from Ballpark LLC payment for Work thus far performed and for proven loss with respect to materials, equipment, tools and construction equipment and machinery, including Hunt Bovis's fee based on Work thus far satisfactorily completed, as well as reasonable cancellation and demobilization costs. Hunt Bovis will in no event be entitled to recover from Ballpark LLC lost profits, home office overhead or any type of consequential, special or indirect damages.

Termination by Ballpark LLC For Cause: Ballpark LLC may terminate the Contract if Hunt Bovis: (i) persistently or repeatedly refuses or fails to supply enough skilled workers or proper materials; (ii) fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between Hunt Bovis and the Subcontractors; (iii) persistently disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction; or (iv) otherwise is guilty of a substantial breach of a provision of the Contract. Following the occurrence of any such event, the Owner may, without prejudice to any other rights or remedies it may have, on ten days written notice, terminate the Contract and: (x) take possession of the site and all materials, equipment, tools and construction equipment and machinery at the site and owned by Hunt Bovis; (y) accept assignment of subcontracts, as provided in the Contract; and (z) finish the Work by whatever reasonable method the Owner may deem expedient. Ballpark LLC will pay the unpaid balance of the Contract Sum to Hunt Bovis if such unpaid balance exceeds the cost of finishing the Work, including compensation for HOK's services and expenses made necessary thereby, other damages incurred by Ballpark LLC and not expressly waived, but excluding Change Orders and Construction Change Directives issued after termination. If the cost to complete and any such damages exceed the unpaid balance, then Hunt Bovis will pay the difference to Ballpark LLC. Ballpark LLC will under no circumstances be entitled to lost profits or any type of consequential, special or indirect damages (provided that the foregoing will not limit Ballpark LLC's right to receive Stadium Liquidated Damages or Parking Liquidated Damages).

Suspension by Ballpark LLC for Convenience: Ballpark LLC may, without cause, suspend, delay or interrupt the performance of the Work, in whole or in part, for such period of time as Ballpark LLC may elect, subject to Hunt Bovis's right to terminate the Contract if suspensions, delays or interruptions of the Work constitute, in the aggregate, more than 100% of the total number of days scheduled for completion or 60 days in any 365-day period, whichever is less. Adjustments to the Contract Sum and the Contract Time shall be made in the event of any such suspension, delay or interruption, with adjustments of the Contract Sum to include profit. No adjustment will be made to the extent: (i) that performance is, was or would have been so suspended, delayed or interrupted by another cause attributable to Hunt Bovis; or (ii) that an equitable adjustment is made or denied under another provision of the Contract.

Termination by Ballpark LLC for Convenience: Ballpark LLC may, at any time and on ten days notice, terminate the Contract for Ballpark LLC's convenience and without cause. Upon receipt of notice from Ballpark LLC, Hunt Bovis will: (x) cease operations as directed by Ballpark LLC in such notice; (y) take actions necessary, or that Ballpark LLC may direct, for the protection and preservation of the Work; and (z) except for Work directed to be performed prior to the effective date of termination stated in such notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders. In the event of any such termination, Hunt Bovis will be entitled to receive payment for Work executed and costs incurred by reason of such termination, along with Hunt Bovis's fee based on Work satisfactorily completed. Hunt Bovis will in no event be entitled to recover from Ballpark LLC lost profits or home office overhead.

Ballpark LLC Obligation to Comply With Covenants: Ballpark LLC has agreed to comply with its obligations under the Funding Agreement and its obligations under the Development Agreement, dated as if August 1, 2006 between Ballpark LLC and the Agency to the extent that such obligations impact the ability of Hunt Bovis to receive payments that would otherwise be due under the Contract (the "Compliance Covenant"). Ballpark LLC has also agreed to process all appropriate requisitions under the Funding Agreement and under Indenture for the purpose of performing its obligations under the Development Agreement and the Contract, and will take steps to enforce its rights under the Funding Agreement and the Indenture to the extent that money is not disbursed as required thereunder in response to such appropriate requisitions (the "Requisition Covenant").

Hunt Bovis Right to Stop Work Due to Unavailability of Public Funds; Hunt Bovis Right to Sue Ballpark LLC: Ballpark LLC has no obligation to make any payment to Hunt Bovis unless the Public Funds are provided to Ballpark LLC pursuant to the Funding Agreement, and the amounts to be disbursed from the Construction and Acquisition Account (PILOT Bond) of the PILOT Project Fund are disbursed (with the terms "Construction and Acquisition Account (PILOT Bond)" and "PILOT Project Fund" ascribed to them in the Indenture) (the Public Funds and the amounts deposited into the Construction and Acquisition Account (PILOT Bond) to be referred to herein as the "Project Funding") for the purpose of Ballpark LLC performing its obligations under the Development Agreement, except that Hunt Bovis will have the right to sue Ballpark LLC directly to enforce any or all of its rights and remedies, including without limitation the remedy of specific performance, under this Contract in the event of that Ballpark LLC breaches (a) either the Compliance Covenant or the Requisition Covenant, and/or (b) any other provision of the Contract to the extent such breach impacts the ability of Hunt Bovis to receive payments that would otherwise be due under the Contract. Ballpark LLC has waived its right to consequential damages against Hunt Bovis, including damages for loss of use, lost profits, financing, business and reputation costs, and, with respect to delayed completion of the Work by Hunt Bovis, is limited to recovering the liquidated damages described in the paragraph above entitled "*Liquidated Damages*", and Hunt Bovis has waived its right to consequential damages against Ballpark LLC, including damages for principal office expenses and loss of management or employee productivity as well as financing, business and reputation costs, and for lost profit, except for anticipated profit arising from the Work. Hunt Bovis retains the ability to recover direct delay damages from Ballpark LLC. The unavailability of the Project Funding other than due to a breach by Ballpark LLC of the Compliance Covenant or the Requisition Covenant or any other provision of the Contract will not be a breach of the Contract, but will entitle Hunt Bovis to stop performance of the Work until reasonable evidence of the availability of such financing is provided. If Hunt Bovis stops performance of the Work in accordance with the previous sentence, the Contract Sum and Contract Time will be equitably adjusted.

Joint and Several Liability of Hunt Construction Group, Inc. and Bovis Lend Lease LMB, Inc.: In order to more fully secure Hunt Bovis's performance of its obligations under the Contract, Hunt Construction Group, Inc. and Bovis Lend Lease LMB, Inc., the constituent members of Hunt Bovis, have agreed to be jointly and severally liable for the obligations of Hunt Bovis under the Contract.

Architect's Agreement

Ballpark LLC currently intends to enter into an Agreement for Architectural Services dated on or about August 2, 2006 (the "Architect's Agreement") with HOK Sports Facilities Architects, P.C. d.b.a. HOK Sport + Venue + Event (HOK Sport) ("HOK"), which provides for design and construction administration services in connection with the Project. The Architect's Agreement requires HOK to furnish architectural services for a fixed fee of $30,000,000, including reimbursable costs. HOK may also be entitled to a bonus payment tied to HOK's performance under the Architect's Agreement of up to $1,500,000, which will be payable in Ballpark LLC's sole discretion. Although the Architect's Agreement provides that the Project is a "fast track" project, HOK does not waive its rights to make claims for additional services due

to the “fast track” nature of the Project. The Issuer will, upon payment of the fixed fee (or, if the Architect’s Agreement is terminated prior to payment of the full fixed fee, upon payment of the portion of the fixed fee that would then be payable to HOK in accordance with the provisions of the Architect’s Agreement), own the working drawings and technical specifications prepared by HOK in connection with the Project. HOK grants the Issuer the unrestricted right to use any and all plans and specifications, reports, studies, drawings, "as built" plans, surveys and other documents, materials or work product prepared for or in connection with the Project, at any time and from time to time, in whole or in part, and to make modifications thereof for any purposes whatsoever, without paying any additional charge, cost or compensation therefor. HOK is required to carry $10,000,000, annual aggregate, in professional liability insurance.

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APPENDIX F

SUMMARY OF THE STADIUM LEASE AGREEMENT

The following is a brief summary of certain provisions of the Stadium Lease Agreement (the "Stadium Lease"). This summary does not purport to be comprehensive or complete, and reference is made to the Stadium Lease for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

DEFINITIONS

"Act" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Advertising Signage" means and includes any and all advertising signs, including without limitation names, logos and corporate identifiers, that may be located at the Premises at any time, including, without limitation, any and all such signs in or affixed to the Stadium or any part thereof, including billboards, scoreboards, large screen video displays, electronic visual displays, clocks, concourses, seats, fences, or grandstands.

"Affiliate" or "Affiliates" means (A) any Person that has, directly or indirectly, a ten percent (10%) or greater ownership interest in Tenant or the Partnership, or any Person in which Tenant, the Partnership, any partner, member or shareholder of Tenant or the Partnership, or any partner, member or shareholder of any Person that is a partner, member or shareholder of Tenant or the Partnership, has a ten percent (10%) or greater ownership interest, or (B) any individual who is a member of the immediate family (whether by birth or marriage) of an individual who is an Affiliate, which includes for purposes of this definition a spouse, a brother or sister of the whole or half blood (including an individual related by or through legal adoption) of such individual or his/her spouse, a lineal descendant or ancestor (including an individual related by or through legal adoption) of any of the foregoing, or a trust for the benefit of any of the foregoing. Ownership of or by Tenant or the Partnership referred to in this definition includes beneficial ownership effected by ownership of intermediate entities. The foregoing notwithstanding, "Affiliate" solely for purposes of paragraph (y) of the section of the Stadium Lease entitled "Additional Covenants" and the definition of Independent Manager, shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 50% or more of the securities having ordinary voting power for the election of directors of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"Agency" shall have the meaning set forth at the beginning of the Stadium Lease.

"Agreement" shall have the meaning set forth in section 22.01(a)(v) of the Stadium Lease.

"Architect" means HOK Sports Facilities Architects, P.C. d/b/a HOK Sport + Venue + Event (HOK Sport) and Jack L. Gordon Architects, P.C., or another architect or engineer or firm of architects or engineers, selected by Tenant and approved by Landlord (not to be unreasonably withheld, conditioned or delayed), licensed in the State of New York to undertake design work (including structural design work, if such work is to be performed) and having not less than ten (10) years experience (individually or as a firm) in major commercial projects.

"Approval Standard" shall mean and refer, at the time in question and with respect to the matter at issue, to (i) what is commonly found in the case of insurance policies held with respect to premises in the Northeast and Mid-Atlantic regions of the United States generally comparable (in general size and function) to the Premises by owners and operators conducting business and activities of a nature generally similar to those conducted by Tenant at the Premises, or (ii) for risks that are of a site specific nature, including but not limited to earthquake and flood, what is reasonable to include in insurance policies taking into account the specific location of the Premises or its location within the Borough of Queens or New York City, if and to the extent available at a reasonable cost (in the case of either clause (i) or clause (ii) above).

"Assignment Trustee" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Authorizing Resolution" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Base Index" means the Price Index for the month in which the Commencement Date shall occur.

"Baseball Season" means the professional baseball season fixed by Major League Baseball.

"Bond" or "Bonds" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Bond Documents" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Bondholder" means a holder of a Bond or Bonds.

"Bond Insurer" means Ambac Assurance Corporation.

"Bond Trustee" means the trustee under the Bond Documents.

"Bundled Agreements" shall have the meaning set forth in section 19.06(t) of the Stadium Lease.

"Bureau" shall have the meaning set forth in section 22.01(a) of the Stadium Lease.

"Business Day" means any day other than a Saturday or Sunday or a legal holiday on which national banking associations in New York, New York are authorized or delegated, by law, governmental decree or executive order, to be closed.

"Capital Improvement" means a change, alteration or addition to or replacement of all or any structural component or building or mechanical systems of the Stadium, or any Construction Work in excess of One Million Dollars ($1,000,000), subject to CPI Adjustment, other than the initial construction of the Stadium, decorative changes, non-structural minor alterations or a Restoration. (Capital Improvements shall not be artificially divided into components in order to avoid the One Million Dollar ($1,000,000) threshold).

"Certificate" shall have the meaning set forth in section 34.01(c) of the Stadium Lease.

"Certificate of Occupancy" means the earlier to be issued of a temporary or permanent certificate of occupancy, or its functional equivalent, with respect to the Stadium, issued by the City's Department of Buildings, or other City agency having jurisdiction over the Premises.

"City" means the City of New York, acting, unless expressly stated to the contrary, in its proprietary capacity, as opposed to its lawmaking, regulatory and police power capacity. No specific provision in the Stadium Lease that the City is acting in its proprietary capacity shall in any way impair or diminish the general applicability of the preceding sentence with respect to any reference to the City which does not contain such a specific provision.

"Commencement Date" shall mean August 22, 2006.

"Commissioner" shall have the meaning set forth in section 38.23(a)(iv) of the Stadium Lease.

"Company" shall have the meaning set forth in the beginning of the Stadium Lease.

"Comptroller" means the Comptroller of the City of New York.

"Concession Facilities" means any and all facilities and areas at the Premises that are used for the storage, preparation, display, distribution and sale of food, beverages, souvenirs, scorecards, programs, publications, merchandise, apparel and/or other customary goods and services.

"Construction Agreement" means an agreement for Construction Work.

"Construction Work" means any construction performed by Tenant, as agent of Landlord, with respect to any Restoration or any Capital Improvement after Substantial Completion.

"Conviction" shall have the meaning set forth in section 33.07(c)(ii) of the Stadium Lease.

"CPI Adjustment" means, with respect to the adjustment of any amount pursuant to the Stadium Lease by reference to "CPI Adjustment" or "adjusted by CPI" or the like (unless expressly set forth to the contrary), the amount set forth in the Stadium Lease increased in each instance by the product derived from multiplying such amount by a fraction, the numerator of which shall be the Price Index for the full calendar month immediately preceding the date as of which such amount is to be adjusted under the Stadium Lease, and the denominator of which shall be the Base Index.

"Default" means any condition or event, or failure of any condition or event to occur, which constitutes or would, after notice or the lapse of time, or both, constitute an Event of Default.

"Development Agreement" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Director" shall have the meaning set forth in section 22.01(a) of the Stadium Lease.

"DOF" shall have the meaning set forth in section 32.01 of the Stadium Lease.

"EDC" means New York City Economic Development Corporation, a local development corporation pursuant to Section 1411 of the New York State Not-for-Profit Corporation Law, having an office at 110 William Street, New York, New York 10038.

"Enabling Act" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Equipment" means all fixtures and equipment incorporated in, or attached to, and used or usable in the operation of the Stadium and shall include, but shall not be limited to, all machinery, apparatus, devices, motors, engines, dynamos, compressors, pumps, boilers and burners, heating, lighting, plumbing, ventilating, air cooling and air conditioning equipment; chutes, ducts, pipes, tanks, fittings, conduits and wiring; incinerating equipment; elevators, escalators and hoists; doors, hardware; floor, wall and ceiling coverings; wash room, toilet and lavatory equipment; lockers; windows, window washing hoists and equipment; communication equipment; and all additions or replacements thereof, in each case as incorporated in, or permanently attached to, the Stadium by Tenant as agent of Landlord, but excluding, however, from the definition of "Equipment" the Stadium Equipment and any personalty or trade fixtures not incorporated into or permanently attached to the Premises.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any Person that for purposes of Title IV of ERISA is a member of the Tenant's controlled group, or under common control with Tenant, or is otherwise required to be treated with Tenant as a single employee, within the meaning of Section 414 of the Internal Revenue Code.

"ERISA Event" means (a) (i) the occurrence of a Reportable Event, with respect to any Plan, or (ii) the requirements of subsection (1) of Section 4043(b) of ERISA are met with a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of a Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following thirty (30) days; (b) the application for a minimum funding waiver with respect to a Plan; (c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of Tenant or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA; (e) the withdrawal by Tenant or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the withdrawal by Tenant or any ERISA Affiliate from a Multiemployer Plan which is reasonably expected to have a material adverse effect on Tenant; (g) the conditions for the imposition of a lien under Section 302(f) of ERISA shall have been met with respect to any Plan; (h) the adoption of an amendment to a Plan requiring the provision of security to such Plan pursuant to Section 307 of ERISA; or (i) the institution by the PBGC of proceedings to terminate a Plan or the appointment of a trustee to administer a Plan pursuant to Section 4042 of ERISA.

"ESDC" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Existing Mortgages" shall have the meaning set forth in section 19.07(c) of the Stadium Lease.

"Existing Stadium Lease" means the Restated Agreement between the City and Doubleday Sports, Inc., dated as of January 1, 1985 for the stadium currently being used by the Team to play its Team Home Games, which is located on Roosevelt Avenue in Flushing, Queens, New York and is known as Shea Stadium, as amended by First Amendment of Lease executed in December 2001, Second Amendment of Lease executed in December 2001, Third Amendment of Lease executed in December 2003, Fourth Amendment of Lease executed in December 2003, Fifth Amendment of Lease executed in February 2004, Sixth Amendment of Lease executed in September 2004, Seventh

Amendment of Lease executed in June 2005, Eighth Amendment of Lease executed in September 2005, Ninth Amendment of Lease executed in October 2005, Tenth Amendment of Lease executed in November 2005, Eleventh Amendment of Lease executed in December 2005, and Twelfth Amendment of Lease executed in July 2006 and Thirteenth Amendment of Lease, dated of even date with the Commencement Date, and as may hereafter be amended.

"Fee Owner" means the City, or any successor-in-interest in fee title to the Land.

"Governmental Authority" or "Authorities" means the United States of America, the State, the City and any agency, department, legislative body, commission, board, bureau, instrumentality or political subdivision of any of the foregoing, now existing or hereafter created, having jurisdiction over the Premises or any portion thereof or any street, road, avenue, sidewalk or water immediately adjacent to the Premises, or any vault in or under the Premises.

"Guidelines" shall have the meaning set forth in section 38.23(a)(ii) of the Stadium Lease.

"Hazardous Materials Claims" shall have the meaning set forth in section 18.01(c) of the Stadium Lease.

"Hazardous Materials Notice" shall have the meaning set forth in Section 38.22(a) of the Stadium Lease.

"Hazardous Materials Laws" shall have the meaning set forth in section 18.01(b)(v) of the Stadium Lease.

"Hearing" shall have the meaning set forth in section 33.07(a) of the Stadium Lease.

"Hearing Officers" shall have the meaning set forth in section 33.07(a) of the Stadium Lease.

"Home Stand" shall mean a series of successive games played by the Team at the Stadium against a Major League Baseball Club.

"IDA" shall have the meaning set forth at the beginning of the Stadium Lease.

"Improvements" means the Stadium and any and all structures or other improvements and Equipment or other appurtenances of every kind and description now existing on the Land or hereafter erected, constructed, or placed upon the Land or any portion thereof, including, but not limited to, landscaping and any and all alterations thereto, replacements thereof, and substitutions therefor. The planned Improvements are depicted in Exhibit A attached to the Stadium Lease.

"Independent Manager" shall mean an individual, appointed by the sole member of Tenant in such sole member's sole and absolute discretion, who shall not be at the time of his or her appointment, or during the term of his or her appointment or at any time during the five years preceding his or her appointment (i) a member, stockholder, partner, director, officer, manager or employee of the Tenant or any of its Affiliates (other than his or her service as "Independent Manager" of the Tenant); (ii) a Person affiliated with a customer, creditor, contractor or supplier of the Tenant or any of its Affiliates; (iii) any other Person receiving a material portion of his or her compensation or other financial remuneration from or who is otherwise financially dependent on, Tenant, an officer, director or employee of the Tenant or any of its Affiliates or a family member by blood or marriage of any officer, director, or

employee of Tenant or a business entity owned or controlled by any of the foregoing; (iv) a Person who controls (whether directly, indirectly or otherwise) Tenant or any of its Affiliates or any creditor, supplier, employee, officer, director, manager or contractor of Tenant or any of its Affiliates; or (v) a spouse, parent, sibling or child of any person described in clauses (i), (ii), (iii) or (iv).

"Indicted Party" shall have the meaning set forth in section 33.07(a) of the Stadium Lease.

"Institutional Lender" means any savings bank, a savings and loan association, a commercial bank or trust company (whether acting individually or in a fiduciary capacity), an insurance company organized and existing under the laws of the United States or any state thereof, a not-for-profit religious, educational or eleemosynary institution, a federal, state or municipal employee's welfare, benefit, pension or retirement fund, any governmental agency or entity insured by a governmental agency, a credit union, investment bank or company, trust or endowment fund or any combination of Institutional Lenders. Institutional Lenders shall also include any other Person approved by Landlord, such approval not to be unreasonably withheld. In all of the above cases, any Person shall qualify as an Institutional Lender only if it shall (a) be subject (by law or by consent) to service of process within the State of New York, and (b) have a net worth of not less than $50,000,000 and net assets of not less than $250,000,000 (except that (b) shall not apply in the case of a governmental agency). "Institutional Lender" shall also mean any subsidiary of any of the foregoing, and any trustee or fiduciary for the holders of bonds, notes, commercial paper or other evidence of indebtedness approved by Landlord, which approval shall not be unreasonably withheld.

"Interest Rate" means the rate of interest paid on City twenty (20) year general obligation bonds at the time the amount is due, which the Interest Rate is to be calculated under the Stadium Lease, plus 100 basis points (one (1%) percent).

"Land" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Landlord" shall mean, initially, the Agency, and any successor to the landlord's interest in the Stadium Lease.

"Late Charge Rate" shall have the meaning set forth in Article 13 of the Stadium Lease.

"League Schedule" means the schedule of Major League Baseball games issued by Major League Baseball each year.

"Lease Administrator" shall mean the New York City Department of Parks and Recreation or its successor-in-function, or any other Person designated by Landlord by written notice to Tenant (provided, that any Lease Administrator that is not an agency or instrumentality of the City shall be subject to the prior written approval of Tenant, not to be unreasonably withheld, conditioned or delayed).

"Lease Agreement" means the Stadium Lease and all exhibits hereto and all amendments, modifications and supplements of the Stadium Lease and thereof.

"Lease Revenue Completion Bonds" shall mean a series of federally taxable bonds issued pursuant to the Lease Revenue Bond Indenture in order to provide additional funds, if necessary, for the completion of the construction of the Stadium in accordance with the Development Agreement and the Plans and Specifications.

"Lease Year" means the twelve-month period beginning on January 1, 2007 and each succeeding twelve-month period during the Term (as hereinafter defined), except that the first Lease Year shall mean the period from the Commencement Date of the Stadium Lease to December 31, 2006 and the last Lease Year shall be the period between the Expiration Date and the immediately preceding January 1.

"Major League Baseball" means Major League Baseball and any successor to substantially all of its operations.

"Major League Baseball Club" means any baseball club that is a member of Major League Baseball, or its successor thereto.

"MDC Funding Agreement" shall have the meaning set forth in section 38.22(b) of the Stadium Lease.

"MLB Documents" shall have the meaning set forth in section 38.23(a)(i) of the Stadium Lease.

"MLB Governing Documents" means the constitution, bylaws, rules, regulations and practices of Major League Baseball in effect from time to time, including without limitation, the following documents, including any successor documents, revised versions, replacements or amendments thereof: (a) the Major League Constitution; (b) the MLB Rules and Regulations, including all attachments thereto; (c) the Professional Baseball Agreement between Office of the Commissioner, on behalf of itself and the Major League Baseball Clubs and the National Association of Professional Baseball Leagues; (d) the Basic Agreement effective as of September 30, 2002 by and between the Major League Clubs and the Major League Baseball Players Association; (e) the Amended and Restated Agency Agreement effective as of November 1, 2003 by and between Major League Baseball Properties, Inc. and the various Major League Baseball Clubs, the American and National Leagues of Professional Baseball Clubs and the Office of the Commissioner (and related Operating Guidelines); (f) the Interactive Media Rights Agreement; and (g) any amendments and any interpretations to items (a)-(f) above issued from time to time by the Commissioner.

"MLB Entities" means the Office of the Commissioner, American League of Professional Baseball Clubs (to the extent of any continuing applicability), National League of Professional Baseball Clubs (to the extent of any continuing applicability), Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., MLB Advanced Media, L.P., MLB Advanced Media, Inc., MLB Media Holdings, Inc., MLB Media Holdings, L.P., MLB Online Services, Inc., and/or any of their respective present or future affiliates or successors.

"MLB Rules and Regulations" means (a) any present or future agreements or arrangements regarding the telecast, cablecast (including pay, basic, expanded basic, pay-per-view and video on demand), broadcast, recording (audio or visual), or other transmission or retransmission (including, but not limited to, transmission via the Internet or any other medium of interactive communication, now known or hereafter developed) of Major League Baseball games and/or other MLB Entities; (b) any other present or future agreements or arrangements entered into by Major League Baseball or any MLB Entity with third parties by, or on behalf of, any commerce, and/or the exploitation of intellectual property rights in any medium, including the Internet or any other medium of interactive communication; (c) any present or future agreements or arrangements entered into by the Major League Baseball clubs and/or one or more of the MLB Entities (including, without limitation, the MLB Documents); and (d) the applicable rules, regulations, policies, bulletins or directives issued or adopted on a league-wide basis either by the Commissioner or otherwise pursuant to the Major League Constitution or any MLB Document.

"Mortgagee" means the holder of a Mortgage.

"Multiple Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of Tenant or any ERISA Affiliate and for the employees of other Persons or (b) was so maintained and in respect of which Tenant or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"Nationally Recognized Bond Counsel" means Nixon Peabody LLP, or other law firm having at least three (3) attorneys specializing in public finance and whose public financing attorneys cumulatively have at least 15 years in representing public instrumentalities and municipalities in the issuance of bonds and notes in at least 3 states.

"New York State Courts" shall have the meaning set forth in section 38.13 of the Stadium Lease.

"Non-Completion Termination Date" shall mean (i) March 1, 2013, if (x) the first such Unavoidable Delay having a direct result on Tenant's ability to Substantially Complete the Stadium shall occur prior to January 1, 2008, and (y) the provisions of clause (iii) shall not apply, (ii) March 1, 2014, if (x) the first such Unavoidable Delay having a direct result on Tenant's ability to Substantially Complete the Stadium pursuant to the Development Agreement shall not occur until January 1, 2008 or later, and (y) the provisions of clause (iii) shall not apply, and (iii) March 1, 2015, if (x) following an Unavoidable Delay that has a direct result on Tenant's ability to Substantially Complete the Stadium pursuant to the Development Agreement, Landlord and Tenant agree upon a revised plan of finance and a revised schedule for Substantial Completion which anticipates Substantial Completion occurring after March 1, 2009, and (y) following the agreement described in the foregoing clause (x) an Unavoidable Delay shall occur that has a direct result on Tenant's ability to Substantially Complete the Stadium pursuant to the Development Agreement.

"Non-Relocation Agreement" shall have the meaning set forth in the Recitals to the Stadium Lease.

"O&M Fund" means the fund so designated under the PILOT Assignment.

"Operating Agreement" means that certain Amended and Restated Limited Liability Company Agreement of Queens Ballpark Company, L.L.C. dated as of a date certain, as the same may be amended from time to time.

"Other Entities" shall have the meaning set forth in section 19.07(l)(B) of the Stadium Lease.

"Partnership" shall have the meaning set forth in the Recitals to the Stadium Lease.

"PBGC" shall have the meaning set forth in section 19.06(t)(1) of the Stadium Lease.

"Permitted Encumbrances" means, as of any particular time, (i) the Mortgages (including, without limitation, the Existing Mortgages), (ii) the Stadium Use Agreement, (iii) the On-Site Parking Agreements, (iv) easements, licenses or rights-of-way, over, under or upon the real property on which the Stadium are located, so long as such easements, licenses or rights-of-way do not diminish or destroy the value or usefulness of the Stadium, and any lien, encumbrance or restriction permitted in accordance with the Mortgages; (v) liens for Impositions not then delinquent; (vi) any subleases, concessions, occupancy

agreements and licenses consistent with the rights and obligations of Tenant under the Stadium Lease; (vii) such minor defects, irregularities, encumbrances, easements, rights-of-way, covenants running with the land and clouds on title as normally exist with respect to properties similarly used and which do not materially impair the Premises or the use of the Premises for the purpose for which it is held, (viii) liens securing Bonds issued under the Bond Documents and (ix) title matters.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association; any federal, state, county or municipal government or any bureau, department or agency thereof; and any fiduciary acting in such capacity on behalf of any of the foregoing.

"PILOT Documents" means the PILOT Agreement, the PILOT Assignment, the PILOT Mortgages and the PILOT Mortgages Assignment.

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Police Substation" means a police facility at the Stadium having not less than 4,000 square feet of space (but excluded from the Premises) terms and conditions regarding the construction of which shall be governed by an amendment to the Stadium Lease.

"Premises" means the Land and the Improvements.

"Price Index" means the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United State Department of Labor for the New York-Northern New Jersey Area-Long Island, NY-NJ-CT-PA, all items (1982-1984=100), or any successor index thereto. In the event the Price Index is converted to a different standard reference base or otherwise revised, the determination of the base amount during the relevant calendar year shall be made with the use of such conversion factor, formula or table for converting the Price Index as may be published by the Bureau of Labor Statistics or, if said Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by Prentice-Hall, Inc. or any other nationally recognized publisher of similar statistical information. If the Price Index ceases to be published on a monthly basis, then the shortest period for which the Price Index is published which includes the relevant months hereinafter specified shall be used in lieu of such specified months. If the Price Index ceases to be published, and there is no successor thereto, such other index as Landlord and Tenant shall agree upon in writing shall be substituted for the Price Index; and if Landlord and Tenant shall be unable to agree thereon within ninety (90) days after the Price Index ceases to be published, such matter shall be submitted to arbitration pursuant to Section 35.02(b) of the Stadium Lease.

"Primary Site Ground Lease" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Prime Rate" means the rate announced as such from time to time by JPMorgan Chase Bank, or its successors, at its principal office. Any interest payable under the Stadium Lease with reference to the Prime Rate shall be adjusted on a daily basis, based upon the Prime Rate in effect at the time in question, and shall be calculated on the basis of a 365-day year.

"Project" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Project Budget" means the then current draft of a budget prepared by Tenant which identifies all estimated costs of the Project.

"Project Documents" means the PILOT Documents, the Stadium Lease, the Stadium Use Agreement and the Rental Mortgage.

"QBC Funding Agreement" shall have the meaning set forth in section 38.22(b) of the Stadium Lease.

"Rebate Obligations" shall have the meaning set forth in section 19.06(h) of the Stadium Lease.

"Recognized Mortgagee" shall mean the holder of a Recognized Mortgage.

"Reimbursement Rate" means, at any particular time, the yield to maturity at issuance of the then most recently issued thirteen (13) week U.S. Treasury bills or, if the same are not then issued, the yield to maturity at issuance of the then most recently issued thirteen (13) week or three (3) month U.S. Treasury notes or bonds.

"Rental" means all of the amounts payable by Tenant pursuant to the Stadium Lease, including, without limitation, Base Rent, Additional Rent and any other sums, costs, expenses or deposits which Tenant is obligated, pursuant to any of the provisions of the Stadium Lease, to pay and/or deposit, but excluding PILOTs.

"Rental Mortgage" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Rental Payments" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Reportable Event" means any event described in Section 4043(b) of ERISA, other than an event (excluding an event described in Section 4043(b)(I) relating to tax disqualification) with respect to which the thirty (30) day notice requirement has been waived.

"Requirements" shall have the meaning set forth in section 18.01(b) of the Stadium Lease.

"Restoration" means a Casualty Restoration or a Condemnation Restoration.

"Retained Rights Agreements" shall have the meaning ascribed to such term in the Stadium Use Agreement.

"Sales Taxes" shall have the meaning set forth in section 38.21 of the Stadium Lease.

"Sales Tax Letter" shall have the meaning set forth in section 38.21 of the Stadium Lease.

"Single Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, subject to Title IV of ERISA, that (a) is maintained for employees of the Tenant or any ERISA Affiliate and no Person other than Tenant and the ERISA Affiliates or (b) was so maintained and in respect of which Tenant or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"South Parking Site Ground Lease" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Stadium" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Stadium Equipment" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Stadium Events" means Team Events and all other events (such as performances, rallies, exhibitions and conventions) held at the Stadium.

"Stadium Site" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Stadium Use Agreement" shall have the meaning set forth in the Recitals to the Stadium Lease.

"State" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Substantial Completion", "Substantially Completed" or "Substantially Complete Construction of the Stadium" or similar terms used with respect to the construction of the Stadium Project means the condition of construction of the Stadium Project that is substantially in accordance with the plans and specifications therefor and in accordance with all Requirements, for which a Certificate of Occupancy has been issued, and which is ready for the Partnership to play its Team Home Games.

"Substantially Equivalent Facility" shall have the meaning set forth in the Non-Relocation Agreement.

"Subtenant" means any occupant pursuant to a Sublease of all or any part of the Premises.

"Taxes" means the real property taxes assessed and levied against the Premises or any part thereof (or, if the Premises or any part thereof or the owner or occupant thereof is exempt from such real property taxes then the real property taxes assessed and which would be levied if not for such exemption), pursuant to the provisions of Chapter 58 of the Charter of New York City and Title 11, Chapter 2 of the Administrative Code of New York City, as the same may now or hereafter be amended, or any statute or ordinance in lieu thereof in whole or in part.

"Team" shall have the meaning set forth in the Recitals to the Stadium Lease.

"Team Events" means (1) Team Home Games; (2) the Team's practice and training activities; (3) Team's pre-season games and exhibition games, which may occur during pre-season, post-season or in-season; (4) promotional or community outreach activities involving baseball or baseball related-events, such as youth baseball clinics and autograph sessions; (5) entertainment programs or activities relating to Team Home Games; and (6) any Partnership or Team sponsor/advertiser-related activities, any baseball-related activities, including any "all-star" games or similar games or tournaments, whether or not the Partnership, the Team or any Partnership or Team members are participating, and baseball-related community or promotional events of any kind.

"Team Games" means all exhibition, regular-season and post-season games played or to be played by the Team as a member of the League and all games between the Team and a minor league affiliate or a foreign baseball team.

"Team Home Games" means each Team Game played at the Stadium.

"Team Season" means that part of the Baseball Season starting on the date of the first scheduled Team Home Game and ending on the date of the last Team Home Game in each Lease Year.

"Tenant" shall mean (i) initially, Queens Ballpark Company, L.L.C., and (ii) following any permitted transfer or assignment of the tenant's interest in the Stadium Lease, any permitted successor to the tenant's interest in the Stadium Lease.

"Term" means the Initial Term, as extended by any Extended Term.

"Termination Payment" shall have the meaning set forth in section 38.22(b) of the Stadium Lease.

"Transaction Documents" shall mean any documents executed and delivered by the Tenant in connection with the financing, development and leasing of the Stadium and the Parking Facilities.

"Unavoidable Delays" means delays beyond the reasonable control of one party, despite such party's taking reasonable steps to mitigate such delays, which have the effect of delaying such party's performance of its obligations under the Stadium Lease or under the Development Agreement and which are due to, as applicable, strikes, slowdowns, walkouts, lockouts, acts of God, catastrophic weather conditions (such as floods, extraordinary high water conditions, unusually high tides, unusual and prolonged cold conditions, hurricanes or other extraordinary wind conditions, or extraordinary rain, snow, or sleet), court orders enjoining commencement or continuation of the performance of such party's obligations, (unless such results from disputes between or among present or former members, shareholders, officers, directors, principals or Affiliates of Tenant), extraordinary delays in insurance adjustment or collection, enemy action (including both declared and undeclared wars), civil commotion, riot, terrorism, extraordinary public security measures such as martial law or quarantine of an area in which the Premises are located, fire, casualty, unavailability of materials notwithstanding such party's commercially reasonable efforts to obtain such materials, or other cause not within such party's reasonable control that is causing a delay in such party's performance of its obligations under the Stadium Lease, of which the obligated party shall have notified the other party and the Bond Insurer in writing, stating when such delay commenced, not later than thirty (30) days after the obligated party has first received knowledge of the occurrence of any of the foregoing conditions, provided that no notice shall be required if an employee or representative of the other such party having direct involvement in the Stadium Project knew about the events causing such Unavoidable Delay. Notwithstanding the preceding, it is understood and agreed that in no event shall Tenant's financial condition or inability to obtain financing (unless financing is unobtainable due to an Unavoidable Delay) constitute an Unavoidable Delay.

"Withdrawal Liability" has the meaning specified in Part 1 of Subtitle E of Title IV of ERISA.

"Zoning Resolution" shall have the meaning set forth in section 18.01(b)(i) of the Stadium Lease.

DEMISE OF PREMISES AND TERM OF LEASE

Demise of Premises and Term of Lease

(a) Landlord demises and leases to Tenant, and Tenant hires and takes from Landlord, on the terms and conditions set forth in the Stadium Lease, the Premises, in its "as is" condition as of the date of the Stadium Lease, as may be improved pursuant to the Development Agreement (it being acknowledged that Tenant will build the Stadium and improve the On-Site Parking Facilities pursuant to the Development Agreement), and Landlord shall not be required to perform any work or contribute any monies to Tenant except as otherwise expressly provided in the Stadium Lease, subject to the terms and

conditions of the Stadium Lease and any and all encumbrances, exceptions, reservations, conditions of title and other matters affecting Landlord's interest in the Premises and liens and encumbrances created or suffered by Tenant, and those title matters as set forth in the exhibit attached to the Stadium Lease entitled "Title Matters" (collectively, "Title Matters").

(b) TO HAVE AND TO HOLD unto Tenant, its permitted successors and assigns, for a term commencing on the Commencement Date and terminating on the earliest to occur of (i) the day immediately preceding the day which is six (6) months following the thirty seventh (37^{th}) anniversary of Substantial Completion, and (ii) if the date referred to in the preceding clause (i) occurs during a Baseball Season, the day immediately preceding the commencement of such Baseball Season (the earlier of (i) or (ii) being the "Fixed Expiration Date"), or (iii) such earlier date upon which the Stadium Lease may be terminated as hereafter provided (the "Expiration Date") (such term, the "Initial Term").

(c) The foregoing paragraph (b) above notwithstanding, if the Stadium Lease is in full force and effect, and Tenant is not in default of its obligations under the Stadium Lease (of which Landlord has previously provided written notice under the Stadium Lease), for each Team Season in which at least fifty percent (50%) of the regular number of regular season Team Home Games (it being agreed that as of the date of execution of the Stadium Lease, such regular number for the 2006 regular Baseball Season Team Home Games is 81) is cancelled or not scheduled through no fault or default of Tenant or the Partnership (including without limitation, because of a labor strike, Team owner's lockout of players during a labor dispute, casualty or condemnation), and provided that Team is not playing elsewhere during such Baseball Season and therefore at least fifty percent (50%) of the regular season Team Home Games played during such Baseball Season takes place at neither the Stadium nor elsewhere, Tenant shall have the option by written notice of extending the Initial Term to and through the conclusion of one additional Team Season plus an additional thirty (30) days; provided, that in no event shall the Term, as extended by this paragraph (c), together with any Extended Term(s) pursuant to the summarized section immediately below, extend past the date that is one day prior to the expiration date of the Primary Site Ground Lease. Any extension of the Initial Term shall be on the same terms and conditions of the Stadium Lease, except there shall be no right or any further extension of the Initial Term (unless and to the extent a Team Season is cancelled as aforesaid during the Initial Term), and shall be conditional upon (i) the written acknowledgement and stipulation of the extension of the Stadium Use Agreement for a period commensurate with (but one day less than) the extension of the Initial Term, executed and delivered by Tenant and the Partnership and delivered to Landlord, (ii) receipt of certificate executed and delivered by the Tenant and the Partnership and delivered to Landlord confirming that the Non-Relocation Agreement has been extended for a period of time commensurate with the extension of the Initial Term, signed by the Partnership, all such written instruments to be in form reasonably acceptable to Landlord, and (iii) Tenant's timely exercise of the option to extend the Initial Term. Such extension of the Initial Term option may be exercised by Tenant's delivering written notice to Landlord of the exercise of such option, including an explanation of the basis for such extension (i.e., the reason for which the regular season Team Home Games were canceled and the calculation of the percentage of Team Home Games canceled), such written notice to be delivered on or before ninety (90) days following the termination of the Team Season which has been 'cancelled' (as described above), together with the proposed written instruments to be provided as set forth above. Provided that such notice sets forth an express reference to the turnaround time set forth in the Stadium Lease, Landlord shall (conditional upon Landlord's receipt of the executed instruments set forth above in this paragraph) approve or disapprove such proposed extension within twenty (20) Business Days of delivery of same, and if not disapproved within such period shall (conditional upon Landlord's receipt of the executed instruments set forth above in this paragraph) be deemed approved, and if disapproved, shall state the reasons for disapproval. Landlord shall not unreasonably withhold or delay its consent to any request regarding the foregoing. Any disputes between Landlord and Tenant regarding a request for an extended Initial Term as aforesaid and not resolved within sixty (60) days of Landlord's disapproval shall be subject to arbitration pursuant to paragraph (b) of the

section of the Stadium Lease entitled "Expedited Arbitration Procedure", provided such proceeding is commenced within one (1) year after Landlord's disapproval. A Recognized Mortgagee shall on behalf of Tenant have the right to exercise the options for an extension of the Initial Term set forth in this paragraph.

Extension Options.

If the Stadium Lease is in full force and effect, and Tenant is not in default of its obligations under the Stadium Lease (of which Landlord has previously provided written notice under the Stadium Lease), Tenant shall have the option to extend the Term of the Stadium Lease for up to the following terms (each, an "Extended Term"): (i) one (1) extension option for the period from the Fixed Expiration Date (subject to extension of the Initial Term as provided in paragraph (c) of the summarized section immediately above until the fortieth (40th) anniversary of the date of Substantial Completion, (ii) two (2) extension options thereafter each having a term of five (5) years, (iii) four (4) extension options thereafter each having a term of ten (10) years, and (iv) one (1) immediately succeeding extended term of nine (9) years (all of the foregoing subject to extension of the Initial Term as provided in paragraph (c) of the summarized section immediately above. The foregoing notwithstanding, in no event shall the Term of the Stadium Lease, inclusive of all Extended Terms (and inclusive of any extension of the Initial Term pursuant to paragraph (c) of the summarized section immediately above), extend beyond the date that is one day prior to the expiration of the Primary Site Ground Lease (i.e., one day less than ninety-nine (99) years from the Commencement Date); notwithstanding any option for an Extended Term, any Extended Term which commences after one day prior to the expiration of the Primary Site Ground Lease shall be null and void and there shall be no option for such Extended Term, and any option for an Extended Term which would otherwise terminate after the date that is one day prior to the expiration of the Primary Site Ground Lease shall be deemed to be an Extended Term only up to the date that is one day prior to the expiration of the Primary Site Ground Lease and shall terminate on the date that is one day prior to the expiration of the Primary Site Ground Lease. Any Extended Term shall be on the same terms and conditions of the Stadium Lease, except (a) there shall be no right to any Extended Term other than up to the eight (8) consecutive Extended Terms as set forth above in this paragraph, subject to extension of the Initial Term as provided in paragraph (c) of the summarized section immediately above, and (b), the Base Rent shall be as set forth in the summarized section immediately below for each Extended Term, respectively. An Extended Term shall commence upon the expiration of the Initial Term (as extended pursuant to paragraph (c) of the summarized section immediately above) or immediately preceding Extended Term, as the case may be. Such Extended Term option shall be conditional upon (i) Tenant's timely exercise of such option to extend for the Extended Term and may be exercised by Tenant's delivering written notice to Landlord of the exercise of one or more (consecutive) Extended Term options, such written notice to be delivered on or before the later of (x) one (1) year prior to the date on which the Term, but for the exercise of such Extended Term option, would otherwise expire and (y) the thirtieth (30^{th}) day after Landlord delivers to Tenant a notice that if Tenant does not exercise its Extended Term option, the Term shall expire on the date that shall be thirty (30) days from delivery of such notice and (ii) the written acknowledgement and stipulation of the extension of the Stadium Use Agreement for a period commensurate with (but one day less than) the extension of the Initial Term, executed and delivered by Tenant and the Partnership. A Recognized Mortgagee shall on behalf of Tenant have the right to exercise the options for an Extended Term set forth in this summarized section. Notwithstanding anything set forth to the contrary in the Stadium Lease, for so long as Bonds are outstanding, Tenant's exercise of any option to extend the Stadium Lease for an Extended Term shall be conditioned upon there having been issued an opinion of Nationally Recognized Bond Counsel that such Extended Term shall not cause the interest on the tax-exempt Bonds to be includable in gross income for Federal income taxes. Tenant shall furnish or cause to be furnished to Landlord such information as Landlord shall request in order for Nationally Recognized Bond Counsel to make such determination. Landlord shall cause such bond counsel to issue such opinion or inform Tenant of the reasons for which such opinion cannot be issued

within twenty (20) Business Days of such request. In the event that such opinion from Nationally Recognized Bond Counsel cannot at the time be delivered under the circumstances then prevailing, Landlord and Tenant agree to take such reasonable steps as are mutually acceptable to each to allow Tenant to exercise its options for the Extended Term (e.g., refund then outstanding tax-exempt Bonds with taxable Bonds).

RENT

Base Rent.

During the Term, Tenant shall pay annual rent ("Base Rent") to Landlord as follows:

(a) Commencing on December 1, 2009, and on each December 1 thereafter through and including December 1, 2038, One Million Dollars ($1,000,000), payable as follows: (i)Five Hundred Thousand Dollars ($500,000) shall be payable on each such December 1, and (ii) an additional Five Hundred Thousand Dollars ($500,000) shall be paid within one hundred fifty (150) days following the date (if any) on which Attendance for the next succeeding Baseball Season reaches 2,000,000 tickets (provided that no such additional payment shall be due unless and until such Attendance threshold is met during such season); and commencing on December 1, 2039 and on each December 1 thereafter up to and including December 1, 2045 (the "Initial Term Base Rent Expiration Date"), the annual sum of Five Hundred Thousand Dollars ($500,000) (any and all such amounts are hereinafter referred to as "Initial Term Base Rent"); paid in a single lump sum on each applicable payment date. For the purposes of this summarized section, "Attendance" means the aggregate number of tickets sold for Team Home Games, and in determining whether Attendance has reached the 2,000,000 tickets threshold, tickets sold shall be deemed to be sold once the respective game has been played.

(b) From and after the commencement date of each Extended Term, and continuing through and including the termination date of each such Extended Term, the Fair Market Rental Value with respect to such Extended Term, which Fair Market Rental Value shall be determined in the manner set forth below in paragraph (d) of this summarized section.

(c) Whenever the Base Rent is to be determined based upon Fair Market Rental Value, Fair Market Rental Value shall be determined in the following manner: not more than four (4) years and at least six (6) months prior to the date on which the Base Rent is to be adjusted based on Fair Market Rental Value, Tenant shall submit to Landlord an appraisal, setting forth the Fair Market Rental Value together with a letter making express reference to this paragraph and stating that Landlord has forty-five (45) days in which to accept or dispute Tenant's determination of Fair Market Rental Value. Landlord shall have forty-five (45) days within which to accept or dispute Tenant's determination, and if not disputed within such period, such Fair Market Rental Value shall be deemed accepted by Landlord. If Landlord disputes Tenant's determination of Fair Market Rental Value for the Stadium, then Landlord shall engage an appraiser and shall deliver its appraisal to Tenant within thirty (30) days of the date Landlord sends notice to Tenant that it disputes Tenant's determination of Fair Market Rental Value. If the determination of Fair Market Rental Value by Landlord does not agree with Tenant's determination of Fair Market Rental Value, then Landlord and Tenant shall attempt to resolve such disagreement, and if such agreement is not resolved and reduced to a written stipulation within thirty (30) days from the date Tenant received Landlord's determination of Fair Market Rental Value of the Premises, then each of Landlord's and Tenant's appraisers so chosen shall meet within ten (10) days after the expiration of such thirty (30) day period to attempt to agree on the Fair Market Rental Value, and if, within ten (10) days after such meeting, the said two appraisers shall be unable to agree upon the valuation, they themselves shall appoint a third appraiser who shall be a competent and impartial person. Within a period of thirty (30) days after the appointment of such third appraiser, the third appraiser shall choose one of the

determinations of the two appraisers originally selected by the parties, such choice being final and decisive (unless, prior to the appraiser informing Landlord and Tenant of such determination, Landlord and Tenant shall agree in a writing executed by Landlord and Tenant upon the Fair Market Rental Value). In the event the first two appraisers are unable to agree upon the appointment of a third appraiser within ten (10) days after the time aforesaid, such third appraiser shall be selected by the parties themselves if they can agree thereon within a further period of ten (10) days. If the parties do not so agree, then either party, on behalf of both, may apply to the Supreme Court of Queens County for the appointment of such third appraiser, and the other party shall not raise any question as to the court's full power and jurisdiction to entertain the application and make the appointment. Any appraiser selected or appointed pursuant to this summarized section shall be a member of the American Institute of Real Estate Appraisers (or a successor organization), shall be an appraiser, and, to the extent such expertise is available, shall be experienced in the appraisal of sports arenas, but in any event shall have been doing business as an appraiser of commercial property in New York City for a period of at least ten (10) years before the date of such appointment. All appraisers chosen or appointed pursuant to this summarized section shall be sworn fairly and impartially to perform their duties as such appraiser. Each party shall pay the fees and expenses of its respective appraiser and both shall share the fees and expenses of the third appraiser, if any. Each party shall be responsible for the fees and expenses of its own attorney and other representatives in connection with such appraisal. The term "Fair Market Rental Value" shall mean the annual fair market rental value of the Premises as of the date that such valuation is agreed to or made by the appraiser(s); provided, that for any appraisal which is agreed to by the parties or becomes binding upon the parties pursuant to this paragraph more than one (1) year prior to the date on which Base Rent is to be adjusted based upon such appraisal, the Fair Market Rental Value shall be subject to CPI Adjustment through the Base Rent adjustment date, provided that the determination of Fair Market Rental Value did not expressly take into account that the valuation was more than one (1) year prior to the date on which Base Rent is to be adjusted. The appraisal shall assume the availability of, and take into account the revenue and expenses associated therewith, parking under the Parking Facilities Agreements and any parking concession agreements for the Off-Site Parking Facilities to which Tenant or an affiliate thereof is a party. The Fair Market Rental Value appraisal shall be made considering, without limitation, all burdens, costs and expenses borne by Tenant in connection with the Premises and Tenant's use thereof, including, without limitation, the Premises in its then "as-is" condition, all necessary or desirable improvements and replacements (which consideration shall take account of the quality of and amenities existing at professional Major League Baseball stadiums at the time) and the cost of financing such improvements and replacements, the Premises as encumbered by the Stadium Lease in its then-existing state of title, that Tenant is responsible for all maintenance, repair, improvement, replacement, taxes, Impositions and operating costs of the Stadium as set forth in the Stadium Lease and any other factors relevant to such determination.

(d) In the event that Fair Market Rental Value has not been determined on the date on which Base Rent is to be paid based upon such Fair Market Rental Value, then Base Rent shall be paid in the amount paid immediately prior to such adjusted Base Rent period; provided that for the first Extended Term, Base Rent shall be paid according to the Fair Market Rental Value set forth in Tenant's appraisal for such period (subject to CPI Adjustment) until Base Rent for such period is finally determined. Upon such determination adjustment for overpayment or underpayment shall be made within sixty (60) days following such determination of Fair Market Rental Value.

Additional Rent.

Tenant shall make payments of Additional Rent in the amounts required for the Agency to make debt service payments on the Additional Lease Revenue Bonds, as amended from time to time; provided, however, that in no event shall Landlord issue Additional Lease Revenue Bonds without Tenant's prior

written consent. Upon request of either Landlord or Tenant, both parties shall promptly negotiate, execute and deliver an amendment to confirm, clarify or otherwise effectuate the foregoing.

Method and Place of Payment.

Except as otherwise specifically provided in the Stadium Lease or as otherwise instructed by Landlord in writing to Tenant, all Initial Term Base Rent, and any Additional Rent unless otherwise instructed by Landlord in writing to Tenant, shall be paid by wire transfer to the Lease Revenue Bond Trustee without setoff or deduction in accordance with the Lease Revenue Bonds First Supplemental Indenture. Base Rent other than Initial Term Base Rent shall be paid as directed in writing by the Lease Administrator.

USE OF PREMISES

Tenant's Use of Premises.

Tenant may use the Premises for the purposes described in the Stadium Lease and for no other uses or purposes. Tenant warrants and represents that all approvals and consents required pursuant to the MLB Governing Documents to allow and authorize (i) Tenant to enter into the Stadium Lease and the Stadium Use Agreement, and (ii) the Team to use the Stadium as its home stadium, in each case, have been obtained.

Required Use by Tenant.

Tenant agrees to compel the compliance by the Partnership with the terms, covenants and conditions of the Stadium Use Agreement, including, without limitation, the Partnership's obligations under the Non-Relocation Agreement.

Tenant's Right to Use the Premises.

(a) Upon Substantial Completion, Tenant shall have the exclusive right to use and permit the use of the Premises during the entire Term, for (i) Team Events, (ii) to the extent not inconsistent with the summarized section immediately above, any and all other lawful purposes and events, including but not limited to other entertainment, sporting, cultural, recreational, promotional, community and civic events, (iii) film and other motion picture production, (iv) restaurant, souvenir shop, sporting goods and other retail use ancillary to the operation of a major league professional sports stadium, all subject to Requirements and the summarized section entitled "No Unlawful Use" and no other use or purpose.

(b) Tenant shall have the exclusive right to charge and permit the charging of admission or usage fees for all Stadium Events and other activities at the Premises, and to determine (or allow others to determine), at its sole and absolute discretion, the prices and terms of tickets and other admission or other privileges to all Stadium Events and other activities taking place at the Premises.

(c) Tenant shall have the exclusive right to use and permit the use of the Premises and all areas therein for television and radio broadcasting, media coverage, and all other means of transmission, whether currently existing or hereinafter developed, in any and all media, including without limitation with respect to Stadium Events.

(d) Tenant shall have the right to use and permit the use of the Premises for all purposes incidental to the uses permitted pursuant to this summarized section, not inconsistent with the summarized sections entitled "Required Use by Tenant" and "No Unlawful Use".

Tenant's Right to Collect and Retain Revenues from Premises Events.

Subject to the Bond Documents, Tenant shall have the right to collect and retain for its own account all revenues derived from all events and activities of any kind and manner at the Premises including but not limited to those derived from all uses permitted under the Stadium Lease.

No Unlawful Use.

Tenant shall not use or occupy the Premises, or knowingly permit or suffer the Premises or any part thereof to be used or occupied, for any unlawful, illegal, or hazardous business, use or purpose or in any way in violation of any of the Requirements or in such manner as may make void or voidable any insurance then in force with respect to the Premises of any part thereof, or for any lewd or obscene "adult" entertainment which is characterized by an emphasis on "specified anatomical areas" or "specified sexual activities", as such terms are defined in Section 12-10 of the Zoning Resolution under the definition of "Adult establishment"; provided, however, that, unless Tenant shall authorize same, in no event shall Tenant be in breach of the covenants set forth above in this summarized section on account of the unlawful, illegal or hazardous business, use or purpose of any Person not affiliated with Tenant, including without limitation, visitors to or patrons of the Premises, conditional upon Tenant's, promptly upon the discovery of any such unlawful, illegal or hazardous business, use or purpose, taking all reasonably necessary steps, legal and equitable, to compel the discontinuance thereof, including without limitation notification to the New York City Police Department (unless the same shall have occurred as a result of any act by Landlord or any Person claiming by, through or under Landlord, in which case Landlord shall take all necessary steps, legal and equitable, to compel the discontinuance thereof). Neither Tenant nor Landlord shall keep, or permit to be kept, anything on the Premises as now or hereafter prohibited by the Fire Department of the City of New York, Board of Fire Underwriters, Fire Insurance Rating Organization and other authority having jurisdiction.

CONCESSIONS

Stadium Concessions.

(a) Tenant shall have the exclusive right, but not the obligation, to provide and operate concessions at the Premises for the sale of food, beverages, souvenirs, scorecards, programs, publications, merchandise, apparel, internet service and/or other goods and services.

(b) Without limiting the foregoing, Tenant may sell or authorize the sale of alcoholic beverages at the Premises, provided that Tenant complies with all Requirements concerning the sale of alcoholic beverages at the Premises, including, but not limited to, age restrictions, identification requirements, and restrictions on sales to inebriated persons.

(c) Tenant shall have the right to charge for all items sold at concessions at the Premises, and to determine, in its sole and absolute discretion, the prices thereof.

(d) Tenant shall have the right to collect and retain all revenues derived from concessions operated at the Premises during the Term and the right to assign collection of such revenues.

(e) The foregoing notwithstanding, no tobacco products may be sold at the Premises. No "Adult establishment", as such term is defined in the Zoning Resolution, shall be permitted at the Stadium.

IMPOSITIONS

Payment of Impositions.

(a) Obligation to Pay Impositions. Tenant, as agent for Landlord, shall pay, in the manner provided in paragraph (c) of the summarized section entitled "Payment of Impositions", all Impositions that, with respect to any period occurring during the Term, are, or would be, if the Premises or any part thereof or the owner thereof were not exempt therefrom, assessed, levied, confirmed, imposed upon, or would be charged to the owner of the Premises with respect to (i) the Premises, or (ii) the sidewalks or streets in front of or adjoining the Premises, or (iii) any vault, passageway or space in, over or under such sidewalk or street, or (iv) any other appurtenances of the Premises, or (v) any personal property or other facility used in the operation thereof, or (vi) other Rental (or any portion thereof) or any other amount payable by Tenant under the Stadium Lease, or (vii) the use and occupancy of the Premises, or (viii) the Stadium Lease or the leasehold estate created thereby; provided that in no event shall Tenant be obligated to pay any Impositions attributable to activities of Landlord, EDC, ESDC, the City and/or the State ("activities" of any of the foregoing parties shall not include any such parties entering into any of the Lease Documents or any of the Bond Documents).

(b) Definition. "Imposition" or "Impositions" means the following governmental exactions of general applicability or of general applicability to Persons or property or to classes of Persons or property within the City similarly situated to Tenant such that, if imposed by the City, the Imposition is not invidiously and arbitrarily discriminatory against Tenant or so narrowly drawn as to apply only to professional sports facilities of similar seating capacity situated on public property (it is stipulated in the Stadium Lease that the existing Yankee Stadium and the proposed new Yankee Stadium at John Mullaly Park and McComb's Dam Park in the Bronx, New York, has similar seating capacity with the Stadium):

(i) real property special assessments (including, without limitation, any special assessments for or imposed by any business improvement district or by any special assessment district),

(ii) personal property taxes,

(iii) water, water meter and sewer rents, rates and charges,

(iv) excise taxes, license and permit fees, excluding sales and compensating use taxes for which exemption is available pursuant to the Stadium Lease,

(v) except for Taxes, and unless in lieu of Taxes, any other governmental fees, rents, assessments or taxes and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, now or hereafter enacted, of any kind whatsoever, and

(vi) any fines, penalties and other similar governmental charges applicable to the foregoing, together with any interest or costs with respect to the foregoing, excluding therefrom any such fines, penalties or charges which may be imposed solely as a result of Landlord's acts or omissions in its proprietary capacity only.

"Impositions" shall not include mortgage recording tax on mortgages authorized by the Agency in connection with the Project.

(c) Payments of Impositions.

(i) Subject to the provisions of the summarized section entitled "Apportionment of Imposition", Tenant shall pay each Imposition or installment thereof not later than the date the same may be paid without interest or penalty. However, if by law, at Tenant's option, any Imposition may be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Tenant may exercise the option to pay the Imposition in such installments and shall be responsible for the payment of such installments when due with such interest as may be required by law. Impositions shall be payable in the form and to the location provided by the rules and regulations of the City governing such payments.

(ii) If Tenant fails to make any payment of an Imposition (or installment thereof) on or before the date due as required in the preceding subsection, Tenant shall, at Landlord's request, and notwithstanding (i) above, pay all Impositions or installments thereof thereafter payable by Tenant not later than ten (10) days before the due date thereof. Nothing in this paragraph shall be construed to limit Landlord's default remedies as set forth elsewhere in the Stadium Lease after failure by Tenant to timely pay any Imposition.

Evidence of Payment.

Tenant shall furnish Landlord, within thirty (30) days after the date when an Imposition is due and payable and a request is made by Landlord, official receipts of the appropriate taxing authority or other proof reasonably satisfactory to Landlord, evidencing the payment thereof.

Evidence of Non-Payment.

Any certificate, advice or bill of the appropriate official designated by law to make or issue the same or to receive payment of any Imposition asserting non-payment of such Imposition shall be rebuttable evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificate, advice or bill, at the time or date stated therein.

Apportionment of Imposition.

Any Imposition relating to a fiscal period of the taxing authority, a part of which is included within the Term and a part of which is included in a period of time before the Commencement Date or after the Expiration Date, shall be apportioned pro rata between Landlord and Tenant as of the Commencement Date or the Expiration Date.

Article 6 Costs.

Tenant's cost and expense of performing its obligations under the Stadium Lease may be paid for or reimbursed out of funds available therefore in the Operating and Maintenance Fund under the PILOT Assignment. However, Tenant's obligations under the Stadium Lease shall not be limited by the availability of funds in the Operating and Maintenance Fund under the PILOT Assignment for such purpose, and to the extent such funds are not available Tenant shall perform the obligations under the Stadium Lease at its sole cost and expense.

Taxes.

(a) At all times during the Term of the Stadium Lease, no Taxes or general assessments shall be levied against the Premises.

(b) During any part of the Term that the Agency is Landlord under the Stadium Lease, Landlord shall avail itself of its statutory exemption from Taxes and general assessments. If notwithstanding Landlord's statutory exemption from Taxes during the Term, Taxes or general assessments are nevertheless levied against the Premises, Landlord shall cause the City to cancel or discharge or otherwise satisfy such Taxes or general assessments on or before the due date thereof (which may be by bookkeeping entry, interdepartmental direction or other manner or procedure selected by the City).

(c) At any time during the Term that the Agency is not the Landlord under the Stadium Lease, the then-Landlord shall or shall cause the City to discharge or cancel or otherwise satisfy and cause to be discharged of record all Taxes and general assessments on or before the due date thereof (which may be by bookkeeping entry, interdepartmental direction or other manner or procedure selected by the City).

(d) If any Landlord shall fail to pay, exempt, cancel, discharge or cause to be paid, exempted, canceled or discharged any Taxes and/or such general assessments as required under the Stadium Lease and (i) shall not have timely commenced a proceeding to contest the same, or (ii) shall have timely commenced such a proceeding but any failure to pay the Taxes and/or such general assessments during the pendency of such proceeding would result in the imminent loss or forfeiture of the Premises and termination of the Stadium Lease or Tenant's leasehold estate under the Stadium Lease or any other material adverse consequence to Tenant's rights under the Stadium Lease, Tenant shall have the right (a) to pay, but shall not be required to pay, such unpaid Taxes and/or such general assessments together with any interest or penalties due in respect thereof and (b) to require Landlord to cause the City to reimburse Tenant for such payment, together with interest at the Interest Rate. Tenant's election to pay or not to pay unpaid Taxes and or such general assessments pursuant to the foregoing shall not preclude Tenant from pursuing (x) any and all remedies it may have against Landlord under the Stadium Lease or otherwise in respect of any Landlord's failure to pay, exempt, discharge, cancel or otherwise satisfy any Taxes and/or such general assessments, or (y) any and all remedies it may have against the City under the Primary Site Ground Lease and the South Parking Site Ground Lease.

NAMING RIGHTS, ADVERTISING AND SIGNAGE

Naming Rights to Stadium.

(a) Tenant shall have the exclusive right to designate the name of the Stadium and to grant one or more third parties (i) the right to include such party's name, product name and/or logo and/or corporate identifiers in the name of the Stadium, (ii) the right to have such name and/or logo and/or corporate identifiers prominently displayed on the interior of and, subject to paragraph (c) of the summarized section entitled "Tenant's Right to Display Advertising Signage at the Premises" on the exterior of, and on and around the entrances to the Stadium, and on the Stadium apron, as part of the name of the Stadium, and (iii) such other non-exclusive rights which are customarily included in the grant of the rights in clause (i) and (ii) above (such rights are referred to in the Stadium Lease as the "Naming Rights"), and provided that such name and/or logo and/or corporate identifiers shall not be obscene nor shall it be unlawful to use the same, nor shall it be antithetical to the character of the Stadium as a prominent symbol of the City. There shall be a rebuttable presumption that a proposed Stadium name and logo and corporate identifier is compliant with the condition that the use of the Stadium name and/or logo

and/or corporate identifiers not be antithetical to the character of the Stadium as a prominent symbol of the City; provided, that any name which the general public clearly associates with tobacco products shall be presumed to be so antithetical. The use of a name and/or logo and/or corporate identifiers shall not be considered antithetical to the character of the Stadium as a prominent symbol of the City on account of its being associated with alcoholic beverages per se. The names "Mets Stadium" and "Shea Stadium" are approved by Landlord. Tenant may, but shall not be required to, obtain Landlord's prior written consent to any name and/or logo and/or corporate identifiers of the Stadium (solely for purposes of determining whether the proposed name and/or logo and/or corporate identifiers is antithetical to the character of the Stadium as a prominent symbol of the City, including, without limitation, by reason of such proposed name and/or logo and/or corporate identifiers being clearly associated by the general public with tobacco products), and, provided such request is in writing and contains an express reference to this summarized section and the turnaround time set forth in the Stadium Lease, Landlord, acting reasonably (which shall take into consideration the names and/or logos and/or corporate identifier of other professional sports stadiums and major college stadiums of comparable or greater capacity around the United States) shall grant or withhold such consent within ten (10) Business Days of the delivery of such written request, and if not disapproved within such period shall be deemed approved. In the event that there is any disagreement over whether a Stadium name and/or logo and/or corporate identifiers complies with this summarized section, either party may seek expedited arbitration of such dispute pursuant to paragraph (b) of the section of the Stadium Lease entitled "Expedited Arbitration Procedure".

(b) The parties acknowledge that any name given to the Stadium by virtue of the granting of a Naming Rights license shall not eliminate the City's official designation of the real property comprising the Premises as "Flushing Meadow Park" or successor name, except that the Stadium name chosen pursuant to paragraph (a) immediately above shall be used by the City when referring to the Stadium in any extra-agency correspondence, press releases, promotional materials, advertisements, municipal publications, and directional traffic and pedestrian signs; provided, that the City may use appropriate abbreviations of the Stadium's name on directional traffic and pedestrian signs. The foregoing notwithstanding, the City shall not be liable for damages (including without limitation consequential damages) lost revenues or other pecuniary loss to the extent of any inadvertent or unintentional failure to comply with the foregoing. The City may continue for a reasonable period of time to distribute any materials published prior to the designation of a Stadium name and maintain existing traffic and pedestrian signs. The City shall consult with and reasonably cooperate with Tenant with respect to any abbreviation of the Stadium name on directional signage; provided, that the obligation on the part of the City to so cooperate shall be subject (i) applicable provisions of the Federal Manual for Uniform Traffic Control Devices (or any successor manual that my set such standards from time to time), and (ii) traffic engineering and safety standards and requirements.

Tenant's Right to Display Advertising Signage at the Premises.

(a) Subject to (d) below and compliance with applicable laws, rules, regulations and governmental approvals, Tenant shall have the exclusive right to display and permit others to display Advertising Signage throughout the interior of Stadium at all times during the Term.

(b) No Advertising Signage shall be permitted on the exterior of the Stadium other than as permitted in paragraph (a) of the summarized section entitled "Naming Rights to Stadium" and as permitted in this paragraph. Subject to paragraph (c) below, Tenant shall have the right to place Advertising Signage on and around the entrances to the Stadium, and Tenant shall have the right to locate upon the Stadium apron Advertising Signage of the scale appropriate to booths, concession stands, kiosks, directional finders and otherwise of a scale and dimension to be viewed by pedestrians approaching such area of the Stadium apron.

(c) The exterior Advertising Signage referred to in paragraph (a) of the summarized section entitled "Naming Rights to Stadium" and in paragraph (b) of this section shall be subject to the following conditions: (i) Tenant shall provide the design, dimension and locations of such Advertising Signage to Landlord prior to installation and Landlord shall have a reasonable opportunity to provide comments and suggested modifications thereto; (ii) such design, dimensions and locations shall generally be consistent with other Major League Baseball stadiums around the United States, and (iii) such Advertising Signage shall be subject to and comply with Art Commission approval, and (iv) such Advertising Signage shall be subject to and comply with applicable laws, rules, regulations and governmental approvals.

(d) Notwithstanding anything to the contrary set forth in the summarized sections under the heading "NAMING RIGHTS, ADVERTISING AND SIGNAGE", Landlord shall have the right to prevent Tenant from displaying and may require Tenant to remove any Advertising Signage the content of which depicts "specified anatomical areas" or "specific sexual activities" as those terms are defined in Section 12-10 of the Zoning Resolution under the definition of "Adult establishment." Furthermore, no advertising for tobacco or tobacco related products shall be permitted; provided, that if the prevailing City policy of prohibiting tobacco advertising in City-owned facilities is curtailed or abrogated, then to the same extent the prohibition on tobacco advertising at the Stadium shall be similarly curtailed or abrogated.

(e) Advertising Signage on the back of the main Stadium scoreboard shall be subject to paragraph (d) above and comply with the applicable laws, rules, regulations and governmental approvals.

(f) Subject to MLB Rules and Regulations, Tenant shall endeavor to accommodate reasonable requests from Landlord for the same opportunity as that available to other providers of public services to make public service announcements, over the Stadium's public address system during Team Games at the Stadium free of charge, taking into account the frequency and timing of the public service announcements of other providers of public services. Landlord assigns these rights to the City, and Tenant consents, and the City may further assign any of its rights under this paragraph to the State of New York, ESDC or any agency or instrumentality of either, provided that the cumulative number of public service announcements requested under this summarized section shall be aggregated for the purpose of determining whether such requests are reasonable.

Intellectual Property Rights.

All intellectual property rights to the Stadium, its name, image and elements shall belong to Tenant and, to the extent such rights belong to Landlord, Landlord assigns all such rights to Tenant. Notwithstanding the foregoing, Landlord, the City, the State, ESDC and any agency or instrumentality of either the City or the State (including without limitation, EDC and ESDC) (all of whom are made third party beneficiaries of this summarized section), shall have the non-exclusive right to use the name of the Stadium, and to broadcast, display, publish, or otherwise disseminate photographs or other pictorial images of the Stadium in each case solely for non-commercial public informational purposes; provided that in no event shall such use, broadcast, display, publication or other dissemination disparage the image of the Stadium or the Mets. There shall be a rebuttable presumption that any use, broadcast, display, publication or other dissemination of the name and/or image of the Stadium solely for non-commercial public informational purposes by Landlord, the City, the State, and any agency or instrumentality of either the City or the State (including, without limitation EDC and ESDC) does not disparage the image of the Stadium, the Mets or any grantee of any Naming Rights. Any dispute with respect to the foregoing shall be subject to the expedited arbitration procedures set forth in the summarized section of the Stadium Lease entitled "Expedited Arbitration Procedure".

STADIUM PROJECT

Stadium Project.

"Stadium Project" shall mean the construction by Tenant, as agent for Landlord pursuant to the Development Agreement, of (i) a first class Major League Baseball stadium having a seating and standing room capacity of approximately 45,000 (and which may include without limitation suites, food and beverage service facilities, retail space, corporate business space, function space, facilities for the media and other functions and amenities appropriate thereto) in accordance with the Development Agreement, and (ii) the improvement of the On-Site Parking Facilities in connection therewith.

Title to Improvements; Demolition of the Stadium.

Title to the Stadium and all materials and Equipment to be incorporated into the Stadium shall immediately vest in Landlord. Except as provided in the Stadium Lease, Tenant shall not demolish the Stadium during the Term.

Furnishing and Fit-Out of Stadium Project.

Landlord shall have no obligation to furnish, finish, or fit-out the Stadium Project, or to provide furnishings or equipment.

OPERATION OF THE PREMISES

Tenant's Operation of the Premises.

From and after the date of Substantial Completion and during the Term, Tenant, as agent for Landlord, shall be responsible for operating and maintaining the Premises. During all Team Events and all other Stadium Events, Tenant shall operate the Premises as a (subject to ordinary wear and tear) first class state-of-the-art professional sports facility and in a safe, clean and reputable manner, and in compliance with the Stadium Lease, and with all Requirements. Tenant shall be responsible for providing each of the following on a year-round basis throughout the Term for and in connection with the operation of the Premises, and shall be responsible for all costs thereof or associated therewith (including supplies and personnel costs).

Expenses of Operation of the Premises.

Tenant's cost and expense of performing its obligations under the Stadium Lease may be paid for or reimbursed out of funds available therefor in the O&M Fund and/or the Operating and Maintenance Account (Lease Revenue) of the Lease Revenue Surplus Fund under the Lease Revenue Bond Indenture. However, Tenant's obligations under the Stadium Lease shall not be limited by the availability of such funds, and to the extent such funds are not available Tenant shall perform the obligations under the Stadium Lease at its sole cost and expense. Except to the extent that Tenant is unable to perform its obligations under the Stadium Lease because of Landlord's (or the City's) failure to perform Landlord's obligations under the Stadium Lease or under the Primary Site Ground Lease, Tenant shall be solely responsible for all costs incurred for, in connection with, or associated with the operation of the Premises.

No Landlord Obligation.

Any and all reference in the Stadium Lease to Tenant's obligations commencing from or after the Substantial Completion Date shall not in any way be construed to create or imply any obligation on the part of Landlord to pay for or perform any such obligations.

ORDINARY REPAIR AND MAINTENANCE

Tenant's Maintenance and Repair Obligations.

(a) From and after the date of Substantial Completion and during the Term, Tenant, as agent for Landlord, shall be solely responsible for all maintenance and repair of the Premises, and shall have the right to perform such maintenance and repair, including, without limitation, all interior and exterior structures, areas (including the playing field), building systems, utility systems, sewer systems, equipment, and fixtures existing at the Premises as of the execution date of the Stadium Lease or at any other time during the Term. From and after the date of Substantial Completion and during the Term, Tenant, as agent for Landlord, shall perform all maintenance and repair that is reasonably necessary to cause the Premises to be in compliance with all Requirements, to keep and maintain the Premises in good working order, and operating as a first class state-of-the-art professional sports facility (subject to ordinary wear and tear).

(b) Tenant, as agent for Landlord, shall be responsible for all costs and expenses incurred for or in connection with its maintenance and repair obligations under the Stadium Lease, and for providing all personnel, supplies, materials, parts, labor and equipment therefor. Landlord shall reasonably cooperate with Tenant in Tenant's performance of the maintenance and repair obligations required under this summarized section (without Landlord assuming any obligations for such maintenance or repair), provided Tenant shall advance to Landlord any reasonable out-of-pocket costs or expenses to be actually paid by Landlord in cooperating with Tenant in performance of the maintenance and repair obligations required under this summarized section.

(c) Removal of all personal property by Tenant that causes structural damage to the Stadium shall be promptly repaired by Tenant to Landlord's reasonable satisfaction.

(d) Tenant shall buy or lease machinery, equipment and tools for the maintenance and repair of the Premises as Landlord's agent, and Landlord leases such machinery, equipment and tools to Tenant for the purposes of the summarized article entitled "ORDINARY REPAIR AND MAINTENANCE" and the summarized article entitled "OPERATION OF THE PREMISES".

No Landlord Obligations.

(a) Landlord shall not be responsible for any maintenance or repair of the Premises or any structures, areas (including the playing field), utilities, building systems, equipment, or fixtures existing thereat at any time during the Term. This exculpation shall not apply to the extent that the City's employees, agents or contractors while on the Premises acting on behalf of the City, have caused any damage to or destruction of any Stadium property. Nothing in the Stadium Lease shall impair the availability to Tenant of funds in the O&M Fund.

(b) Landlord agrees to apply PILOTs in accordance with the PILOT Assignment as it exists on the Commencement Date and in accordance with the definition of PILOT Bonds Requirement as it exists on the Commencement Date.

(c) Any and all reference in the Stadium Lease to Tenant's obligations commencing from or after the Substantial Completion Date shall not in any way be construed to create or imply any obligation on the part of Landlord to pay for or perform any such obligations.

Inspection Relating to Maintenance and Repair and the Condition of the Premises.

(a) Upon learning of the same, Tenant shall give Landlord, the City and Bond Insurer prompt notice of any fire or other casualty event causing material loss, material damage or dangerous or defective condition at the Premises.

(b) From and after the date of Substantial Completion and during the Term, Landlord and Bond Insurer shall have the right to inspect the Premises and any and all maintenance and repair work performed by Tenant at the Premises on reasonable notice and at reasonable times for the purpose of ensuring that Tenant is complying with its maintenance and repair obligations under the Stadium Lease. However, no such inspection or any failure to do so by Landlord shall relieve Tenant of any of its obligations under the Stadium Lease, or impose upon Landlord any obligations or responsibilities in respect of Tenant's maintenance and repair obligations. While on the Premises, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's business operations. Any conditions presenting any reasonably avoidable threat to public health or safety, or any legal nuisance, or which are inconsistent with the good and proper operation of the Stadium as a (subject to ordinary wear and tear) first class state-of-the-art professional sports facility which are identified by Landlord or the City from and after Substantial Completion, and of which Tenant is notified, shall be promptly remedied by Tenant.

Expenses of Operation of the Premises.

Tenant's cost and expense of performing its obligations under Article 10 of the Stadium Lease may be paid for or reimbursed out of funds available therefor in the O&M Fund and/or the Operating and Maintenance Account (Lease Revenue) of the Lease Revenue Surplus Fund under the Lease Revenue Bonds Indenture. However, Tenant's obligations under Article 10 of the Stadium Lease shall not be limited by the availability of such funds, and to the extent such funds are not available Tenant shall perform the obligations under Article 10 of the Stadium Lease at its sole cost and expense. Except to the extent that Tenant is unable to perform its obligations under Article 10 of the Stadium Lease because of Landlord's (or the City's) failure to perform Landlord's obligations under the Stadium Lease or under the Primary Site Ground Lease, Tenant shall be solely responsible for all costs incurred for, in connection with, or associated with the operation of the Premises.

CAPITAL IMPROVEMENTS BY TENANT

Approval of Tenant Improvements.

(a) Prerequisites. If Tenant, as agent for Landlord, desires to construct any Capital Improvements at the Premises whether in or as part of the Stadium or in connection with On-Site Parking Facilities, Tenant may do so, provided that Tenant shall submit (without duplication of any requirements under any agreement between Tenant and either City, EDC, and/or Landlord to fund any Capital Improvements), each of the following to Landlord:

(i) Plans and Specifications in accordance with paragraphs (d) and (e) below;

(ii) A schedule for the construction of such Capital Improvements;

(iii) To the extent reasonable to request such assurance, taking into account the cost, nature and extent of the proposal Capital Improvements, assurance of the ability to complete the proposed Capital Improvement, such as available cash, a letter of credit, loan commitment, or surety bond or other guaranty of completion by a reputable third party willing and financially able to satisfy such guaranty; and

(iv) Any other information related to such construction (but not, in any event, relating to Tenant's finances, as long as item (iii) immediately preceding is satisfied) that Landlord may reasonably request.

(b) Landlord Review. Each proposed Capital Improvement affecting a Reviewable Feature shall be subject to the prior written approval of Landlord, to be given or withheld in accordance with paragraphs (c), (d), (e) and (f) below. Capital Improvements (and the Plans and Specifications therefor) not affecting a Reviewable Feature or compliance with Requirements shall not be subject to Landlord's prior written approval. Tenant shall notify Bond Insurer of any proposed Capital Improvement not less than ten (10) days prior to the commencement thereof.

(c) Capital Expenditures. Notwithstanding anything set forth to the contrary in the Stadium Lease, for as long as Bonds are outstanding, Tenant agrees not to incur any capital expenditures, whether or not qualifying as a Capital Improvement, unless it (1) represents to Landlord that (i) the expected useful life of the improvement to which such capital expenditures relate does not extend beyond the Initial Term of the Stadium Lease or (ii) the cost of the improvement to which such capital expenditures relate for a given Lease Year, when added to the amounts of all other improvements made during such Lease Year and the amounts paid by Tenant to Landlord and the City under the On-Site Parking Agreements and any agreements for the Off-Site Parking Facilities and any other amounts required to be treated as private payments for federal tax purposes (other than the Incidental Private Payments), does not exceed the amount deposited into the O & M Fund for such Lease Year pursuant to the PILOT Assignment, (2) such costs are funded with taxable bonds issued by Landlord, (3) delivers to Landlord an approving opinion of Nationally Recognized Bond Counsel that such capital expenditure shall not cause the interest on the tax-exempt Bonds to be includable in gross income for Federal income taxes or (4) such costs are funded from the Capital Improvement Fund created under the PILOT Bonds Indenture. Tenant shall furnish or cause to be furnished to Landlord such certifications and information as Landlord shall request in order for Nationally Recognized Bond Counsel to make such determination. Landlord shall cause such bond counsel to issue such opinion or inform Tenant of the reasons for which such opinion cannot be issued within thirty (30) Business Days of such request. For purposes of the Stadium Lease, Incidental Private Payments means the private payments treated as occurring for federal income tax purposes as a result of the provision of nonmonetary benefits to Landlord such as the right to make public service announcements and the right to purchase tickets to stadium events. In addition, capital expenditures made using funds of the City or the State of New York shall not be taken into account. In the event that such opinion from Nationally Recognized Bond Counsel cannot at the time be delivered under circumstances then prevailing, Landlord and Tenant agree to take such reasonable steps as are mutually acceptable to each to allow Tenant to undertake the work for which capital expenditures would be incurred (e.g., refunding tax-exempt Bonds with taxable Bonds).

(d) Submission and Review of Plans and Specifications. Prior to making any Capital Improvements Tenant shall submit preliminary Plans and Specifications to Landlord for its review and approval with respect to the Reviewable Features and the Requirements. If Landlord reasonably determines that the Plans and Specifications are inconsistent or noncompliant with the Requirements, or has reasonable objections insofar as they relate to the Reviewable Features, Landlord shall so notify Tenant, specifying the objection, and, subject to the balance of this paragraph, Tenant shall revise them to so conform and shall resubmit the Plans and Specifications to Landlord for review. Notwithstanding the foregoing and anything

contained in the Stadium Lease to the contrary to the contrary, Landlord's review of the Plans and Specifications and right to object thereto shall be limited to the Reviewable Features and compliance with the Requirements. Each review by Landlord shall be carried out within twenty (20) Business Days of the date of submission of the Plans and Specifications by Tenant or any revisions thereof, whichever is applicable. If Landlord has not notified Tenant of its determination within the twenty (20) Business Day period, provided that Tenant's submission contains a letter making express reference to this paragraph and the twenty (20) Business Day turnaround time set forth in the Stadium Lease, Landlord shall be deemed to have waived any objection to the Plans and Specifications. Tenant shall use commercially reasonable efforts to cause each resubmission by Tenant to be made within thirty (30) Business Days of the date of Landlord's notice to Tenant stating that the Plans and Specifications do not comply with Requirements or the terms and conditions of the Stadium Lease. Landlord's review and approval or disapproval of the Plans and Specifications shall be limited to compliance with Requirements and the Reviewable Features. Landlord shall not raise any objection to any aspect of the Plans and Specifications which has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord, unless such aspect is objectionable because of subsequent changes made by Tenant to the Plans and Specifications (in which case if such submission contains a notice making express reference to this paragraph and the ten (10) Business Day turnaround time set forth in the Stadium Lease, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s)).

(i) "Plans and Specifications" means the progress or completed final drawings and plans and specifications, as the case may be, prepared by the Architect approved by Landlord with respect to the Reviewable Features, and as such drawing Plans and Specifications may be modified from time to time in accordance with the provisions of the Stadium Lease.

(ii) "Reviewable Features" means all Stadium exterior features and facilities, including, without limitation, those exterior features relating to the surrounding streets and park, such as exits, entrances, traffic and pedestrian control improvements in parking areas, walkways, apron, illumination, landscaping and signage; and, to the extent not expressly governed by Art Commission approvals, architectural style, finishes, and color.

(e) Modification of Approved Plans and Specifications. If Tenant desires to materially modify any Reviewable Features set forth in any Plans and Specifications after they have been approved by Landlord, Tenant shall submit the proposed modifications to Landlord. Landlord shall review the proposed changes to determine whether they materially conform to Requirements, or if there are any objectionable changes insofar as they relate to the Reviewable Features. If Landlord reasonably determines that they are not objectionable, Landlord shall so notify Tenant. If Landlord reasonably determines that the Plans and Specifications, as so revised, do not materially comply with Requirements, or if there are any reasonable objectionable changes insofar as they relate to the Reviewable Features, Landlord shall so notify Tenant, specifying in what respects they do not so conform. Tenant shall either (i) withdraw the proposed modifications, in which case the Construction Work shall proceed on the basis of the Plans and Specifications previously approved by Landlord insofar as they relate to Reviewable Features, or (ii) revise the proposed modifications to so comply and resubmit them to Landlord for review. Each review by Landlord shall be carried out within twenty (20) Business Days of the date of submission of the proposed modifications to the Plans and Specifications. If Landlord has not notified Tenant of its determination within the twenty (20) Business Day period, provided that Tenant's submission contains a letter making specific reference to this paragraph and the ten (10) Business Day turnaround time set forth in the Stadium Lease, Landlord shall be deemed to have waived any objection to the Plans and Specifications submitted. Tenant shall use commercially reasonable efforts to cause each resubmission by Tenant shall be made within thirty (30)

Business Days of the date of Landlord's notice to Tenant that they do not so conform. Notwithstanding the foregoing, Tenant may, without Landlord's consent, modify the Plans and Specifications to the extent reasonably necessary as a result of field conditions or to comply with the Requirements, provided such modifications do not materially adversely affect the Reviewable Features, provided that Tenant shall with reasonable promptness inform Landlord of such changes to the extent such changes relate to the Reviewable Features, and that such modified Plans and Specifications shall in all cases comply with all Requirements and previously approved Plans and Specifications insofar as they relate to the Reviewable Features. Landlord shall not raise any objection to any aspect of the Plans and Specifications which has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord, unless such aspect is objectionable because of subsequent changes made by Tenant to the Plans and Specifications (in which case if such submission contains a notice making express reference to this paragraph and the ten (10) Business Days turnaround time set forth in the Stadium Lease, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s)).

(f) Compliance with Requirements, Etc. The Plans and Specifications shall comply with the Requirements. It is Tenant's responsibility to assure such compliance on behalf of Landlord. Landlord's approval of the Plans and Specifications shall not be, nor shall be construed as being, or relied upon as, a determination that the Plans and Specifications comply with the Requirements.

(g) Commencement and Completion of All Construction Work. All Construction Work, once commenced, shall be completed promptly (subject to Unavoidable Delay), in a good and workmanlike manner and, if applicable, substantially in accordance with the approved and/or modified Plans and Specifications therefor (to the extent approval may be required), of quality that is generally consistent with the quality of the Stadium as a first class Major League Baseball Stadium and in good and workmanlike manner, and in accordance with all applicable Requirements.

(h) Supervision of Architect. All Construction Work involving structural or building systems work or work having a total cost in access of One Million Dollars ($1,000,000), (subject to CPI Adjustment) performed by Tenant shall be carried out under the supervision of the Architect.

Conditions Precedent to Tenant's Commencement of All Construction Work.

(a) Permits and Insurance. Tenant shall not commence any Construction Work unless and until (i) Tenant shall have obtained and delivered to Landlord and Bond Insurer copies of all necessary permits, consents, certificates and approvals of all Governmental Authorities with regard to the particular phase of the work to be performed, certified by the Architect and (ii) Tenant shall have delivered to Landlord certified copies, certificates or memoranda of the policies of insurance required to be carried pursuant to the provisions of the Stadium Lease.

(b) Cooperation of Landlord in Obtaining Permits. Landlord shall cooperate with Tenant in obtaining the permits, consents, certificates and approvals required by paragraph (a) immediately above, and shall sign any application made by Tenant required to obtain such permits, consents, certificates and approvals. Tenant shall reimburse Landlord within thirty (30) days after Landlord's demand for any reasonable out-of-pocket cost or expense paid by Landlord in cooperating with Tenant in obtaining the permits, consents, certificates and approvals required by paragraph (a) immediately above.

(c) Approval of Plans and Specifications. Tenant shall not commence any phase of Construction Work unless and until Landlord shall, if required under the Stadium Lease, have approved or be deemed to have approved the proposed Plans and Specifications for such phase of Construction Work in the manner provided in the Stadium Lease, in each case as provided in the summarized section immediately

above. Landlord's review and approval is limited to compliance with Requirements and the Reviewable Features.

(d) Substantial Completion of Construction Work. Upon substantial completion of any Construction Work which required Landlord's consent and supervision of the Architect, Tenant shall furnish Landlord with (a) a certification of the Architect to Landlord) that it has examined the applicable Plans and Specifications and that, in its best professional judgment, after diligent inquiry, to its best knowledge and belief, the Construction Work has been completed substantially in accordance with the Plans and Specifications applicable thereto and that, as constructed, the Capital Improvements comply with the Building Code of New York City and all other Requirements, (b) if required by Requirements and available at the stage of completion of construction, a copy or copies of a new or amended temporary or permanent certificate(s) of occupancy for the Stadium issued by the New York City Department of Buildings, and (c) two complete sets (hard copies) of the "as built" drawings and specifications, and two (2) complete sets of the as-built drawings and specifications. Landlord shall have an unrestricted non-exclusive license to retain such "as built" drawings and specifications for any purpose related to the Stadium without paying any additional cost or compensation therefor, which license shall be subject to the rights of the parties preparing such drawings and specifications under copyright and other applicable laws.

(e) Title to Materials and Equipment. Title to all materials incorporated or to be incorporated in the Stadium, including Equipment shall vest in Landlord immediately upon Tenant's obtaining an interest in or to such materials and Equipment. Tenant shall execute, deliver and record or file all instruments necessary or appropriate to so vest title to Landlord and shall take all action necessary or appropriate to protect such title against claims of any third persons. Materials incorporated or to be incorporated in the Stadium and/or Equipment shall, effective upon their purchase and all times thereafter but, in all event, subject to the Stadium Lease, constitute the property of Landlord, and upon Substantial Completion or the incorporation of such materials and/or Equipment, title thereto shall continue in Landlord. However, (a) neither Fee Owner nor Landlord shall be liable in any manner for payment or for damage or risk of loss or otherwise to any contractor, subcontractor, laborer or supplier of such materials and/or Equipment in connection with the purchase or installation of any such materials and/or Equipment, and (b) neither Fee Owner nor Landlord shall have any obligation to pay any compensation to Tenant by reason of its acquisition of title to any such materials and/or Equipment. Title to and tax ownership of all Improvements shall be and vest in Landlord. Upon the termination of the Stadium Lease, title to all Improvements shall be conveyed by Landlord to Fee Owner.

(f) Names of Contractors, Materialmen, Etc. Tenant shall furnish Landlord, within thirty (30) days of Landlord's demand, a list of all Contractors performing any labor, or supplying any materials, in connection with any Construction Work costing in excess of 10% of the Replacement Value. Such list shall state the name and address of each Contractor and in what capacity each Contractor is performing work at the Premises. All persons employed by Tenant with respect to Construction Work shall be paid, without subsequent deduction or rebate unless expressly authorized by law not less than the minimum hourly rate required by law.

(g) Construction Agreements Required Clauses. So long as (x) the IDA is Landlord, or (y) the City is the Fee Owner, all Construction Agreements shall include the following provisions:

(i) "["Contractor"]/["Subcontractor"]/["Materialman"] hereby agrees that immediately upon the incorporation by ["contractor"]/["sub-contractor"]/["materialman"] of any building materials in the Stadium [(as defined in the lease pursuant to which the owner acquired a leasehold interest in the property] (the "Lease")), such materials shall become the sole property of Landlord, notwithstanding that such materials have not been incorporated in, or

made a part of, such Stadium at the time of such purchase; provided, however, that neither the City nor Landlord (as defined in the Lease) shall be liable in any manner for payment or otherwise to ["contractor"]/["subcontractor"]/ ["materialman"] in connection with the purchase of any such materials and neither the City nor Landlord shall have any obligation to pay any compensation to ["contractor"]/["subcontractor"]/["materialman"] by reason of such materials becoming the sole property of Landlord.

(ii) ["Contractor"]/["Subcontractor"]/["Materialman"] hereby agrees that notwithstanding that ["contractor"]/["subcontractor"]/["material-man"] performed work at the Premises (as such term is defined in the Lease) or any part thereof, neither the City nor Landlord shall be liable in any manner for payment or otherwise to ["contractor"]/["subcontractor"]/ ["materialman"] in connection with the work performed at the Premises.

(iii) ["Contractor"]/["Subcontractor"]/["Materialman"] hereby agrees to make available for inspection by Landlord, during reasonable business hours, ["contractor's"]/ [subcontractor's"]/["material-man's"] books and records relating to Construction Work (as defined in the Lease) being performed or the acquisition of any material or Equipment (as such term is defined in the Lease) to be incorporated into the Stadium.

(iv) "All covenants, representations, guarantees and warranties of ["contractor"]/ ["subcontractor"]/materialman"] hereunder shall be deemed to be made for the benefit of Landlord under the Lease and the City and shall be enforceable against ["contractor"]/["subcon-tractor"]/["materialman"] by said Landlord and the City.

(v) Neither the City nor Landlord is a party to this ["agreement"]/["con-tract"] nor will the City or Landlord in any way be responsible to any party for any and or all claims of any nature whatsoever arising or which may arise from such ["contract"]/["agreement"].

If exemption for Sales Tax is to be taken by Tenant, the Construction Agreement shall set forth the provisions required under the Stadium Lease.

Conditions and Requirements Concerning the Performance of Capital Improvements.

(a) The construction of all Capital Improvements shall be performed and completed in a good and workmanlike manner and in accordance with all Requirements.

(b) Landlord shall have the right to observe the construction means, methods, procedures and techniques of the performance of Capital Improvements, the costs of which exceed One Million Dollars ($1,000,000), subject to CPI Adjustment for the purpose of ensuring that the same is being performed substantially in accordance with the Plans and Specifications, and all Requirements, and Landlord shall be entitled to have its field personnel or other designees receive reasonable prior notice of and attend Tenant's job and/or safety meetings, if any. No such observation or attendance by Landlord's personnel or designees shall impose upon Landlord responsibility for any failure by Tenant to observe any Requirements or safety practices in connection with such construction or constitute an acceptance of any work which does not comply in all respects with Requirements or the provisions of the Stadium Lease. While on the Premises, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's operations.

(c) Tenant shall keep Landlord periodically informed of Tenant's progress in the performance of each Capital Improvement the costs of which exceed One Million Dollars ($1,000,000), subject to CPI Adjustment. With respect to Capital Improvements the costs of which exceed One Million Dollars ($1,000,000), subject to CPI Adjustment, upon request of Landlord, Tenant shall promptly provide Landlord with copies of all materials normally or actually provided to a construction lender, including, but not limited to, scheduling of payments, projections and certifications of construction costs on a monthly basis, and all construction documents and all plans and specifications reasonably specified by Landlord to assist Landlord in monitoring said progress by Tenant.

(d) Tenant shall comply with the terms and provisions of the Stadium Lease; provided, that if the proposed Capital Improvement affects something other than the Reviewable Features, Landlord's rights of consent, approval and inspection shall be limited to the Reviewable Features and compliance with Requirements.

Development Risks.

Landlord shall have no obligation whatsoever to make or pay for any Capital Improvements, capital repairs, replacements or any other improvements to the Premises. All Capital Improvements shall be undertaken by or on behalf Tenant as agent for Landlord. Landlord shall have no design, development or construction risks associated with any Capital Improvement.

Conditional Assignment.

Upon the occurrence and during the continuance of any Event of Default for failure to complete any Capital Improvement, irrespective of whether Landlord has exercised its right to terminate the Stadium Lease, Landlord shall have the right (but not the obligation), in Landlord's sole discretion, to assume any and all professional design contracts, any Construction Agreements and agreements (such as, without limitation, owner's representative, expediters and consultants) made by or on behalf of Tenant relating to the Capital Improvement and to take over and use all or any part or parts of the labor, materials, supplies and equipment contracted for, by, or on behalf of Tenant, whether or not previously incorporated into the Premises. For this purpose, subject to any rights of Recognized Mortgagees, Tenant collaterally assigns to Landlord all professional design contracts, Construction Agreements and other agreements relating to Capital Improvements and the work product of all professional design contracts, whether presently existing or hereafter created, and agrees, irrespective of whether Landlord has exercised its right to terminate the Stadium Lease to execute any additional documents that may be reasonably requested by Landlord to evidence or effectuate the foregoing.

City to Perform Landlord Obligations Under the Stadium Lease.

It is agreed that the City, acting in its proprietary capacity, shall perform and exercise all obligations, reviews, consents, waivers and rights to be performed by Landlord, and Tenant shall look solely to the City and accept the City's exercise and performance of any of same. All submissions, notices, requests and demands by Tenants shall be delivered to Lease Administrator.

INSURANCE

Property Insurance Requirements.

(a) At all times from and after the date of Substantial Completion and during the Term, Tenant shall maintain or cause to be maintained at its sole cost and expense, on behalf of Landlord and City as named insureds, property insurance upon (i) the Improvements, including without limitation, all

buildings, building improvements and other improvements to the Premises and (ii) trade fixtures, equipment and any other personal property owned at or about the Premises with coverage for perils as set forth under an industry standard all risk property form, (with coverage extended for the perils of flood, earthquake and wind/hurricane), in an amount equal to full Replacement Value, subject to reasonable sublimits in accordance with the Approval Standard, including as set forth in the schedule of sublimits in the Stadium Lease which shall be subject to the Approval Standard except as set forth immediately below in clause (i) of paragraph (a) of this summarized section.

(i) Where the phrase "No sublimit" is used in the Stadium Lease, such phrase shall refer to full Replacement Value, to the extent available at commercially reasonable rates; and

(ii) It is acknowledged that, with respect to sublimits other than where "No sublimit" is indicated, such sublimits are in accordance with the Approval Standard as of the date thereof.

(b) The property insurance required by paragraph (a) immediately above shall contain no exclusion (other than those exclusions that are in accordance with the Approval Standard) unless approved in writing by Landlord, and no deductibles in excess of $1,000,000 or, in the case of coverages for the perils of flood, wind/hurricane and terrorism, in excess of the lesser of the deductibles for such coverages under the MLB program or $5,000,000, other than deductibles that are in accordance with the Approval Standard unless such deductibles are approved in writing by Landlord, and shall include the following additional clauses:

(i) The City shall be a named insured under this policy.

(ii) The property insurance policy shall provide that no unintentional act or omission of Tenant shall affect the rights of Landlord to collect on such policy as named insured.

(iii) The component of the policy that covers business income or loss of rent shall contain a 180 days extended period of indemnity coverage endorsement.

(c) During the portion of the Term following the date of Substantial Completion that Tenant shall be performing Construction Work, Tenant shall provide Builder's Risk Coverage for all risk of loss during construction by Tenant which risk is not fully covered by the property insurance that Tenant is required to provide pursuant to this summarized section.

(i) Replacement Value. "Replacement Value" shall be deemed to be an amount equal to the full cost of replacing all Improvements at the Premises, including, without limitation, architect's and development fees, but exclusive of the cost of foundations and excavation, to the extent that such costs can be covered under an industry standard all risk builders risk insurance policy, adjusted annually as provided below. Within ten days after Substantial Completion, Landlord shall deliver a certificate to Tenant setting forth the amount of such Replacement Value for the first Lease Year (or stub period) after Substantial Completion. In no event shall such Replacement Value be reduced by depreciation or obsolescence of the Improvements. Any dispute with respect to the amount of Replacement Value set forth in such certificate, including without limitation a dispute caused by Tenant's insurer, shall be determined by arbitration pursuant to the Stadium Lease.

(d) Liability Insurance During Construction. At all times during Construction of the Stadium, Tenant shall maintain the insurance required under the Development Agreement.

Liability Insurance.

(a) Commercial General Liability Insurance. During the portion of the Term following the date of Substantial Completion, Tenant shall maintain Commercial General Liability Insurance coverage protecting against liability for personal injury, including bodily injury and death, and property damage, written on an occurrence policy form with respect to the Premises and all operations related thereto, whether conducted on or off the Premises. The coverage shall be provided through the following policies: a primary coverage policy with combined single limits of not less than $1,000,000 per occurrence and a $2,000,000 annual aggregate limit and an umbrella or excess policy in accordance with the Stadium Lease. Such liability insurance policies required by this summarized section shall include the following coverages, provisions and clauses:

(i) a broad form property damage liability endorsement with fire legal liability limit of not less than $50,000;

(ii) premises operation liability coverage;

(iii) blanket contractual liability insurance covering written contractual liability;

(iv) contractual liability insurance specifically covering Tenant's indemnification obligations under the summarized section entitled "Approval of Tenant Improvements" to the extent covered under the Commercial General Liability Insurance policy required to be maintained by Tenant under this summarized section;

(v) products/completed operations coverage;

(vi) personal injury liability coverage;

(vii) independent contractors liability coverage;

(viii) a notice of occurrence clause;

(ix) a knowledge of occurrence clause;

(x) an unintentional errors and omissions clause;

(xi) coverage for suits arising from the use of reasonable force to protect persons and property;

(xii) a cross liability endorsement, excluding claims by one professional baseball player against another professional baseball player;

(xiii) coverage for explosion, collapse and underground property damage (XCU); and

(xiv) liquor liability coverage, if Tenant is in the business of serving, selling or distributing liquor;

(xv) contingent fireworks liability (excess basis);

(xvi) incidental medical malpractice; and

(xvii) terrorism coverage, subject to availability at commercially reasonable rates;

with no exclusions or deductibles other than such exclusions and deductibles as are in accordance with the Approval Standard unless specifically provided for in the Stadium Lease or approved in each instance by Landlord.

(b) Additional Insureds. All liability policies required to be maintained under this summarized section shall name the Bond Insurer, the PILOT Bonds Trustee, the Installment Purchase Bonds Trustee, the Lease Revenue Bonds Trustee, Landlord and the City as additional insureds.

(c) Motor Vehicle Liability Insurance. At all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain Motor Vehicle Liability Insurance with coverage for all owned, non-owned and hired vehicles written on an occurrence basis and such policy shall include garage keepers legal liability. The coverage shall be provided through the following policies: a primary coverage policy with combined single limits of not less than $1,000,000 primary coverage per occurrence and a $2,000,000 annual aggregate limit and an umbrella policy containing $10,000,000 excess coverage above the primary Motor Vehicle Liability coverage (which umbrella policy's limits may also include the Commercial General Liability excess coverage), except that the garage keepers legal liability coverage shall have combined single limits of not less than $1,000,000 per occurrence only. Such coverage shall cover injury or death and property damage arising out of ownership maintenance or use of any private passenger or commercial vehicles required to be licensed for road use.

(d) Pollution Liability. Tenant shall continue to maintain or cause to be maintained insurance against damage from pollution in accordance with the provisions of the Development Agreement at least until the date (in the year 2016) that is ten (10) years from the date such insurance was bound.

(e) Excess Liability. At all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain excess or umbrella liability insurance with limits of not less than $200,000,000 per occurrence and in the aggregate. Such coverage shall be written on a per occurrence policy form, subject to the Approval Standard.

(f) Watercraft Liability. If applicable, at all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain watercraft liability in an amount not less than $25,000,000 for all owned, non-owned and hired watercraft used by Tenant in connection with the operation of the Premises.

(g) Aircraft Liability. If applicable, at all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain aircraft liability in an amount not less than $50,000,000 for all owned, non-owned and hired aircraft used by Tenant in connection with the operation of the Premises.

(h) Liability and Statutory Coverage During Construction. In addition to the amounts of coverage specified in paragraph (a) of this summarized section to be carried after the date of Substantial Completion, from and after the date of Substantial Completion but only during the period of any construction activity by Tenant on the Premises for a Capital Improvement, a Restoration, or otherwise, Tenant at its sole cost and expense shall carry or cause to be carried (i) provided that such coverage is not already provided by other policies (including policies provided under programs offered through MLB), Commercial General Liability Insurance, including all applicable coverages enumerated in paragraph (a)

of this summarized section, written for a combined single limit of not less than One Hundred Million Dollars ($100,000,000) and endorsed to name Tenant as named insured, with the Agency and the City, as additional insureds; (ii) Commercial General Liability Insurance insuring all contractors, subcontractors and construction managers in amounts comparable with amounts carried by persons undertaking similar work in the New York area with Tenant as an additional insured (and Tenant or any contractor or subcontractor furnishing the insurance required under the Stadium Lease for the undertaking of foundation, excavation or demolition work shall secure an endorsement on its policy to the effect that such operations are covered and that the "XCU Exclusions," if any, have been deleted); and (iii) Statutory Workers' Compensation Insurance and New York State Disability Benefits Insurance in statutorily required amounts, and Employer's Liability Insurance with limits of not less than $1,000,000 per accident or disease and $5,000,000 aggregate by disease covering Tenant's employees, and Tenant shall cause all contractors and subcontractors with respect to all of their employees to obtain such insurance with respect to such contractors and subcontractor's employees.

Other Types of Required Insurance.

(a) Workers Compensation and Disability. At all times during the Term Tenant shall maintain Statutory Workers' Compensation Insurance and New York State Disability Benefits Insurance in statutorily required amounts with a waiver of subrogation in favor of Landlord and Employer's Liability Insurance with limits of not less than $1,000,000 per accident or disease and $5,000,000 aggregate by disease, covering Tenant with respect to all persons employed by Tenant.

(b) Boiler and Machinery Insurance. At all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain comprehensive Boiler and Machinery Insurance, applying to the entire heating, ventilating and air-conditioning systems, in all its applicable forms, including Broad Form, boiler explosion, extra expense and loss of use in an amount not less than the Replacement Value of such heating, ventilating and air conditioning systems, located on any portion of the Premises and other machinery located on such portion of the Premises, which shall name Landlord as an additional insured. Such boiler and machinery insurance can be included in the all risk property policy described under paragraph (a) of the summarized section entitled "Property Insurance Requirements" or the builders risk policy described under paragraph (c) of said summarized section. In the event that the boiler and machinery is not included in the all risk property policy described under paragraph (a) of the summarized section entitled "Property Insurance Requirements", then both the all risk property policy described under said paragraph and the builders risk policy described under paragraph (c) of the summarized section entitled "Property Insurance Requirements" shall contain a joint loss agreement, if applicable.

(c) Subtenant Liability Insurance. At all times during the Term and from and after the date of Substantial Completion, all Subleases shall require the Subtenant thereunder to carry liability insurance naming Tenant, Landlord and the City as additional insureds with limits reasonably prudent in the context of the Subtenant's contemplated use of the Premises. Tenant shall enforce such requirement and shall deliver to Landlord, promptly after Landlord's demand therefor, evidence of each such Subtenant's liability insurance coverage.

(d) Miscellaneous Coverages. At all times during the Term and from and after the date of Substantial Completion, Tenant shall maintain such other insurance in such amounts as from time to time reasonably may be required by Landlord, in accordance with the Approval Standard, against such other insurable hazards.

(e) Approval Standard. The term "Approval Standard" as used in this summarized section shall mean and refer, at the time in question and with respect to the matter at issue, to (i) what is

commonly found in the case of insurance policies held with respect to premises in the Northeast and Mid-Atlantic regions of the United States generally comparable (in general size and function) to the Premises by owners and operators conducting business and activities of a nature generally similar to those conducted by Tenant at the Premises, or (ii) for risks that are of a site specific nature, including but not limited to earthquake and flood, what is reasonable to include in insurance policies taking into account the specific location of the Premises or its location within the Borough of Queens or New York City, if and to the extent available at a reasonable cost (in the case of either clause (i) or clause (ii) above).

(f) League-Wide Insurance. Any insurance provided by Tenant under the Stadium Lease may be provided under programs offered through MLB, provided that (i) such coverage shall not result in less insurance than is required under the summarized section entitled "Property Insurance Requirements" and this summarized section or reduce Tenant's obligations to Landlord in any fashion, and (ii) Landlord and the City are named as insureds, additional insureds, or loss payees, as the case may be, on such policies. Tenant shall promptly notify Landlord of the carrying of such insurance and shall cause certified copies of such policies or certified copies of abstracts of such policies, as the case may be, together with proof of payment of all premiums (or required installment payments on account of such premiums) by Tenant to the insurance company(ies) or to Major League Baseball, as the case may be, to be delivered to Landlord and the Bond Insurer in accordance with the provisions of paragraph (c) of the summarized section entitled "General Provisions Applicable to All Policy Requirements".

Adjustment of Limits.

All of the limits of insurance required under the Stadium Lease shall be subject to review by Landlord and, in connection therewith, Tenant shall carry or cause to be carried such additional amounts as Landlord may reasonably require from time to time. Notwithstanding the foregoing, any request by Landlord that Tenant carry or cause to be carried additional amounts of insurance shall not be deemed reasonable unless such additional amounts are in accordance with the Approval Standard; provided, however, that in no event shall the provisions of this Summarized section relieve Tenant of its obligation to carry or to cause to be carried property insurance as provided in the Stadium Lease; and provided further, however, that in no event shall Tenant be required to carry or to cause to be carried property insurance in an amount which is greater than the Replacement Value.

Equivalent Protection.

The parties acknowledge that over the Term of the Stadium Lease, further changes in the forms of insurance policies and in insurance practices are likely to occur. In such event, including, without limitation, the event that any types of coverage or any coverage amounts required under the Stadium Lease (including such additional types or limits of insurance as Tenant is carrying from time to time as reasonably required by Landlord in accordance with the terms thereof) become unavailable or cease to be commonly carried in accordance with the Approval Standard, then Landlord shall have the right to require Tenant to furnish, at Tenant's sole expense, such additional coverages, policy terms and conditions, or limits of liability, as may be reasonably necessary or prudent to assure to Landlord a degree of insurance protection practically equivalent to that provided by Tenant prior to the advent or occurrence of any change in insurance practices referred to in this paragraph, provided that the additional coverage requested by Landlord is available in accordance with the Approval Standard.

Treatment of Proceeds.

(a) Payment. All insurance proceeds paid pursuant to any property insurance required to be carried pursuant to the Stadium Lease or carried in connection with the Stadium Lease, excluding only proceeds paid in respect of any loss of the personal property of Tenant or its Subtenants, (i) during such

time as the Bonds shall be outstanding, shall be paid in accordance with the summarized section entitled "Application of Restoration Funds", to the PILOT Bonds trustee as loss payee on property and business interruption policies under the Stadium Lease, or to an Institutional Lender, as the case may be, and (ii) from and after the repayment in full of the Bonds, subject to the rights of any Recognized Mortgagee, shall be paid to Tenant to be held for purposes of a Casualty Restoration. If and to the extent any such proceeds shall be received by Landlord, Landlord shall deposit same in an interest-bearing account and pay over such proceeds in accordance with the provisions of the Stadium Lease. To the extent of any proceeds remaining after a Restoration, such proceeds shall be paid to Tenant, subject to the Bond Documents and the rights of any Recognized Mortgagee.

(b) Cooperation in Collection of Proceeds. Tenant and Landlord shall cooperate in connection with the collection of any insurance moneys that may be due in the event of loss, and Tenant and Landlord shall promptly execute and deliver such proofs of loss and other instruments which may be required of Tenant and Landlord, respectively, for the purpose of obtaining the recovery of any such insurance moneys.

General Provisions Applicable to All Policy Requirements.

(a) Insurance Companies. All of the insurance required by any provision of the Stadium Lease shall be in such form and shall be issued by such insurance companies licensed or authorized to do business in the State of New York as are reasonably acceptable to Landlord. Any insurance company rated by Bests Insurance Reports (or any successor publication of comparable standing) as "A-X" or better (or the then equivalent of such rating) shall be deemed a responsible company and acceptable to Landlord. All policies referred to in the Stadium Lease shall be obtained by Tenant for periods of not less than one (1) year.

(b) Waiver of Subrogation. All casualty policies required under the Stadium Lease by any provision of the Stadium Lease shall permit Tenant to waive subrogation rights against Landlord and the City, and Tenant waives any claims against Landlord it may otherwise have under any and all casualty policies required under the Stadium Lease by any provision of the Stadium Lease.

(c) Certificates and Copies; Payment of Premiums. As of the first time that Tenant is obligated to effect any applicable insurance coverage under the Stadium Lease, Tenant shall deliver to Landlord and the Bond Insurer proof of payment of (i) the premium in full in advance for a period of one year or (ii) any premium installment for a shorter period then due and payable for the policy, and a properly authorized certificate giving to Landlord thirty (30) days' advance notice of cancellation (except for non-payment of premiums, for which ten (10) days' prior written notice shall be required). A certified copy, signed by an authorized representative of the insurer, of each policy shall be delivered to all persons required to be insured thereby under the Stadium Lease (the "Insured Persons"), including the Bond Insurer, promptly following its receipt by Tenant from the insurance company or companies. Certified copies of new or renewal policies replacing any policies expiring during the Term shall be delivered within thirty (30) days following the receipt of such renewal policies, but certificates of insurance shall be supplied prior to the expiration date of any policy, together with proof that the premiums for at least the first year of the term of each of such new or renewal policies or such premium installments for shorter periods then due and payable for such policies shall have been paid. Tenant may pay the premiums for any of the insurance required under the Stadium Lease to the carrier in installments in accordance with the provisions of the applicable policies, provided that Tenant pays all such installments in full not later than ten (10) days prior to the respective due dates for such installments and provides proof of payment of such installments by such dates. Tenant shall deliver to Landlord (with a copy to Bond Insurer) upon renewal of, and with respect to, an insurance policy required under the Stadium Lease and, in any event, no less frequently than once every three years, a certificate confirming that all premiums due and payable

on insurance policies to be provided by Tenant under the Stadium Lease have been paid and that all such policies are in effect and in compliance with the provisions thereof. In the event of a request in accordance with the previous sentence, Tenant shall use reasonable efforts to cause an insurance broker(s) to issue a certificate(s) and, if such a certificate(s) is not provided by an insurance broker(s), Tenant shall provide such a certificate from an officer of Tenant, provided that such officer shall have no liability to Landlord or otherwise relating to any such certificate.

(d) Multiple Property Policies. Tenant shall not carry separate property insurance, concurrent in form, or contributing in the event of loss, with that required by the Stadium Lease unless Landlord is named as an insured party with loss payable as provided in the Stadium Lease. Tenant shall promptly notify Landlord of the carrying of such separate insurance and shall cause certified copies of such policies or certified copies of abstracts of such policies, as the case may be, together with proof of payment of all premiums (or required installment payments on account of such premiums) to be delivered to Landlord in accordance with the provisions of paragraph (c) of this summarized section.

(e) Compliance with Policies. Tenant shall not violate or permit to be violated any of the conditions, provisions or requirements of any insurance policy required under the Stadium Lease and Tenant shall perform and satisfy or cause to be performed and satisfied the conditions, provisions and requirements of the policies so that, at all times, companies acceptable to Landlord shall be providing the insurance required by the Stadium Lease. Notwithstanding the foregoing, Tenant shall be entitled at its sole cost and expense to contest the conditions, provisions and requirements of any insurance company providing the insurance carried or caused to be carried by Tenant under the Stadium Lease, provided that, at all times during the Term, the insurance required by the Stadium Lease shall be in full force and effect in accordance with the provisions of the Stadium Lease despite Tenant's contesting of any such conditions, provisions or requirements, and, in such event, Tenant shall not be in default under the Stadium Lease by reason of its failure to comply with such contested conditions, provisions or requirements.

(f) Required Endorsements. Each policy of insurance required to be carried pursuant to the provisions of the Stadium Lease shall contain (i) a provision that no unintentional act or omission of Tenant shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained by Landlord, as its interest may appear, (ii) an agreement by the insurer that such policy shall not be canceled or denied renewal without at least thirty (30) days' prior written notice to Landlord (except for non-payment of premiums, for which ten (10) days' prior written notice shall be required), and (iii) other than with respect to liability policies, a waiver of subrogation by the insurer of any right to recover the amount of any loss resulting from the negligence (except for gross negligence or intentional misconduct) of Landlord or its designees, agents or employees.

Unavailability.

If any of the insurance required to be carried under the Stadium Lease shall not, after diligent efforts by Tenant, and through no act or omission on the part of Tenant, be obtainable in accordance with the Approval Standard from domestic carriers licensed or authorized to do business in New York and customarily insuring premises similar to the Premises and business operations of a size, nature and character similar to the size, nature and character of the business operations being conducted by Tenant at the Premises, then Tenant shall promptly notify Landlord and the Bond Insurer of Tenant's inability to obtain such insurance and Landlord shall have the right, but not the obligation, to arrange for Tenant to obtain such insurance in accordance with the Approval Standard. If Landlord shall be able to arrange for Tenant to obtain such insurance in accordance with the Approval Standard, Tenant shall obtain the same up to the maximum limits provided for in the Stadium Lease in accordance with the Approval Standard. If Landlord shall be unable to arrange for Tenant to obtain such insurance in accordance with the Approval

Standard, Tenant shall promptly obtain the maximum insurance obtainable in accordance with the Approval Standard, and in such case, the failure of Tenant to carry the insurance which is unobtainable in accordance with the Approval Standard shall not be a Default for as long as such insurance shall remain unobtainable in accordance with the Approval Standard. Types or amounts of insurance shall be deemed unobtainable in accordance with the Approval Standard if such types or amounts of insurance are (a) actually unobtainable, or (b) not obtainable in accordance with the Approval Standard.

Modification By Insurer.

Without limiting any of Tenant's obligations or Landlord's rights under the Stadium Lease, upon an insurer's modification, in any material respect, of any insurance policy that is required to be carried by Tenant according to the provisions of the Stadium Lease, Tenant shall give notice to Landlord of such modification within thirty (30) days after Tenant's receipt of notice of such modification.

DAMAGE, DESTRUCTION AND RESTORATION

Notice to Landlord.

Tenant shall promptly notify Landlord and Bond Insurer if the Improvements are damaged or destroyed in whole or in part by fire or other casualty.

Casualty Restoration.

(a) Obligation to Restore. Subject to certain provisions of the Stadium Lease, if, from and after the date of Substantial Completion and during the Term, all or any portion of the Improvements are damaged or destroyed by fire or other casualty, ordinary or extraordinary, foreseen or unforeseen, Tenant shall, as agent for Landlord, restore the Premises to the condition in which it existed immediately before such casualty (a "Casualty Restoration"). Prior to commencement of a Casualty Restoration, plans and specifications shall be submitted to Landlord for its prior written approval in accordance with the procedures and requirements set forth in the Stadium Lease, and for compliance with the first sentence of this paragraph, not to be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, if all or substantially all of the Improvements are damaged or destroyed at any time during the last three (3) Lease Years of the Term, then Tenant shall have no obligation to perform a Casualty Restoration, and in lieu thereof shall comply with the terms of the summarized section "Tenants Right to Terminate".

(b) Commencement of Construction Work. If Tenant is obligated to perform a Casualty Restoration pursuant to paragraph (a) immediately above, Tenant shall commence the Casualty Restoration within sixty (60) days after adjustment of the insurance claim relating to the damages or destruction, subject to Unavoidable Delays, and, thereafter, shall perform the Casualty Restoration as continuously and diligently as possible.

Application of Restoration Funds.

(a) All insurance proceeds (excluding "contents" insurance policies carried by Tenant separate and apart from the policies required under the Stadium Lease) with respect to any casualty occurring (from and after the date of Substantial Completion during the Term (such insurance proceeds, together with any and all funds available to Tenant from any source, including without limitation additional Bonds, the "Restoration Funds") shall be paid to a PILOT Bonds Trustee, or, if none exists, to an Institutional Lender, to be held in trust in an interest-bearing account for application in accordance with the terms of the Stadium Lease and the Stadium Lease.

(b) If Tenant is required to perform a Casualty Restoration pursuant to paragraph (a) of the summarized section immediately above, Tenant shall cause the Restoration Funds to be applied toward the cost of the Casualty Restoration, provided that any Restoration Funds, together with any interest earned thereon, remaining after the completion of a Casualty Restoration may, subject to the Bond Documents and the rights of any Recognized Mortgagee, be retained by Tenant for its own account. The foregoing notwithstanding, for as long as Bonds are outstanding, disbursement of Restoration Funds from insurance proceeds for a Casualty Restoration shall be subject to and governed by the provisions of the PILOT Indenture.

Restoration Fund Deficiency.

Subject to the provisions of the Stadium Lease, if the estimated cost of any Casualty Restoration exceeds the aggregate amount of the Restoration Funds available to pay for such Casualty Restoration, then Tenant shall have the obligation to furnish its own funds for the difference.

Tenant's Right to Terminate.

If all or substantially all of the Improvements are damaged or destroyed by fire or other casualty, ordinary or extraordinary, seen or unforeseen, during the last three (3) Lease Years of the Term, Tenant, by notice to Landlord, shall have the right to terminate the Stadium Lease within ninety (90) days after such casualty by notice to Landlord, in which case all Restoration Funds shall be paid to Tenant; provided, however, that in the event Tenant shall exercise such termination right, then, at Landlord's election, Tenant shall first demolish the Stadium and clear and level the Stadium site in accordance with plans and specifications prepared by Tenant and reasonably approved by Landlord, using the proceeds of Restoration Funds, and the Restoration Funds shall be first received and applied to such purpose. The Stadium Lease shall terminate on the later of thirty (30) days after the date of such notice or ten (10) days after the completion of demolition of the Stadium and related work as aforesaid. The foregoing notwithstanding, any Restoration Funds remaining after such demolition and related work may be retained by Tenant, subject to the rights of any Recognized Mortgagee and the Bond Documents.

Effect of Casualty on The Stadium Lease.

Unless Tenant elects to terminate the Stadium Lease pursuant to the summarized section immediately above, the Stadium Lease shall neither terminate, be forfeited nor be affected in any manner, by reason of damage to, or total, substantial or partial destruction of, the Improvements, or by reason of the unlicensability of the Improvements or any part thereof, or for any reason or cause whatsoever. Tenant's obligation under the Stadium Lease shall continue as though the Improvements had not been damaged or destroyed and shall continue without abatement, suspension, diminution or reduction unless and until Tenant exercises its right to terminate pursuant to the summarized section immediately above.

Subordination.

Subject to the provisions of the Stadium Lease, to the extent that Restoration Funds are payable to Landlord and are not required to be applied to (a) the Restoration of the Premises or (b) the redemption of the Bonds, Landlord has assigned its right to receive the proceeds thereof to Fee Owner pursuant to the Primary Site Ground Lease and the South Parking Site Ground Lease. Fee Owner shall be a third party beneficiary of this summarized section.

Waiver of Rights Under Statute.

The existence of any present or future law or statute notwithstanding, and except as provided in the summarized section entitled "Tenant's Right to Terminate", Tenant waives all rights to quit or surrender the Premises or any part thereof by reason of any casualty to the Improvements. It is the intention of Landlord and Tenant that the provisions of the Stadium Lease are an "express agreement to the contrary" as provided in Section 227 of the Real Property Law of the State of New York.

CONDEMNATION

Certain Definitions.

(a) "Taking" shall mean a taking of the Premises, or any part thereof occurring from and after the date of Substantial Completion and during the Term for any public or quasi-public purpose by any lawful power or authority, acting in its sovereign capacity by the exercise of the right of condemnation or eminent domain or by agreement among Landlord, Tenant and those authorized to exercise such right irrespective of whether the same affects the whole or substantially all of the Premises, or a lesser portion thereof but shall not include a taking of the fee interest in the Premises, or any portion thereof if, after such taking, Tenant's and any rights under the Stadium Lease are not affected.

(b) "Substantial Taking" shall mean a Taking where the portion of the Premises remaining after the Taking in the reasonable determination of Tenant would not readily and appropriately accommodate a modern, state of the art, first class major league baseball stadium.

(c) "Date of Taking" shall be deemed to be the date on which, following a Taking, title to the whole or any part of the Premises shall have vested in any lawful power or authority pursuant to the provisions of applicable federal, state, or local condemnation law or the date on which the right to the temporary use of the same has so vested in any lawful power or authority as aforesaid.

Tenant and Landlord shall promptly notify each other of any Taking.

Permanent Taking.

(a) If, from and after the date of Substantial Completion and during the Term, there shall be a Substantial Taking (other than a Temporary Taking), the following consequences shall result:

(i) the Stadium Lease and the Term shall terminate and expire on the Date of Taking and Rental paid and payable by Tenant under the Stadium Lease shall be apportioned to the Date of Taking, and all such Rental shall be paid on the Date of Taking to the party in whose favor such apportionments result in a credit;

(ii) subject and subordinate to the terms of the Primary Site Ground Lease and the South Parking Site Ground Lease regarding Fee Owner's rights to condemnation award proceeds for the value of the land so taken, condemnation award proceeds, for as long as Bonds are outstanding, shall be paid to the PILOT Bonds Trustee for the redemption of Bonds and the discharge of all amounts payable under the Bond Documents, and any excess shall be divided between Landlord and Tenant as follows: (1) to Landlord, so much of the balance of the award as is for or attributable to the value of Landlord's reversionary interest in the Stadium, which shall be deemed to be the amount of the award for the Stadium, multiplied by a fraction, the numerator of which is the number of full or partial Lease Years which

have elapsed since the date of Substantial Completion Date to the Date of Taking (pro rated for a partial year) (assuming the exercise of all Extended Term options), and the denominator of which is 99, as of the date of the award, (2) to Tenant, so much of the balance of the award for the Stadium that is attributable to Tenant's remaining interest in the Stadium Lease, which shall be deemed to be the amount of the award, multiplied by a fraction, the numerator of which is the number of full or partial Lease Years remaining in the Stadium Lease from the Date of Taking (pro rated for a partial year) (assuming the exercise of all Extended Term options), and the denominator of which is 99 as of the date of the award.

(b) Tenant shall be entitled to make a separate claim in the condemnation proceeding for the amount of the loss of value or utility of Tenant's personal property, including without limitation, office furniture and equipment, moveable partitions, communications equipment and other articles of moveable equipment owned or leased by Tenant and located at the Premises.

Partial Taking.

(a) Restoration. If there shall be a Taking that is less than a Substantial Taking (other than a Temporary Taking), the Stadium Lease and the Term shall continue without diminution of any of Tenant's obligations under the Stadium Lease, Tenant shall, as agent for Landlord, restore the Premises to the condition in which it existed immediately before the Taking as nearly as possible (a "Condemnation Restoration"), and all condemnation awards shall be paid and applied in the same manner as is set forth in the summarized sections entitled "Application of Restoration Funds" and "Restoration Fund Deficiency" as if such Taking were a Casualty. Notwithstanding the foregoing, if such a Taking shall occur at any time during the last three (3) Lease Years of the Term, or any Extended Term, then Tenant shall have no obligation to perform a Condemnation Restoration, in which case the condemnation awards for the Land and Stadium shall be paid to Landlord, to be applied or paid by Landlord within ninety (90) days of receipt of such award either (a) towards a Condemnation Restoration, or (b) to the PILOT Trustee for deposit into the Renewal Fund. Tenant shall make its election within ninety (90) days of such Taking.

(b) Commencement of Construction Work. If Tenant is obligated to perform a Condemnation Restoration pursuant to paragraph (a) of the summarized section entitled "Partial Taking", Tenant shall commence the Condemnation Restoration within sixty (60) days after payment by the authority exercising eminent domain of the condemnation award, subject to Unavoidable Delays, and, thereafter, shall perform the Condemnation Restoration as continuously and diligently as possible. Any proceeds remaining after Condemnation Restoration shall be proportionately divided between Landlord and Tenant in accordance with the formula set forth in clause (ii) of paragraph (a) of the summarized section entitled "Permanent Taking".

(c) Restoration Fund Deficiency. If the estimated cost of any Condemnation Restoration exceeds the aggregate amount of the condemnation proceeds available to pay for such Restoration, then Tenant shall have the obligation to furnish its own funds for the difference, provided, that if the Bond Documents provide for the furnishing of funds or other security for such a deficiency, then the terms of the Bond Documents shall govern over this paragraph.

Temporary Taking.

If during the Term there shall be a Taking of the temporary use of the whole Premises whether a Substantial Taking or less than a Substantial Taking, for a temporary period of less than one (1) year (a "Temporary Taking"), the Stadium Lease and the Term shall continue, and Tenant shall receive the award of payment for such temporary use.

Collection of Awards.

Each of the parties shall execute documents that are reasonably required to facilitate collection of any awards made in connection with any condemnation referred to in the Stadium Lease and shall cooperate with each other to permit collection of the award.

Tenant's Appearance at Condemnation Proceedings.

Tenant shall have the right to appear in any condemnation proceedings and to participate in any and all hearings, trials, and appeals in connection therewith.

Subordination.

To the extent that condemnation proceeds are payable to Landlord and are not required to be applied to (a) the Restoration of the Premises or (b) the redemption of the Bonds, Landlord has assigned its right to receive the proceeds thereof to Fee Owner pursuant to the Primary Site Ground Lease and the South Parking Site Ground Lease. Fee Owner shall be a third party beneficiary of this summarized section.

Intention of the Parties.

The existence of any present or future law or statute notwithstanding, Tenant waives all rights to quit or surrender the Premises or any part thereof by reason of any Taking that is less than a Substantial Taking. It is the intention of Landlord and Tenant that the provisions of the Stadium Lease shall constitute an "express agreement to the contrary" as provided in Section 227 of the Real Property Law of the State of New York and shall govern and control in lieu thereof.

ASSIGNMENT, TRANSFER AND SUBLICENSING; MORTGAGES

Limitations on Right to Enter Into Sublease or Capital Transaction.

(a) Tenant shall not enter into any Capital Transaction or Sublease, except for Permitted Transactions, or otherwise only with the prior written consent of Landlord and the Taxable Bond Insurer in its sole discretion in each instance.

(b) A Sublease or Capital Transaction shall be a "Permitted Transaction" if each of the following conditions are satisfied as applicable:

(i) On the effective date of such Sublease or Capital Transaction, there exists no uncured Default, notice of which has been given to Tenant, or Event of Default;

(ii) The proposed Assignee, Transferee or Subtenant (and its "Principals" (as defined in the Stadium Lease)) is a Permitted Person;

(iii) Tenant shall have complied in all material respects with any and all of the applicable provisions of the Stadium Lease set forth below;

(iv) In the case of an Assignment (other than an Assignment by operation of law, *i.e.,* a merger or sale of the business of Tenant), Tenant has obtained a written assumption by Assignee, in form and substance reasonably satisfactory to Landlord and the Bond Insurer and executed by the Assignee, of all of Tenant's

obligations under the Stadium Lease and the assignable Retained Rights Agreements in effect at such time, if any (A) accruing after the date of such Assignment, and (B) that accrued prior to the date of such Assignment, unless Tenant agrees in form and substance reasonably satisfactory to Landlord to remain liable for all such prior accrued obligations;

(v) In the case of a Capital Transaction, prior to Substantial Completion, the proposed Assignee or Transferee shall directly or indirectly own and control, be owned and controlled by, or be under common ownership and control with, the Partnership (the foregoing shall not apply to a foreclosure by a Recognized Mortgage);

(vi) In the case of a Capital Transaction, a Transfer which after the effectiveness of which Transfer (together with all other prior or simultaneous Transfers) Tenant and the Partnership have at least 50.1% common Equity Interests (the foregoing shall not apply to a foreclosure by a Recognized Mortgagee);

(vii) any Assignee, Transferee or Subtenant shall use the Stadium or cause the Stadium to be used as a qualified "project" within the meaning of the Act and shall not (other than a Family Member by operation of law) constitute a Prohibited Person;

(viii) the written consent and agreement of the Partnership that such Capital Transaction shall not in any way impair or diminish the Partnership's ability to play Home Games at the Stadium during the Initial Term or liability for liquidated damages under the Non-Relocation Agreement.

The foregoing notwithstanding, the Stadium Use Agreement is deemed to be a Permitted Transaction.

Any consent by Landlord to any act of Assignment, Transfer or Sublease shall be held to apply only to the specific transaction thereby authorized. Landlord may condition its consent upon the delivery of documentation (including without limitation certifications and affidavits) reasonably requested by Landlord to substantiate any of the foregoing. Such consent shall not be construed as a waiver of the duty of Tenant, or the successors or assigns of Tenant, to obtain from Landlord consent to any other or subsequent assignment, transfer or sublease, or as modifying or limiting the rights of Landlord under the foregoing covenant by Tenant.

(c) Definitions.

(i) "Assignment" means the sale, exchange, assignment, or other disposition of all or any portion of Tenant's interest in the Stadium Lease, or a Sublease of substantially all of Tenant's interest in the Stadium Lease, whether by operation of law (*i.e.,* a merger or sale of the business of Tenant), or otherwise.

(ii) "Assignee" means an assignee under an Assignment.

(iii) "Capital Transaction" means an Assignment, a Transfer or any other transaction which would constitute the functional equivalent of an Assignment or Transfer.

(iv) "Equity Interest" means with respect to any entity, (A) the beneficial ownership of (1) outstanding stock of such entity if such entity is a corporation, a real estate investment trust or a similar entity, (2) a capital, profits, membership, or partnership interest in such entity if such entity is a limited liability company, partnership or joint venture or (3) interest in a trust, or (B) any other beneficial interest that is the functional equivalent of any of the foregoing.

(v) "Family Member" means a parent, son, daughter, grandchild, grand parent, or sibling, and the descendants and spouses of each, and shall include a trust made exclusively for the benefit of any of the foregoing.

(vi) "Permitted Person" shall mean any Person which meets all of the following conditions: (A) such Person and its "Principals" (as defined in the Stadium Lease) submit to the City's Vendex background investigation system or any successor system serving the same function ("Vendex") sixty days prior to the anticipated date of the proposed Capital Transaction; and (B) is not a Prohibited Person.

(vii) "Sublease" means any sublease (including a sub-sublease or any further level of subleasing) applicable to the Premises or any part thereof, but shall not include any sublease for less than substantially all of the Premises and where the subtenant thereunder is the user/occupant of the space demised thereunder, including, without limitation, any lease, use or occupancy of any luxury box or suite.

(viii) "Transfer" means any disposition of an Equity Interest in Tenant or in any direct or indirect constituent entity of Tenant, where such disposition directly or indirectly produces any change in control of Tenant. The term "Transfer" also includes any transaction or series of transactions, including, without limitation, the issuance of additional Equity Interests, or direct or indirect revision of the control of Tenant or any direct or indirect constituent entity of Tenant, which, in either case, produces any change in control of Tenant, but shall exclude a transfer of any interest of a Family Member(s) to another Family Member(s). A "change in control" for purposes of determining whether a "Transfer" has occurred means a change in the day-to-day management and operation of Tenant or control of or a change in the power to appoint members of the board of directors, managing general partners, or members or other governing body of Tenant or any entity controlling Tenant.

(ix) "Transferee" means a Person to whom a Transfer is made.

(d) Definition of Prohibited Persons. The term "Prohibited Person" as used in the Stadium Lease shall mean any one or more of the following:

(i) Any Person that is in material default or in material breach, beyond any applicable grace period, of its obligations under any written agreement with the City, or that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations, involving an amount of $10,000 or more, under any written agreement with the City, unless such default or breach is then being

contested with due diligence in proceedings in a court or other appropriate forum or has been waived in writing by the City, as the case may be.

(ii) Any Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

(iii) Any government, or any Person that is directly or indirectly controlled (rather than only regulated) by a government, that is finally determined to be in violation of (including, but not limited to, any participation in an international boycott in violation of) the Export Administration Act of 1979, or its successor, or the regulations issued pursuant thereto, or any government that is, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government that is, subject to the regulations or controls thereof.

(iv) Any government, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government, the effects of the activities of which are regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President of the United States of America issued pursuant to the Trading with the Enemy Act of 1917, as amended.

(v) Any Person that has received written notice of default in the payment to the City of any Taxes, sewer rents or water charges of $10,000 or more, unless such default is then being contested with due diligence in proceedings in a court or other appropriate forum.

(vi) Any Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City, or that, directly or indirectly controls, is controlled by, or is under common control with a Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City.

(e) Determination of Organized Crime Figure. The determination as to whether any Person is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure or directly or indirectly controls, is controlled by, or is under common control with a Person that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure shall be within the sole discretion of Landlord exercised in good faith.

(f) Notice to Landlord. Tenant shall notify Landlord of its intention to enter into any Capital Transaction or Sublease not less than forty-five (45) days before the proposed effective date thereof, except in the case of any Capital Transaction resulting from death or incapacity.

(g) Contents of Notice.

(i) The notice required by paragraph (f) immediately above shall contain the name and address of the proposed Assignee or Transferee and the following information:

(A) in the case of a proposed corporate Assignee or Transferee, or in the case of a corporate general partner or joint venturer of a partnership or joint venture that is the proposed Assignee or Transferee (other than a corporation whose common stock is traded over the New York Stock Exchange, the American Stock Exchange or any other exchange now or hereafter regulated by the Securities and Exchange Commission or in the over-the-counter market), a certificate of an authorized officer of such corporation giving the names and addresses of all current directors and officers of the corporation and Persons having more than a five percent (5%) interest in such Assignee or Transferee;

(B) in the case of a proposed corporate Assignee or Transferee, or in the case of a corporate general partner or joint venturer of a partnership or joint venture that is the proposed Assignee or Transferee whose common stock is traded over the New York Stock Exchange, the American Stock Exchange or any other exchange now or hereafter regulated by the Securities and Exchange Commission or in the over-the-counter market, all of the periodic reports required to be filed with the Securities and Exchange Commission by such corporation pursuant to the Securities Exchange Act of 1934, any amendments thereto, and the regulations promulgated thereunder within the last twelve (12) months, including, without limitation, its most recently filed annual report on form 10-K and all reports required to be filed by any person owning stock of such corporation with the Securities and Exchange Commission pursuant to the reporting requirements of Sections 13(d), or 13(e), of the Securities Exchange Act of 1934, any amendments thereto, and the regulations promulgated thereunder;

(C) in the case of a proposed limited liability company, partnership or joint venture Assignee or Transferee, a certificate of the managing member, managing general partner or other authorized general partner, manager or managing venturer of the proposed Assignee or Transferee giving the names and addresses of all current members, general and limited partners and joint venturers of the partnership, joint venture or limited liability company and describing their respective interests in said limited liability company, partnership or joint venture;

(D) in all cases, a certification by an authorized officer, managing member, managing general partner, or other authorized manager, general partner or managing venturer, whichever shall be applicable, of the proposed Assignee or Transferee to the effect that to his or her knowledge the Capital Transaction will not, as of the date of closing, violate a condition of clause (v) of paragraph (b) of this summarized section, or involve a Prohibited Person (provided, that for purposes of clause (i) of paragraph (d) of this summarized section, a "Person" shall not be considered a

"Prohibited Person" if such Person is *bona fidely* contesting the default or breach, and no final and binding judgment, after the exhaustion of all appeals, has been rendered holding such party in default of its obligations under any written agreement with the City, or if an unappealable judgment is rendered, the judgment is fully satisfied;

(E) in the case of an Assignment (other than an Assignment by operation of law, *i.e.,* a merger or sale of the business of Tenant), a proposed form of assumption agreement from the Assignee to Landlord, which assumption agreement shall be reasonably satisfactory to Landlord;

(F) in the case of a Transfer to a Family Member (other than by operation of law), a certification by such Family Member to the effect that to his or her knowledge he or she as of the closing date will not be a Prohibited Person; and

(G) any other information or documents which Landlord may reasonably request.

(ii) If any change in circumstances prior to the closing of the transaction renders the information provided pursuant to paragraph (f) of this summarized section incomplete or incorrect, Tenant shall notify Landlord of the change, which notification, if relating to a change which is material in any respect in Landlord's reasonable judgment, shall recommence the period for Landlord's notification to Tenant under paragraph (h) of this summarized section.

(h) Objections and Waiver. Provided that Tenant has delivered to Landlord the documents and information required pursuant to the Stadium Lease in connection with any proposed Capital Transaction or Sublease, together with a notice making express reference to this paragraph and the requirement that Landlord approve or disapprove such proposed Capital Transaction or Sublease within thirty (30) days or the proposed Capital Transaction shall be deemed approved, then Landlord shall notify Tenant, within thirty (30) days after receipt of notice from Tenant pursuant to the provisions of paragraph (f) of this summarized section and submission of all necessary information whether the Capital Transaction or Sublease would involve a Prohibited Person, and, if consent by Landlord to such Capital Transaction or Sublease is required under the Stadium Lease, whether such consent is given or denied. Landlord shall be deemed to have consented to the proposed Capital Transaction or Sublease if it fails to respond to Tenant's notice within the time period referred to above.

(i) Capital Transaction Instruments. Tenant shall deliver to Landlord, or shall cause to be delivered to Landlord, within fifteen (15) days after the execution of (X) other than with respect to an Assignment or Transfer by operation of law *(i.e.,* a merger or sale of the business of Tenant in the case of an Assignment, an executed counterpart of the instrument of assignment and an executed counterpart of the instrument of assumption by the Assignee of all of Tenant's obligations under the Stadium Lease and the assignable Retained Rights Agreements in effect at such time, if any (such assumption to be for the benefit of Landlord), in form and substance reasonably satisfactory to Landlord, and (Y) in the case of a Transfer, an executed counterpart of the instrument of Transfer or merger or sale of the business, and if the Transfer is effected through admission of a new or substitute member, partner or joint venturer of Tenant all relevant amendments to the operating agreement, partnership agreement or the joint venture agreement and, if applicable, the certificate of limited partnership, provided that Landlord shall keep all information pertaining to the sale of Tenant's business (as opposed to the assumption of the Lease by the transferee) confidential, and upon request of Tenant and Tenant's providing Landlord with applicable

MLB rules, in compliance with such MLB rules, subject in all cases to legally required disclosures, including without limitation the New York Freedom of Information Law.

(j) Invalidity of Transactions. Any Capital Transaction or Sublease entered into without Landlord's consent to the extent required in the Stadium Lease, or which in any other material respect fails to comply with the provisions of the Stadium Lease, shall have no validity and shall be null and void and without any effect.

Effect of Mortgages.

(a) No Effect on Landlord's Interest in Premises. No Mortgage shall extend to, affect or be a lien or encumbrance upon, the estate and interest of Fee Owner in the Premises or any part thereof.

(b) Definition. "Mortgage" means any mortgage or deed of trust or pledge that constitutes a lien on all or any portion of Landlord's interest in the Primary Site Ground Lease or the South Parking Site Ground Lease and the Landlord's and/or Tenant's interest in the Stadium Lease and the leasehold estate or estates created thereby and by the Stadium Lease. The Stadium Lease is subject and subordinate to all mortgages now or hereafter placed on the leasehold created by the Stadium Lease so long as such Mortgagee shall execute, acknowledge and deliver to Tenant a Subordination, Non-disturbance and Attornment Agreement in the form attached as an exhibit to the Stadium Lease.

Mortgagee's Rights.

(a) Mortgagee's Rights Not Greater than Tenant's. With the exception of the rights granted to Recognized Mortgagees pursuant to the express provisions of the Stadium Lease, the execution and delivery of a Mortgage or a Recognized Mortgage of Tenant's leasehold estate under the Stadium Lease shall not give nor shall be deemed to give a Mortgagee or a Recognized Mortgagee of Tenant's leasehold estate under the Stadium Lease any greater rights against Landlord than those granted to Tenant under the Stadium Lease.

(b) Definition. "Recognized Mortgage" means a Mortgage (or Mortgages) (i) that is (x) held by an Institutional Lender (or a corporation or other entity wholly owned by an Institutional Lender) or (y) after Substantial Completion is held by any Person other than a Prohibited Person; (ii) which shall comply with the provisions of the Stadium Lease; (iii) with respect to a Mortgage of Tenant's leasehold estate under the Stadium Lease, a photostatic copy of which has been delivered to Landlord, together with a certification by Tenant and the Mortgagee confirming that the photostatic copy is a true copy of the Mortgage and giving the name and post office address of the holder thereof; (iv) which is recorded or simultaneously being delivered for recording in the Office of the City Register, Queens County; and (v) with respect to a Mortgage of Tenant's leasehold estate under the Stadium Lease, the proceeds of which are applied exclusively to the improvement, maintenance, operation and repair of all or a portion of the Improvements, or reconstruction of the Stadium or construction of a new Stadium on the Premises after a casualty, or any take-out of a loan the proceeds of which were applied exclusively to such purposes. The Stadium Lease stipulates that the PILOT Mortgage and the Leasehold Mortgage are to be Recognized Mortgages.

Notice and Right to Cure Tenant's Defaults.

(a) Notice to Recognized Mortgagee. Landlord shall give to each Recognized Mortgagee, at the address(es) of the Recognized Mortgagee stated in the certification referred to in paragraph (b) of the summarized section immediately above, or in any subsequent notice given by the Recognized Mortgagee to Landlord, and otherwise in the manner pursuant to the provisions of the Stadium Lease, a copy of each

notice of Default at the same time as it gives notice of Default to Tenant, and no such notice of Default shall be deemed effective for any purpose under the Stadium Lease unless and until a copy thereof shall have been so given to each Recognized Mortgagee.

(b) Right and Time to Cure. Subject to the provisions of the summarized section immediately below, each Recognized Mortgagee shall have a period of (i) thirty (30) days more, in the case of a Default in the payment of Rental, and (ii) sixty (60) days more, in the case of any other Default, than is given Tenant under the provisions of the Stadium Lease to remedy the Default, to cause it to be remedied (or commenced to remedy and diligently pursuing), or cause action to remedy a Default mentioned in paragraph (d) of the summarized section entitled "Events of Default" to be commenced, provided that such Recognized Mortgagee delivers to Landlord, within ten (10) Business Days after the expiration of the time given to Tenant pursuant to the provisions of the Stadium Lease to remedy the event or condition which would otherwise constitute a Default under the Stadium Lease, notice that the Recognized Mortgagee intends to take the action described in clauses (i) or (ii) of this paragraph, as applicable. At any time after the delivery of the aforementioned notice, the holder of such Recognized Mortgage may notify Landlord, in writing, that it has relinquished possession of the Premises or that it will not institute foreclosure proceedings or, if such proceedings shall have been commenced, that it has discontinued such proceedings, and, in any such event the liability of the holder of such Recognized Mortgage shall be limited to its interest in the Premises and shall have no further liability from and after the date on which it delivers notice to Landlord; provided, however, that, in no event shall a Recognized Mortgagee have any liability under the Stadium Lease prior to taking possession of the Premises. Thereupon, Landlord shall have the unrestricted right to take any action it deems appropriate by reason of any Event of Default which occurred prior to Landlord's delivery to Tenant of notice of Default under the Stadium Lease.

Acceptance of Recognized Mortgagee's Performance.

Subject to the provisions of the summarized section immediately above, Landlord shall accept performance by a Recognized Mortgagee of any covenant, condition or agreement on Tenant's part to be performed under the Stadium Lease with the same force and effect as though performed by Tenant.

(a) Commencement of Performance by Recognized Mortgagee for Non-Rental Defaults. No Event of Default referred to in clause (ii) of paragraph (b) of the summarized section immediately above shall be deemed to have occurred if, within the applicable period set forth in said clause, a Recognized Mortgagee shall have:

(i) In the case of a Default that is curable without possession of the Premises by the Recognized Mortgagee, commenced in good faith to cure the Default within the periods provided in said clause and is prosecuting such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay); or

(ii) In the case of a Default where possession of the Premises is required in order to cure the Default, or is a Default that is otherwise not susceptible of being cured by a Recognized Mortgagee, if a Recognized Mortgagee shall proceed expeditiously to institute foreclosure proceedings, and shall continuously prosecute the foreclosure proceedings with reasonable diligence and continuity (subject to Unavoidable Delay) to obtain possession of the Premises and, upon obtaining possession of the Premises, shall promptly commence to cure the Default (other than a Default which is not susceptible of being cured by a Recognized Mortgagee) and prosecute such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay).

(b) So long as any Recognized Mortgage is in existence, unless all holders of Recognized Mortgages shall otherwise express their consent in writing, the leasehold estate of Landlord created under the Primary Site Ground Lease and the leasehold estate of Tenant created by the Stadium Lease shall not merge, but shall remain separate and distinct, notwithstanding the acquisition of both leasehold interests. To the extent that by operation of law or otherwise a merger of leasehold interests in the Stadium Lease, notwithstanding the immediately preceding sentence, is nevertheless effectuated, then all the covenants, representations, terms and conditions of the Stadium Lease shall be incorporated into the Primary Site Ground Lease as if fully set forth therein, and to the extent of any inconsistency between the covenants, representations, terms and conditions of the Primary Site Ground Lease and the covenants, representations, terms and conditions of the Stadium Lease, the covenants, representations, terms and conditions of the Stadium Lease shall control.

Execution of New Lease.

(a) Notice of Termination. If the Stadium Lease is terminated by reason of an Event of Default or otherwise, Landlord shall give prompt notice thereof to each Recognized Mortgagee. This obligation shall survive a termination of the Stadium Lease.

(b) Request for and Execution of New Lease. If, within thirty (30) days of the receipt (as shown on proof of service or return receipt) of the notice referred to in paragraph (a) of the summarized section entitled "Notice and Right to Cure Tenant's Defaults", a Recognized Mortgagee shall request a new lease, then subject to the provisions of paragraph (b) of said summarized section and the summarized section immediately above, within thirty (30) days after Landlord shall have received such request, Landlord shall execute and deliver a new lease of the Premises for the remainder of the Term to the Recognized Mortgagee, or any designee or nominee of the Recognized Mortgagee which is not a Prohibited Person. The new lease shall contain all of the covenants, conditions, limitations and agreements contained in the Stadium Lease, provided however, that Landlord shall not be deemed to have represented or covenanted that such new lease shall be superior to claims of Tenant, its other creditors or a judicially appointed receiver or trustee for Tenant.

(c) Conditions Precedent to Landlord's Execution of New Lease. The provisions of paragraph (b) immediately above notwithstanding, Landlord shall not be obligated to enter into a new lease with a Recognized Mortgagee unless the Recognized Mortgagee (i) shall pay to the appropriate party, concurrently with the execution and delivery of the new lease, all Rental due under the Stadium Lease up to and including the date of the commencement of the term of the new lease (excluding penalties and interest thereon) and all expenses of Landlord, including, without limitation, reasonable attorneys' fees and disbursements and court costs, incurred in connection with the Default or Event of Default, and the termination of the Stadium Lease, if and to the extent such expenses would be collectible under the Stadium Lease from Tenant, and (ii) shall deliver to Landlord a statement, in writing, acknowledging that Landlord, by entering into such new lease with such Recognized Mortgagee or such designee or nominee, shall not have or be deemed to have waived any Defaults or Events of Default then existing under the Stadium Lease (other than the Defaults or Events of Default mentioned in paragraphs (g) through (i) of the summarized section entitled "Events of Default" which Landlord shall be deemed to have waived) notwithstanding that any such Defaults or Event of Default existed prior to the execution of such new lease and that the breached obligations which gave rise to the Defaults or Event of Default are also obligations under such new lease.

(d) No Waiver of Default. The execution of a new lease shall not constitute a waiver of any Default existing immediately before termination of the Stadium Lease and, except for a Default which is not susceptible of being cured by the Recognized Mortgagee, the tenant under the new lease shall cure, within the applicable periods set forth in the summarized section entitled "Events of Default" as extended by paragraph (b) of the summarized section entitled "Notice and Right to Cure Tenant Defaults", all Defaults (except those

described in paragraphs (g) through (i) of the summarized section entitled "Events of Default") existing under the Stadium Lease immediately before its termination.

(e) Assignment of Rent. Concurrently with the execution and delivery of a new lease pursuant to the provisions of paragraph (b) of this summarized section, Landlord shall assign to the tenant named therein all of its right, title in and interest to moneys (including insurance proceeds and condemnation awards), if any, then held by, or payable to, Landlord that Tenant would have been entitled to receive but for the termination of the Stadium Lease.

(f) Assignment of Subleases. Upon the execution and delivery of a new lease pursuant to the provisions of paragraph (b) of this summarized section, all Subleases (and the Stadium Use Agreement) that have been assigned to Landlord shall be assigned and transferred, together with any security or other deposits received by Landlord and not applied under such Subleases, without recourse, by Landlord to the tenant named in the new lease. Between the date of termination of the Stadium Lease and the date of the execution and delivery of the new lease, if a Recognized Mortgagee has requested a new lease as provided in paragraph (b) of this summarized section, Landlord shall not modify or amend, or cancel any Sublease, or the Stadium Use Agreement, or accept any cancellation, termination or surrender thereof (unless such termination is effected as a matter of law upon the termination of the Stadium Lease or terminated by the terms of the Sublease) or enter into any new Sublease without the consent of the Recognized Mortgagee or such designee or nominee.

Recognition by Landlord of Recognized Mortgagee Most Senior in Lien.

If more than one Recognized Mortgagee has exercised any of the rights afforded by the summarized sections entitled "Mortgagee's Rights", "Notice and Right to Cure Tenant Defaults", "Acceptance of Recognized Mortgagee's Performance" and "Execution of New Lease", only that Recognized Mortgagee, to the exclusion of all other Recognized Mortgagees, whose Recognized Mortgage is most senior in lien shall be recognized by Landlord as having exercised such right, unless such Recognized Mortgagee has designated a Recognized Mortgagee whose Mortgage is junior in lien to exercise such right. If the parties shall not agree on which Recognized Mortgage is prior in lien, such dispute shall be determined by a title insurance company chosen by Landlord, and such determination shall bind the parties.

Application of Proceeds from Insurance or Condemnation Awards.

A Recognized Mortgagee shall have the right to receive the proceeds of insurance or condemnation awards to which Tenant would be entitled in trust and apply same in the same manner that Tenant would be required to apply such proceeds under the Stadium Lease.

Appearance at Condemnation Proceedings.

A Recognized Mortgagee shall have the right to appear in any and all condemnation proceedings and to participate in any and all hearings, trials and appeals in connection therewith.

Rights of Recognized Mortgagees.

The rights granted to a Recognized Mortgagee under the provisions of the summarized sections entitled "Notice and Right to Cure Tenant Defaults", "Acceptance of Recognized Mortgagee's Performance" and "Execution of New Lease" shall not apply in the case of any Mortgagee that is not a Recognized Mortgagee.

REPRESENTATIONS AND COVENANTS

Additional Covenants. Notwithstanding anything contained in the Stadium Lease to the contrary, for so long as any obligations under the Bonds are outstanding, Tenant covenants and agrees with Landlord as follows:

(a) Tenant shall pay all amounts due under the Installment Sale Agreement in accordance with the terms thereof;

(b) Tenant shall pay all Impositions in accordance with the provisions of the Stadium Lease;

(c) Tenant shall comply in all material respects with all Requirements, including, without limitation, Requirements relating to obtaining and maintaining licenses and permits necessary to operate and maintain the Stadium in accordance with the provisions of the Stadium Lease above;

(d) Tenant shall comply in all material respects with the provisions of Article 17 of the Stadium Lease in connection with any Sublease or Capital Transaction;

(e) Tenant shall comply in all material respects with the provisions of Article 32 of the Stadium Lease;

(f) No later than 30 days prior to the beginning of each fiscal year, Tenant shall deliver to Landlord an annual operating budget of Tenant, a schedule of planned Capital Improvements and a maintenance schedule with respect to such fiscal year, it being agreed and acknowledged that, during the existence of an Event of Default, Landlord shall have the right to approve any such annual operating budget, which approval shall not be unreasonably withheld, conditioned or delayed;

(g) Tenant shall make no distribution to its members nor make payment upon Rebate Obligations, the effect of which would be that Tenant would have insufficient funds to allow it to make all payments with respect to (i) Tenant's reasonably anticipated payment obligations and (ii) those obligations under paragraph (a) of the summarized section entitled "Base Rent" and required under the PILOT Agreement and the Installment Sale Agreement, in both cases, in the current or succeeding fiscal year and otherwise in accordance with the operating budgets delivered pursuant to paragraph (f) immediately above;

(h) Tenant shall use commercially reasonable efforts: (1) to cause as many Retained Rights Agreements as are reasonably practicable to be for terms of one year or longer; (2) to cause as many Retained Rights Agreements as are reasonably practicable to provide that payments due to Tenant thereunder shall be payable regardless of a suspension of play at the Stadium due to a strike by or lockout of members of the Major League Baseball Players Association; and (3) to minimize, to the extent reasonably practicable, any rebate obligations of Tenant under any Retained Rights Agreements during any period in which play at the Stadium has been suspended due to a strike by or lockout of members of the Major League Baseball Players Association ("Rebate Obligations");

(i) Tenant shall comply in all material respects with the provisions of section 9.01 of the Stadium Lease in connection with the operation of the Premises and with the provisions of section 10.01 of the Stadium Lease in connection with maintenance of the Premises;

(j) Tenant shall comply in all material respects with the provisions of Article 14 of the Stadium Lease in connection with the property, liability and other insurance to be obtained and maintained by Tenant;

(k) No Capital Improvement shall be made by Tenant which would have a material adverse impact on (i) the Retained Rights (the foregoing covenant shall not apply in cases of any emergency or imminent threat to public safety) or (ii) the utility of the Stadium for its intended purpose as a first-class Major League Baseball Stadium;

(l) Tenant shall provide Landlord with notice of all amendments to the MLB Governing Documents that would have a material adverse effect on Tenant's ability to comply with Tenant's obligations under the Stadium Lease or would have a material adverse effect on the Retained Rights. Nothing in this paragraph shall be construed to be or constitute a subordination of Landlord's rights and remedies under the Stadium Lease to enforce the covenants and obligations of Tenant under the Stadium Lease to the MLB Documents;

(m) From and after the Commencement Date, Tenant shall enforce the obligation of the Partnership under the Stadium Use Agreement to perform all obligations of the Partnership under the Non-Relocation Agreement;

(n) From and after the date of Substantial Completion and during the Term, Tenant shall permit Landlord to inspect the Premises and any and all maintenance and repair work performed by Tenant at the Premises on reasonable notice and at reasonable times for the purpose of ensuring that Tenant is complying with its maintenance and repair obligations under the Stadium Lease, provided, that, while on the Premises, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's business operations;

(o) Tenant will not pay to itself a fee for the services it renders in connection with the maintenance and operation of the Stadium;

(p) Tenant shall keep and maintain the Premises free from all mortgages, liens, security interests and encumbrances other than the liens created by the Mortgages and the other Permitted Encumbrances;

(q) Tenant shall (i) maintain books and records of accounts using accounting practices in conformity with GAAP; (ii) within one hundred twenty (120) days after each fiscal year, deliver to Landlord annual audited financial statements (consisting of a balance sheet, income statement and statement of cash flows) and accompanied by a report of a nationally recognized firm of certified public accountants in a form reasonably acceptable to Landlord; (iii) within sixty (60) days after each fiscal quarter, deliver to Landlord an unaudited quarterly income statement and balance sheet; and (iv) within ninety (90) days after each fiscal year, deliver to Landlord a variance report on said income statement, comparing the annual operating budget to the actual operations;

(r) Tenant shall establish and maintain internal financial control policies and practices which are in accordance with the usual and customary practices in the stadium and arena industry;

(s) Tenant shall not enter into any contract with any Affiliate of Tenant, other than agreements in the ordinary course of business on terms no less favorable to either Landlord or Tenant than those generally available in the marketplace and which may involve intercompany payables and receivables that will not at any time aggregate more than $1,000,000 and, except for the Stadium Use Agreement, other than agreements for the sale or other transfer of equipment to or from Tenant outside the ordinary course of business on terms no less favorable to Tenant than those generally available in the marketplace;

(t) Tenant shall not enter into any agreement or series of related agreements among Tenant, any Affiliate of Tenant and a third party (with any such agreement or series of related agreements referred to as "Bundled Agreements") if pursuant to the terms of such Bundled Agreement or Bundled Agreements the economic benefits and burdens allocated to Tenant are, taken as a whole, less favorable to Tenant, and the economic benefits and burdens allocated to the applicable Affiliate are, taken as a whole, more favorable to the applicable Affiliate, than the relative allocation of benefits and burdens that would reasonably be expected based on the relative fair market value of the economic benefits and burdens that would be available from a third party on an arm's-length basis, provided that at the request of Landlord, Tenant shall deliver a certificate of an Authorized Representative confirming that a particular Bundled Agreement or series of Bundled Agreements comply with the provisions of this paragraph (t);

(u) Tenant shall not (A) enter into any merger or consolidation, or (B) liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), (C) discontinue its business or (D) convey, sell, transfer or otherwise dispose of all or any part of its business or property, whether now owned or hereafter acquired (and which in any event shall not include the Stadium or any component thereof, which is the property of Landlord), if and to the extent, with respect to clause (D) only, any such conveyance, sale, transfer or other disposition is reasonably likely to affect the ability of Tenant to generate Retained Rights Revenue or perform its obligations under the Stadium Lease, except (1) sales in the ordinary course of business, (2) sales of obsolete and/or replaced or surplus equipment or equipment of Tenant that in Tenant's reasonable judgment is not necessary for the operation of the Stadium, (3) sales of other property with an aggregate book value not in excess of $1,000,000 during any twelve month period, and (4) any Permitted Transaction under the summarized section entitled "Limitations on Right to Enter Into Sublease or Capital Transaction";

(v) Tenant shall not (1) acquire by purchase or otherwise any property or assets of, or equity interest in, any Person, except purchases of inventory, equipment, materials and supplies in the ordinary course of Tenant's business, (2) engage in any business other than (A) holding, leasing, operating and maintaining the Stadium under the Stadium Lease and the On-Site Parking Facilities under the On-Site Parking Agreements, (B) managing, operating and maintaining the Off-Site Parking Facilities, (C) designing, developing, constructing and equipping the Stadium and the Parking Facilities whether as agent or in its own capacity, (D) acquiring, managing, operating and installing the Stadium Equipment, (E) entering into documents in connection with the financing, development and leasing of the Stadium and the On-Site Parking Facilities, including, without limitation, the Project Documents, and (F) all other acts or activities that may be necessary or incidental to the foregoing, (3) create or acquire any Affiliate, or (4) enter into any partnership or joint venture (it being agreed that (i) a profit sharing arrangement between Tenant and a provider of Concessions or (ii) the Stadium Use Agreement shall not be deemed a partnership or joint venture for this purpose);

(w) Tenant shall furnish to Landlord:

(1) Promptly after Tenant or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred, a statement of an Authorized Representative of Tenant describing such ERISA Event and the action, if any, that Tenant or such ERISA Affiliate has taken and proposes to take with respect thereto and (B) on the date any records, documents or other information must be furnished to the Pension Benefit Guaranty Corporation ("PBGC") by Tenant or an ERISA Affiliate with respect to any Plan pursuant to Section 4010 of ERISA, a copy of such records, documents and information; and

(2) Promptly upon receipt thereof by Tenant or any ERISA Affiliate, copies of each notice from the PBGC stating its intention to terminate any Plan or to have a trustee appointed to administer any Plan; and

(3) Promptly after the filing thereof, copies of each Schedule B (actuarial information) to the annual report (Form 5500 Series) with respect to each Plan maintained by Tenant or an ERISA Affiliate which have been filed with the U.S. Department of Labor; and

(4) Promptly upon receipt thereof by Tenant or any ERISA Affiliate from the sponsor of a Multiemployer Plan, copies of each notice concerning (A) the imposition of Withdrawal Liability by any such Multiemployer Plan which could reasonably be expected to have a material adverse effect on Tenant, (B) the reorganization or termination, within the meaning of Title IV of ERISA, of any such Multiemployer Plan which could reasonably be expected to have a material adverse effect on Tenant or (C) the amount of liability incurred, or that may be incurred, by Tenant or any ERISA Affiliate in connection with any event described in clause (1) or (2);

(x) Tenant shall not engage in any "prohibited transaction," as such term is defined in Section 4975 of the Code or Section 406 of ERISA (other than transactions that are exempt by ERISA, its regulations or its administrative exemptions), with respect to any Plan, or incur any accumulated funding deficiency, or terminate, or permit any ERISA Affiliate to terminate, any Plan which would reasonably likely result in any liability of Tenant to the PBGC, or permit the occurrence of any Reportable Event or any other event or condition which presents a risk of such a termination by the PBGC of any Plan, or withdraw or effect a partial withdrawal from a Multiemployer Plan, or permit any ERISA Affiliate which is an employer under such a Multiemployer Plan so to do, in each case if Tenant's liability for such event would have a material adverse effect on Tenant's financial condition;

(y) Tenant shall not:

(1) engage in any business or activity, other than as specified in paragraph (v) of this summarized section;

(2) incur any debt, secured or unsecured, direct or contingent, other than the Tenant's obligations in connection with the Transaction Documents and customary unsecured trade payables normal and incidental to its business as specified in paragraph (v) of this summarized section, provided the unsecured trade payables are not evidenced by a promissory note;

(3) guaranty or otherwise hold itself out to be responsible for the debts or obligations of any Affiliate or other Person or for the decisions or actions respecting the daily business affairs of any Affiliate or other Person;

(4) Have its obligations guaranteed by any Affiliate or any other Person;

(5) Acquire obligations or securities of its members, managers or any Affiliate;

(6) (i) Pledge its assets for the benefit of any Affiliate or other Person other than as permitted by the Transaction Documents, or (ii) hold out its credit as being available to satisfy the obligations of any Affiliate or other Person;

(7) List its assets as assets on the financial statement of any other Person, provided however, that its assets may be included in a consolidated financial statement of its Affiliates, provided that (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of it and its assets and such Affiliates and their assets and to indicate that its assets and credit are not available to satisfy the debts and other obligations of such Affiliates or any other Person, (ii) such assets shall be listed on its own separate balance sheet, and (iii) Tenant complies with clause (16)(D) of this paragraph (y);

(8) Enter into or be a party to any transaction, contract or agreement with any of its Affiliates, any of its constituent parties or any Affiliate of any constituent party, except upon terms and conditions which are substantially similar to those that would be available on an arm's length basis with an unrelated third party; it being acknowledged, for the purposes of this clause (8), that the terms and conditions of the Stadium Use Agreement are substantially similar to those that would be available on an arm's length basis with an unrelated third party;

(9) Commingle its funds and other assets with those of any other Person;

(10) Amend, modify or otherwise change or suffer any Affiliate or other Person to amend, modify or otherwise change the provisions of Tenant's Articles of Organization or Operating Agreement if such amendment could materially adversely affect (i) any of the requirements of the Transaction Documents applicable to it or (ii) any of the covenants in this summarized section;

(11) (i) Own or acquire any stock or securities of any Affiliate or (ii) except as otherwise permitted under the Transaction Documents and upon terms and conditions which are substantially similar to those that would be available on an arm's length basis with an unrelated third party, make or permit to remain outstanding any loan or advance to any Affiliate or other Person;

(12) Except as otherwise permitted under the Transaction Documents, take any action to dissolve, wind-up, terminate or liquidate in whole or in part; to sell, transfer or otherwise dispose of all or substantially all of its assets; to change its legal structure, transfer, or permit the direct or indirect transfer of, any membership or other equity interests; or seek to accomplish any of the foregoing;

(13) Merge or consolidate with any other Person;

(14) Form, acquire or hold any subsidiary (whether corporate, partnership, limited liability company or other form of entity);

(15) Incur any debts that would be beyond its ability to pay as such debts mature; and

(16) Fail to observe each of the following:

(A) remain solvent and pay its debts and liabilities (including employment and overhead expenses) from its assets as and when the same shall become due;

(B) do all things necessary to observe limited liability company formalities and to preserve its existence as an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(C) correct any known misunderstanding regarding its separate identity;

(D) maintain its books and records, bank accounts, financial statements, accounting records and other entity documents separate and apart from those of any other Person (including its Affiliates) and file its own tax returns as required under Federal and state law or as otherwise determined to be in the best interests of Tenant;

(E) hold itself out to the public as a legal entity separate and distinct from any other Person (including any of its Affiliates) and conduct its business in its own name, and not identify itself or any of its Affiliates or any constituent party as a division or part of the other;

(F) maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(G) maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate or any other Person;

(H) use separate stationery, invoices and checks;

(I) allocate fairly and reasonably shared expenses (including, without limitation, overhead for shared office space) with any Affiliate or other Person;

(J) at all times cause there to be at least one (1) duly appointed Independent Manager; provided, however, if any duly appointed Independent Manager shall cease to serve for any reason, there shall be a new Independent Manager appointed as soon as practicable;

(K) not permit any Affiliate or other Person independent access to its bank accounts;

(L) not permit any Affiliate or other Person to conduct the Tenant's businesses in the name of such Affiliate or other Person or utilize the Tenant's stationery, invoices or checks in conducting the business of such Affiliate or other Person;

(M) pay its own liabilities from its own funds (including, without limitation, salaries of its own employees) and maintain a sufficient number of employees in light of its contemplated business operations; and

(N) cause the representatives and other agents of the Tenant to act at all times with respect to the Tenant in furtherance of the foregoing and in the best interests of the Tenant; and

(z) Tenant shall use commercially reasonable efforts to insure that each Retained Rights Agreement shall be assignable to any successor of Tenant.

The covenants set forth in this summarized section are set forth in furtherance of the covenants made by the Agency pursuant to the Tax-Exempt Bonds Indenture, and same are not intended to nor shall they in any way whatsoever nullify, void, impair or diminish any similar covenant, condition or representation of Tenant under the Stadium Lease or the rights or remedies of Landlord to enforce any of same.

Additional Representations and Warranties of Tenant. Tenant represents and warrants to Landlord as of the date of the Stadium Lease as follows:

(a) Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, has the power and authority to enter into and perform its obligations under the Stadium Lease and the other Project Documents to which Tenant is a party, and by proper action has duly authorized Tenant's execution and delivery of, and its performance under, the Stadium Lease and the other Project Documents to which Tenant is a party and all other agreements and instruments relating thereto.

(b) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to its knowledge, threatened against Tenant with respect to (1) the organization and existence of Tenant, (2) its authority to execute, deliver and perform its obligations under the Stadium Lease and the other Project Documents to which Tenant is a party, (3) the validity or

enforceability of the Stadium Lease and the other Project Documents to which Tenant is a party, or the transactions contemplated thereby, or (4) the ability of Tenant to acquire, use, operate, maintain and lease the Stadium for the uses provided in Article 4 of the Stadium Lease.

(c) Tenant has not imposed or formally or informally agreed to impose any liens on the Premises other than the PILOT Mortgages and the Rental Mortgage and the Installment Sale Agreement (collectively, and as the same may be amended, the "Existing Mortgages") and the other Permitted Encumbrances.

(d) Tenant is not in any material respect in default under or in violation of, and the execution and delivery by Tenant of the Stadium Lease or the other Project Documents to which Tenant is a party, and the performance by Tenant of its obligations under the Stadium Lease and thereunder and the consummation by Tenant of the transactions contemplated by the Stadium Lease and thereby do not or will not conflict with, or constitute a breach or result in a violation of (1) Tenant's constituent or organizational documents, (2) any agreement or other instrument to which Tenant is a party or by which it is bound, or (3) any constitutional or statutory provision or order, law, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over Tenant or its property, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

(e) Tenant has obtained all consents, approvals, permits, authorizations and orders of any governmental or regulatory authority or MLB that are required to be obtained by Tenant as a condition precedent to the execution and delivery of the Stadium Lease and the other Project Documents to which Tenant is a party, or that are required as a condition precedent to the commencement of the infrastructure portion of the construction work required to be performed under the Development Agreement, other than permits of a ministerial nature that are granted in the ordinary course. There are no appeals pending with respect to any of the foregoing consents, approvals, permits, authorizations and orders; and all such consents, approvals, permits, authorizations and orders are final and unappealable. The execution and delivery of the Stadium Lease and the other Project Documents to which Tenant is a party do not violate any Requirements.

(f) Correct and complete copies of the Stadium Lease and each other Project Document to which Tenant is a party have been furnished to Landlord. The Stadium Lease and each other Project Document to which Tenant is a party have been duly authorized, executed and delivered, are in full force and effect, and are the valid and binding obligation or agreement of Tenant, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and no party thereto is in or reasonably expected by Tenant to be in default in any material respect thereunder.

(g) A materially correct and complete copy of the Project Budget as in effect on the date of the Stadium Lease has been furnished to Landlord.

(h) Tenant has no material assets, liabilities (contingent or otherwise), contracts or business except (A) holding, leasing, operating and maintaining the Stadium under the Stadium Lease and the On-Site Parking Facilities under the On-Site Parking Agreements, (B) managing, operating and maintaining the Off-Site Parking Facilities, (C) designing, developing, constructing and equipping the Stadium and the On-Site Parking Facilities whether as agent or in its own capacity, (D) acquiring, managing, operating and installing the Stadium Equipment, (E) entering into documents in connection with the financing, development and leasing of the Stadium and the On-Site Parking Facilities, including, without limitation,

the Project Documents, and (F) all other acts or activities that may be necessary or incidental to the foregoing.

(i) No approval or consent (that has not been duly obtained and that is not in full force and effect) on the part of MLB is required in connection with the execution or delivery by Tenant of the Stadium Lease and the other Project Documents to which Tenant is a party.

(j) (A) The approval of the Independent Manager is required to approve the filing by Tenant of a voluntary bankruptcy petition under Section 301 of the Bankruptcy Code, or any comparable provisions of any successor thereto, or comparable provisions of applicable state insolvency laws.

(B) No suit or action is pending or threatened against any of (i) Tenant or (ii) the Partnership or any other entity Affiliated with Tenant or the Partnership (collectively, the "Other Entities") seeking to consolidate the assets and liabilities of two or more of Tenant and the Other Entities, or generally to impose the obligations of one on any of the others.

(C) Tenant is not in violation of any of the covenants contained in paragraph (y) of the summarized section entitled "Additional Covenants".

(k) Tenant is not in default in any material respect with respect to any judgment, order, writ, injunction, decree or decision of any governmental body. Tenant is complying with all applicable statues and regulations, including ERISA, of all governmental bodies.

(l) No ERISA Event has occurred with respect to any Plan.

(m) Tenant has not incurred any Withdrawal Liability.

(n) Neither Tenant nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or has been terminated within the meaning of Title IV of ERISA.

Other Covenants.

Notwithstanding anything contained in the Stadium Lease to the contrary, during the Term, Tenant covenants and agrees with Landlord that Tenant shall pay (i) all Rental due under the Stadium Lease in accordance with the terms of Article 3 of the Stadium Lease (including, without limitation, all Additional Rent, if any, due pursuant to the provisions of the summarized section entitled "Additional Rent") (ii) all PILOTs due under the PILOT Agreement in accordance with the terms thereof. Tenant shall not agree to any amendment or modification of the Stadium Use Agreement that would have a material adverse effect on Tenant's ability to perform Tenant's obligations under the Stadium Lease, and Tenant shall not agree to any termination of the Stadium Use Agreement without Landlord's consent. Such covenant to be enforceable by Landlord through all equitable remedies, including without limitation injunction and specific performance. The City and ESDC shall be third party beneficiaries of this summarized section.

INDEMNIFICATION

Tenant Obligation to Indemnify.

Tenant shall not do or permit any act or thing to be done upon the Premises, or any portion thereof, during its period of use of the Premises, or in connection with or as its obligations under the

Stadium Lease, which subjects Landlord, the Bond Insurer, the City or EDC, to any liability or responsibility for injury or damage to Persons or property or to any liability by reason of any violation of Requirements, but shall exercise such reasonable control over the Premises as to the foregoing matters so as to protect such other parties against any such liability. To the fullest extent permitted by law, Tenant shall indemnify and save Landlord, Bond Insurer, the City, EDC and their respective director, trustees, officials, members, officers, directors, employees, agents (excluding Tenant its partners, joint venturers, directors, shareholders, trustees, officers, members, employees, agents, invitees, servants, licensees and contractors and subcontractors) and servants (collectively, the "Indemnitees") harmless from and against any and all liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorneys' fees and disbursements, that may be imposed upon or incurred by or asserted against any of the Indemnitees by reason of any of the following, except that no Indemnitee shall be so indemnified and saved harmless to the extent of which such liabilities, etc., are caused by the negligence or wrongful acts or omissions of Landlord, Bond Insurer, the City or EDC or their respective directors, officers, members, trustees, officials, employees, agents (excluding Tenant its partners, joint venturers, directors, shareholders, trustees, officers, members, employees, agents, invitees, servants, licensees and contractors and subcontractors), invitees or contractors (contractors shall not include Tenant or any of its contractors or subcontractors doing construction-related work):

(a) Control. From and after the date of Substantial Completion until the end of the Term, the control or use, non-use, possession, occupation, alteration, condition, operation, maintenance, repair, replacement, improvement, or management of the Premises or any part thereof or of any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent thereto, including, without limitation, any violations imposed by any Governmental Authorities in respect of any of the foregoing; provided, that this provision shall not apply to the Police Substation, which shall be within the sole control and possession of Landlord and/or the City except to the extent caused by the negligence or wrongful acts or omissions of Tenant or its partners, joint venturers, directors, shareholders, officers, members, trustees, officials, employees, agents or contractors.

(b) Acts or Failure to Act. Any act or failure to act on the part of Tenant or its partners, joint venturers, officers, directors, shareholders, trustees, employees, agents, servants or contractors occurring from and after the date of Substantial Completion until the end of the Term.

(c) Agreement Obligations. Tenant's failure to make any payment or to perform or comply with any other of its obligations, representations or covenants under the Stadium Lease.

(d) Accidents, Injury to Person or Property. Any accident, injury (including death at any time resulting therefrom) or damage to any Person or property arising from and after the date of Substantial Completion until the end of the Term occurring in, on, or about the Premises or any part thereof, or in, on, or about any street, plaza, sidewalk, curb, vault, or space comprising a part thereof and arising in connection with the use, occupancy or operation of the Premises; provided, that the foregoing shall not apply to the Police Substation except to the extent of the proportion caused by the negligence or wrongful acts or omissions of Tenant or its partners, joint venturers, directors, shareholders, officers, members, trustees, officials, employees, agents, servants, invitees or contractors.

(e) Claim Against Premises. Any claim that may be alleged to have arisen from and after the date of Substantial Completion until the end of the Term against or on the Premises, or any claim created or permitted to be created from and after the date of Substantial Completion until the end of the Term by Tenant or any of its subtenants, or their respective officials, members, partners, joint venturers, officers, shareholders, directors, agents, contractors, servants or employees, or invitees against any assets of, or

funds appropriated to, Landlord or any liability that may be asserted against Landlord with respect thereto.

(f) Hazardous Materials. The presence, storage, transportation, disposal, release or threatened release of any Hazardous Materials over, under, in, on, from or affecting the Premises or any persons, real property, personal property, or natural substances thereon or affected thereby, except that Tenant shall not indemnify and save harmless the Indemnitees to the extent that such Hazardous Materials were present, stored, disposed of, or released at the Premises prior to the date of physical possession by Tenant of the Premises pursuant to the Stadium Lease (but the foregoing shall not release Tenant from its obligation to indemnify the Indemnitees for damages arising from any disposal or release occurring after the date of physical possession of the Premises due to the acts or omissions of Tenant with respect to any Hazardous Materials preexisting such date of Tenant's physical possession). "Hazardous Materials" means (i) any "hazardous waste" as defined under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or (ii) "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., or (iii) "hazardous materials" as defined under the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., or (iv) "hazardous waste" as defined under New York Environmental Conservation Law Section 27-0901 et seq., or (v) "hazardous substance" as defined under the Clean Water Act, 33 U.S.C. Section 1321 et seq.

Defense of Claim, Etc.

If any claim, action or proceeding is made or brought against Landlord by reason of any event to which reference is made in the summarized section immediately above, then upon demand by Landlord, Tenant shall either resist, defend or satisfy such claim, action or proceeding in such Indemnitee's name, by the attorneys for, or approved by, Tenant's insurance carrier (if such claim, action or proceeding is covered by insurance) or by such other attorneys as Landlord shall reasonably approve. The foregoing notwithstanding, Landlord may engage its own attorneys to defend Landlord, or to assist Landlord in Landlord's defense of such claim, action or proceeding provided that Tenant shall have no obligation to pay any amounts therefor.

SUBORDINATION

Subordination of Lease Agreement.

(a) Notwithstanding any other provision of the Stadium Lease or any Bond Document**:**

(i) The manner of conduct of activities in the Stadium in conjunction with any Team Home Games or other event conducted under the auspices of or in affiliation with Major League Baseball or the Partnership and the rights and obligations of the parties with respect to such manner of conduct of activities, shall be subject in all respects to each of the following, as they may be amended from time to time: (A) any present or future agreements entered into by, or on behalf of, any of the MLB Entities or the member clubs, collectively, including without limitation the MLB Governing Documents and MLB Rules and Regulations, and each agreement entered into pursuant thereto, or (B) the present and future mandates, rules, regulations, policies, bulletins or directives issued or adopted by the Commissioner or the MLB Entities (the documents described in clauses (A) and (B), collectively, the "MLB Documents")**;** provided that the provisions of this summarized section shall not restrict the ability of any Recognized Mortgagee or any other enforcing party to exercise the remedies provided under the applicable

Recognized Mortgage, it being agreed however, that following such foreclosure, Recognized Mortgagee or other entering party shall nonetheless be bound by this paragraph.

(ii) Each party to the Stadium Lease is aware of the provisions contained in Article V, Section 2(b)(2) of the Major League Constitution among the Major League Baseball clubs, and recognizes that the Ownership Committee of Baseball has issued "Control Interest Transfers – Guidelines & Procedures", dated November 9, 2005 (such document and any successor guidelines, as may be amended from time to time, the "Guidelines").

(iii) Each party to the Stadium Lease acknowledges that Article V, Section 2(b)(2) of the Major League Constitution and the Guidelines require that the transfer of a control interest in either the Franchise or the Partnership be subject to the approving vote of the Major League Baseball clubs in their absolute discretion. Each party to the Stadium Lease also acknowledges the "best interests of Baseball" powers held by the Commissioner under the Major League Constitution. Accordingly, each party to the Stadium Lease acknowledges that such approvals would be required for any sale or transfer of the Franchise, the Partnership, or an interest in either the Franchise or the Partnership, to a third party as well as to any party to the Stadium Lease, and that each such transaction shall be subject to and made in accordance with the Major League Constitution and the Guidelines.

(iv) Each party to the Stadium Lease acknowledges that any temporary or permanent management of the Team or the Partnership shall be subject to the prior approval of the Commissioner of Baseball (the "Commissioner") and the Major League Baseball Clubs. In the event any party to the Stadium Lease desires to operate the Team or the Partnership for its own account on a temporary or permanent basis, such Person shall seek the prior approval of the Commissioner and the Major League Baseball Clubs in accordance with the Major League Constitution and the Guidelines.

(v) Each party to the Stadium Lease agrees that upon the occurrence and continuance of an Event of Default, Landlord shall not exercise any remedy or take any other action which would result in the termination of any of the rights of the Partnership to use the Stadium and Parking Facilities in accordance with and pursuant to the terms of the Stadium Use Agreement prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such Event of Default, and ending on the date that is six months thereafter, provided, that if the Stay Period expires during a Team Season, the Stay Period shall be extended to the first day immediately succeeding the last day of such Team Season.

(b) Subordination of Lease Agreement to Recognized Mortgages. Subject to the Stadium Lease, Tenant agrees that the Stadium Lease is, shall be and shall remain in all respects unconditionally and irrevocably encumbered by and subject and subordinate to each Recognized Mortgage, the lien thereof, any and all advances and/or re-advances made and to be made thereunder, any and all sums now or hereafter secured thereby and any and all modifications, amendments, renewals, extensions, increases, consolidations, reductions, severances, supplements, restatements and/or replacements thereof, with the same force and effect as if such Mortgage had been executed and delivered prior to the execution and

delivery of the Stadium Lease and without regard to the order of priority of the recording of such Mortgage and the Stadium Lease. This provision shall be self operative, but, Tenant agrees to execute and deliver any additional documents or other instruments which may be reasonably required by the holder of such Mortgage from time to time to evidence or confirm this subordination agreement. This subordination agreement shall be binding upon Tenant, its successors and assigns and all subsequent tenants under the Stadium Lease and shall inure to the benefit of the holder of such Mortgage, its successors and assigns and all subsequent holders of such Mortgage.

(c) Subordination of Lease Agreement to Primary Site Ground Lease. The Stadium Lease is subject and subordinate to the Primary Site Ground Lease.

EVENTS OF DEFAULT, CONDITIONAL LIMITATIONS, REMEDIES, ETC.

Events of Default.

Each of the following events shall be an "Event of Default" under the Stadium Lease:

(a) if Tenant shall fail to make any payment (or any part thereof) of any Rental as and when due under the Stadium Lease and such failure shall continue for a period of twenty (20) days after notice thereof to Tenant;

(b) if there shall occur any material default (after the expiration of applicable notice and cure periods) under the Development Agreement or the On-Site Parking Agreements, provided that with respect to any default under the On-Site Parking Agreements relating to any physical maintenance or operational obligations thereunder, 'material' shall be considered as if the On-Site Parking Agreements and the Stadium were demised under a single lease agreement;

(c) if Tenant shall fail in any material respect to maintain the Premises as provided in the Stadium Lease and if such failure shall continue for a period of thirty (30) days after notice (unless such failure requires work to be performed, acts to be done or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such thirty (30) day period, in which case no Event of Default shall exist as long as Tenant shall have commenced curing the same within the thirty (30) day period and shall diligently and continuously prosecute the same to completion within a reasonable period);

(d) if Tenant shall enter into (or permit to be entered into) a Sublease or a Capital Transaction, or any other transaction, in violation of the provisions of the Stadium Lease and such Capital Transaction, Sublease or other transaction shall not be made to comply with the provisions of the Stadium Lease or canceled within thirty (30) Business Days after Landlord's notice thereof to Tenant;

(e) if Tenant shall fail to enforce the terms of the Stadium Use Agreement against the Partnership, including without limitation the obligation to enforce the Partnership's compliance with the Non-Relocation Agreement, unless Tenant replaces the Partnership with another sports team capable of generating substantially equivalent revenues or greater revenues than the Partnership;

(f) if Tenant shall fail in any material respect to observe or perform one or more of the other terms, conditions, covenants or agreements of the Stadium Lease, and such failure shall continue for a period of thirty (30) days after Landlord's notice thereof to Tenant specifying such failure (unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such thirty (30) day period, in which case no

Event of Default shall be deemed to exist as long as Tenant shall have commenced curing the same within such thirty (30) day period and shall diligently and continuously prosecute the same to completion);

(g) to the extent permitted by law, if Tenant shall make an assignment for the benefit of creditors;

(h) to the extent permitted by law, if Tenant shall file a voluntary petition under Title 11 of the United States Code or if a petition under Title 11 of the United States Code shall be filed against Tenant and an order for relief shall be entered, or if Tenant shall file a petition or an answer seeking, consenting to or acquiescing in, any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal bankruptcy code or any other present or future applicable Federal, state or other bankruptcy or insolvency statute or law, or shall seek, or consent to, or acquiesce in, or suffer the appointment of, any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Tenant, or of all or any substantial part of its properties, or of the Premises or any interest of Tenant therein, or if Tenant shall take any partnership, joint venture or corporate action in furtherance of any action described in paragraph (g) immediately above or this paragraph;

(i) to the extent permitted by law, if within ninety (90) days after the commencement of a proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal bankruptcy code or any other present or future applicable Federal, state or other bankruptcy or insolvency statute or law, such proceeding shall not be dismissed, or if, within one hundred eighty (180) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Tenant, or of all or any substantial part of its properties, or of the Premises or any interest of Tenant therein, such appointment shall not be vacated or stayed on appeal or otherwise, or if, within one hundred eighty (180) days after the expiration of any such stay, such appointment shall not be vacated;

(j) if any of the material representations made by Tenant in the Stadium Lease is or shall become false or incorrect in any material respect when made, provided that, if such misrepresentation was unintentionally made, and the underlying condition is susceptible to being corrected, Tenant shall have a period of thirty (30) days after Landlord's notice of such misrepresentation to correct the underlying condition and thereby cure such Default (unless such cure cannot by its nature reasonably be performed within such thirty (30) day period, in which event Tenant shall have such time as is required so long as Tenant shall have commenced such cure within such thirty (30) day period and shall diligently and continuously prosecute the same to completion);

(k) if a levy under execution or attachment shall be made against the Premises or any part thereof, the income therefrom, the Stadium Lease or the leasehold estate created by the Stadium Lease and such execution or attachment shall not be vacated or removed by court order, bonding or otherwise within a period of ninety (90) days;

(l) if Tenant shall fail to obtain and maintain any insurance policy required under the Stadium Lease in accordance with the terms of the Stadium Lease and such failure shall continue for a period of thirty (30) days after notice thereof to Tenant;

(m) if Tenant, or any Affiliate or any Principal of Tenant, is or becomes a Prohibited Person, and the condition giving rise to such status is not cured within thirty (30) days after notice thereof to Tenant; or

(n) Tenant shall default in the performance of any material covenant or obligation (including without limitation any payment obligation) under any of the Bond Documents to which Tenant is a party beyond the grace periods provided in said documents, or, if none is provided, for a period of thirty (30) days after notice thereof to Tenant, and as a result of such default, the other party to such Bond Document terminates such agreement or otherwise commences the exercise of any remedy against Tenant thereunder.

Enforcement of Performance.

(a) If an Event of Default occurs, subject to the provisions of the Stadium Lease, Landlord may elect to proceed by appropriate judicial proceedings, either at law or in equity, to enforce performance or observance by Tenant of the applicable provisions of the Stadium Lease and/or to recover damages for breach thereof; provided, however, that, as long as Bonds are outstanding, in no event shall Landlord be permitted to terminate the Stadium Lease by reason of an Event of Default resulting from a default by Tenant under the Development Agreement, or while Bonds are outstanding, Tenant's failure to pay Base Rent, PILOTs or Installment Sale Payments.

(b) For as long as Bonds are outstanding, Landlord shall deliver to Bond Insurer a copy of all notices of default at the same time it delivers same to Tenant, and Landlord shall not exercise any rights to terminate the Stadium Lease unless such notice has been so delivered to Bond Insurer. Landlord covenants that, while any Bonds remain outstanding, Landlord shall consult with the Bond Insurer prior to taking any enforcement action which would have a substantial adverse impact on Tenant's financial condition. While any Bonds remain outstanding, the Bond Insurer shall be the third party beneficiary of this paragraph.

(c) Landlord shall deliver notice of a default to the Partnership at the same time it delivers such notice to Tenant, and Landlord covenants not to terminate the Stadium Lease unless such notice has been delivered to the Partnership.

Expiration and Termination of Lease.

(a) If an Event of Default occurs and, provided that Landlord shall have the right to terminate the Stadium Lease pursuant to the summarized section immediately above, Landlord, at any time thereafter, at its option, gives Tenant notice stating that the Stadium Lease and the Term shall terminate on the date specified in such notice, which date shall not be less than ten (10) days after the giving of the notice, then the Stadium Lease and the Term and all rights of Tenant under the Stadium Lease shall expire and terminate as if the date specified in the notice were the Fixed Expiration Date, and Tenant shall quit and surrender the Premises forthwith. If such termination is stayed by order of any court having jurisdiction over any case described in paragraphs (g), (h) and (i) of the summarized section entitled "Events of Default" or by federal or state statute, then following the expiration of any such stay, or if the trustee appointed in any such case, Tenant or Tenant as debtor-in-possession fails to assume Tenant's obligations under the Stadium Lease within the period prescribed therefor by law or within thirty (30) days after entry of the order for relief or as may be allowed by the court, or if the trustee, Tenant or Tenant as debtor-in-possession fails to provide adequate protection of Landlord's right, title and interest in and to the Premises and adequate assurance of the complete and continuous future performance of Tenant's obligations under the Stadium Lease as provided in the summarized section entitled "Remedies Under Bankruptcy and Insolvency Codes", Landlord, to the extent permitted by law or by leave of the court having jurisdiction over such case, shall have the right, at its election, to terminate the Stadium Lease on ten (10) days notice to Tenant, Tenant as debtor-in-possession or the trustee. Upon the expiration of the ten (10) day period the Stadium Lease shall cease and Tenant, Tenant as debtor-in-possession and/or the trustee immediately shall quit and surrender the Premises.

(b) If the Stadium Lease is terminated as provided in paragraph (a) immediately above, Landlord may dispossess Tenant by summary proceedings.

(c) If the Stadium Lease shall be terminated as provided in paragraph (a) of this summarized section:

(i) Tenant shall pay to Landlord all Rental payable under the Stadium Lease by Tenant to Landlord to the Fixed Expiration Date as the same may have been extended and Tenant shall remain liable for all Rental thereafter falling due on the respective dates when such Rental would have been payable but for the termination of the Stadium Lease; and

(ii) Landlord may complete all repair, maintenance and construction work required by Tenant under the Stadium Lease and may repair and alter any portion(s) of the Premises in such manner as Landlord may deem necessary or advisable without relieving Tenant of any liability under the Stadium Lease or otherwise affecting any such liability, and/or let or relet the Premises or any portion thereof for the whole or any part of the remainder of the Term or for a longer period, in Landlord's name or as agent of Tenant, and retain any rent and other sums collected or received as a result of such reletting by Landlord. Landlord shall in no way be responsible or liable for any failure to relet any portion(s) of the Premises or for any failure to collect any rent due on any such reletting, and no such failure to relet or to collect rent shall operate to relieve Tenant of any liability under the Stadium Lease or to otherwise affect any such liability. The amount of any such rent collected by Landlord for periods occurring during the Term after deducting therefrom the expenses (including without limitation all costs incurred by Landlord in completing the repair, maintenance and construction work required by Tenant under the Stadium Lease and such repairs to and alterations of the Premises as is reasonably necessary or desirable) incurred by Landlord as a result of the Default giving rise to the termination of the Stadium Lease, shall be credited against any unpaid Rental and other unsatisfied obligations of Tenant under the Stadium Lease.

Right to Cure Tenant Defaults, Nondisturbance.

(a) Partnership Right to Cure Defaults, Nondisturbance. An Event of Default shall be deemed to have not occurred if within the applicable period set forth in paragraph (b) of the summarized section entitled "Notice and Right to Cure Tenant Defaults":

(i) In the case of a Default that is curable without possession of the Premises by the Partnership, the Partnership shall have commenced in good faith to cure the Default within the applicable period provided in paragraph (b) of the summarized section entitled "Notice and Right to Cure Tenant Defaults" and is prosecuting such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay); provided, that any Event of Default under paragraph (a) of the summarized section entitled "Events of Default" must be cured within ten (10) days after Tenant's failure to timely cure such default and delivery of notice of such default to the Partnership under the Stadium Lease; or

(ii) In the case of a Default where (A) either (x) possession of the Premises is required in order to cure the Default, or (y) such Default is otherwise not

susceptible of being cured by the Partnership, and (B) the Partnership is not under common control with Tenant, the Partnership shall have proceeded expeditiously to take possession of the Premises, and shall continuously prosecute proceedings with reasonable diligence and continuity (subject to Unavoidable Delay) to obtain possession of the Premises and, upon obtaining possession of the Premises, promptly commenced cure of the Default (other than a Default which is not susceptible of being cured by the Partnership) and prosecuted such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay);

provided, however, that acceptance of such performance by the Partnership (including without limitation acceptance of any Base Rent or other Rental from the Partnership) shall not by itself constitute a recognition by Landlord of the Stadium Use Agreement or the Partnership's right to use or occupy the Premises under same.

(b) Partnership Right to New Lease.

(i) Notice of Termination. If the Stadium Lease is terminated by reason of an Event of Default or otherwise, Landlord shall give prompt notice thereof to the Partnership. This obligation shall survive a termination of the Stadium Lease.

(ii) Request for and Execution of New Lease. If, within thirty (30) days of the receipt (as shown on proof of service or return receipt) of the notice referred to in clause (i) of paragraph (b) of the summarized section entitled "Events of Default", the Partnership shall request a new lease, then subject to the provisions of this summarized section, within thirty (30) days after Landlord shall have received such request, Landlord shall execute and deliver a new lease of the Premises for the remainder of the Term to the Partnership, or any designee or nominee of the Partnership (provided such designee or nominee or any Principal (as defined in the Stadium Lease) thereof shall not be a Prohibited Person). The new lease shall contain all of the covenants, conditions, limitations and agreements contained in the Stadium Lease, provided however, that Landlord shall not be deemed to have represented or covenanted that such new lease shall be superior to claims of Tenant, its other creditors or a judicially appointed receiver or trustee for Tenant. The Premises shall be delivered in "as-is" condition and subject to then-existing occupancies and title objections. The provisions of this clause (ii) notwithstanding, Landlord shall not be obligated to enter into a new lease with the Partnership unless (A) the Partnership shall pay to the appropriate party, concurrently with the execution and delivery of the new lease, all Base Rent and other Rental due under the Stadium Lease, up to and including the date of the commencement of the term of the new lease (excluding penalties and interest thereon) and all expenses of Landlord, including, without limitation, reasonable attorneys' fees and disbursements and court costs, incurred in connection with the Default or Event of Default, and the termination of the Stadium Lease, if and to the extent such expenses would be collectible under the Stadium Lease from Tenant, and (B) the Partnership shall deliver to Landlord a statement, in writing, acknowledging that Landlord, by entering into such new lease with the Partnership or such designee or nominee, shall not have or be deemed to have waived any Defaults or Events of Default then existing under the Stadium Lease (other than the Defaults or Events of Default mentioned in paragraphs (g) through (i) of the summarized section entitled "Events of Default"

which Landlord shall be deemed to have waived) notwithstanding that any such Defaults or Events of Default existed prior to the execution of such new lease and that the breached obligations which gave rise to the Defaults or Event of Default are also obligations under such new lease. The provisions of this paragraph shall survive the termination of the Stadium Lease.

(c) No Waiver of Default. The execution of a new lease shall not constitute a waiver of any Default existing immediately before termination of the Stadium Lease and, except for a Default which is not susceptible of being cured by the Partnership, the tenant under the new lease shall cure, within the applicable periods set forth in the summarized section entitled "Events of Default" as extended by this summarized section, all Defaults (except those described in paragraphs (g) through (i) of the summarized section entitled "Events of Default") existing under the Stadium Lease immediately before its termination.

(d) Partnership as Third Party Beneficiary. The Partnership shall be a third party beneficiary of the provisions set forth in this summarized section.

Receipts of Moneys after Notice of Termination.

No receipt of moneys by Landlord from Tenant after the termination of the Stadium Lease, or after the giving of any notice of the termination of the Stadium Lease, shall reinstate, continue or extend the Term or affect any notice theretofore given to Tenant, or operate as a waiver of the right of Landlord to enforce the payment of Rental payable by Tenant under the Stadium Lease or thereafter falling due, or operate as a waiver of the right of Landlord to recover possession of the Premises by proper remedy. After the service of notice to terminate the Stadium Lease or the commencement of any suit or summary proceedings or after a final order or judgment for the possession of the Premises, Landlord may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting the notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of the use and occupation of the Premises or, at the election of Landlord, on account of Tenant's liability under the Stadium Lease, provided, however, that if Landlord shall relet the Premises during said period, Landlord shall credit Tenant with the net rents received by Landlord from such reletting, such net rents to be determined by first deducting from the gross rents as and when received by Landlord from such reletting the expenses reasonably incurred or paid by Landlord in terminating the Stadium Lease and of re-entering the Premises and of securing possession thereof, including reasonable attorneys' fees and costs of removal and storage of Tenant's property, as well as the reasonable expenses of reletting, including repairing, restoring and improving the Premises for new tenants, brokers' commissions, advertising costs, reasonable attorneys' fees and disbursements, and all other similar or dissimilar expenses chargeable against the Premises and the rental therefrom in connection with such reletting.

Waiver of Rights.

If Tenant is dispossessed by a judgment or by warrant of a court or judge or in case of re-entry or repossession by Landlord or in case of any expiration or termination of the Stadium Lease, Tenant waives and releases any and all rights (a) of redemption provided by any law or statute now in force or hereafter enacted or otherwise, or (b) of re-entry, or (c) of repossession, or (d) to restore the operation of the Stadium Lease. The terms "enter", "re-enter", "entry" or "re-entry", as used in the Stadium Lease, are not restricted to their technical legal meanings. Tenant shall execute, acknowledge, and deliver within ten (10) days after request by Landlord any instrument evidencing such waiver or release that Landlord may reasonably request.

Strict Performance.

No failure by either party under the Stadium Lease to insist upon the other party's strict performance of any covenant, agreement, term or condition of the Stadium Lease or to exercise any right or remedy available to it under the Stadium Lease, shall constitute a waiver of any Default or Event of Default or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of the Stadium Lease to be performed or complied with by either party, and no Default or Event of Default, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver of any Default or Event of Default shall affect or alter the Stadium Lease, but each and every covenant, agreement, term and condition of the Stadium Lease shall continue in full force and effect with respect to any other then existing or subsequent Default or Event of Default.

Right to Enjoin Defaults or Threatened Defaults.

In the event of a Default or threatened Default by a party under the Stadium Lease, the other party shall be entitled to enjoin such Default or threatened Default and shall have the right to invoke any rights and remedies allowed at law or in equity or by statute or by the Stadium Lease, other remedies that may be available to such party notwithstanding. Except as otherwise provided in the Stadium Lease, each right and remedy of each party provided for in the Stadium Lease shall be cumulative and shall be in addition to every other right or remedy provided for in the Stadium Lease or now or hereafter existing at law or in equity or by statute, and, except as otherwise provided in the Stadium Lease, the exercise or beginning of the exercise by a party of any one or more of the rights or remedies provided for in the Stadium Lease or now or hereafter existing at law or in equity or by statute shall not preclude the simultaneous or later exercise by such party of any or all other rights or remedies provided for in the Stadium Lease or now or hereafter existing at law or in equity or by statute.

Remedies Under Bankruptcy and Insolvency Codes.

If an order for relief is entered or if any stay of proceeding or other act becomes effective against Tenant or Tenant's interest in the Stadium Lease in any proceeding which is commenced by or against Tenant under the present or any future Federal Bankruptcy Code or in a proceeding which is commenced by or against Tenant seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any other present or future applicable federal, state or other bankruptcy or insolvency statute or law, Landlord shall be entitled to invoke any and all rights and remedies available to it under such bankruptcy or insolvency code, statute or law or the Stadium Lease, including, without limitation, such rights and remedies as may be necessary to protect adequately Landlord's right, title and interest in and to the Premises or any part thereof and adequately assure the complete and continuous future performance of Tenant's obligations under the Stadium Lease. Adequate protection of Landlord's right, title and interest in and to the Premises, and adequate assurance of the complete and continuous future performance of Tenant's obligations under the Stadium Lease, shall include, without limitation, all of the following requirements:

(a) that Tenant shall comply with all of its obligations under the Stadium Lease;

(b) that Tenant shall pay Landlord, on the first day of each month occurring after the entry of such order, or on the effective date of such stay, a sum equal to the amount by which the Premises diminished in value during the immediately preceding monthly period, but, in no event, an amount which is less than the aggregate Rental payable for such monthly period;

(c) that Tenant shall continue to use the Premises in the manner required by the Stadium Lease;

(d) that Landlord shall be permitted to supervise the performance of Tenant's obligations under the Stadium Lease;

(e) that Tenant shall hire such security personnel as may be necessary to ensure the adequate protection and security of the Premises;

(f) that Tenant shall pay Landlord, within thirty (30) days after entry of such order or the effective date of such stay, as partial adequate protection against future diminution in value of the Premises and adequate assurance of the complete and continuous future performance of Tenant's obligations under the Stadium Lease, a security deposit in an amount acceptable to Landlord;

(g) that Tenant shall have and will continue to have unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that sufficient funds will be available to fulfill the obligations of Tenant under the Stadium Lease;

(h) that Landlord shall be granted a security interest acceptable to it in property of Tenant to secure the performance of Tenant's obligations under the Stadium Lease; and

(i) that if Tenant's trustee, Tenant or Tenant as debtor-in-possession shall assume the Stadium Lease and propose to assign it (pursuant to Title 11 U.S.C. §365, as it may be amended) to any Person who shall have made a bona fide offer therefor, the notice of such proposed assignment, giving (i) the name and address of such Person, (ii) all of the terms and conditions of such offer, and (iii) the adequate assurance to be provided Landlord to assure such Person's future performance under the Stadium Lease, including, without limitation, the assurances referred to in Title 11 U.S.C. §365(b), as it may be amended, shall be given to Landlord by the trustee, Tenant or Tenant as debtor-in-possession no later than twenty (20) days after receipt by the trustee, Tenant or Tenant as debtor-in-possession of such offer, but in any event no later than ten (10) days before the date the trustee, Tenant or Tenant as debtor-in-possession shall make application to a court of competent jurisdiction for authority and approval to enter into such assignment, and Landlord shall thereupon have the prior right and option, to be exercised by notice to the trustee, Tenant or Tenant as debtor-in-possession, given at any time before the effective date of such proposed assignment to accept an assignment of the Stadium Lease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such Person, less any brokerage commissions which may be payable by Tenant out of the consideration to be paid by such Person for the assignment of the Stadium Lease.

SURRENDER AT END OF TERM

Surrender of Premises.

Upon the expiration of the Term (or under a re-entry by Landlord upon the Premises pursuant to the Stadium Lease), Tenant, without any payment or allowance whatsoever by Landlord, shall surrender the Premises to Landlord in then as-is condition (but consistent with Tenant's obligations for maintenance and repair and restoration of the Improvements under the Stadium Lease), free and clear of all Subleases, liens and encumbrances other than Title Matters existing on the date of the Stadium Lease or liens or encumbrances caused by the action or inaction of Landlord or otherwise approved in writing by Landlord. Tenant waives any notice now or hereafter required by law with respect to vacating the Premises on the Expiration Date.

Delivery of Subleases, Etc.

Upon the expiration of the Term (or upon a re-entry by Landlord upon the Premises pursuant to the Stadium Lease), Tenant shall deliver to Landlord copies of Tenant's executed counterparts of all Subleases, the Stadium Use Agreement, and any service and maintenance contracts then affecting the Premises, true and complete maintenance records for the Premises, all original licenses and permits then pertaining to the Premises, Certificate(s) of Occupancy then in effect for the Premises and all warranties and guarantees then in effect which Tenant has received in connection with any work or services performed on any property at the Premises, together with a duly executed assignment thereof, without recourse.

Trade Fixtures and Personal Property.

Tenant may remove trade fixtures and personalty (but not seats) not incorporated into or permanently attached to the Premises, if any, but upon removal of any such fixtures from the Premises, Tenant shall immediately and at its sole expense repair any damage to the Premises due to such removal. Any trade fixtures or other personal property of Tenant or of any Subtenant which shall remain on the Premises after the Expiration Date (or upon a re-entry by Landlord upon the Premises pursuant to the Stadium Lease) and after the removal of Tenant or such Subtenant from the Premises, may, at the option of Landlord, be deemed to have been abandoned by Tenant or such Subtenant, and either may be retained by Landlord as its property or be disposed of at Tenant's expense without accountability, in such manner as Landlord may see fit. Landlord shall not be responsible for any loss or damage occurring to any such property owned by Tenant or any Subtenant.

DISCHARGE OF LIENS, BONDS

Creation of Liens.

Tenant shall not create or cause to be created (a) any mortgage lien, encumbrance or charge upon the Stadium Lease, the leasehold estate created by the Stadium Lease, the income therefrom or the Premises or any part thereof except for any Permitted Encumbrances, (b) any mortgage lien, encumbrance or charge upon any assets of, or funds appropriated to, Landlord, other than Landlord's interest in the Stadium Lease and the Primary Site Ground Lease and the leasehold estate or estates created by the Stadium Lease and thereby except for Permitted Encumbrances, or (c) any other matter or thing whereby the estate, rights or interest of Landlord in and to the Premises or any part thereof might be impaired except for Permitted Encumbrances. Notwithstanding the foregoing, Tenant shall have the right to enter into Subleases and use and occupancy agreements (including the Stadium Use Agreement) relating to Stadium events as provided by, and in accordance with, the provisions of the Stadium Lease, and Permitted Transactions. Nothing in the Stadium Lease is intended to limit Landlord's expressly mortgaging, in writing, its own interest as Landlord in the Stadium Lease. Nothing in this summarized section shall prohibit Tenant from executing and delivering a Recognized Mortgage encumbering Tenant's interest in the leasehold estate created under the Stadium Lease (including without limitation, any Mortgage made in connection with the issuance of Bonds, including without limitation the PILOT Mortgage and the Leasehold Mortgage).

Discharge of Liens.

If any mechanic's, laborer's, vendor's, materialman's or similar statutory lien (including tax liens, provided the underlying tax is an obligation of Tenant by law or by a provision of the Stadium Lease) is filed against the Premises or any part thereof due to any act or omission of Tenant or any of its agents or contractors, or if any public improvement lien created, or caused or suffered to be created by Tenant shall

be filed against any assets of, or funds appropriated to, Landlord, then, Tenant shall, within sixty (60) days after receipt of notice of the filing of such mechanic's, laborer's, vendor's, materialman's or similar statutory lien or public improvement lien, cause it to be vacated or discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. However, Tenant shall not be required to discharge any such liens if Tenant shall have brought an appropriate proceeding to discharge such lien and is prosecuting such proceeding with diligence and continuity; except that if, despite Tenant's efforts to seek discharge of the lien, Landlord reasonably believes such lien is about to be foreclosed and so notifies Tenant, Tenant shall immediately cause such lien to be discharged of record.

No Authority to Contract in Name of Landlord.

Except as otherwise provided in the Stadium Lease, nothing contained in the Stadium Lease shall be deemed or construed to constitute the consent or request of Landlord, express or implied, by implication or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement of, alteration to, or repair of, the Premises or any part thereof, nor as giving Tenant any right, power or authority to contract for, or permit the rendering of, any services or the furnishing of materials that would give rise to the filing of any lien, mortgage or other encumbrance against the Premises or any part thereof or against assets of, or funds appropriated to, Landlord. Notice is given, and Tenant shall cause all construction agreements in respect of Construction Work to provide, that to the extent enforceable under New York law, Landlord shall not be liable for any work performed or to be performed at the Premises or any part thereof for Tenant or any Subtenant or for any materials furnished or to be furnished to the Premises or any part thereof for any of the foregoing, and no mechanic's, laborer's, vendor's, materialman's or other similar statutory lien for such work or materials shall attach to or affect the Premises or any part thereof or any assets of, or funds appropriated to, Landlord.

MISCELLANEOUS

Express Tenant Remedies.

(a) Tenant has performed an environmental investigation for the Premises with respect to the presence or possible presence of Hazardous Materials on the Premises, including those investigations for which certain reports were prepared for Tenant, as described in the Stadium Lease. Tenant shall promptly notify Landlord and Bond Insurer upon the discovery of substantial and previously unknown Hazardous Materials condition at the Premises (a "Hazardous Materials Notice"). In the event that, prior to the completion of all excavation and grading that takes place prior to the completion of foundation work for the Stadium Project, types or quantities of Hazardous Materials are discovered on the Premises, which types or quantities of Hazardous Materials were not revealed in such environmental investigation as existing on the Premises and could not reasonably have been discovered using the means and methods employed under then prevailing environmental conditions investigation practices, and the cost of removal, containment or mitigation of such unknown Hazardous Materials such as is necessary for the development and use of the Stadium for the purposes contemplated in the Stadium Lease is in excess of $150,000,000 above the proceeds available under insurance policies for such Hazardous Materials removal, containment or mitigation, then, following the delivery of the Hazardous Materials Notice, Tenant shall have the right to terminate the Stadium Lease, provided, that Tenant makes such election by written notice to Landlord within six (6) months of the discovery of such types or quantities of Hazardous Materials, which notice shall contain a detailed report as to the type and quantity of previously unknown Hazardous Materials, the required removal, containment or mitigation required and the reasons why such method is required, and a detailed explanation of the costs of such work, and shall contain a specific reference to this summarized section and the thirty (30) Business Day turnaround time set forth herein. If Landlord does not dispute Tenant's right to terminate the Stadium Lease under this summarized section

within thirty (30) Business Days of Landlord's receipt of the aforesaid notice, then upon the expiration thereof the Stadium Lease shall be deemed terminated.

(b) In the event that, solely as the direct result of Unavoidable Delays, Tenant is unable to Substantially Complete the Stadium by the Non-Completion Termination Date, Tenant shall have the option to terminate the Stadium Lease from and after the Non-Completion Termination Date by paying an amount equal to Three Hundred Fifty Million ($350,000,000) Dollars (the "Termination Payment"), escalating at the annual rate of Six and Twenty-Five Hundredths Percent (6.25%) commencing on March 1, 2019, as follows and in the following order of priority:

(i) to pay for Tenant's undertaking Stadium demolition, site clearance and leveling of the Premises, in the manner provided under the summarized section above entitled "Tenant's Right to Terminate" within the summarized article above entitled "DAMAGE, DESTRUCTION AND RESTORATION",

(ii) to EDC and ESDC, in the amount of the unamortized portion of the funding disbursed for the Stadium Project pursuant to that certain Funding Agreement dated as of June 7, 2006 between EDC and Mets Development Company, L.L.C. in the amount of $13,000,000 (the "MDC Funding Agreement") and that certain Funding Agreement among ESDC, EDC and Tenant dated as of August 2, 2006, in the amount of $153,100,000 (the "QBC Funding Agreement"), such amortization to be on a straight line basis over a 37 year period commencing from the date of Substantial Completion,

(iii) to discharge all outstanding Bonds and discharge all amounts payable under the Bond Documents, and

(iv) the balance to the City.

(c) In the event of a Casualty, if, (1) for a period of seven (7) years from the date of such Casualty, (a) Restoration Funds have been rendered unavailable under the terms of Section 5.03(d) of the PILOT Indenture for a Casualty Restoration, and (b) Tenant is not in the process of performing a Casualty Restoration, and (2) following the seventh (7^{th}) anniversary of such Casualty, Tenant receives from the Partnership a cumulative amount equal to or in excess of Three Hundred Fifty Million Dollars ($350,000,000), less amounts paid by Tenant for costs described in sub-paragraphs (b)(i) and (ii) above, from the operations of the Partnership at a "Substantially Equivalent Facility", and has expended same in furtherance of satisfaction of its obligations under the Stadium Lease and the Bond Documents, including without limitation PILOTs, then Tenant may, upon thirty (30) days written notice to Landlord and Bond Insurer, terminate the Stadium Lease, in which case all Restoration Fund insurance proceeds shall be disbursed in the order of priority set forth in paragraph (b) above.

(d) Any amounts payable to the City, EDC or ESDC pursuant to paragraph (b) above shall be paid either in cash, or by clean and unconditional promissory notes issued to each such party, with annual interest at the Prime Rate, payable in equal monthly installments over a five (5) year period from the date of delivery of the note, together with security for payment under such notes as may be reasonably acceptable to each such payee (e.g., a clean, unconditional, and irrevocable standby letter of credit), all such instruments to be in form reasonably acceptable to each such payee.

(e) The City, ESDC, the Bond Insurer and EDC shall be third party beneficiaries of Section 38.22 of the Stadium Lease.

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APPENDIX G – SUMMARY OF THE STADIUM USE AGREEMENT

The following is a brief summary of certain provisions of the Stadium Use Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the Stadium Use Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B — Certain Definitions."

Definitions

"Advertising Rights" shall mean Ballpark LLC's exclusive right to grant one or more third parties rights with respect to (i) any and all advertising signs that may be located at the Stadium or the Parking Facilities or any part thereof at any time, including, without limitation, (a) any and all such signs in or affixed to the Stadium or the Parking Facilities or any part thereof, including billboards, scoreboards, large screen video displays, electronic visual displays, clocks, concourses, seats, fences, or grandstands, and (b) any signs constituting names of portions of the Stadium or Parking Facilities other than those signs that are included within the Naming Rights, and (ii) the rights to conduct promotional events and giveaways in the Stadium on the days of Team Events; provided, however, that such rights in clauses (i) and (ii) above shall not include the right to any advertising inventory in any media outside the Stadium or the Parking Facilities, or any rights of Sterling Mets, including, without limitation, with respect to Sterling Mets's telecast, radio, Interactive Media or other media rights.

"Ambac" shall mean Ambac Assurance Corporation.

"Assignee" shall mean an assignee under an Assignment.

"Assignment" shall mean means the sale, exchange, assignment, or other disposition of all or any portion of Sterling Mets's interest in the Stadium Use Agreement, or a Sub-Sublease of substantially all of Sterling Mets's interest in the Stadium Use Agreement, whether by operation of law (*i.e.,* a merger or sale of the business of Sterling Mets).

"Ballpark LLC" shall mean Queens Ballpark Company, L.L.C.

"Capital Transaction" shall mean an Assignment, a Transfer or any other transaction which would constitute the functional equivalent of an Assignment or Transfer.

"City" shall mean The City of New York.

"Commissioner" shall mean the Commissioner of Baseball.

"Commitments" shall mean the obligations of Sterling Mets to grant to the Shea Stadium Purchasers rights of first refusal, opportunities to submit bids or other similar rights with respect to any of the Retained Rights.

"Concession Facilities" shall mean the facilities for the operations of the Concessions.

"Concessions" shall means the sale of food, beverages, souvenirs, scorecards, programs, team merchandise, team apparel and other similar merchandise of a nature and kind customarily sold at the Stadium Event in question.

"Equity Interest" shall mean with respect to any entity, (A) the beneficial ownership of (1) outstanding stock of such entity if such entity is a corporation, a real estate investment trust or a similar entity, (2) a capital, profits, membership, or partnership interest in such entity, if such entity is a limited liability company, partnership or joint venture or (3) interest in a trust, or (B) any other beneficial interest that is the functional equivalent of any of the foregoing.

"ESDC" shall mean the New York State Urban Development Corporation, doing business as Empire State Development Corporation, a public instrumentality of the State of New York.

"Family Member" shall mean a parent, son, daughter, grandchild, grandparent, or sibling, and the descendants and spouses of each, and shall include a trust made exclusively for the benefit of any of the foregoing.

"Fixed Expiration Date" shall mean the day immediately prior to the expiration of the Initial Stadium Lease Term.

"Franchise" shall mean the New York Mets.

"Governing Documents" of a Person shall means each of the following, as applicable, such Person's certificate of limited partnership, limited partnership agreement, certificate or articles of incorporation, by-laws, limited liability company agreement, operating agreement, certificate of formation or organization, articles of formation or organization or other organizational or governing documents.

"Governmental Authority" shall mean any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive, and any arbitrator to whom a dispute has been presented under Governmental Rule or by agreement of the parties with an interest in such dispute.

"Governmental Rule" shall mean any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority.

"Ground Lease" shall mean the Primary Site Ground Lease and the South Site Ground Lease.

"Guidelines" shall mean that certain document (and any successor guidelines, as may be amended from time to time) entitled "Control Interest Transfers – Guidelines & Procedures", dated November 9, 2005 and issued by the Ownership Committee of Baseball.

"Initial Stadium Lease Term" shall have the same meaning as "Initial Term" in the Stadium Lease, assuming no extension of the Stadium Lease as provided therein.

"Initial Term" shall mean the period commencing on the date of the Stadium Use Agreement and, unless sooner terminated, ending on the Fixed Expiration Date, subject to any extensions provided for in the Stadium Use Agreement.

"Interactive Media" shall mean those types of media covered by that certain Interactive Media Rights Agreement, effective as of January 20, 2000, among the Office of the Commissioner and various MLB Entities, regardless of whether said agreement is in effect.

"Land" shall mean the metes and bounds description set forth on Schedule A of the Stadium Use Agreement.

"Lender Consent" shall mean, collectively, (i) that certain Consent and First Amendment dated on or about August 22, 2006 to the Amended and Restated Term Loan Agreement dated as of December 29, 2005 among Sterling Mets Associates and Sterling Mets Associates II, as Borrower, the Lenders Party thereto, and JPMorgan Chase Bank, as Administrative Agent, and (ii) that certain Consent, Reaffirmation and First Amendment to the Credit Agreement dated as of July 25, 2005 among Mets Limited Partnership, the various Lenders named therein, JPMorgan Chase Bank, N.A., as Administrative Agent, Citicorp USA, Inc., as Syndication Agent, and J.P. Morgan Securities, Inc. and Citicorp USA, Inc. as Joint Bookrunners, Joint Lead Arrangers and Joint Advisors.

"Luxury Suite" shall mean an enclosed box constructed in the Stadium designed to be leased or made available to customers for viewing of Team Home Games and other Stadium Events. Notwithstanding the foregoing, there will be three (3) enclosed spaces for use by Sterling Mets for business or other business purposes from which the Playing Field is visible, which enclosed spaces are currently anticipated to be located as shown on Exhibit D to the Stadium Use Agreement, and which shall not constitute "Luxury Suites" hereunder.

"Luxury Suite Premiums" shall mean rental fees with respect to the use of Luxury Suites (but excluding the price of tickets for access to Luxury Suites).

"Major League Baseball" shall mean Major League Baseball and any successor to substantially all of its operations.

"Major League Baseball Game" shall mean any pre-season, regular season, post-season, World Series or other professional baseball game played under MLB Rules and Regulations in which any Member Team is a participant.

"Member Team" shall mean any existing or future member team of Major League Baseball or any other future league which is not characterized as minor league.

"MLB Documents" shall mean (i) any present or future agreements entered into by, or on behalf of, any of the MLB Entities or the member clubs, collectively, including without limitation the MLB Governing Documents and MLB Rules and Regulations, and each agreement entered into pursuant thereto, or (ii) the present and future mandates, rules, regulations, policies, bulletins or directives issued or adopted by the Commissioner or the MLB Entities.

"MLB Entities" shall mean the Office of the Commissioner, American League of Professional Baseball Clubs (to the extent of any continuing applicability), National League of Professional Baseball Clubs (to the extent of any continuing applicability), Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., MLB Advanced Media, L.P., MLB Advanced Media, Inc., MLB Media Holdings, Inc., MLB Media Holdings, L.P., MLB Online Services, Inc., and/or any of their respective present or future affiliates or successors.

"MLB Governing Documents" shall mean the constitution, bylaws, rules, regulations and practices of Major League Baseball in effect from time to time, including without limitation, the following documents, including any successor documents, revised versions, replacements or amendments thereof: (a) the Major League Constitution; (b) the MLB Rules and Regulations, including all attachments thereto; (c) the Professional Baseball Agreement between Office of the Commissioner, on behalf of itself and the Major League Baseball Clubs and the National Association of Professional Baseball Leagues; (d) the Basic Agreement effective as of September 30, 2002 by and between the Major League Clubs and the Major League Baseball Players Association; (e) the Amended and Restated Agency Agreement effective as of November 1, 2003 by and between Major League Baseball Properties, Inc. and the various Major League Baseball Clubs, the American and National Leagues of Professional Baseball Clubs and the Office of the Commissioner (and related Operating Guidelines); (f) the Interactive Media Rights Agreement; and (g) any amendments and any interpretations to items (a)-(f) above issued from time to time by the Commissioner.

"MLB Rules and Regulations" shall mean (a) any present or future agreements or arrangements regarding the telecast, broadcast, recording (audio or visual), or other transmission or retransmission (including, but not limited to, transmission via the Internet or any other medium of interactive communication, now known or hereafter developed) of Major League Baseball games and/or other MLB Entities; (b) any other present or future agreements or arrangements entered into by Major League Baseball or any MLB Entity with third parties by, or on behalf of, any commerce, and/or the exploitation of intellectual property rights in any medium, including the Internet or any other medium of interactive communication; (c) any present or future agreements or arrangements entered into by the Major League Baseball clubs and/or one or more of the MLB Entities (including, without limitation, the MLB Documents); and (d) the applicable rules, regulations, policies, bulletins or directives issued or adopted on a league-wide basis either by the Commissioner or otherwise pursuant to the Major League Constitution or any MLB Document.

"Naming Rights" shall mean Ballpark LLC's exclusive right to grant one or more third parties (i) the right to include such party's name, product name and/or logo in the name of the Stadium, (ii) the right to have such name and/or logo and/or corporate identifiers prominently displayed at and around the Stadium as part of the name of the Stadium, and (iii) such other non-exclusive rights which are customarily included in the grant of the rights in clause (i) and (ii) above; provided, however, that such rights in clauses (i), (ii) and (iii) above shall not include the right to any advertising inventory in any media outside the Stadium or the Parking Facilities or any rights of Sterling Mets, including, without limitation, with respect to Sterling Mets's telecast, radio, Interactive Media or other media rights, other than such rights that are granted by Sterling Mets to Ballpark LLC pursuant to paragraph (a) under the heading Sterling Mets Covenants.

"Non-Retained Rights Revenue" shall mean all revenue (other than the Retained Rights Revenue) from any and all sources that Sterling Mets has the right to collect and receive.

"**Non-Relocation Agreement"** shall mean a certain Non-Relocation Agreement by and among Sterling Mets, the City, IDA, ESDC, Ambac Assurance Corporation, Mets Partners, Inc. and Mets Limited Partnership, dated as of August 1, 2006.

"NYCIDA" shall mean the New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, with an office at 110 William Street, New York, New York 10038.

"Obligor" shall mean any obligor or counterparty under any Retained Rights Agreement.

"Off-Site Parking Agreement" shall mean a certain binding letter agreement by and among NYCIDA, Ballpark LLC and the City, dated as of August 1, 2006.

"Off-Site Parking Facilities" shall mean the "Marina East Parking Facilities" and "Stadium View Parking Facilities, as such terms are more particularly described in the Off-Site Parking Agreement.

"Parking Concession" shall mean that certain concession Ballpark LLC and the City will enter into, pursuant to the terms of the Off-Site Parking Agreement, promptly following the date of the Stadium Use Agreement, with respect to the Off-Site Parking Facilities.

"Parking Facilities" shall have mean the Stadium Parking Facilities, the South Lot Parking Facilities and the Off-Site Parking Facilities.

"Partnership" shall mean Sterling Mets, L.P

"Permitted Person" shall mean means any Person which meets all of the following conditions: (A) such Person and its Principals (as defined in Section 19.02 of the Stadium Lease) submit to the City's Vendex background investigation system or any successor system serving the same function ("Vendex") sixty days prior to the anticipated date of the proposed Capital Transaction; and (B) is not a Prohibited Person.

"Person" shall mean an individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association; any federal, state, county or municipal government or any bureau, department or agency thereof; and any fiduciary acting in such capacity on behalf of any of the foregoing.

"PILOT Mortgages" shall mean those certain Leasehold PILOT Mortgages made by NYCIDA and Ballpark LLC, as mortgagors, to NYCIDA, as mortgagee, each dated as of the date of the Stadium Use Agreement, as the same may hereafter be amended.

"PILOT SNDA" shall mean that certain Subordination, Non-Disturbance and Attornment Agreement, dated as of the date hereof, by and between the Independent Trustee and Sterling Mets, as the same may hereafter be amended.

"Primary Site Ground Lease" shall mean a certain ground lease of the Land from the City to the NYCIDA for a term of 99 years, dated as of the date of the Stadium Use Agreement, as the same may be amended from time to time.

"Prohibited Person" shall mean as used in the Stadium Use Agreement shall mean any one or more of the following:

> (i) Any Person that is in material default or in material breach, beyond any applicable grace period, of its obligations under any written agreement with the City, or that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations, involving an amount of $10,000 or more, under any written agreement with the City, unless such

default or breach is then being contested with due diligence in proceedings in a court or other appropriate forum or has been waived in writing by the City, as the case may be.

(ii) Any Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

(iii) Any government, or any Person that is directly or indirectly controlled (rather than only regulated) by a government, that is finally determined to be in violation of (including, but not limited to, any participation in an international boycott in violation of) the Export Administration Act of 1979, or its successor, or the regulations issued pursuant thereto, or any government that is, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government that is, subject to the regulations or controls thereof.

(iv) Any government, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government, the effects of the activities of which are regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President of the United States of America issued pursuant to the Trading with the Enemy Act of 1917, as amended.

(v) Any Person that has received written notice of default in the payment to the City of any Taxes, sewer rents or water charges of $10,000 or more, unless such default is then being contested with due diligence in proceedings in a court or other appropriate forum.

(vi) Any Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City, or that, directly or indirectly controls, is controlled by, or is under common control with a Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City.

"Rental Mortgage" means that certain Leasehold Rental Mortgage made by NYCIDA and Ballpark LLC, as mortgagors, to NYCIDA, as mortgagee, dated as of the date of the Stadium Use Agreement, as the same may hereafter be amended.

"Rental SNDA" means that certain Subordination, Non-Disturbance and Attornment Agreement, dated as of the date of the Stadium Use Agreement, by and between the Lease Revenue Bond Trustee and Sterling Mets, as the same may hereafter be amended.

"Retained Rights" shall mean the following:

Rights with respect to Concessions;

Naming Rights;

Advertising Rights;

Rights with respect to the Ticketed Property;

All rights with respect to the Parking Facilities other than Sterling Mets's rights pursuant to Section 3 of the Stadium Use Agreement; and

The non-exclusive right to enforce the terms of the Stadium Lease

"Retained Rights Agreements" shall mean all agreements entered into with respect to the Retained Rights (together with the terms and conditions of such agreements).

"Retained Rights Revenue" shall mean the revenue derived from any or all of the Retained Rights.

"Retained Seats" shall mean the seats contained in those seating areas that will be located in that portion of the Stadium in substantially the same location as the Retained Seats Area, which shall include club seats as well as other premium seats that do not have access to a designated club facility.

"Retained Seats Area" means the area depicted on Exhibit C to the Stadium Use Agreement.

"Retained Seats Revenue" shall mean proceeds derived from the sale, lease or license of the use of any Retained Seats for Team Home Games.

"Shea Stadium Retained Rights" means those rights that are comparable to the Retained Rights but which are applicable to Shea Stadium as opposed to the Stadium.

"Shea Stadium Purchasers" means the purchasers, tenants, licensees or sponsors, as applicable, of the Shea Retained Rights.

"South Lot Parking Facilities" shall means those parking facilities to be constructed on the property leased pursuant to the South Lot Parking Lease.

"South Site Ground Lease" shall mean shall mean a certain ground lease of a portion of the Land from the City to the NYCIDA for a term of 99 years, dated as of the date of the Stadium Use Agreement, as the same may be amended from time to time.

"Stadium" shall mean the new stadium to be built pursuant to a Development Agreement between NYCIDA and Ballpark LLC dated as of the date of the Stadium Use Agreement.

"Stadium Approach Area" shall have the meaning given to it in Exhibit B of the Stadium Use Agreement.

"Stadium Lease" shall mean that certain Lease Agreement between NYCIDA, as lessor, and Ballpark LLC, as lessee, dated as of the date of the Stadium Use Agreement, pursuant to which Ballpark

LLC will lease that portion of the Land demised under the Primary Site Ground Lease on which a new stadium is to be built.

"Stadium Lease Default" shall have the same meaning as "Default" in the Stadium Lease.

"Stadium Lease Event of Default" shall have the same meaning as "Event of Default" in the Stadium Lease.

"Stadium Lease Fixed Expiration Date" shall have the same meaning as "Fixed Expiration Date" in the Stadium Lease.

"Stadium Parking Facilities" shall mean the parking facilities to be constructed on that portion of the property demised pursuant to the Stadium Parking Lease.

"Sterling Mets" shall mean Sterling Mets, L.P.

"Substantial Completion" shall mean the condition of construction of the Stadium that is substantially in accordance with the plans and specifications therefor and in accordance with all Requirements, for which a Certificate of Occupancy has been issued, and which is ready for the Franchise to play its Team Home Games.

"Taxable Bond Insurer" shall mean Ambac, solely in its capacity as insurer of the Taxable Bonds, and any successor thereto in such capacity.

"Team Parking Spaces" shall mean, from and after Substantial Completion, collectively, (i) not more than three hundred (300) parking spaces designated for Sterling Mets's employees and their invitees and (ii) not more than seventy-five (75) parking spaces designated for the Franchise's players and their invitees, all of which parking spaces shall be situated in a location selected by Sterling Mets.

"Team Season" shall mean the period from Team Home Game opening day to the date of the last Team Home Game in each Lease Year or such other period as shall be fixed by Major League Baseball.

"Term" shall mean the Initial Term, subject, however, to extension in accordance with the terms of the Stadium Use Agreement.

"Ticket Contracts" shall mean the contracts and agreements for the sale of the Ticketed Property.

"Ticketed Property" shall mean the Luxury Suite Premiums and Retained Seats Revenue, as well as any revenue designated by Sterling Mets pursuant to Section 4(l) of the Stadium Use Agreement.

"Transfer" shall mean means any disposition of an Equity Interest in Sterling Mets or in any direct or indirect constituent entity of Sterling Mets, where such disposition directly or indirectly produces any change in control of Sterling Mets. The term "Transfer" also includes any transaction or series of transactions, including, without limitation, the issuance of additional Equity Interests, or direct or indirect revision of the control of Sterling Mets or any direct or indirect constituent entity of Sterling Mets, which, in either case, produces any change in control of Sterling Mets, but shall exclude a transfer

of any interest of a Family Member(s) to another Family Member(s). A "change in control" for purposes of determining whether a "Transfer" has occurred means a change in the day-to-day management and operation of Sterling Mets or control of or a change in the power to appoint members of the board of directors, managing general partners, or members or other governing body of Sterling Mets or any entity controlling Sterling Mets.

"Transferee" shall mean a Person to whom a Transfer is made.

"Sub-Sublease" shall mean means any sub-sublease (including any further level of subleasing) applicable to the Premises or any part thereof, but shall not include any sub-sublease for less than substantially all of the Premises and where the sub-subtenant thereunder is the user/occupant of the space demised thereunder, including, without limitation, any lease, use or occupancy of any luxury box or suite.

Sublease

Ballpark LLC and Sterling Mets are entering into a Stadium Use Agreement whereby, subject to the terms and conditions of the Stadium Lease, the Ground Leases and the Stadium Use Agreement, and subject to reservation by Ballpark LLC of the Retained Rights and the Retained Rights Revenue, (i) from and after Substantial Completion of the Stadium, Ballpark LLC subleases to Sterling Mets, and Sterling Mets subleases from Ballpark LLC, the Stadium, (ii) Ballpark LLC assigns to Sterling Mets, and Sterling Mets accepts from Ballpark LLC, all rights of Ballpark LLC under the Stadium Lease, and (iii) except as expressly set forth in the Stadium Use Agreement, Ballpark LLC retains all obligations of the tenant under the Stadium Lease.

Notwithstanding the foregoing, from and after Substantial Completion of the Stadium, Ballpark LLC will have the right to occupy, subject to the terms of the Stadium Lease, such space in the Stadium in locations mutually agreed to by Sterling Mets and Ballpark LLC and/or use such administrative services of Sterling Mets, in either case as are reasonably necessary in order for Ballpark LLC to perform its obligations under the Stadium Lease and the Stadium Use Agreement and to exercise the Retained Rights.

Term

The initial term of the Stadium Use Agreement will expire one day prior to the initial term of the Stadium Lease (assuming no extension pursuant to Section 2.01(c) of the Stadium Lease). If the Stadium Use Agreement shall not have been terminated, and Ballpark LLC shall be entitled to exercise any of its extension options under the Stadium Lease, then, in such case, Sterling Mets shall have corresponding options to extend the term of the Stadium Use Agreement to the date that is one day less than the date to which Ballpark LLC shall be permitted to extend the term of the Stadium Lease. Any extension of the term of the Stadium Use Agreement shall be on the same terms and conditions of the Stadium Use Agreement during the initial term.

Such extension shall be exercised by Sterling Mets' delivering written notice to Ballpark LLC of the exercise of such option no later than five (5) days prior to the date that Ballpark LLC shall be required to exercise its corresponding extension option under the Stadium Lease. Upon Sterling Mets' delivery of any such notice to Ballpark LLC, Ballpark LLC shall be required to exercise its corresponding extension option under the Stadium Lease in accordance with the terms thereof. In no event shall the term of the

Stadium Use Agreement, inclusive of all extended terms, extend beyond the date that is one day prior to the expiration of the Ground Leases.

Parking/Concessions

Subject to the terms and conditions of the Stadium Lease and the Stadium Use Agreement, as well as the Off-Site Parking Agreement, the On-Site Parking Lease, the Parking Concession and the Off-Site Parking Lease, as the same may be applicable, from and after Substantial Completion and through the expiration date of the Term, (a) Ballpark LLC shall operate the Parking Facilities such that they are available on the dates of each Stadium Event to patrons attending such events, in a manner consistent with the operation of a first-class professional sports facility; and (b) Sterling Mets shall have the right to use (or permit others to use) the Team Parking Spaces for parking and shall have all rights with respect to, and sole control over, the Team Parking Spaces. Subject to the terms and conditions of the Stadium Lease, Ballpark LLC shall operate the Concession Facilities such that they are available throughout each Stadium Event, in a manner consistent with the operation of a first-class professional sports facility.

Description of Retained Rights

The Retained Rights consist of:

(a) Rights with respect to the Concessions, which, pursuant to the terms of the Stadium Use Agreement, Ballpark LLC is required to operate such that they are available throughout each Stadium event, in a manner consistent with the operation of a first-class professional sports facility;

(b) Ballpark LLC's exclusive right to grant one or more third parties (i) the right to include such party's name, product name and/or logo in the name of the Stadium, (ii) the right to have such name and/or logo and/or corporate identifiers prominently displayed at and around the Stadium as part of the name of the Stadium, and (iii) such other non-exclusive rights which are customarily included in the grant of the rights in clause (i) and (ii) above; provided, however, that such rights in clauses (i), (ii) and (iii) above shall not include the right to any advertising inventory in any media outside the Stadium or the Parking Facilities or any rights of Sterling Mets, including, without limitation, with respect to Sterling Mets' telecast, radio, interactive media or other media rights, other than the Naming Rights.

(c) Ballpark LLC's exclusive right to the Advertising Rights, which shall not include the right to any advertising inventory in any media outside the Stadium or the Parking Facilities, or any rights of Sterling Mets, including, without limitation, with respect to the Sterling Mets' telecast, radio, interactive media or other media rights.

(d) Rights with respect to the Ticketed Property. In the event during the term of the Stadium Use Agreement, there are fewer than 10,500 seats in the area contemplated to contain the club/premium seats, Sterling Mets will designate as additional Ticketed Property revenue from such additional seats as are necessary to ensure that no diminution of revenue to Ballpark LLC shall result from the fact that there are fewer than 10,500 seats in the area contemplated to contain the club/premium seats. The location of any such additional seats must be reasonably acceptable to the Taxable Bond Insurer

(e) Rights with respect to the Parking Facilities other than certain parking spaces situated in a location selected by Sterling Mets and designated for the employees and invitees of Sterling Mets (no more than 300 spaces) and/or the New York Mets franchise (no more than 75 parking spaces).

(f) The right to enforce the terms of the Stadium Lease.

Retained Rights Revenues and Retained Rights Agreements

Sterling Mets will have the right to collect and receive Non-Retained Rights Revenue. Ballpark LLC will have the right to collect and receive the revenue derived from the Retained Rights. There will not be any payment obligations to Ballpark LLC on the part of Sterling Mets for the use of the Stadium or the Parking Facilities permitted under the Stadium Use Agreement, it being understood that Ballpark LLC's receipt of the Retained Rights Revenue generated by Sterling Mets' use of the Stadium and a portion of the Parking Facilities shall be deemed to be fair and adequate consideration for the use of the Stadium and a portion of the Parking Facilities by Sterling Mets pursuant to and in accordance with the terms of the Stadium Use Agreement.

Sterling Mets will have a reasonable approval right over all Retained Rights Agreements with respect to the Retained Rights, if and to the extent that any such Retained Rights Agreements could reasonably be expected to have a material impact on the operations of Sterling Mets at the Stadium in accordance with the Stadium Use Agreement. In furtherance of, and without limiting the generality of, the foregoing, Sterling Mets will have such consent rights regarding (i) the terms, conditions, procedures and rates to be charged with respect to the parking privileges, (ii) the manner in which parking privileges shall be sold (i.e., on a seasonal or individual game basis), (iii) food and beverage menus and pricing, (iv) the location of Concession stands, restaurants and team stores, and (v) admission criteria for clubs and restaurants.

Sterling Mets as Servicing Agent

Ballpark LLC will appoint Sterling Mets as its servicer and marketing agent (the "Servicing Agent") for the sale, marketing and administration of the Retained Rights (other than those in respect of parking and Concessions) (the "Serviced Retained Rights") and the negotiation, drafting and administration of all agreements through which Ballpark LLC exercises the Retained Rights (the "Serviced Retained Rights Agreements") in a manner consistent with the Servicing Standard (described below). Such services include, without limitation, the following services, all in accordance with the Servicing Standard:

(a) marketing of the Serviced Retained Rights;

(b) producing and providing tickets for the Ticketed Property marketed under the Stadium Use Agreement, and performing all ticket administration services in connection therewith;

(c) determining (i) the number and location of stands or booths comprising the Concession Facilities that need to be operated during any particular Stadium event and (ii) whether admission to any restaurant located within the Stadium shall be limited to purchasers of season boxes, luxury suites and/or premium/club seats, and whether a fee shall be required in connection with such admission and, if so, the amount of such fee;

(d) developing proposals with respect to the marketing of the luxury suites and/or premium/club seats and proposals for the inclusion of additional or different amenities and accoutrements

to be included in luxury suites and/or premium/club seats that can be expected to increase the aggregate net revenues generated by the Ticketed Property;

(e) negotiating on Ballpark LLC's behalf and upon consultation with Ballpark LLC disputes with contracting parties in relation to the Serviced Retained Rights and Serviced Retained Rights Agreements and resolving such disputes, subject to the approval of Ballpark LLC;

(f) providing such reports as reasonably requested by Ballpark LLC with respect to the Serviced Retained Rights and the Retained Rights Revenue derived therefrom;

(g) using commercially reasonable efforts to identify prospective counterparties which will enter into future Serviced Retained Rights Agreements with Ballpark LLC with respect to any Serviced Retained Rights which are not subject to a Serviced Retained Rights Agreement, or for which an existing Serviced Retained Rights Agreement has been terminated or is set to expire, and has not been renewed or extended; and

(h) upon a default under a Service Retained Rights Agreement and after notification thereof to Ballpark LLC, upon the request of Ballpark LLC: (i) using reasonable efforts to enforce a defaulted Serviced Retained Rights Agreement in accordance with its terms; (ii) using reasonable efforts to cause the obligor thereunder to effect a cure of such default; or (iii) if such efforts are not availing and the default has not been cured within thirty (30) days after the expiration of the applicable cure period under such Serviced Retained Rights Agreement, to terminate such Serviced Retained Rights Agreement in accordance with the terms thereof and to market the affected Serviced Retained Right in accordance with the requirements above.

Sterling Mets' appointment as Servicing Agent for the Ticketed Property and Naming Rights will be on an exclusive basis, while Sterling Mets' appointment as Servicing Agent for all other Retained Rights will be on a non-exclusive basis. The luxury suite which NYCIDA and/or the City are entitled to use pursuant to the terms of the Stadium Lease will not be marketed under the Stadium Use Agreement, except to the extent such luxury suite is not used by NYCIDA and the City.

In connection with its duties as Servicing Agent, the Servicing Agent will provide personnel for the sale and marketing activities performed by the Servicing Agent under the Stadium Use Agreement, provided that Ballpark LLC will be responsible for all reasonable out-of-pocket costs and expenses incurred in connection therewith (including, without limitation, printing costs, commissions and costs for purchasing advertising), and reasonably approved by Ballpark LLC.

Servicing Standard

The Servicing Agent must perform its obligations (i) on a commercially reasonable basis using that level of skill and judgment commensurate with that practiced by persons regularly performing such services, (ii) in such a manner so as not to intentionally detract from the generation of Retained Rights Revenue in favor of the generation of Non-Retained Rights Revenue and (iii) with a view to the timely collection of all scheduled payments under the Serviced Retained Rights Agreements or, if a Serviced Retained Rights Agreement comes into and continues in default and if, in good faith and reasonable judgment of the Servicing Agent, no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery on such Serviced Retained Rights Agreements.

Exclusive Sterling Mets Rights

In no event will Ballpark LLC be deemed to have any of the following rights, all of which will belong exclusively to Sterling Mets (to the extent not granted by Sterling Mets to others outside of the Stadium Use Agreement):

(a) The right to admit patrons and charge admission to New York Mets home games at the Stadium, it being agreed that all ticket prices shall be determined by Sterling Mets;

(b) The right to telecast or radio broadcast or otherwise transmit New York Mets home games at the Stadium via any media (including interactive media);

(c) The right to license Sterling Mets trademarks and copyrights; or

(d) The right to receive any Major League Baseball revenue sharing payments.

Subservicing

The Servicing Agent will have the right, in performing its obligations under the Stadium Use Agreement, to enter into subservicing agreements with one or more subservicers approved by Ballpark LLC, on such terms as the Servicing Agent and the subservicer shall have agreed, provided such terms and conditions are not inconsistent with the Stadium Use Agreement.

Ballpark LLC Covenants

Ballpark LLC's covenants for the benefit of Sterling Mets and its successors and assigns include the following:

(a) to perform all obligations of Ballpark LLC under the Stadium Lease and the leases and agreements relating to on-site and off-site parking in accordance with the respective terms thereof, and all applicable MLB Rules and Regulations and to enforce Ballpark LLC's rights thereunder against NYCIDA for the benefit of Sterling Mets;

(b) from and after Substantial Completion thereof to maintain the Stadium (including the playing field and the electrical and ventilation systems thereof) and Parking Facilities and to develop appropriate security policies and procedures and rules of access with respect to the Stadium and the Parking Facilities;

(c) from and after Substantial Completion thereof, to operate the Stadium as a state-of-the-art, first-class professional sports facility in a manner that facilitates and enhances the use of the Stadium by Sterling Mets pursuant to the terms of the Stadium Use Agreement;

(d) from and after Substantial Completion of the Stadium, to ensure that Sterling Mets has access to any and all portions of the Stadium and the Parking Facilities as shall be reasonably necessary in connection with the operations of Sterling Mets and the exercise of Sterling Mets' rights under the Stadium Use Agreement; and

(e) not to admit, without the consent of Sterling Mets, any persons to the Stadium during any Stadium Event without a ticket to such event, except as necessary for the performance of Ballpark LLC's responsibilities under the Stadium Use Agreement.

All agreements relating to Ballpark LLC's performance of its obligations under these covenants, if and to the extent that such agreements could reasonably be expected to have a material impact on the operations of the Partnership at the Stadium in accordance with the Stadium Use Agreement, shall be subject to the Partnership's prior written consent, which shall not be unreasonably withheld, conditioned or delayed

Sterling Mets Covenants

Sterling Mets' covenants, for the benefit of Ballpark LLC and its successors and assigns include the following:

(a) to perform promptly and faithfully all obligations of Sterling Mets under the Non-Relocation Agreement in accordance with the Non-Relocation Agreement, provided that, subject to the terms of the Non-Relocation Agreement, in the event that Sterling Mets is unable to use the Stadium during all or part of one or more MLB seasons following Substantial Completion of the Stadium and plays any of its home games following Substantial Completion of the Stadium in a substitute facility, Sterling Mets must pay to Ballpark LLC (i) all revenues payable under any agreements entered into by or paid directly to Sterling Mets or any affiliate of Sterling Mets in consideration for rights that are comparable to the Retained Rights but for the fact that they are applicable to the substitute facility as opposed to the Stadium, less (ii) reasonable expenses incurred by Sterling Mets in connection with Sterling Mets' use of the substitute facility, it being agreed that the expenses of the substitute facility shall be equitably apportioned between Ballpark LLC and Sterling Mets. Without limiting the generality of the foregoing, it is the intention of Sterling Mets that those rights applicable to the substitute facility that are comparable to the Retained Seats Revenue shall be derived from the sale, lease or license of the use of the highest quality of seats available to Sterling Mets in such substitute facility, so as to approximate the amount of revenue derived from the Ticketed Property at the Stadium.

(b) from and after Substantial Completion thereof, to use the Stadium for the uses permitted under the Stadium Lease and the leases and agreements relating to on-site and off-site parking and for no other purpose;

(c) from and after Substantial Completion thereof, not to make any capital improvements, without the prior written consent of Ballpark LLC;

(d) to provide Ballpark LLC with administrative support with respect to general Stadium operations to the extent such operations are not required to be performed by Sterling Mets under the Stadium Use Agreement;

(e) at no charge to Ballpark LLC, to convey to Ballpark LLC such rights as are customarily provided in Naming Rights packages;

(f) at no charge to Ballpark LLC, to convey to Ballpark LLC the right to use, in connection with customary in-Stadium giveaways and promotion days, the trademarks, logos and servicemarks of Sterling Mets and the names, images and likenesses of players (to the extent held by Sterling Mets);

(g) at no charge to Ballpark LLC, to promote in-Stadium promotion days in media and manner similar to its past practice (including reasonable promotion during local television/radio broadcasts, on the New York Mets franchise's website and in schedules and other print promotional materials produced by Sterling Mets);

(h) at no charge to Ballpark LLC, to permit Ballpark LLC to grant the non-exclusive use of Sterling Mets' name/logo on in-Stadium signage in connection with Ballpark LLC's exercise of the rights described in clause (i) of the definition of "Advertising Rights," subject to the reasonable approval of Sterling Mets;

(i) that the rights and obligations currently held by Sterling Mets under the Stadium Use Agreement and the Non-Relocation Agreement shall at all times be held by the same Person, which Person shall also be the owner of the New York Mets franchise;

(j) not to do any act that would adversely affect the Retained Rights or the Retained Rights Revenue; and

(k) if any mechanic's, laborer's, vendor's, materialman's or similar statutory lien is filed against the Stadium or the Parking Facilities or any part thereof due to any act or omission of Sterling Mets or any of its agents or contractors, cause same to be vacated or discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise, subject to Sterling Mets' right to prosecute an appropriate proceeding to discharge such lien.

Access by Ballpark LLC

Ballpark LLC reserves for itself the right, from and after Substantial Completion of the Stadium, to access the Stadium and the Parking Facilities for purposes of (a) complying with its obligations under the Stadium Use Agreement, the Stadium Lease, the leases and agreements relating to on-site and off-site parking and the Retained Rights Agreements and (b) performing such repairs, maintenance, changes, alterations, additions, improvements and replacements to the Stadium and the Parking Facilities, provided that (i) all of the foregoing are performed in accordance with the terms of the Stadium Lease and/or the leases and agreements relating to on-site and off-site parking, (ii) other than ordinary maintenance and repairs, any changes, alterations, additions, improvements or replacements shall be subject to the reasonable approval of Sterling Mets, and (iii) Sterling Mets shall have the right to impose reasonable restrictions upon the timing and extent of Ballpark LLC's access to those areas of the Stadium and the Parking Facilities in which Sterling Mets is conducting its operations, provided that such restrictions shall not prevent Ballpark LLC from maintaining any office(s) it may have in the Stadium. Ballpark LLC will use commercially reasonable efforts to ensure that all of the foregoing shall be implemented in a manner that minimizes, to the greatest extent possible, any interference with Sterling Mets' use of the Stadium and the Parking Facilities.

Defaults and Remedies

Upon the occurrence of a default by Sterling Mets under the Stadium Use Agreement, after notice and expiration of applicable cure periods set forth in the Stadium Use Agreement, Ballpark LLC will be permitted to seek all remedies available to Ballpark LLC at law or in equity, including, without limitation, injunctive relief and/or termination of the Stadium Use Agreement; provided, however, that:

(a) Ballpark LLC's sole remedy in the event of Sterling Mets' breach of its covenant to comply with the terms of the Non-Relocation Agreement will be injunctive relief;

(b) Ballpark LLC will not exercise any remedy or take any other action which would result in the termination of any rights of Sterling Mets until the date that shall be ten (10) Business Days following delivery of notice by Ballpark LLC to Sterling Mets of Ballpark LLC's intention to exercise such remedy or take such action; provided, however, that if such default (after notice and the expiration of applicable cure periods) occurs during the New York Mets home game season, Ballpark LLC will not exercise any remedy or take any other action which would result in the termination of any rights of Sterling Mets until the date that shall be the latter to occur of (i) ten (10) business days following delivery of notice by Ballpark LLC to Sterling Mets of Ballpark LLC's intention to exercise such remedy or take such action, and (ii) thirty (30) days following the expiration of the New York Mets home game season in which such default occurs; and

(c) Ballpark LLC will not exercise any remedy or take any other action which would result in the termination of any of the rights of Sterling Mets (i) to use the Stadium and Parking Facilities in accordance with and pursuant to the terms of the Stadium Use Agreement and (ii) subject to Ballpark LLC's reservation of the Retained Rights, to use and possess all rights of Ballpark LLC under the Stadium Lease, in each case prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such default (after notice and the expiration of all applicable cure periods), and ending on the date that is six months thereafter, provided, that if the Stay Period expires during a New York Mets home game season, the Stay Period shall be extended to the first day immediately succeeding the last day of such New York Mets home game season.

Upon the occurrence of a default by Ballpark LLC under the Stadium Use Agreement, after notice and expiration of applicable cure periods set forth in the Stadium Use Agreement, Sterling Mets will be permitted to seek all remedies available to Sterling Mets at law or in equity, including, without limitation, injunctive relief and/or termination of the Stadium Use Agreement. In addition, Sterling Mets may exercise any and all self-help remedies as appropriate to ensure that the Stadium is operated and maintained as appropriate to facilitate New York Mets home games and other New York Mets events and Sterling Mets' other rights under the Stadium Use Agreement.

In the event of any default by Ballpark LLC that would entitle Sterling Mets to terminate the Stadium Use Agreement, both NYCIDA and Bond Insurer are entitled to notice and extended rights to cure such defaults, and no notice of termination by Sterling Mets will be effective unless and until such cure periods have expired.

Subservience

Notwithstanding any other provision of this Agreement to the contrary:

(a) The manner of conduct of activities in the Stadium in conjunction with any Team Home Games or other event conducted under the auspices of or in affiliation with Major League Baseball or Sterling Mets under the Stadium Use Agreement, and the exercise by Ballpark LLC of any of the Retained Rights, shall be subject in all respects to the MLB Documents, as they may be amended from time to time.

(b) Each party to the Stadium Use Agreement is aware of the provisions contained in Article V, Section 2(b)(2) of the Major League Constitution among the Major League Baseball clubs, and recognizes that the Ownership Committee of Baseball has issued the Guidelines.

(c) Each party to the Stadium Use Agreement acknowledges that Article V, Section 2(b)(2) of the Major League Constitution and the Guidelines require that the transfer of a control interest in either the New York Mets franchise or Sterling Mets be subject to the approving vote of the Major League Baseball clubs in their absolute discretion. Each party also acknowledges the "best interests of Baseball" powers held by the Commissioner under the Major League Constitution. Accordingly, each party acknowledges that such approvals would be required for any sale or transfer of the New York Mets franchise, Sterling Mets, or an interest in either the New York Mets Franchise or Sterling Mets, to a third party as well as to any party to the Stadium Use Agreement, and that each such transaction shall be subject to and made in accordance with the Major League Constitution and the Guidelines.

(d) Each party to the Stadium Use Agreement acknowledges that any temporary or permanent management of the New York Mets Franchise or Sterling Mets shall be subject to the prior approval of the Commissioner and the Major League Baseball Clubs. In the event any party to the Stadium Use Agreement desires to operate the New York Mets Franchise or Sterling Mets for its own account on a temporary or permanent basis, such Person shall seek the prior approval of the Commissioner and the Major League Baseball Clubs in accordance with the Major League Constitution and the Guidelines.

(e) Each party to the Stadium Use Agreement agrees that upon the occurrence and continuance of an Event of Default by Sterling Mets, Ballpark LLC shall not exercise any remedy or take any other action which would result in the termination of any of the rights of Sterling Mets (A) to use the Stadium and Parking Site in accordance with and pursuant to the terms of the Stadium Use Agreement and (B) subject to Ballpark LLC's reservation of the Retained Rights, to use and possess all rights of Ballpark LLC under the Stadium Lease, in each case prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such Event of Default, and ending on the date that is six months thereafter, provided, that if the Stay Period expires during a New York Mets home game season, the Stay Period shall be extended to the first day immediately succeeding the last day of such New York Mets home game season.

Subordination, Non-Disturbance and Attornment

The Stadium Use Agreement will be subject and subordinate to all of the terms, conditions and covenants provided in the Ground Leases, the Stadium Lease, all matters to which the Ground Leases and the Stadium Lease shall be subordinate, the Recognized Mortgages, and all renewals, extensions, amendments and modifications of any of the foregoing.

Subject to the rights of any Recognized Mortgagee, if an event of default occurs under the Stadium Lease, and Sterling Mets shall have elected to exercise its cure rights under the Stadium Lease, Sterling Mets will have the right, subject to the terms of the Stadium Lease, to take possession of the Stadium as necessary to commence, and thereafter prosecute to completion, the cure of any such event of default. If Sterling Mets shall have cured such event of default pursuant to the terms of the Stadium Lease, then, in such case, Sterling Mets' use and possession of the Stadium will not be disturbed.

Pursuant to and subject to the terms of the PILOT SNDA, if a foreclosure occurs under any of the PILOT Mortgages, Sterling Mets' use and possession of the Stadium will not be disturbed.

Pursuant to and subject to the terms of the Rental SNDA, if a foreclosure occurs under the Rental Mortgage, Sterling Mets' use and possession of the Stadium will not be disturbed.

If the Stadium Lease is terminated by reason of an event of default under the Stadium Lease and Sterling Mets shall have elected to enter into a new lease of the Stadium in accordance with the terms of the Stadium Lease, then, in such case, Sterling Mets will have the right to use and possess the Stadium pursuant to the terms of such new lease.

If the Stadium Lease is terminated by reason of an event of default thereunder and Sterling Mets shall not have elected to enter into a new lease of the Stadium in accordance with the terms of the Stadium Lease, or if the Stadium Lease is terminated for any other reason, then, in such case, the Stadium Use Agreement will terminate as of the date that the Stadium Lease shall have terminated; provided, however, that no termination of the Stadium Use Agreement shall take effect prior to the expiration of the Stay Period, provided, that if the Stay Period expires during a New York Mets home game season, the Stay Period will be extended to the first day immediately succeeding the last day of such New York Mets home game season.

If Ballpark LLC is entitled to terminate the Stadium Lease pursuant to the terms of Section 38.22 thereof, then, in such case, Ballpark LLC will be required to exercise any such termination right on written direction from Sterling Mets to Ballpark LLC.

Assignment/Sub-Sublease

The Partnership shall not enter into any Capital Transaction or Sub-Sublease, except for (i) Permitted Transactions, or otherwise only (ii) with the prior written consent of Ballpark LLC in its reasonable discretion in each instance. Notwithstanding the foregoing, nothing contained within this Section 14 should be construed to permit the Partnership to enter into any transaction that would breach the Non-Relocation Agreement."

A Sub-Sublease or Capital Transaction shall be a "Permitted Transaction" if each of the following conditions are satisfied as applicable:

(i) On the effective date of such Sub-Sublease or Capital Transaction, there exists no uncured Default, notice of which has been given to the Partnership, or Event of Default;

(ii) The proposed Assignee, Transferee or Sub-Subtenant (and its "Principals") as defined in Section 19.02 of the Stadium Lease)) is a Permitted Person;

(iii) The Partnership shall have complied in all material respects with any and all of the applicable provisions of this summarized section;

(iv) In the case of an Assignment (other than an Assignment by operation of law, *i.e.,* a merger or sale of the business of the Partnership), the Partnership has obtained a written assumption by Assignee, in form and substance reasonably satisfactory to Ballpark LLC and executed by the Assignee, of all of the Partnership's obligations under the Stadium

Use Agreement (A) accruing after the date of such Assignment and (B) that accrued prior to the date of such Assignment, unless the Partnership agrees in form and substance reasonably satisfactory to Ballpark LLC to remain liable for all such prior accrued obligations;

(v) In the case of a Capital Transaction, prior to Substantial Completion, the proposed Assignee or Transferee shall directly or indirectly own and control, be owned and controlled by, or be under common ownership and control with, the Partnership;

(vi) In the case of a Capital Transaction, a Transfer which after the effectiveness of which Transfer (together with all other prior or simultaneous Transfers) Ballpark LLC and the Partnership have at least 50.1% common Equity Interests; and

(vii) any Assignee, Transferee or the Partnership shall use the Stadium or cause the Stadium to be used as a qualified "project" within the meaning of the Act and shall not (other than a Family Member by operation of law) constitute a Prohibited Person.

Any consent by Ballpark LLC to any act of Assignment, Transfer or Sub-Sublease shall be held to apply only to the specific transaction thereby authorized. Ballpark LLC may condition its consent upon the delivery of documentation (including without limitation certifications and affidavits) reasonably requested by Ballpark LLC to substantiate any of the foregoing. Such consent shall not be construed as a waiver of the duty of the Partnership, or the successors or assigns of the Partnership, to obtain from Ballpark LLC consent to any other or subsequent assignment, transfer or sub-sublease, or as modifying or limiting the rights of Ballpark LLC under the foregoing covenant by the Partnership.

Neither the Stadium Use Agreement nor any of its rights, responsibilities, or obligations can be transferred or assigned, whether by operation of law or otherwise, without the prior written consent of the non-assigning party, except as expressly provided in the Stadium Use Agreement, or, with respect to Ballpark LLC only, the Stadium Lease. Notwithstanding the foregoing, the Stadium Use Agreement may be pledged by Ballpark LLC to NYCIDA pursuant to the PILOT Mortgages and the Rental Mortgage. In the event that Ballpark LLC assigns any of its rights, responsibilities, or obligations under the Stadium Lease in accordance with the terms thereof, Ballpark LLC's interest in the Stadium Use Agreement will be similarly assigned by Ballpark LLC to the assignee of Ballpark LLC's interest under the Stadium Lease simultaneously therewith; provided, however, that, as a condition to any such assignment, any such assignee must agree to, and be able to, comply with and perform all of the terms, covenants, conditions, duties and obligations contained in the Stadium Use Agreement arising from and after the date of such assignment.

The Partnership shall notify Ballpark LLC of its intention to enter into any Capital Transaction (the contents of such notice are set forth in Section 14(g) of the Stadium Use Agreement) not less than forty-five (45) days before the proposed effective date thereof, except in the case of any Capital Transaction or SubSublease resulting from death or incapacity.

Indemnification

Sterling Mets will indemnify Ballpark LLC and hold Ballpark LLC harmless of, from and against any and all liability, loss, damage, suits, penalties, claims and demands of every kind or nature, including, without limitation, reasonable attorneys' fees and expenses but specifically excluding consequential,

special and punitive damages (collectively, "Damages"), by reason of Sterling Mets' failure to comply with the terms, covenants, conditions and agreements contained in the Stadium Use Agreement or arising from negligent or willful acts or omissions of Sterling Mets, its representatives, agents, contractors, permitted sub-sublessees or licensees in their respective use or occupancy of the Stadium or the Parking Facilities; provided, however, that in no event will Sterling Mets be required to indemnify Ballpark LLC or hold Ballpark LLC harmless from or against any Damages for which Ballpark LLC agrees to indemnify Sterling Mets pursuant to the immediately succeeding paragraph. NYCIDA, the City, ESDC and the Bond Insurer shall be third party beneficiaries of the foregoing indemnification; provided, however, that in no event shall the provisions of the foregoing indemnification result in a duplication of remedies to which NYCIDA, the City, ESDC or the Bond Insurer will be entitled pursuant to the terms of the Non-Relocation Agreement.

Ballpark LLC agrees to indemnify Sterling Mets and hold Sterling Mets harmless of, from and against any and all Damages (i) relating to the performance by Sterling Mets of its duties, obligations, powers or authorities in the Stadium Agreement or thereafter granted to Sterling Mets in its capacity as the Servicing Agent under the Stadium Use Agreement, except if and to the extent arising out of Sterling Mets' failure to adhere to the Servicing Standard, or (ii) by reason of Ballpark LLC's failure to comply with the terms, covenants, conditions and agreements contained in the Stadium Use Agreement or arising from negligent or willful acts or omissions of Ballpark LLC, its representatives, agents, contractors, permitted sub-sublessees or licensees in their respective use or occupancy of the Stadium or the Parking Facilities; provided, however, that in no event shall Ballpark LLC be required to indemnify Sterling Mets or hold Sterling Mets harmless from or against any Damages for which Sterling Mets agrees to indemnify Ballpark LLC pursuant to the immediately preceding paragraph.

Modification, Amendment and Termination of the Stadium Use Agreement

Ballpark LLC and Sterling Mets agree not to modify or amend the Stadium Use Agreement in any material respect, without the prior written consent of NYCIDA. NYCIDA will be a third party beneficiary of the foregoing covenant.

Ballpark LLC and Sterling Mets agree not to terminate (including without limitation by reason of any default by either party under the Stadium Use Agreement) the Stadium Use Agreement without the prior written consent of NYCIDA, the City and ESDC. NYCIDA, the City and ESDC will be third party beneficiaries of the foregoing covenant.

Notices to Bond Insurer

Ballpark LLC will deliver to the Bond Insurer:

(a) promptly following receipt of actual knowledge of same by Ballpark LLC, notice of material pending or threatened litigation against Ballpark LLC;

(b) promptly following receipt of actual knowledge of same by Ballpark LLC, notice of material violations of Requirements (as defined in the Stadium Lease);

(c) simultaneously with delivery of same to NYCIDA, copies of any notice of termination delivered by Ballpark LLC to NYCIDA under Section 38.22 of the Stadium Lease; and

(d) simultaneously with delivery of same to NYCIDA, copies of any notice of an event or condition causing an Unavoidable Delay (as defined in the Stadium Lease).

Sterling Mets will deliver to the Bond Insurer:

(a) promptly following receipt of actual knowledge of same by Sterling Mets, notice of material pending or threatened litigation against Sterling Mets which, if adversely determined, would be reasonably likely to (i) prohibit Sterling Mets from complying with the terms of the Stadium Use Agreement or the Non-Relocation Agreement or (ii) prohibit Sterling Mets from maintaining the New York Mets franchise; and

(b) promptly following receipt of same by Sterling Mets, copies of any notices received from Major League Baseball that could reasonably be expected to have an adverse impact on (i) the operations of Sterling Mets at the Stadium in accordance with the Stadium Use Agreement or (ii) Sterling Mets' ability to maintain the New York Mets franchise.

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APPENDIX H – SUMMARY OF THE PARKING LETTER AGREEMENT

The following is a brief summary of the Parking Letter Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the Parking Letter Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B — Certain Definitions."

Any undefined capitalized terms shall have the meanings ascribed to them in the Stadium Lease Agreement, other than Issuer, Ballpark LLC and Sterling Mets, which shall have the meanings ascribed to them herein.

Letter Agreement

Prior to the consummation of the offering of the 2006 Series Bonds, Issuer, the City and Ballpark LLC will enter into a binding letter agreement, which will include the terms set forth herein, subject to subsequent formal binding documents setting forth the full terms with respect to the parking facilities described in greater detail below.

On-Site Parking Agreements

Subject to the condition set forth below, in connection with the offering of the 2006 Series Bonds, (i) Issuer and Ballpark LLC will enter into a lease (the "Stadium Parking Lease") for that portion of the property demised under the Primary Site Ground Lease that is not otherwise demised under the Stadium Lease (together with the parking facilities and improvements to be constructed thereon, the "Stadium Parking Facilities"), and (ii) Issuer and Ballpark LLC will enter into a lease (the "South Lot Parking Lease") for the property demised under the South Lot Ground Lease (together with the parking facilities and improvements to be constructed thereon, the "South Lot Parking Facilities"). The Stadium Parking Lease and the South Lot Parking Lease are collectively referred to herein as the "On-Site Parking Lease". The Stadium Parking Facilities and the South Lot Parking Facilities are collectively referred to herein as the "On-Site Parking Facilities".

The term of the On-Site Parking Lease shall be the same as the term of the Stadium Lease; a default under one lease will give rise to a default under the other lease. The City's Department of Parks & Recreation (the "Parks Department") will be the lease administrator of the On-Site Parking Lease. Issuer shall assign its share of any Net Parking Revenue (as defined below) to the City.

Pursuant to the terms of the On-Site Parking Lease, as amended pursuant to the Parking Letter Agreement, from and after the date of Substantial Completion and during the Term, Ballpark LLC shall manage, maintain, repair and operate the On-Site Parking Facilities, subject to Sterling Mets having sole control over and the right to use (or permit others to use) the Team Parking Spaces (as defined below) for parking pursuant to the Stadium Use Agreement, without any obligation to make any payments with respect thereto. As used herein "Team Parking Spaces" means, collectively, (i) not more than three hundred (300) parking spaces designated for Sterling Mets' employees and their invitees and (ii) not more than seventy-five (75) parking spaces designated for the Franchise's players and their invitees, all of which parking spaces shall be situated in a location within the On-Site Parking Facilities selected by Sterling Mets.

The On-Site Parking Facilities shall be available for commuter parking (pursuant to the terms set forth below) and commuter parking rates shall be set by the City (pursuant to the terms set forth below). The On-Site Parking Facilities shall also be available for USTA events (*e.g.* the U.S. Open tennis tournament)

during days when there are no Stadium Events at parking rates comparable to (but not more than) the rates charged by Ballpark LLC for Team Home Games as described below.

The On-Site Parking Facilities shall be subject to re-entry by the City (or any developer or contractor of the City) for the installation, maintenance, repair and replacement of a sewer line from Willets Point to Corona. Other than in cases of emergency, such re-entry by the City will be coordinated with Ballpark LLC so that it will not unreasonably interfere with the use and enjoyment of the Stadium and the Stadium Parking Facilities; no construction work shall be done during the Baseball Season. The City will be responsible for restoring the On-Site Parking Facilities resulting from its entry for this purpose.

Off-Site Parking Facilities

If Ballpark LLC elects to seek legislation that would allow for a lease for the Marina East Parking Facilities and the Stadium View Parking Facilities, the City will cooperate and support such efforts, provided that (i) the City shall not be required to bear any costs with respect to such cooperation and support and (ii) any lease for the Marina East Parking Facilities and the Stadium View Parking Facilities would be on the same terms as set forth herein.

The Marina East Parking Facilities

On or before Substantial Completion of the Stadium, the City, through its Parks Department, shall use reasonable efforts to issue to Ballpark LLC a concession (the "Marina East Parking Concession") for certain use of the Marina East Parking Facilities. Under the Marina East Parking Concession, Ballpark LLC will be granted use of the Marina East Parking Facilities for parking on Stadium Events days. Ballpark LLC will be responsible for preparing, managing, operating and maintaining the Marina East Parking Facilities on Stadium Event days and for restoring any damage caused to the Marina East Parking Facilities resulting from use on Stadium Event days. On Stadium Events days, the Marina East Parking Facilities shall remain open for public parking in connection with use of the adjacent marina or park area until two hours before such Stadium Event (for patrons parking in the Marina East Parking Facilities on Stadium Events days, Ballpark LLC may charge parking rates as set forth below but must refund such charge to any parking patron who leaves two hours or more before the Stadium Event) and from one hour after the conclusion such Stadium Event (at which time Ballpark LLC shall not be entitled to charge any parking rate). Revenues generated from the Marina East Parking Facilities (or any replacement area) shall be part of Net Parking Revenue, subject to the revenue sharing provisions described below.

The term of the Marina East Parking Concession, together with renewing or successive concession terms, shall be the same as the term of the Stadium Lease and is subject to all necessary approvals, including approval by the Franchise and Concession Review Committee ("FCRC"), and subject to registration with the Comptroller's Office.

In the event that (i) the City shall fail to timely grant the Marina East Parking Concession or (ii) during the period that the Marina East Parking Concession shall be in effect, such Concession shall be revoked by the City for any reason other than a material breach by Ballpark LLC under said Concession, then City shall provide Ballpark LLC with an area that is comparable in parking capacity to the Marina East Parking Facilities and in an agreed upon location for parking on Stadium Events days, subject to all necessary approvals including FCRC approval.

Under no circumstances shall the City be obligated to acquire additional land or to pave over parkland or use any parkland not now used for permanent parking.

The Stadium View Parking Facilities

The City shall grant to Ballpark LLC such usage rights as the City may have (the "City Usage Rights") to the Stadium View Parking Facilities for parking; any grant shall be subject to all necessary approvals. Revenues generated from the Stadium View Parking Facilities (or any replacement area) shall be part of Net Parking Revenue, subject to the revenue sharing provisions described below. Ballpark LLC will be responsible for preparing, managing, operating, maintaining and restoring the Stadium View Parking Facilities.

To the extent the City fails to grant the City Usage Rights or revokes the grant of the City Usage Rights or otherwise prevents or terminates Ballpark LLC's ability to use the Stadium View Parking Facilities for parking, then the City shall provide Ballpark LLC with an area for parking that is comparable in parking capacity to the portion of the Stadium View Parking Facilities affected by the City and in an agreed upon location, subject to all necessary approvals including FCRC approval.

To the extent Ballpark LLC is unable to use the Stadium View Parking Facilities for any reason other than those stated in the immediately preceding paragraph, the City shall make reasonable efforts (i) to provide Ballpark LLC with an area for parking that is comparable in size to the portion of the Stadium View Parking Facilities affected, and (ii) to keep that the Stadium View Parking Facilities from being devoted to uses that shall compete with parking on Stadium Events days.

Under no circumstances shall the City be obligated to acquire additional land or to pave over parkland or use any parkland not now used for permanent parking.

Non-Parking Operations at the On-Site Parking Facilities

In addition to generating revenue through parking operations, Ballpark LLC shall have the right to generate revenues through non-parking events/operations on the On-Site Parking Facilities that have been typically done and similar in nature to those previously permitted by the Parks Department in the On-Site Parking Facilities (*e.g.* carnivals, auto test-drives and car shows). Any non-parking operations other than those described in the immediately preceding sentence shall be subject to the prior approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed. Ballpark LLC shall provide adequate notice to the City and schedule such non-parking events/operations in coordination and cooperation with the City.

All non-parking operations (i) to the extent applicable, shall be conducted in a manner similar to past practice, (ii) shall not interfere with Team Home Games, (iii) shall not be held during the US Open tennis tournament, (iv) shall not unreasonably interfere with commuter parking, and (v) shall not interfere with other City-sponsored or City-related events within or in the vicinity of Flushing Meadows Corona Park.

Termination

Upon a termination of the Stadium Lease, (i) the On-Site Parking Lease and (ii) the Marina East Parking Concession and (iii) any grant with respect to the Stadium View Parking Facilities shall automatically terminate. Issuer shall not have the right to terminate the On-Site Parking Lease unless and until the Stadium Lease shall have been terminated.

Rates

Ballpark LLC shall set parking rates at the On-Site Parking Facilities, the Marina East Parking Facilities (or any replacement area) and the Stadium View Parking Facilities (or any replacement area) for all

Stadium Events in accordance with the most comparable Major League Baseball stadiums; provided, however, that in no event shall the parking rates for Stadium Events be less than $18 for the start of the Team Season in 2009, escalated by CPI each year thereafter rounded to the nearest dollar. Ballpark LLC will deliver to the City the proposed rates at least ninety (90) days prior to the start of any Team Season, and the City shall have the right to object in writing to said proposed rates within thirty (30) days following receipt of same. Ballpark LLC and the City shall use good faith efforts to resolve said dispute, and, if said dispute shall not be resolved within thirty (30) days following objection by the City said dispute shall be resolved by expedited arbitration.. The parking rate shall remain in effect until the start of the next Team Season.

Commuter parking rates and procedures at the On-Site Parking Facilities during any day in which a Stadium Event shall take place shall be agreed upon by the City and Ballpark LLC, so as to preserve revenues derived from such parking operations. Commuter parking rates at the On-Site Parking Facilities for days on which there are no Stadium Events ("Non-Stadium Event Days") shall be determined in the sole discretion of the City; provided, however, that in no event shall the parking rates for commuter parking on Non-Stadium Event Days be less than $4 in 2009, escalated by CPI each year thereafter, rounded to the nearest dollar, except for emergency circumstances, in which case the City shall have the right to charge any price or no price, in its sole discretion.

In determining pricing (including whether and to what extent there shall be free parking) and access to City-controlled parking lots in the vicinity of the Stadium, the City shall cooperate with Ballpark LLC to develop reasonable procedures to accommodate parking for other venues in the vicinity of the Stadium in a manner that reasonably minimizes reduction of revenues derived from Stadium Events and other events and activities (including commuter parking and USTA events, subject to the existing terms of the USTA lease) on the On-Site Parking Facilities, the Marina East Parking Facilities or the Stadium View Parking Facilities.

Ballpark LLC shall have the right to sell to season ticket holders, suite holders and others consistent with existing practice, on a pre-paid basis for use during Stadium Events, a certain percentage of the parking spaces located on the On-Site Parking Facilities. (the "Pre-Paid Spaces"). The Pre-Paid Spaces shall be subject to the same restrictions on pricing contained herein (with any discount with respect to the Pre-Paid Spaces to be provided at the cost of Ballpark LLC unless the City and Ballpark LLC agree otherwise) and the revenues generated from the Pre-Paid Spaces, calculated as if no discount had been provided, shall be deemed to be part of Net Parking Revenue subject to the revenue sharing provisions described below

All leases and concessions (or any other agreements) will contain bookkeeping and record keeping requirements and provide the City with auditing rights.

Marquees and Advertising Signage in the Stadium Parking Facilities

Ballpark LLC shall be entitled to sell an agreed upon package of advertising in the Stadium Parking Facilities, to include two (2) "marquees" at the locations indicated on the attached exhibit. Ballpark LLC and the City shall reasonably agree on the design and dimensions of such marquees, provided that such marquees shall not be smaller than the existing marquee at Yankee Stadium. The design and dimensions of such marquees shall be developed in consultation with the Parks Department and shall be subject to Art Commission approval and other Requirements.

Any advertising in the Stadium Parking Facilities other than as described above shall be subject to approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed and shall be subject to applicable law, rules, regulations, and necessary public approvals (*e.g.* Art Commission).

Revenue Sharing Definitions

"Base Parking Amount" means (i) Eight Million One Hundred Sixty Thousand Dollars ($8,160,000) with respect to the first (full or partial) calendar year for which Ballpark LLC is entitled to receive any Net Parking Revenue, and (ii) for each calendar year thereafter, the amount for the immediately preceding year increased based on the then prevailing CPI Adjustment.

"Gross Parking Revenue" means all revenues generated during each calendar year from Parking Operations and Non-Parking Operations, it being agreed that any discount provided with respect to the Pre-Paid Spaces shall not be counted in calculating Gross Parking Revenue (meaning, calculated as if no discount had been provided).

"Net Parking Revenue" means Gross Parking Revenue less Parking Expenses. In furtherance of, and without limiting the generality of, the foregoing, (i) where the phrase "Net Parking Revenue attributable to Parking Operations" is used, then, for such purposes, Gross Parking Revenue attributable to Non-Parking Operations and Parking Expenses attributable to Non-Parking Operations shall be excluded from the calculation of Net Parking Revenue, (ii) where the phrase "Net Parking Revenue attributable to Non-Parking Operations" is used, then, for such purposes, Gross Parking Revenue attributable to Parking Operations and Parking Expenses attributable to Parking Operations shall be excluded from the calculation of Net Parking Revenue, and (iii) where the phrase "aggregate Net Parking Revenue" is used, or where Net Parking Revenue is used without qualification, then, for such purposes, all Net Parking Revenue shall be included.

"Non-Parking Operations" means all non-parking operations at the On-Site Parking Facilities, including advertising, if any.

"Parking Expenses" means all bona fide and reasonable out-of-pocket expenses paid in connection with Parking Operations (including operator fees, if any) or Non-Parking Operations. Amounts paid to affiliates of Ballpark LLC for services and supplies necessary for Parking Operations or Non-Parking Operations shall constitute Parking Expenses only to the extent that such amounts do not exceed the amount that would be paid to an unaffiliated vendor in an arms-length agreement. Costs for Ballpark LLC's employees and agents shall not constitute Parking Expenses except to the extent of such employees perform Parking Operations services or Non-Parking Operations services. No management, administrative or other in-house fee or overhead, charge or other compensation shall constitute any Parking Expense. Capital improvements and repairs and maintenance of the Parking Facilities shall be included within Parking Expenses.

"Parking Operations" means all parking operations at the On-Site Parking Facilities, the Marina East Parking Facilities (or any replacement area) and the Stadium View Parking Facilities (or any replacement area), excluding, however, any parking operations involving the Team Spaces.

"Threshold Sharing Amount" means (i) Seven Million Dollars ($7,000,000) with respect to the first (full or partial) calendar year for which Ballpark LLC is entitled to receive any Net Parking Revenue, and (ii) for each calendar year thereafter, the amount for the immediately preceding year increased based on the then prevailing CPI Adjustment.

Revenue Sharing Provisions

If Net Parking Revenue attributable to Parking Operations for any particular calendar year shall be less than the Threshold Sharing Amount, then (i) Ballpark LLC shall retain all Net Parking Revenue attributable to Parking Operations for such calendar year, (ii) Ballpark LLC and the City shall share

equally all Net Parking Revenue attributable to Non-Parking Operations until the aggregate Net Parking Revenue for such calendar year shall equal the Threshold Sharing Amount; and if there remains aggregate Net Parking Revenue in excess of the Threshold Sharing Amount, then (x) Ballpark LLC shall retain all Net Parking Revenue attributable to Non-Parking Operations for such calendar year until the aggregate Net Parking Revenue for such calendar year shall equal the Base Parking Amount, and (y) Ballpark LLC and the City shall share equally all Net Parking Revenue attributable to Non-Parking Operations for such calendar year in excess of the Base Parking Amount.

If Net Parking Revenue attributable to Parking Operations for any particular calendar year shall be greater than or equal to the Threshold Sharing Amount but less than the Base Parking Amount, then (i) Ballpark LLC shall retain all Net Parking Revenue attributable to Parking Operations for such calendar year, and shall also retain all Net Parking Revenue attributable to Non-Parking Operations for such calendar year until the aggregate Net Parking Revenue for such calendar year shall equal the Base Parking Amount, and (ii) Ballpark LLC and the City shall share equally all Net Parking Revenue attributable to Non-Parking Operations for such calendar year in excess of the Base Parking Amount.

If Net Parking Revenue attributable to Parking Operations for any particular calendar year shall be greater than or equal to the Base Parking Amount, then (i) Ballpark LLC shall retain all Net Parking Revenue attributable to Parking Operations for such calendar year until the Net Parking Revenue attributable to Parking Operations for such calendar year shall equal the Base Parking Amount, (ii) Ballpark LLC and the City shall share equally in all Net Parking Revenue attributable to Parking Operations for such calendar year in excess of the Base Parking Amount, and (iii) Ballpark LLC and the City shall share equally in all Net Parking Revenue attributable to Non-Parking Operations for such calendar year.

In the event Ballpark LLC does not operate the On-Site Parking Facilities, the Marina East Parking Facilities (or any replacement area) or the Stadium View Parking Facilities (or any replacement area) but Ballpark LLC is still the tenant under the Stadium Lease, then these "Rent Sharing Provisions" shall still apply as if Ballpark LLC is operating such parking facilities.

City Kiosk

During all Stadium Events, the City shall have the option to install, at no charge, an information booth within the On-Site Parking Facilities to occupy not more than forty-two (42) square feet of land, similar in appearance to kiosks used by Ballpark LLC or its concessionaires at the Stadium, such booth to be at a location to be agreed upon by Issuer or the City and Ballpark LLC, but within the On-Site Parking Facilities in reasonable proximity to the main Stadium entrance, to be used by the City solely for the purpose of disseminating information about programs, services and projects of the City and its agencies and instrumentalities, but not for the sale of any merchandise or services or any other commercial purpose.

APPENDIX I — SUMMARY OF THE FUNDING AGREEMENT

The following is a brief summary of certain provisions of the Funding Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the Funding Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B — Certain Definitions."

Definitions

"**Affiliate**" shall mean (a) any Person that is principal of Funding Recipient by virtue of his/her/its membership in Funding Recipient's governing body or participation in the management and/or operation of Funding Recipient, (b) any person that controls, is controlled by, or is under common control with, Funding Recipient, and (c) any individual who is a member of the immediate family (whether by birth or marriage) of an individual who is an Affiliate, which includes for purposes of this definition a spouse, a brother or sister of such individual or his or her spouse, a lineal descendant or ancestor of any of the foregoing, or a trust for the benefit of any of the foregoing.

"**Architect**" shall mean any registered architect, architectural firm, professional engineer or combined architectural/engineering practice licensed in the State of New York, engaged by Funding Recipient in accordance with the requirements of the Funding Agreement to perform the Architect's Services pursuant to the Architect's Contract and approved by the Public Parties in their reasonable discretion.

"**Architect's Contract**" shall mean an agreement for the Architect's Services that satisfies the requirements of Exhibit D to the Funding Agreement and is otherwise reasonably satisfactory to the Public Parties.

"**Architect's Costs**" shall mean the costs and expenses incurred by Funding Recipient in connection with the performance of Architect's Services for the Infrastructure Improvements as set forth in the Project Budget.

"**Architect's Services**" shall mean the architectural design, engineering, construction contract administration and supervision services performed by the Architect pursuant to the Architect's Contract in connection with the Project.

"**Building Code**" shall mean the Building Code of the City of New York.

"**Business Day**" shall mean any day other than a Saturday or Sunday or a legal holiday on which national banking associations in New York City are authorized or delegated, by law, governmental decree or executive order, to be closed.

"**Capital Reserve Fund**", if any, shall mean a fund to be established and controlled by Funding Recipient on or immediately after Final Completion, with the Remaining Funds for the sole purpose of funding future capital repairs to the Improvements.

"**Certificate of Occupancy**" shall mean the earlier to be issued of a temporary certificate of occupancy for the New Stadium or a permanent certificate of occupancy for the New Stadium, such that the Premises as improved by the Improvements are legal for use and occupancy for the purposes set forth in the Lease.

"**Change Order**" shall mean any amendment to Infrastructure Improvement components of the Final Plans and Specifications or to a Construction Contract.

"**City**" shall mean The City of New York.

"**City Funded Items**" shall mean those Infrastructure Improvements to be paid solely from the City Funding.

"**City Funding**" shall mean $78,400,000 in City capital funds toward certain Infrastructure Improvements in the City's Fiscal Year 2007 budget.

"**Comptroller**" shall mean the Comptroller of the City of New York.

"**Construction Contract**" shall mean (a) any contract between Funding Recipient and the General Contractor, if any, under which the General Contractor is obligated to perform the Construction Work; and (b) any contract with a Contractor for performance of all or any part of the Construction Work, whether entered into by Funding Recipient or the General Contractor, provided that in each case the contract in question satisfies the requirements of Exhibit D of the Funding Agreement and is otherwise reasonably satisfactory to the Public Parties.

"**Construction Work**" shall mean work performed in connection with the construction of the Infrastructure Improvements, the costs of which constitute Hard Costs.

"**Contractor**" shall mean a contractor under a Construction Contract, including, without limitation, the General Contractor, provided that any contractor in privity of contract with Funding Recipient, in order to be deemed a "Contractor" hereunder, must be engaged pursuant to the terms hereof and approved by the Public Parties in their reasonable discretion.

"**Default**" shall mean any condition or event, or failure of any condition or event to occur, which after the giving of notice or the passage of time or both would constitute an Event of Default notwithstanding that any action or further action might be capable of curing same.

"**Design Development Documents**" shall mean the progress drawings and plans and specifications for the construction of the Infrastructure Improvements, prepared by the Architect, and approved by the Public Parties. The Design Development Documents shall (a) comply with all Requirements, including, without limitation, the Building Code and all other requirements of all Governmental Authorities having jurisdiction over the Project, and (b) substantially conform to the Schematic Plans and Specifications as approved by the Public Parties. The Design Development Documents shall describe all work pertaining to the construction of the Infrastructure Improvements, whether or not paid for with the proceeds of the Funding.

"**Development Agreement**" shall mean a certain Development Agreement between IDA and Funding Recipient, dated as of August 1, 2006.

"**DLS**" shall mean the Division of Labor Services of DSBS, or its successor in function.

"**DSBS**" shall mean the New York City Department of Small Business Services.

"**EDC**" shall mean New York City Economic Development Corporation, a not-for-profit local development corporation pursuant to Section 1411 of the New York Not-for-Profit Corporation Law.

"**EDC Representative**" shall mean any person(s) appointed by EDC, whether an EDC employee, agent, consultant or contractor, to supervise and monitor the Construction Work, the Project and/or administer the Funding Agreement on EDC's behalf.

"**Effective Date**" means the earliest date on which all of the following shall have occurred: (a) each of the Parties shall have executed and delivered the Funding Agreement, (b) the Agreement shall have been registered by the Comptroller pursuant to City procedures, (c) the Stadium Lease, in form acceptable to the Public Parties, shall have been duly executed and a copy thereof delivered to the Public Parties, (d) the Development Agreement, in form acceptable to the Public Parties, shall have been duly executed and a copy thereof delivered to the Public Parties, (e) the Stadium Use Agreement, in form acceptable to the Public Parties, shall have been duly executed and a copy thereof delivered to the Public Parties, (f) the Non-Relocation Agreement (and an opinion from the Partnership's counsel, reasonably acceptable to the Public Parties) shall have been duly executed and a copy thereof delivered to the Public Parties, (g) Funding Recipient shall have delivered evidence satisfactory to the Public Parties in their sole discretion that IDA is authorized and has issued bonds for the purpose of the Project, the proceeds of which are available to Funding Recipient in an amount sufficient for Funding Recipient to undertake the Project to completion, and (h) Funding Recipient shall have delivered to the Public Parties all of the documents required under this Funding Agreement. If the Effective Date does not occur by December 31, 2007 due to the non-occurrence of items (c), (d), (e), (f) and (g) above, the Public Parties shall have the option, in their sole discretion, to deem the Funding Agreement terminated and null and void by sending Funding Recipient written notice that the Public Parties wish to exercise this option, in which event the Funding Agreement shall immediately be deemed terminated and null and void, and of no further force and effect, as of the date of such notice.

"**Eligible Project Costs**" shall mean costs and expenses for Eligible Services and materials incurred by Funding Recipient (as agent for IDA pursuant to the Development Agreement) in connection with the Infrastructure Improvements, provided that such costs and expenses, in the sole judgment of the City and ESDC (a) provide for the construction, reconstruction, acquisition or installation of a physical public betterment or improvement which would be classified as a capital asset under generally accepted accounting principles for municipalities, (b) are financeable by the City with the proceeds of bonds pursuant to Section 11.00.a of the New York State Local Finance Law, (c) are financeable by the City and ESDC with bonds pursuant to the Internal Revenue Code of 1986, as amended, and (d) are eligible for capital financing pursuant to the directives by the City Comptroller and any other applicable rules or regulations. Subject to the terms, covenants and conditions hereof, Eligible Project Costs also include (x) Hard Costs and (y) Soft Costs, but Eligible Project Costs shall not include any return on equity invested in the Project by Funding Recipient, any fee to Funding Recipient

or any Affiliate, or employee of Funding Recipient or any Affiliate, any interest or fee in connection with any loan used to pay any costs of the Project, any overhead of Funding Recipient or the salary or expenses related to any officer or employee of Funding Recipient or any Affiliate. Furthermore, Eligible Project Costs shall not include any costs and expenses which may be reimbursed to Funding Recipient or any Affiliate, including Sterling Mets L.P., pursuant to any other agreement with the City or EDC, including but not limited to costs for which a credit is taken against payments due to the City under that certain Restated Agreement dated as of January 1, 1985 between the City and Doubleday Sports, Inc., as amended between the City and Sterling Mets, L.P. f/k/a Sterling Doubleday Enterprises, L.P., or costs and expenses which are paid or reimbursed pursuant to the $13M Funding Agreement. For ESDC only, Eligible Project Costs may also include the amount of the State Funding provided for the Remaining Funds; under no circumstances shall the Remaining Funds constitute Eligible Project Costs with respect to the City Funding.

"**Eligible Services**" shall mean, collectively, Architectural Services, Construction Work and other services in connection with the Project, as reasonably approved by the Public Parties, which are performed by an Eligible Service Provider.

"**Eligible Service Provider**" shall mean the Architect, the General Contractor, the Contractors, and any other provider of services related to Hard Costs or Soft Costs engaged by Funding Recipient in accordance with the requirements of the Funding Agreement and approved by the Public Parties in their reasonable discretion.

"**ESDC**" shall mean the New York State Urban Development Corporation, doing business as Empire State Development Corporation, a public instrumentality of the State of New York.

"**ESDC Representative**" shall mean any person(s) appointed by ESDC, whether an ESDC employee, agent, consultant or contractor, to supervise and monitor the Construction Work, the Project and/or administer the Funding Agreement on ESDC's behalf.

"**E.O. 50**" shall mean Executive Order No. 50 (April 25, 1980), as amended, or any successor thereto and the rules and regulations promulgated thereunder.

"**Event of Default**" shall have the meaning set forth below under the heading "Events of Default."

"**Expiration Date**" shall mean the later to occur of (a) one month after Final Completion, and (b) the date on which Funding Recipient shall have performed in full all of its Obligations under the Funding Agreement, provided that if EDC or ESDC exercises any of their right to terminate the Funding Agreement pursuant to any provision of the Funding Agreement granting such right to EDC or ESDC, the Expiration Date shall be the date on which such termination becomes effective in accordance with such provision.

"**FF&E**" shall mean all furniture, fixtures and equipment necessary or appropriate for the intended use, operation and functioning of the completed Project.

"**Final Completion**" shall mean that each of the following shall have occurred:

(a) The Architect shall have issued to the Public Parties a "Certificate of Payment", or certified its approval of a "Certificate of Payment" issued to the Public Parties, in either case stating that it has examined the Final Plans and Specifications and, in its best professional judgment, after diligent inquiry, and on the basis of its observations and inspections, the Construction Work has been completed substantially in accordance with the Final Plans and Specifications and in compliance with all applicable Requirements and that the final payment is due to Funding Recipient;

(b) The Public Parties shall have inspected the Premises and shall be reasonably satisfied that the Project has been completed, including all items on the Final Punch List, substantially in conformance with the Final Plans and Specifications;

(c) Funding Recipient shall have obtained and delivered to the Public Parties a Certificate of Occupancy and copies of official certificates evidencing compliance with all Requirements;

(d) Funding Recipient shall have submitted to the Public Parties a final accounting, including an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the Infrastructure Improvements for which Funding Recipient or any other Person may be responsible, either have been paid or otherwise discharged or will be paid simultaneously with or immediately after the receipt of the proceeds of the Funding to be disbursed after Final Completion in accordance with the terms of the Funding Agreement;

(e) Funding Recipient shall have submitted to the Public Parties other documentation (such as receipts, releases and waivers of Liens) reasonably satisfactory to the Public Parties that establishes that all obligations arising out of the Project have been paid and/or discharged. If any Lien for any work done by or on behalf of Funding Recipient has attached to the Premises, the Improvements, or any of the Funding, Funding Recipient shall have refunded to the Public Parties all moneys that each Public Party may have been compelled to pay in discharging such Lien, including all costs and reasonable attorneys' fees;

(f) Funding Recipient shall have delivered to each of the Public Parties two (2) sets of final marked drawings or "as-built" drawings for the Improvements. These drawings shall indicate any deviations from the Final Plans and Specifications and establish the exact locations of underground or otherwise concealed utilities and appurtenances as referenced to permanent surface improvements; and

(g) The Public Parties shall have received notification from DLS that all labor requirements applicable to the Project have been fulfilled.

"**Final Plans and Specifications**" shall mean the completed final working drawings and specifications prepared by the Architect, and approved by the Public Parties (with respect to the portions thereof applicable to the Infrastructure Improvements only), setting forth in detail (and clearly and unambiguously) all requirements for the construction of the Improvements which shall include: (a) drawings and specifications for the structure; partitions; entrances; flooring; ceilings; all systems of the Improvements (including mechanical, electrical, communication, fire protection, plumbing, heating, ventilating and air-conditioning systems and installations), all

architectural finishes; fixtures, appliances and other equipment to be incorporated in the Improvements; utilities (and utility connections); and all other elements of the Improvements; (b) a submittal specification, setting forth the Architect's procedure and requirements for the submission, review and correction of shop drawings, samples and other documents and materials required during construction; (c) where applicable in the foregoing documents, specification of all structural, mechanical and other tests required by applicable Requirements or necessary to ascertain when and whether the Construction Work complies with the Final Plans and Specifications; and (d) drawings, specifications, schedules and other documents setting forth in detail the requirements for the fabrication, procurement, shipment, delivery and installation of FF&E. Final Plans and Specifications shall be prepared with construction details completely shown and with dimensions completely stated sufficient to enable the Public Parties to make accurate estimates of the quantities, quality and character of the labor and materials required for the Infrastructure Improvements. The portions of the Final Plans and Specifications applicable to the Infrastructure Improvements shall substantially conform to the Design Development Documents as approved by the Public Parties.

"**Final Punch List**" shall mean a statement by the Architect issued after Substantial Completion setting forth a description of any items to be remedied, corrected or completed in accordance with the Final Plans and Specifications or any observable defects and deficiencies, and any other defects or deficiencies of which the Architect has knowledge, in the Infrastructure Improvements including, but not limited to, deficiencies due to non-compliance with Requirements.

"**Funding**" shall mean, collectively, the City Funding and the State Funding.

"**Funding Recipient**" shall mean Queens Ballpark Company, L.L.C.

"**Funding Recipient Representative**" shall mean any person(s) appointed by Funding Recipient, whether a Funding Recipient employee, agent, consultant or contractor, to supervise and monitor the Construction Work and the Project on Funding Recipient's behalf.

"**General Contractor**" shall mean Hunt/Bovis Lend Lease Alliance II, a Joint Venture engaged by Funding Recipient to perform the Construction Work pursuant to a Construction Contract, whose procurement has been approved by the Public Parties.

"**Governmental Authorities**" shall mean the United States of America, the State, the City and any agency, department, legislative body, commission, board, bureau, instrumentality or political subdivision of any of the foregoing, now existing or hereafter created, having or claiming jurisdiction over the Premises or any portion thereof or any street, road, avenue, sidewalk or water comprising a part of or immediately adjacent to the Premises, or any vault in or under the Premises.

"**Guaranteed Maximum Price Contract**" shall mean a fully executed guaranteed maximum price contract for the Project, in form and substance acceptable to the Public Parties in their reasonable discretion. An interim guaranteed maximum price contract (in form and substance acceptable to the Public Parties in their reasonable discretion) may be provided and such contract shall remain in place until a subsequent final contract, in form and substance

acceptable to the Public Parties in their reasonable discretion, is executed and provided to the Public Parties within ten (10) days of its execution.

"**Hard Costs**" shall mean cost and expenses incurred by Funding Recipient for Construction Work in connection with the Infrastructure Improvements that are considered hard costs of construction under normal industry standards, including, without limitation, (a) payments to Contractors, subcontractors, suppliers and materialmen for labor performed and materials supplied, and (b) costs and expenses for labor, services, facilities or equipment customarily considered as "general conditions" items, including the premium paid for payment and performance bonds and/or insurance policies that may be required pursuant to the Funding Agreement, or similar instruments (e.g., subguard) provided that the cost of such instruments are Eligible Project Costs, as set forth in the Project Budget. To the extent general conditions items pertain to both Infrastructure Improvements and all other Stadium Improvements, then the portion allocable to Infrastructure Improvements shall be 31.7% of such general conditions costs.

"**IDA**" shall mean the New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, with an office at 110 William Street, New York, New York 10038.

"**Improvements**" shall mean, collectively, the Stadium Improvements and the Infrastructure Improvements.

"**Infrastructure Improvements**" shall mean certain improvements, including infrastructure improvements that are not directly associated with the New Stadium to support the Project (as is more particularly described in Schedule C of the Funding Agreement).

"**Joint Funding**" shall mean the amount of the Funding less the amount of the City Funded Items.

"**Jointly Funded Items**" shall mean those Infrastructure Improvements funded jointly by EDC and ESDC on a pro rata basis, as identified in Schedule C-2 of the Funding Agreement.

"**Lease**" shall mean a certain Stadium Lease between the IDA and Funding Recipient dated as of August 1, 2006.

"**Lien**" shall mean any lien (statutory or otherwise), encumbrance, lease, easement, option restriction, estate or other interest including, but not limited to, mechanic's, laborer's, materialman's and public improvement liens, security interest, mortgage, deed of trust, priority, pledge, charge, conditional sale, title retention agreement, financing lease or other similar right of others, or any other agreement to give any of the foregoing.

"**Material Change Order**" shall mean a Change Order which either (x) individually increases any Construction Contract by $250,000 or more, or (y) in the aggregate with all other Change Orders exceeds five percent (5%) of the Infrastructure Improvement portion of the Project Budget.

"**MDC**" shall mean Mets Development Company, L.L.C.

"**New Stadium**" shall mean the design, development and construction of a new stadium and related parking facilities.

"**Non-Relocation Agreement**" shall mean a certain Non-Relocation Agreement by and among the Partnership, the City, IDA, ESDC, Ambac Assurance Corporation, Mets Partners, Inc. and Mets Limited Partnership, dated as of August 1, 2006.

"**Obligations**" shall mean the terms, covenants and conditions of the Funding Agreement on the part of Funding Recipient to be performed, observed and/or satisfied.

"**Parties**" shall mean EDC, ESDC and Funding Recipient.

"**Partnership**" shall mean Sterling Mets, L.P.

"**Person**" shall mean an individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association; any federal, state, county or municipal government or any bureau, department or agency thereof; and any fiduciary acting in such capacity on behalf of any of the foregoing.

"**Plans and Specifications**" shall mean, collectively, the Schematic Plans and Specifications, the Design Development Documents and the Final Plans and Specifications.

"**Premises**" shall mean that that certain real property and improvements thereon described as Block 1787, Lot 2 and Block 2018, Lot 1500 in the Tax Map of the Borough of Queens, City of New York and State of New York.

"**Prohibited Person**" shall mean:

(a) Any Person (i) that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with EDC, the City, ESDC or the State, or (ii) that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations under any written agreement with EDC, the City, ESDC or the State, unless such default or breach has been waived in writing by EDC, the City, ESDC or the State, as the case may be. With respect to this provision, a member of Funding Recipient who is also a member of Brooklyn Baseball Company, L.L.C. ("**BBC**") shall not be considered a "Prohibited Person" for a default or breach, beyond any applicable grace period, by BBC under that certain Stadium Lease between the City and BBC dated as of June 1, 2001 or under that certain Stadium Concession Agreement between the City and BBC dated as of March 1, 2001 if BBC is *bona fidely* contesting such default or breach (*i.e.* in proceedings in a court or other appropriate forum or other appropriate manner), and no final and binding judgment, after the exhaustion of all appeals, has been rendered holding BBC in default or breach under said Stadium Lease or said Stadium Concession Agreement.

(b) Any Person (i) that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or (ii) that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is

an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.

(c) Any government, or any Person that is directly or indirectly controlled (rather than only regulated) by a government, that is finally determined to be in violation of (including, but not limited to, any participant in an international boycott in violation of) the Export Administration Act of 1979, or its successor, or the regulations issued pursuant thereto, or any government that is, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government that is subject to the regulations or controls thereof.

(d) Any government, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government, the effects of the activities of which are regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President of the United States of America issued pursuant to the Trading with the Enemy Act of 1917, as amended.

(e) Any Person that has received written notice of default in the payment to the City of any taxes, sewer rents or water charges, unless such default is then being contested with due diligence in proceedings in a court or other appropriate forum.

(f) Any Person (i) that has owned at any time in the preceding three (3) years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City, or (ii) that, directly or indirectly controls, is controlled by, or is under common control with a Person that has owned at any time in the preceding three (3) years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City.

"**Project**" shall mean the design, development and construction of certain improvements, including infrastructure improvements.

"**Project Account**" shall mean a separate account at a banking institution reasonably acceptable to the Public Parties for the funding of the Infrastructure Improvements. All Funding shall be deposited into this Project Account for payment or reimbursement for the Infrastructure Improvements. Interest earned on the Project Account, if any, shall be used for the Infrastructure Improvements, and following Final Completion, to the Capital Reserve Fund.

"**Project Budget**" shall mean a budget satisfactory to the Public Parties in form and substance, which shall contain current estimates of all Eligible Project Costs, including an itemized list and budget for all Infrastructure Improvements, Total Project Costs and a projection of the amount which Funding Recipient expects to requisition over the Term of the Funding Agreement, as is more particularly described in Exhibit B to the Funding Agreement.

"**Public Parties**" shall mean EDC and ESDC, jointly.

"**Remaining Funds**" shall mean difference between the existing Funding at the time of the final Requisition and the amount of the final approved Requisition, up to $4,700,000, and which shall be deposited into the Project Account by ESDC and to be applied to the Capital Reserve Fund by Funding Recipient.

"**Requirements**" shall mean (i) any and all laws, rules, regulations, orders, ordinances, statutes, codes, executive orders, resolutions and requirements of all Governmental Authorities applicable (now or at any time during the Term) to the Premises, to any street, road, avenue or sidewalk comprising a part of the Premises, or in front of or adjacent to the Premises, to the extent the owner of the Premises would have legal responsibility therefor, to any vault in or under the Premises, and/or to the activities undertaken by any Person at the Premises (including, without limitation, the New York City Noise Control Code (N.Y.C. Admin. Code Sections 24-201, et seq.), as amended, the regulations of the Department of Environmental Protection (N.Y.C. Admin. Code Sections 24-230, 24-242) and the Building Code (Admin. Code Section 27-101 et. seq.); (ii) the laws, rules, regulations, orders, ordinances, statutes, codes and requirements of any applicable Fire Rating Bureau or other body exercising similar functions, as the same may be amended from time to time; (iii) any and all provisions and requirements of any property, casualty or other insurance policy required to be carried by Funding Recipient under the Funding Agreement; and (iv) any Certificate of Occupancy issued for the Premises and/or any portion thereof as in effect from time to time.

"**Requisition**" shall mean a document executed and certified by an authorized representative of Funding Recipient setting forth: (i) the amount of Funding requested; (ii) an itemization of Eligible Project Costs (categorized in accordance with the Project Budget) for which the disbursement is sought; (iii) an affidavit by such representative that all payrolls, bills for materials and equipment, and other indebtedness connected with all work completed prior to and during the period covered by the immediately prior Requisition have been paid or otherwise satisfied; and (iv) a list of Eligible Service Providers whose work is covered by the Requisition, indicating the amount requested on behalf of each such Eligible Service Provider, supported with evidence reasonably satisfactory to the Public Parties that such amounts have not previously been paid for or reimbursed under the Funding Agreement, and identifying any such Eligible Service Providers which are Affiliates.

"**Retainage**" shall mean an amount equal to ten percent (10%) of each disbursement of the Funding made to cover Hard Costs incurred by Funding Recipient until fifty percent (50%) of the Infrastructure Improvements are satisfactorily completed as determined by the Public Parties in their reasonable discretion.

"**Reviewing Parties**" shall mean the City's Department of Parks & Recreation, Department of Transportation, Art Commission and any other Governmental Authority having jurisdiction over any aspect of this Project, including their respective designees.

"**Schematic Plans and Specifications**" shall mean the schematic drawings, outline specifications and other document prepared by the Architect that indicate the overall scope and intent of the Project as well as the scale, relationship and character of the Project and its components. The Schematic Plans and Specifications (with respect to the portions thereof

applicable to the Infrastructure Improvements only) are subject to the prior written approval of the Public Parties.

"**Soft Costs**" shall mean, collectively, Architect's Costs and other soft costs incurred by Funding Recipient in connection with the Infrastructure Improvements, including consultant fees and legal fees (except legal fees incurred in connection with the Funding Agreement) but excluding owner representative and in-house costs. To the extent Soft Costs pertain to both Infrastructure Improvements and all other Stadium Improvements, then the portion allocable to Infrastructure Improvements shall be 31.7% of such Soft Costs.

"**Stadium Improvements**" shall mean those items described in the Project Budget.

"**Stadium Use Agreement**" shall mean a certain Stadium Use Agreement between Funding Recipient and Partnership, dated as of August 1, 2006.

"**State**" shall mean the State of New York.

"**State Funding**" shall mean $74,700,000 the State has appropriated to ESDC to fund a portion of the Infrastructure Improvements and a Capital Reserve Fund.

"**Substantial Completion**" or "Substantially Complete(d)" shall mean that (a) in the reasonable judgment of the Public Parties the Infrastructure Improvements shall have been substantially completed in accordance with the Final Plans and Specifications and all Requirements, (b) a Certificate of Occupancy shall have been issued for the New Stadium, and (c) in the reasonable judgment of the Public Parties, the Premises may be used for the purposes set forth in the Lease.

"**Substantial Completion Date**" shall mean the date on which the construction of the Infrastructure Improvements shall have been Substantially Completed.

"**Team**" shall mean the New York Mets.

"**Term**" shall mean that this Funding Agreement shall commence on the Effective Date, and, except as to those provisions that expressly survive termination or expiration, shall expire on the Termination Date.

"**$13M Funding Agreement**" shall mean that certain Funding Agreement dated as of June 7, 2006 between EDC and MDC.

"**Total Project Costs**" shall mean costs and expenses of every kind and description paid or incurred by Funding Recipient for the design and construction of the Infrastructure Improvements, whether or not such costs and expenses constitute Eligible Project Costs hereunder.

"**Transactional Documents**" shall mean, collectively, the Funding Agreement, the Development Agreement, the Lease, the Stadium Use Agreement, the Non-Relocation Agreement, the Architect's Contract and the Construction Contracts.

"**Tropical Hardwoods**" shall have the meaning provided in Section 165 of the New York State Finance Law.

"**Unavoidable Delays**" shall mean delays beyond the reasonable control of Funding Recipient including, without limitation, delays due to (a) strikes, slowdowns, walkouts, lockouts and work stoppages, acts of God, terrorism, severe weather conditions, inability to obtain labor and comparable materials (at competitive prices and rates), court orders enjoining commencement or continuation of the construction of the Improvements (unless such result from disputes between or among present or former members, shareholders, officers, directors, principals or Affiliates of Funding Recipient), extraordinary delays in insurance adjustment or collection, enemy action, civil commotion, fire, casualty or other similar causes; or (b) the failure of any Governmental Authority to grant any discretionary approvals required for the construction of the Improvements, provided that in each case Funding Recipient has submitted a complete application for such approval and has made diligent and good faith efforts to comply with all conditions of the Governmental Authority granting such approval. Notwithstanding the foregoing, an Unavoidable Delay shall be deemed to have occurred (x) only to the extent that despite the reasonable efforts of Funding Recipient, Funding Recipient has been unable to mitigate such Unavoidable Delays; and (y) in each case Funding Recipient shall have notified the Public Parties in writing within thirty (30) days after Funding Recipient first had any knowledge of the occurrence of the delay (it being understood that such notice requirements may be waived by the Public Parties in their reasonable discretion). Notwithstanding the preceding, it is understood and agreed that in no event shall Funding Recipient's financial condition or inability to obtain financing constitute an Unavoidable Delay.

"**VENDEX**" shall mean the City's Vendor Information Exchange System (NYC Admin. Code Section 6-116.2) and such other contractor review system(s) as may be utilized by the City during the Term of the Funding Agreement.

"**VENDEX** Questionnaires" shall mean, collectively, a Vendor Questionnaire, a Principal Questionnaire and such other questionnaires and/or certificates as may be required by VENDEX, each in a form determined by the City.

"**W/MBEs**" shall have the meaning set forth below under the heading "Non-Discrimination and Affirmative Action.

Documents Required Prior to the Effective Date

Delivery of the following documents to the Public Parties shall be a condition to the occurrence of the Effective Date:

(a) Project Budget;

(b) Guaranteed Maximum Price Contract;

(c) Project Account;

(d) Opinion of Counsel;

(e) Insurance Policies (in form and substance reasonably satisfactory to the Public Parties, evidencing the insurance policies described in Exhibit C to the Funding Agreement);

(f) Formation Documents;

(g) Certificate of Incumbency;

(h) VENDEX Questionnaires;

(i) W/MBE Plan; and

(j) Employment Reports (as required pursuant to E.O. 50).

The Funding

Subject to the terms, covenants and conditions of the Funding Agreement and the performance by Funding Recipient of its Obligations hereunder, the Public Parties agree to disburse the Funding to Funding Recipient to reimburse (or pay) Funding Recipient for Eligible Project Costs incurred and paid (or to be paid pursuant to the current Requisition) by Funding Recipient in connection with the Infrastructure Improvements in the manner and to the extent provided in this Funding Agreement.

The City Funding

The amount of the City Funding for the Infrastructure Improvements shall be, and EDC shall not be required to disburse or pay any amount in excess of, the lesser of (x) Seventy Eight Million Four Hundred Thousand Dollars ($78,400,000), (y) the aggregate amount actually appropriated by the City and made available to EDC for the purposes of the Project during the term of the Funding Agreement and (z) the aggregate amount of Eligible Project Costs submitted to, and approved by, EDC for payment or reimbursement thereunder.

In the event any portion of the funds from the $13M Funding Agreement remains unspent pursuant to the terms of the $13M Funding Agreement, then the Funding Agreement may be amended to increase the City Funding to include such remaining amounts, *provided that* the City agrees to, and EDC is able to arrange for, the transfer of the remaining funds from the $13M Funding Agreement for disbursement under the Funding Agreement, the $13M Funding Agreement is terminated, MDC was not in default under the $13M Funding Agreement and Funding Recipient is not in default. Any such amendment to the Funding Agreement will require, among other things, approval by the City's Office of Management and Budget and registration with the City Comptroller pursuant to City procedures.

The State Funding

The amount of the State Funding for the Infrastructure Improvements and the Remaining Funds for the Capital Reserve Account, if any, shall be, and ESDC shall not be required to disburse or pay any amount in excess of, the lesser of (i) Seventy Four Million Seven Hundred Thousand

Dollars ($74,700,000), and (ii) the aggregate amount of Eligible Project Costs submitted to, and approved by, ESDC for payment or reimbursement under the Funding Agreement.

Payment of Requisitions

For each approved Requisition for Eligible Project Costs: (A) EDC shall deposit into the Project Account 100% of the approved Requisition for Eligible Project Costs for the City Funded Items and its *pro rata* share for all other Eligible Project Costs; and (B) ESDC shall deposit into the Project Account its *pro rata* share of the approved Requisition for all Eligible Project Costs except those costs for City Funded Items. The *pro rata* share for EDC and ESDC shall be determined as follows: (x) for EDC, the City Funding less the amount of the City Funded Items divided by the Joint Funding, and (y) for ESDC, the State Funding divided by the Joint Funding. Based on Project Budget. The EDC *pro rata* share is currently 41.055% and the ESDC *pro rata* share is currently 58.945%. Upon completion of the work for the City Funded Items, if the final cost for the City Funded Items differ from that set forth in Project Budget, then there shall be a one-time adjustment going forward of the *pro rata* shares for EDC and ESDC, using the same formula.

Notwithstanding the foregoing, with respect to the final approved Requisition, if after payment of the said Requisition there will remain any Funding, then the Remaining Funds shall be deposited into the Project Account by ESDC and applied to the Capital Reserve Fund by Funding Recipient and there shall be an adjustment between EDC and ESDC in the disbursement for the final approved Requisition so as to allow ESDC to provide the Remaining Funds from the State Funding.

Use of Proceeds of Funding

The proceeds of the Funding may only be used to reimburse Funding Recipient for Eligible Project Costs incurred and paid by Funding Recipient (or to pay current Eligible Project Costs incurred by Funding Recipient as set forth in a Requisition) in connection with the Infrastructure Improvements. Nevertheless, the Public Parties may, in each of their sole discretion, make payments for Eligible Project Costs hereunder directly to the Eligible Service Provider in question instead of to Funding Recipient, or the Public Parties may, in each of their sole discretion, make payments jointly to Funding Recipient and the Eligible Service Provider; in the event such a payment is made, EDC and/or ESDC shall notify Funding Recipient of the manner in which such payment is made.

Failure to Receive Funds

EDC and ESDC anticipate that they will receive the City Funding and State Funding, respectively, for the purpose of providing Funding to the Funding Recipient. Nevertheless, neither EDC nor ESDC shall be under any obligation to pay any portion of the Funding to Funding Recipient except when, and to the extent, funds for such payment are released and made

available to EDC and ESDC. In no event is EDC or ESDC obligated to disburse funds to Funding Recipient pursuant to the Funding Agreement in an amount greater than the amount of funds released and made available to EDC and ESDC by the City and the State, respectively. If there shall be a termination or reduction of the funds to be provided to EDC or made available to ESDC for the Funding Agreement for any reason whatsoever, then, EDC, or ESDC, in its sole discretion, upon discharging its obligation to pay Funding Recipient such funds that are otherwise payable to Funding Recipient hereunder and are released and made available to EDC by the City or to ESDC by the State for payment hereunder, may terminate the Funding Agreement on written notice to all Parties. Under no circumstances shall EDC be required to pay any of the State Funding, nor shall ESDC be required to pay any of the City Funding, to Funding Recipient.

No Representation as to Sufficiency of the Funding

Neither EDC, the City, ESDC, nor the State represents or warrants that the Funding will be sufficient to cover the costs of undertaking the Project to completion, and neither EDC, the City, ESDC nor the State shall be responsible for any costs and expenses in excess of the Funding that may be incurred in undertaking the Project to completion.

Right to Suspend/Terminate if Funding Recipient Lacks Sufficient Funds

The Public Parties may suspend the Funding Agreement (and suspend further disbursements), upon sixty (60) days prior notice to Funding Recipient, if they determine, in their reasonable discretion, that the cost of undertaking the Project to completion will exceed the funds available to Funding Recipient. If Funding Recipient provides evidence reasonably satisfactory to the Public Parties that Funding Recipient has sufficient funds available for the purposes of undertaking the Project to completion, the Public Parties shall disburse any portion of the Funding otherwise payable to Funding Recipient and withheld by the Public Parties and the Funding Agreement shall continue in full force and effect. If Funding Recipient does not provide evidence reasonably satisfactory to the Public Parties that Funding Recipient has sufficient funds available for purposes of undertaking the Project to completion within the aforementioned sixty (60) day period, then the Funding Agreement shall continue to be suspended until the Public Parties agree, taking into consideration the totality of the then existing circumstances, that a reasonable time has elapsed and Funding Recipient will be unable to complete the Project and that the Funding Agreement should be terminated. The Public Parties shall not exercise any right of termination herein if Funding Recipient is diligently pursuing funding to complete the Project.

Notwithstanding the foregoing, the Funding Agreement will automatically terminate (i) upon receipt of notice from Funding Recipient that it wishes to terminate the Funding Agreement or that it does not intend to proceed with the Project (or the New Stadium project) or (ii) March 1, 2013, whichever is earlier.

No Repayment Except upon Event of Default

Funding Recipient is not required to repay all or any portion of the Funding, except (a) if any disbursement made pursuant to a Requisition exceeds the actual amount Funding Recipient pays (or paid) for any item and (b) if any portion of the Funding is (or was) used or applied by Funding Recipient, or if Funding Recipient permits any portion of the Funding to be used or applied, in violation of the terms, covenants or conditions of the Funding Agreement. Such repayment shall be made in the manner and to the extent required by EDC and/or ESDC, as the case may be (but not in excess of the amount in question).

Funding May Cure Defaults

Either of the Public Parties may, upon prior notice to all Parties, apply all or any portion of its portion of the Funding to any amounts payable by Funding Recipient under the Funding Agreement that remain unpaid as and when due, it being understood and agreed that any such application of said Funding (a) shall be made only after ten (10) days written notice to Funding Recipient and such amounts remain unpaid thereafter, and (b) shall not relieve Funding Recipient of any of its Obligations hereunder or cure any Default of Funding Recipient on account of any such failure to make a requisite payment as and when due.

Disbursements of the Funding

The Funding will be made available to Funding Recipient in multiple disbursements as provided below. Each disbursement of the Funding shall be subject to the prior receipt by the Public Parties of a Requisition accompanied by the documentation required for the type of Eligible Project Costs for which a disbursement of the Funding is sought. EDC and ESDC shall fund all approved Eligible Project Costs in each Requisition as set forth in the Funding Agreement.

Hard Costs

With respect to Hard Costs incurred in connection with a trade Contractor, in an amount equal to the total amount billed to Funding Recipient by such trade Contractor up to the date of the Requisition, less (x) Retainage as withheld by EDC and/or ESDC from time to time, (y) the total amount previously disbursed by EDC and/or ESDC hereunder with respect to such trade Contractor; and (z) the total amount previously disbursed to Funding Recipient for such trade Contractor which EDC and/or ESDC has determined to be ineligible for payment or reimbursement with the Funding pursuant to any provision of the Funding Agreement.

Architect's Costs

With respect to Architect's Costs, in an amount equal to Architect's Costs for the previous month or period, calculated on the basis of the fee schedule in the Architect's Contract.

Soft Costs

With respect to Soft Costs (other than Architect's Costs), in an amount equal to such Soft Costs.

Retainage

With respect to the Retainage, within twenty (20) days after Final Completion.

Reserve

With respect to any surplus of the Reserve, within twenty (20) days after Final Completion.

Retainage

Upon satisfactorily completion of 50% of the Infrastructure Improvements, the Public Parties shall reduce the amount to be withheld and retained as Retainage to no more than five percent (5%) of the amount of any disbursement of the Funding made to cover Hard Costs incurred by Funding Recipient. If Retainage is deducted from a Contractor's requisition to Funding Recipient, then the Public Parties shall not withhold Retainage on Funding Recipient's Requisition for such payment or reimbursement (i.e. Retainage need only be deducted once). In no event shall the Public Parties withhold as Retainage any amounts attributed to "general conditions" costs under a Construction Contract.

Monthly Submission of Requisitions

Funding Recipient shall submit no more than one (1) Requisition per calendar month. Such Requisition shall be submitted on or before the fifteenth (15^{th}) day of the calendar month and shall cover all invoices for Eligible Project Costs received since the date of the last Requisition submitted.

Limitations on Disbursement

Payments to Affiliates

Costs paid or incurred by Funding Recipient with respect to any Architect or Contractor which is an Affiliate performing labor or services at or supplying materials in connection with the Project shall be subject to payment or reimbursement under the Funding Agreement only to the extent that such costs do not exceed an amount (to be determined by EDC and/or ESDC, as the case may be, acting reasonably) which would have been paid by Funding Recipient to an unrelated party in an arms length transaction. Funding Recipient shall be entitled to use portions of the Funding to reimburse MDC for Eligible Project Costs incurred by MDC in connection with the Infrastructure Improvements prior to the Effective Date.

Materials Not Incorporated into Premises

No portion of the Funding shall be disbursed for materials not incorporated into the Premises, except if such materials are deemed to be unique to the Project and it is necessary or appropriate to purchase such materials prior to being incorporated into the Premises. Funding may be disbursed for such materials (i) as to which Funding Recipient has acquired and in which title has passed to IDA (or will pass to IDA upon payment of a Requisition for such materials; and (ii) which are secured and insured against theft and damage to the reasonable satisfaction of the Public Parties. In the event of any insured loss of such materials, Funding Recipient covenants to use the insurance proceeds exclusively as a trust fund to replace the insured materials. If an Event of Default shall have occurred at the time of the settlement of any insurance claim in respect of such materials, then the insurance proceeds shall be paid to the Public Parties. In no event shall the Public Parties be required to disburse any portion of the Funding (nor shall the Public Parties be required to provide any additional funding) to replace materials lost, stolen or damaged.

Defects; Non-Conforming Work

The disbursement of any portion of the Funding shall not constitute a waiver by any of the Public Parties of any of their rights hereunder with respect to any defective work by Funding Recipient or deviation from the Final Plans and Specifications. No part of the Funding shall be disbursed for the correction of non-conforming work.

Funding Costs of Change Orders

The proceeds of the Funding may be applied to the payment or reimbursement of Eligible Project Costs incurred (and in the case of reimbursement, paid) by Funding Recipient in connection with a Change Order. In the case of a Material Change Orders, the Public Parties' prior written approval to the issuance thereof (such approval not to be unreasonably withheld) is required, within five (5) Business Days after their receipt of Funding Recipient's request for consent. If the Public Parties disapprove such Material Change Order, the Public Parties shall provide a reasonably detailed explanation of the reasons; if the Public Parties fail to respond to Funding Recipient's request for said approval within such five (5) Business Day period, then the Public Parties shall be deemed to have approved such Material Change Order. In no event shall the maximum amount of the Funding be increased on account of any Change Order and/or Material Change Order whether paid with the proceeds of the Funding or otherwise.

The proceeds of the Funding may not be applied to the payment for costs and expenses incurred by Funding Recipient in connection with a Change Order issued as a result of errors or omissions on the part of Funding Recipient or an Affiliate, the Architect, or any Contractor, and any such costs and expenses shall not be borne by the Public Parties, the City or the State.

Funding Remaining Upon Final Completion of Project

Upon Final Completion, any Remaining Funds shall be deposited by Funding Recipient into the Capital Reserve Fund and applied solely to fund future capital repairs to the Improvements.

Certain Conditions for Disbursement

Documents Required for All Disbursals

Funding Recipient shall deliver a Requisition, supporting documentation (as set forth in the Funding Agreement) and additional documentation (as may be reasonably requested by the Public Parties) to the Public Parties at least thirty (30) days prior to the date on which any disbursement of the Funding is sought. All disbursements shall be made to the Project Account. Disbursements of the Funding shall be made no more frequently than once every thirty (30) days and, in any event, within thirty (30) days of receipt of a Requisition eligible for payment or reimbursement. Funding Recipient shall make certain representations and warranties with each Requisition.

Documents Required for Disbursal of Soft Costs

Funding Recipient shall deliver the Architect's Contract, Architect's work product (if any), General Contractor's Contract and Vendex Questionnaires to the Public Parties at least thirty (30) days prior to the date when disbursement of the Funding is sought to cover Soft Costs.

Documents Required for Disbursal of Hard Costs

Funding Recipient shall deliver the following documents to the Public Parties at least thirty (30) days prior to the date when disbursement of the Funding is sought to cover Hard Costs:

(a) Final Plans and Specifications. Two (2) sets of the Final Plans and Specifications bearing the stamp of the Architect and approved by the Public Parties with respect to each Infrastructure Improvement item for which disbursement is sought.

(b) Payment and Performance Bonds. Payment and performance bonds for each Construction Contract having a price of Three Hundred Thousand Dollars ($300,000) or more. Each trade Contractor with a contract in excess of $300,000 must provide payment and performance bonds naming Funding Recipient, EDC and ESDC as co-obligees. The General Contractor will not be required to provide payment and performance bonds unless the General Contractor itself performs Construction Work in excess of $300,000. Each bond shall be in an amount at least equal to the contract price, and shall be in effect at all times until Final Completion of the construction of the Improvements. Subject to the prior written approval of the Public Parties, not to be unreasonably withheld, these requirements may be waived by Funding

Recipient if Funding Recipient determines, in its reasonable judgment, that a payment and performance bond need not be provided by a Contractor.

(c) Approvals. True and complete copies of all building and other permits, consents, certificates, licenses, authorizations and approvals of all Governmental Authorities that may be required in connection with the construction of the Infrastructure Improvements in accordance with the Final Plans and Specifications.

(d) Construction Contracts. Copies of all Construction Contracts with respect to which a disbursement of the Funding is sought. It is understood and agreed that only costs and expenses incurred in connection with Construction Contracts that satisfy the requirements of Exhibit D to the Funding Agreement shall constitute Eligible Project Costs hereunder, and may be paid for with the proceeds of the Funding.

(a) Evidence of Title. At the request of the Public Parties, certified copies of any contracts, bills of sale, statements, receipted vouchers or agreements evidencing IDA's title to materials purchased by Funding Recipient with the proceeds of the Funding, or under which Funding Recipient claims title to any materials, fixtures or articles incorporated into the Premises.

(b) Executive Order No. 50. For Funding Agreements of $1,000,000 or more, a written statement by DLS certifying that each Contractor in privity of contract with Funding Recipient performing work has complied with the City's equal employment requirements under E.O. 50, if applicable, or evidence from Funding Recipient or DLS that E.O. 50 or any successor thereto does not apply.

(c) VENDEX Questionnaires. If required by EDC, properly completed VENDEX Questionnaires for each Contractor and its principals.

Requisitions Update Funding Recipient's Representations

Funding Recipient agrees that each Requisition submitted shall constitute a representation, warranty and agreement that: (a) all of the representations and warranties of Funding Recipient made in the Funding Agreement remain true, complete and correct and shall remain true, complete and correct on the date of disbursement (and, if not, how the factual circumstances underlying such representation and/or warranty have changed); (b) no Default in any of the terms, covenants or conditions on the part of Funding Recipient to be performed or observed under the Funding Agreement has occurred and is continuing; (c) to the best of Funding Recipient's knowledge, no defaults in any of the terms, covenants or conditions under any of the other Transactional Documents have occurred and are continuing; (d) unless Funding Recipient provides notice to the contrary in writing prior to the Funding disbursement requested, the Premises have not been materially damaged by fire or other casualty or subjected to condemnation; (e) to the best of Funding Recipient's knowledge, no public improvement Lien is recorded against the Funding; and (f) all work completed prior to the beginning of the period covered by the Requisition has been paid for in full except (i) amounts retained by Funding Recipient pursuant to any Construction Contract, (ii) amounts contested in good faith (provided

Funding Recipient shall advise the Public Parties promptly in writing of the nature and amount of any such contest), and (iii) amounts for which a Requisition is pending.

Certain Additional Conditions and Covenants Regarding Disbursement of the Funding

(a) All disbursements shall be made to the Project Account; and

(b) Disbursements of the Funding shall be made no more frequently than once every thirty (30) days and, in any event, within thirty (30) days of receipt of a Requisition eligible for payment or reimbursement pursuant to the terms of the Funding Agreement.

Eligible Service Providers; VENDEX

Eligible Service Providers

Only Eligible Service Providers may be paid for their services with the proceeds of the Funding.

VENDEX

(a) Funding Recipient, and all service providers in privity of contract with Funding Recipient who are intended to be paid in whole or in part with the proceeds of the Funding, including, without limitation, the Architect, the Contractors and other service providers (it being understood that the providing of insurance shall not be deemed to be a service), other than suppliers, may be subject to VENDEX review and/or an internal EDC investigation, in EDC's sole discretion, and prior to commencement of work on the Project may be required to submit properly completed VENDEX Questionnaires to the Mayor's Office of Contracts and two (2) Certificates of No Change to EDC in a form prescribed by the City and/or investigation forms to EDC in a form prescribed by EDC. Funding Recipient shall provide EDC with a list of all service providers in privity of contract with Funding Recipient, other than suppliers, whose contract amount (together with any other contracts with EDC or the City) equals or exceeds Twenty Five Thousand Dollars ($25,000) or such other amount as EDC may determine, on the form attached as Exhibit E to the Funding Agreement and shall keep such list current as contracts are entered into.

(b) Based on the information disclosed in connection with the VENDEX review and/or the internal EDC investigation, EDC may, in its sole discretion, (i) determine that Funding Recipient does not qualify for the receipt of the Funding, and may terminate the Funding Agreement and/or (ii) disqualify any service provider from receiving any proceeds of the Funding and, in that event, costs and expenses incurred by Funding Recipient in connection with any such disqualified service provider shall not constitute Eligible Project Costs hereunder and may not be paid for with the proceeds of the Funding.

Procurement Requirements

Bidding Requirements

Prior to Funding Recipient entering into any Architect's Contract and/or Construction Contract that relates to the Infrastructure Improvements, which may be procured by either the competitive sealed bid or the request for proposals method of procurement, Funding Recipient shall submit a list of proposed bidders and/or proposers to EDC and ESDC and identify their principals. EDC and ESDC shall make a good faith effort (but is not required) to advise Funding Recipient within ten (10) Business Days after receipt of said list as to which entities are acceptable and state the reasons why an entity is unacceptable. Unless the Public Parties authorize otherwise, Funding Recipient shall solicit bids and/or proposals from at least five (5) entities acceptable to the Public Parties. Funding Recipient shall submit to EDC and ESDC a copy of the solicitation document used for procurements, a bid and/or proposal summary, an analysis and statement as to which bid and/or proposal Funding Recipient intends to select, and the reasons for Funding Recipient's selection. If Funding Recipient uses the competitive sealed bid method of procurement, Funding Recipient shall not accept a bid that is not the lowest price without the Public Parties' prior written consent.

At any time prior to Funding Recipient's selection of a bidder or proposer, the Public Parties may withdraw their prior approval thereof in the event EDC or ESDC learns that the bidder and/or proposer committed any act, or became the subject of any investigation or legal proceeding, either or both of which would have disqualified the bidder and/or proposer from receiving EDC's or ESDC's approval in the first place. Nothing contained herein shall limit Funding Recipient's right to reject all bids in its sole discretion.

Sole Source Procurements

Notwithstanding the requirements discussed above, the Public Parties may, in their sole and absolute discretion, authorize Funding Recipient to procure all or any portion of the services required in connection with the Project on a sole source basis from a service provider identified by Funding Recipient who otherwise constitutes an Eligible Service Provider, if only such Eligible Service Provider is capable of supplying the requisite services and the services to be provided thereby constitute Eligible Services. In such instances, Funding Recipient shall provide EDC and ESDC with such information regarding the selection of the service provider in question as EDC and ESDC shall require.

Single Source Procurements

Notwithstanding the requirements discussed above, although two (2) or more service providers can supply all or any portion of the services required in connection with the Project, the Public Parties may, in their sole and absolute discretion, upon written findings setting forth the material and substantial reasons therefor, authorize Funding Recipient to procure all or any portion of the requisite services on a single source basis from service provider(s) identified by Funding Recipient, provided that such services would otherwise constitute Eligible Services and the service provider(s) thereof otherwise constitute Eligible Service Providers. In such instances,

Funding Recipient shall provide EDC and ESDC with the circumstances leading to the selection of the service provider(s), including the alternatives considered, the rationale for selecting the service provider(s) in question and the basis upon which it determined the cost was reasonable.

Pre-Approved Providers

The Public Parties have approved the following entities as Eligible Service Providers:

(a) HOK Sport+Venue+Event - Architect,

(b) Allee King Rosen & Fleming, Inc. - Environmental Consultant,

(c) HuntBovis - Pre-Construction services and as General Contractor,

(d) Kramer Levin Naftalis & Frankel LLP - Legal services, and

(e) Stroock & Stroock & Lavan LLP - Legal services.

The Project; Construction of the Improvements

The Project

Funding Recipient shall undertake the Project with diligence and continuity in good and workmanlike manner and in accordance with applicable Requirements and the Final Plans and Specifications. All materials and equipment utilized or furnished in connection with the construction of the Infrastructure Improvements shall be new and in good condition, fully operational, without patent or latent defects and suitable for their intended use. Funding Recipient shall obtain or cause to be obtained all Approvals required for the construction of the Infrastructure Improvements as and when required by the Governmental Authorities having jurisdiction over the Project.

Funding Recipient shall obtain or cause to be obtained all Approvals required for the construction of the Infrastructure Improvements as and when required by the Governmental Authorities having jurisdiction over the Project. At all times during the performance of the Project, Funding Recipient shall maintain the Premises and Infrastructure Improvements in a neat and orderly condition (suitable for a construction site) and shall protect the Premises and Infrastructure Improvements against deterioration, loss, damage and theft.

Right to Proceed

Funding Recipient shall seek and obtain the Public Parties' approval of the Final Plans and Specifications (with respect to the portions thereof applicable to the Infrastructure Improvements only) and only work performed under a Construction Contract consistent with the approved Final Plans and Specifications shall constitute Eligible Project Costs. The Public Parties have agreed that costs and expenses incurred by Funding Recipient in connection with any Construction Contract entered into after July 1, 2005, for work performed under any such Construction

Contract consistent with the Final Plans and Specifications that constitute Eligible Project Costs hereunder may be paid for, directly or indirectly, with the proceeds of the Funding.

Review and Approval of Plans and Specifications for the Infrastructure Improvements

The Schematic Plans and Specifications, the Design Documents and the Final Plans and Specifications shall be reasonably satisfactory to the Public Parties, and shall be submitted to the Public Parties for their prior review and approval (with respect to the portions thereof applicable to the Infrastructure Improvements only). The Public Parties acknowledge that the Schematic Plans and Specifications dated December 19, 2005 and the Design Documents dated May 1, 2006 have been approved.

Funding Recipient shall deliver to EDC and ESDC each two (2) (or more, if requested) copies of each of the Schematic Plans and Specifications, the Design Development Documents and the Final Plans and Specifications, in each case, promptly after completion by the Architect and acceptance thereof by Funding Recipient. EDC and ESDC agree that they will review each such Plans and Specifications and issue its approval or provide Funding Recipient with comments or suggested revisions therefor within ten (10) Business Days after receipt thereof. Funding Recipient shall review the Schematic Plans and Specifications, the Design Development Documents and the Final Plans and Specifications, as the case may be, in accordance with all comments, and submit revised copies thereof to EDC and ESDC. EDC and ESDC will approve or comment on each subsequent submission within seven (7) Business Days after receipt thereof. If EDC or ESDC fails to respond within either of the periods provided in this paragraph, then Funding Recipient may give notice to such party, specifying the approval sought, setting forth the original submission date, and stating that failure to respond within three (3) Business Days shall be deemed approval of the specified Plans and Specifications. The Public Parties' respective rights to approve the Plans and Specifications pertain only to the portions thereof applicable to the Infrastructure Improvements.

Each stage in the development of the design of the Infrastructure Improvements shall substantially conform to the previous stage of design as approved by the Public Parties. Accordingly, the Design Development Documents shall substantially conform to the Schematic Plans and Specifications, and the Final Plans and Specifications shall substantially conform to the Design Development Documents, in each case as previously approved by the Public Parties except for such changes and revisions thereto as the Public Parties shall have approved in writing, which approval shall not be unreasonably withheld or delayed.

Funding Recipient shall make no material changes or revisions to the portions of the Final Plans and Specifications applicable to the Infrastructure Improvements and shall not undertake any Construction Work based on any such changes without having obtained the prior written approval of the Public Parties, which approval shall not be unreasonably withheld or delayed. Any costs or expenses incurred by Funding Recipient in connection with any such unauthorized changes to the Final Plans and Specifications shall not constitute Eligible Project Costs hereunder and may not be paid for with the proceeds of the Funding. Additionally, if reasonably required by the Public Parties, Funding Recipient shall, at no cost or expense to the Public Parties, remove or cause the removal of any Infrastructure Improvements that materially deviate

from the Final Plans and Specifications approved by the Public Parties and restore or cause the restoration of the Premises to substantially conform with such Final Plans and Specifications.

Funding Recipient agrees that in consideration of the Funding, EDC, the City, the State and ESDC shall have an unrestricted right to use any and all Plans and Specifications, reports, studies, drawings, "as built" plans, surveys and other documents, materials or work product prepared for or in connection with the Improvements, at any time and from time to time, in whole or in part, and to make modifications thereof for any purposes whatsoever, without paying any additional charge, cost or compensation therefor. The Architect shall have no liability for any Plans and Specifications if they are used for any purpose unrelated to the Infrastructure Improvements or the New Stadium, or if they are modified in any way without the Architect's consent and acknowledgement. Accordingly, Funding Recipient agrees that the provisions of the Architect's Contract and any other contract entered into by Funding Recipient for design services shall reflect these requirements and shall constitute the City, EDC, the State and ESDC as third party beneficiaries of such provisions.

Funding Recipient understands and agrees that the Public Parties shall not incur any liability to any Person for any act or omission in connection with the review and/or approval of the Schematic Plans and Specifications, the Design Development Documents and/or the Final Plans and Specifications, or the review or approval of any other document, or failure to review or approve any of the foregoing, and the Public Parties' approval of any Plans and Specifications.

Plans and Specifications for the New Stadium

To the extent not already included within the Schematic Plans and Specifications, the Design Development Documents and the Final Plans and Specifications, Funding Recipient shall deliver to EDC and ESDC each two (2) (or more, if requested) copies of each of these documents for the Stadium Improvements, promptly after completion by the Architect and acceptance thereof by Funding Recipient.

Site Inspections

Funding Recipient shall make available for sole use by the Public Parties during the Term an on-site office or similar facility sufficient to permit the ESDC Representatives and EDC Representatives to inspect the Premises and review the progress of the work on the Project to determine compliance with the Funding Agreement. Funding Recipient shall cause a complete set of the Final Plans and Specifications with respect to all improvements, as then in effect, and shop drawings to be maintained at the Premises for inspection by ESDC or EDC, its employees, consultants and agents.

Completion

Funding Recipient shall advise the Public Parties that Funding Recipient has received a Certificate of Occupancy for the Improvements and request that the Public Parties conduct an inspection to determine whether construction of the Infrastructure Improvements has reached Substantial Completion. The Public Parties shall make a good faith effort to inspect the Improvements within ten (10) Business Days of receipt of Funding Recipient's request, and shall thereafter advise Funding Recipient within five (5) Business Days that the Public Parties have, in each of their reasonable judgment, determined that either (i) construction of the Infrastructure Improvements has reached Substantial Completion, or (ii) construction of the Infrastructure Improvements has not reached Substantial Completion and stating the reasons for such determination, in which event Funding Recipient shall promptly and diligently cause such actions to be taken so as to Substantially Complete the construction of the Infrastructure Improvements to the Public Parties' satisfaction.

Funding Recipient shall use commercially reasonable efforts to cause Final Completion to occur as soon as reasonably possible after Substantial Completion and, subject to Unavoidable Delays, in accordance with the terms of the Development Agreement.

Funding Recipient shall advise the Public Parties in writing that the construction of the Infrastructure Improvements (including all items on the Final Punch List) has been completed, and the Public Parties shall inspect the Infrastructure Improvements within a ten (10) Business Days after receipt of Funding Recipient's notice to determine whether, in their reasonable discretion, the Project has been completed (including all items on the Final Punch List) in conformance with the Final Plans and Specifications. The Public Parties shall notify Funding Recipient within five (5) Business Days after their inspection as to whether the Infrastructure Improvements have been completed, and, if not, what work remains to be performed in order to achieve such completion.

Funding Recipient shall obtain the customary guaranties and warranties on labor, materials and equipment for each component of the Infrastructure Improvements as are generally available in the relevant industry. Any guaranties and warranties relating to the construction of the Infrastructure Improvements or materials utilized in connection therewith issued by any Person other than Funding Recipient shall be made for the benefit of Funding Recipient and/or the General Contractor, EDC and the City, and, to the extent that EDC or the City are not expressly named in any such warranty or guaranty, Funding Recipient or the General Contractor, as the case may be, shall, upon obtaining such guaranties and warranties, assign its rights and interest therein to EDC and the City, pursuant to an assignment reasonably satisfactory to the City and EDC in form and substance, effective upon the earlier of termination or expiration of the Funding Agreement. If such warranty or guaranty shall not be assignable, Funding Recipient shall (or shall cause the General Contractor to) enforce the City's and/or EDC's rights thereunder, at no cost or expense to the City and/or EDC. Funding Recipient shall cooperate with EDC and the City in the prosecution of any claims against any Person issuing a guaranty and/or warranty for the benefit of EDC and the City hereunder.

Person in Charge

Funding Recipient hereby designates Richard Browne as its representative who will have primary responsibility to supervise and coordinate the performance of the Project. Substitution of said person shall be made only upon notice to the Public Parties.

Sales Tax Savings

Funding Recipient and its contractors and their subcontractors shall, to the fullest extent permitted by law, use IDA's exemption from New York State and City sales and compensating use taxes that ordinarily would be paid by Funding Recipient, or contractors working on its behalf or their subcontractors, with respect to any tangible personal property purchased with the Funding that becomes an integral component of the Premises.

Certain Representations and Warranties

Funding Recipient represents and warrants to the City, EDC and ESDC as follows:

1. Funding Recipient is a duly formed limited liability company under the laws of the State of New York, validly existing, and in good standing under the laws of the State and has the power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged, and is duly qualified as a foreign entity and in good standing under the laws of each other jurisdiction in which such qualification is required.

2. The execution, delivery and performance by Funding Recipient of the Funding Agreement has been duly authorized by all necessary action of Funding Recipient and do not and will not (a) other than consents or approvals that have been obtained by Funding Recipient, require any consent or approval by any Person, (b) contravene the charter or by-laws or operating agreement of Funding Recipient, (c) violate any provision of, or require any filing, registration, consent or approval under, any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to Funding Recipient or its Affiliates, (d) result in a breach of, or constitute a default or require any consent under, any indenture or agreement, lease or instrument to which Funding Recipient or any of its Affiliates is a party or its properties may be bound or affected, including, without limitation, any of the Transactional Documents, (e) cause Funding Recipient or any of its Affiliates to be in violation of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or in default under any such indenture, agreement, lease or instrument, including, without limitation, any of the Transactional Documents, or (f) result in or require the creation or imposition of a Lien, upon or with respect to any of the properties or interests now owned or hereafter acquired by Funding Recipient or any of its Affiliates.

3. The Funding Agreement constitutes a legal, valid and binding obligation of Funding Recipient enforceable against Funding Recipient in accordance with its terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally.

4. There are no suits or proceedings pending or, to the best of Funding Recipient's knowledge, threatened against Funding Recipient or any Affiliate which might materially affect the construction of the Improvements, the use and operation of the Premises in accordance with the Lease and the Stadium Use Agreement, the consummation of the transactions contemplated by the Funding Agreement, or the full performance of the Obligations of Funding Recipient under the Funding Agreement.

5. Funding Recipient has filed all tax (federal, state and local) returns required to be filed and has paid all taxes, assessments and governmental charges and levies thereon to be due, including interest and penalties. Funding Recipient has no knowledge of any claims for taxes due and unpaid which might become a Lien upon any of its assets.

6. Funding Recipient possesses all licenses, permits, franchises, patents, copyrights, trademarks and trade names, or rights thereto, to conduct its business substantially as now conducted and as presently proposed to be conducted, and Funding Recipient is not in violation of any valid rights of others with respect to any of the foregoing. Funding Recipient is in compliance in all respects with all Requirements.

7. Neither the business nor the properties of Funding Recipient are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance), materially and adversely affecting such business or properties or the operation of Funding Recipient.

8. None of the members, shareholders (if any), partners (if any), principals or officers of Funding Recipient (or any entity having an ownership interest in Funding Recipient or in such other entity) is a Prohibited Person.

9. The Architect's Contract and the Construction Contract with the General Contractor comply with the requirements of Exhibit D of the Funding Agreement, and the Construction Contract with the General Contractor shall contain a provision requiring all Construction Contracts entered into by or under the General Contractor comply with the requirements of Exhibit D to the Funding Agreement.

10. To the best of Funding Recipient's knowledge, (i) all information submitted to the Public Parties in connection with the Funding is complete and correct and fairly presents the condition, operations and prospects of Funding Recipient as of the date hereof; (ii) Funding Recipient has not misstated, omitted or withheld any fact in connection with its application for the Funding upon which the Public Parties may have relied in its decision to contribute the Funding to Funding Recipient; and (iii) each invoice, bill of sale, receipt, check or other document or instrument, heretofore or hereafter submitted to the Public Parties by Funding Recipient in connection with the Funding, upon submission was or shall be complete and genuine and accurately reflect the transaction to which it relates.

Certain Additional Covenants

Funding Recipient agrees that any Infrastructure Improvements paid for in whole or in part with the proceeds of the Funding shall not be demolished, removed or materially altered in any way by, through or as the result of the action or inaction of Funding Recipient (whether direct or indirect) before the expiration of Term of the Funding Agreement unless the EDC's, City's and ESDC's prior written consent shall have been obtained. It is understood and agreed that none of the following shall constitute a breach of foregoing: (a) the demolition, removal or material alteration of any Infrastructure Improvement as a result of the intervention of any of the following actions and occurrences that occur without the negligence or fault, and beyond the reasonable control, of Funding Recipient and of which Funding Recipient has given EDC, the City and ESDC express written notice within forty five (45) days after Funding Recipient knows of same: (i) governmental actions, (ii) orders of any court of competent jurisdiction, (iii) war or act of war (whether an actual declaration of war is made or not), (iv) insurrection, riot, act of public enemy, terrorist acts, (v) accidents, (vi) mechanical failure and (vii) acts of God (including, fire, flood or other inordinately severe weather conditions); (b) the undertaking of any repair, replacement or restoration of any Infrastructure Improvement as may be reasonably necessary to protect and preserve its character and functionality; and (c) the removal and disposal of any item of machinery and/or equipment as may become worn or obsolete, provided that simultaneously or prior to such removal, any such item of machinery and/or equipment shall be replaced with other equipment functionally comparable (or better) to the removed machinery and/or equipment in all material respects.

Funding Recipient shall (i) comply with all Requirements applicable to the construction of the Infrastructure Improvements, (ii) comply with all of the terms, conditions and covenants on its part to be performed and/or observed under any of the Transactional Documents(however, no default under any of the other Transactional Documents shall give rise to an Event of Default under the Funding Agreement unless such default relates to Funding Recipient's ability to successfully complete the Project).

Additionally, Funding Recipient shall maintain the insurance coverage described in Exhibit C to the Funding Agreement, which may be procured with the proceeds of the Funding as set forth in the Project Budget. Funding Recipient shall comply with all terms, covenants and conditions of such insurance policies and shall promptly furnish the Public Parties with copies of any notice of default with respect to such policies.

Assignments

Funding Recipient shall not transfer, convey or otherwise pledge, transfer or assign the Funding Agreement or any of the rights (if any) or obligations, in whole or in part, other than to an Affiliate (subject to VENDEX requirements and the provisions relating to assignment contained in the Development Agreement), without the Public Parties' prior written consent, it being understood and agreed that EDC shall not grant or deny any such consent without the prior written consent of the City (which City consent may be granted or withheld in the City's sole and absolute discretion), except Funding Recipient may assign the Funding Agreement to The Bank

of New York, as trustee, or any successor trustee, for the IDA bond financing, and the Parties hereto consent to such assignment.

Transactions with Affiliates

Funding Recipient shall not enter into any transaction with any Affiliate involving the use of the Funding proceeds, including, without limitation, the purchase, sale or exchange of property or the rendering of any service, except in the ordinary course of and pursuant to the reasonable requirements of Funding Recipient's business and upon fair and reasonable terms no less favorable to Funding Recipient than would be obtained in a comparable arm's length transaction with a Person who is not an Affiliate.

Non-Discrimination and Affirmative Action Obligations

Funding Recipient shall comply with the requirements of (1) Labor Law Section 220-e; and (2) E.O. No. 50, as long as E.O. 50 or any successor thereto is in force and effect, in whole or in part, and the regulations promulgated thereunder applicable to construction contractors and non-construction contractors, including the filing of employment reports with DLS on the forms prescribed by the City.

Funding Recipient agrees to use good faith efforts to reach a goal of 20% of W/MBE participation in the Project and has submitted to the Public Parties a utilization plan and covenants that it will cause its Contractors to administer its W/MBE plan in accordance with ESDC requirements as set forth in the Funding Agreement.

The MacBride Principles/Tropical Hardwoods

The MacBride Principles, as set forth in the Funding Agreement are incorporated into the Funding Agreement. Funding Recipient agrees it shall not utilize Tropical Hardwoods in connection with the construction of the Improvements except as expressly authorized by Section 165 of the New York State Finance Law.

No Amendment to Architect's Contract or Construction Contracts

Funding Recipient shall not materially amend any of the terms, covenants or conditions of the Architect's Contract or any Construction Contract (as the same relate to the performance of the Infrastructure Improvements) without the prior written approval of the Public Parties, not to be unreasonably withheld. Unless the Public Parties agree otherwise in writing, costs and expenses incurred by Funding Recipient in connection with any unauthorized amendments to the Architect's Contract and/or any Construction Contract shall not constitute Eligible Project Costs hereunder and may not be paid for with the proceeds of the Funding.

Indemnification

Obligation to Preserve Against Liability; Obligation to Indemnify

Except with respect to its own negligence or wrongful acts or omissions, neither the City, EDC, ESDC, the State or IDA shall have (or shall have at any time) any responsibility or liability whatsoever for any of the following activities: (i) the construction of the Improvements, or (ii) the use, operations and activities of Funding Recipient, its contractors, subcontractors, agents, employees, invitees and guests at the Premises, thereabove and thereabout, or (iii) Funding Recipient's performance of, or failure to perform, its Obligations under the Funding Agreement. At all times, Funding Recipient shall assume sole responsibility for each and every one of the foregoing activities so as to avoid injury to any Person and/or property damage (except if and to the extent that any such injury arises from the negligence or wrongful acts or omissions of the City, EDC, ESDC, the State or IDA). Funding Recipient shall not perform any act, or do anything, or permit that any act be performed or thing done at the Premises, or any portion thereof, or in connection with any of the activities listed above at any time that subjects or may subject the City, EDC, ESDC, the State and/or IDA to any liability or responsibility for injury to any Person or damage to property for any reason whatsoever, including, without limitation, by reason of any violation of any Requirement.

To the fullest extent permitted by law, Funding Recipient will indemnify and save the Agency, the City, EDC and ESDC and their respective directors, trustees, officials, members, officers, employees, agents, invitees, servants and contractors (collectively, the **"Indemnitees"**) harmless from and against any and all liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorneys' fees and disbursements (whether incurred in a third party action or in action to enforce this provision), that may be imposed upon or incurred by or asserted against any of the Indemnitees by reason of any of the following, except that no Indemnitee will be so indemnified and saved harmless to the extent of which such liabilities, etc., are caused by the negligence or wrongful acts or omissions of the Agency, the City, EDC and/or ESDC or their respective directors, trustees, officials, members, officers, employees, agents, invitees, servants or contractors:

(a) Acts or Failure to Act of Funding Recipient. Any act or failure to act on the part of Funding Recipient.

(b) Design and Construction Work. The planning, design, site preparation, construction, equipping, furnishing, installation or completion of the Improvements or any part thereof or the effecting of any work done in or about or in connection with the Improvements, or any part thereof, or any defects (whether latent or patent) in or in connection with the Improvements or any part thereof, by or on behalf of Funding Recipient.

(c) Control. The control, use, non-use, possession, alteration, condition, operation, management or improvement by or on behalf of Funding Recipient of the area of the Premises on which the Improvements are being performed or any part thereof or of any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent thereto, including, without limitation, any violations imposed by any Governmental Authorities in respect of any of the foregoing.

(d) Accidents, Injury to Person or Property. Any accident, injury (including death at any time resulting therefrom) or damage to any Person or property occurring in, on, or about the Premises or any part thereof, or in any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent thereto, to the extent such accident, injury or damage in any way relates to or arises from the activities of Funding Recipient.

(e) Lien, Encumbrance or Claim Against the Premises. To the extent related to or arising from the Project or in connection with the Improvements, any Lien, encumbrance or claim that may be alleged to have been imposed or arisen against or on the Premises, or any Lien, encumbrance or claim created or permitted to be created by Funding Recipient or any of its partners, joint venturers, officers, shareholders, directors, agents, contractors, servants, employees, licensees or invitees against any assets of, or funds appropriated to, the City, EDC, ESDC, the State or IDA or any liability that may be asserted against the City, EDC, ESDC, the State or IDA with respect thereto.

(f) Hazardous Substances. The presence, storage, transportation, disposal, release or threatened release of any Hazardous Materials over, under, in, on, from or affecting the Premises or any persons, real property, personal property, or natural substances thereon or affected thereby, to the extent related to the Improvements or the activities of Funding Recipient, except that Funding Recipient shall not indemnify and save harmless the Indemnitees to the extent that such Hazardous Materials were present, stored, disposed of, or released at the Premises prior to the date on which Funding Recipient or any Affiliate first gains access to the Premises for the purpose of performing the Improvements (but the foregoing shall not release Funding Recipient from its obligation to indemnify the Indemnitees for damages arising from any disposal or release occurring after such date with respect to any Hazardous Materials preexisting such date of Funding Recipient's physical possession). "Hazardous Materials" means (i) any "hazardous waste" as defined under the Resource Conservation and Recovery Act, 42 U.S.C. Section 9601 et seq., or (ii) "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., or (iii) "hazardous materials" as defined under the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., or (iv) "hazardous waste" as defined under New York Environmental Conservation Law Section 27-0901 et seq., or (v) "hazardous substance" as defined under the Clean Water Act, 33 U.S.C. Section 1321 et seq.

Notwithstanding anything to the contrary contained in the Funding Agreement, Funding Recipient shall not provide any indemnification hereunder except to the extent caused by or resulting from (i) Funding Recipient's own actions or failures to act while in possession or control of the Project or activities related to the Improvements, (ii) the actions or failures to act by any Affiliate of Funding Recipient, (iii) any actions or failures to act by any Contractor pursuant to a Construction Contract, and (iv) any actions or failures to act by any Contractor performing Construction Work or work related to the Improvements or any Person doing work as a subcontractor or sub-subcontractor (or any other or further level of subcontractor) of such Contractor in connection with the Project or the Improvements.

Contractual Liability

Funding Recipient's obligations will not be affected in any way by the absence of insurance coverage, or by the failure or refusal of any insurance carrier to perform an obligation on its part under insurance policies affecting the Project.

Defense of Claim, Etc.

If any claim, action or proceeding is made or brought against any of the Indemnities by reason of any event to which reference is made to the provisions of the Funding Agreement described above under the heading "Obligation to Preserve Against Liability; Obligation to Indemnify," then upon demand by the Agency, the City, EDC or ESDC, Funding Recipient will either resist, defend or satisfy (or cause to be resisted, defended or satisfied) such claim, action or proceeding in such Indemnitee's name, by the attorneys for, or approved by, the insurance carrier (if such claim, action or proceeding is covered by insurance) or by such other attorneys as such Indemnitee will reasonably approve. The foregoing notwithstanding, any such Indemnitee may engage its own attorneys to defend such Indemnitee, in such Indemnitee's defense of such claim, action or proceeding, as the case may be, at such Indemnitee's sole cost and expense.

Contractors of the City (or any instrumentality of the City), EDC, ESDC, the State (or any instrumentality of the State) or IDA shall not and shall not be deemed to include QBC, its Affiliates or any of its respective contractors or subcontractors or anyone acting by, through or under any of them. It is further understood and agreed that any negligence or wrongful acts or omissions of any of the Indemnitees shall not and shall not be deemed to include the negligence or wrongful acts or omissions of QBC, its Affiliates, officers, trustees, members, directors, employees, contractors, subcontractors or agents, or anyone acting by, through or under them.

These provisions shall survive the expiration or earlier termination of this Funding Agreement.

Limitation in Liability; Release

To the extent permissible under applicable law, neither the City, EDC, the State, ESDC nor any of the City's or the State's elected officials, nor any officer, employee, agent or servant of any such party shall be liable to Funding Recipient or to any other Person for any injury or damage happening on, in or about the Premises or its appurtenances, nor for any injury or damage to the Premises, or to any property belonging to Funding Recipient or to any other Person, that may be caused by fire, by breakage, or by any other casualty or by the use, misuse or abuse of any portion of the Premises, or that may arise from any other cause whatsoever, except for any such injury or damage resulting from the negligence or intentional misconduct of the City, EDC, the State, ESDC or such elected officials, officers, employees, agents or servants.

To the extent permissible under applicable law, neither the City, EDC, the State, ESDC, nor any of the City's or the State's elected officials, nor any officer, employee, agent or servant of any such party shall be liable to Funding Recipient or to any other Person in connection with any matters contemplated by the Funding Agreement, except for potential liability for the failure to make disbursements of the Funding to the extent required hereby. In the event that there shall be

a final determination by a court of competent jurisdiction that the Public Parties have failed to make a required disbursement of Funding, the only remedy available to Funding Recipient and/or to any other Person claiming that it has suffered damages because of such failure to make such disbursement, shall be to obtain the requisite disbursement from EDC or ESDC, as the case may be. In no event shall EDC be liable to Funding Recipient or to any other Person in connection with any matters contemplated by the Funding Agreement for the failure of ESDC to make disbursements pursuant to the Funding Agreement, nor shall ESDC be liable to Funding Recipient or to any other Person in connection with any matters contemplated by the Funding Agreement for the failure of EDC to make disbursements pursuant to the Funding Agreement. Furthermore, in no event shall the City, EDC, the State, or ESDC be liable to Funding Recipient and/or to any other such Person for any other damages, including, without limitation, consequential damages, due to any such failure.

No officer, official, director, member, agent or employee of either the City, the State, EDC or ESDC, nor any officer, member, agent or employee of Funding Recipient or any Affiliate (except as to any individual who intentionally or knowingly misapplies the Funding), shall be charged personally with any liability, or held personally liable in connection with the Funding Agreement.

To the extent permissible under applicable law, Funding Recipient hereby releases and discharges, the City, the State and their respective elected officials, officers, employees, agents and servants and EDC, ESDC and their respective officers, employees, agents and servants and each constituent thereof, from any and all causes of actions, suits, claims, costs, expenses, liabilities, damages, sums of money, accountings, duties, obligations, agreements and demands of any nature whatsoever, expressed or implied, in law or in equity, relating to, or arising in connection with any of the matters contemplated by the Funding Agreement, except if and to the extent of any failure by EDC or ESDC, as the case may be, to make a required disbursement of the Funding under the Funding Agreement.

These provisions shall survive the expiration or early termination of the Funding Agreement.

Discharge of Liens

Funding Recipient shall not create, cause to be created, nor suffer or permit to remain, any Lien upon (a) the Premises, (b) any assets of, or funds appropriated to, the City, EDC or ESDC, or (c) any other matter or thing whereby the estate, rights or interest of City in and to Premises and of the City and/or the State to the Project might be impaired.

Without limiting the generality of the foregoing, if any mechanic's, laborer's, vendor's, material provider's or similar statutory Lien is filed against the Premises, or any part thereof, or the Funding Agreement, or if any public improvement Lien created, or caused or suffered to be created by Funding Recipient shall be filed against any assets of, or funds appropriated to, the City, EDC, the State or ESDC, Funding Recipient shall, within thirty (30) days after receiving notice of the filing of such mechanic's, laborer's, vendor's, material provider's or similar statutory Lien or public improvement Lien, cause it to be vacated or discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise.

Participation In An International Boycott

Funding Recipient represents, warrants and agrees that neither Funding Recipient nor any of its Affiliates is participating or shall participate in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations of the United States Department of Commerce ("Department of Commerce") promulgated thereunder. Upon the final determination by the Department of Commerce or any other agency of the United States, or conviction of Funding Recipient or any of its respective Affiliates, that any of the foregoing has participated in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations promulgated thereunder, the Comptroller may, at her/his option, render forfeit and void the Funding Agreement.

Funding Recipient shall comply in all respects with the provisions of Section 6-114 of the Administrative Code of the City of New York and the rules and regulations issued by the Comptroller thereunder.

Conflict Of Interests

Funding Recipient hereby agrees that no member, officer, director, official, agent or employee of EDC, the City, ESDC or the State, or their respective designees, consultants or agents, no member of the governing body of the City and the State and no public official of the City and the State who exercises or exercised any functions or responsibilities with respect to the subject matter of the Funding Agreement during his tenure, if known to Funding Recipient, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity or benefit arising out of or in connection with the performance of the Project. Upon receiving notice or knowledge of any of the circumstances specified in the preceding sentence, Funding Recipient shall deliver notice to the Public Parties of the circumstances and immediately shall use its best efforts to cause the Persons affected to terminate their interest in the prohibited contract or property. Funding Recipient shall require its contractors and subcontractors to make appropriate representations in writing that they, their employees and principals do not have any conflict of interest prohibited under this Section, and to covenant to cause the prohibited persons to terminate their interest in the relevant contract or property upon demand by Funding Recipient.

Funding Recipient hereby represents and warrants that it has not been asked to pay, and has neither offered to pay, nor paid, any illegal consideration, whether monetary or otherwise, in connection with the procurement of the Funding or the execution and delivery by the Public Parties of the Funding Agreement.

Books and Records; Inspections and Audits

Funding Recipient shall keep separate, complete and accurate records and books of account regarding the Funding including amounts received and spent on Eligible Project Costs, and other amounts spent in connection with the construction of the Infrastructure Improvements as well as other matters contemplated by the Funding Agreement. Such books of account shall be prepared

in accordance with generally accepted accounting principles consistently applied. The Funding Recipient shall maintain such records, books of account and documents at Funding Recipient's principal place of business in New York City for six (6) years after the expiration of the Term or earlier termination of the Funding Agreement.

At any reasonable time and from time to time, upon reasonable prior notice, Funding Recipient shall permit the City, EDC, the State, ESDC and their respective officers, employees, servants, consultants and agents to examine and make copies and abstracts from the records, books of account and documents required to be maintained in connection with the Funding Agreement. Funding Recipient shall cooperate and make available any of its officers, agents or employees to discuss the aforementioned records, books and documents with the inspecting party.

Funding Recipient shall cooperate fully and faithfully with any investigation, audit or inquiry conducted by any Governmental Authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the inspector general of a Governmental Authority that is a party in interest to the Funding Agreement or the transaction to which it relates, when it is subject of the investigation, audit or inquiry.

These provisions shall survive the expiration of the Term or earlier termination of this Funding Agreement.

Independent Contractor

Funding Recipient shall perform its Obligations hereunder in its capacity as agent for IDA as set forth in the Development Agreement and not as an officer, employee, servant or agent of either the City, EDC, the State or ESDC. Funding Recipient is not an employee of the City, EDC, the State or ESDC, and accordingly neither Funding Recipient, nor any of its officers, employees, servants or agents will hold themselves out as, nor claim to be, officers or employees of the City, EDC, the State or ESDC, or of any department, agency, or unit of either the City, EDC, the State or ESDC, and no such Person shall make any claim, demand, or application to or for, any right or privilege applicable to an officer, or employee, of the City, EDC, the State or ESDC, including, but not limited to, workers' compensation coverage, unemployment insurance benefits, social security coverage or employee retirement membership or credit. Funding Recipient shall not permit any of its officers, employees, servants or agents to act in contravention of this Section.

The Indemnitees shall have no responsibility for the work and personal conduct of all Persons employed or engaged by Funding Recipient or other Person in connection with the construction of the Infrastructure Improvements and the performance of its Obligations under the Funding Agreement as well as for their direction and compensation. Nothing in the Funding Agreement shall impose any liability or duty upon the City, EDC, the State or ESDC, to any Person employed or engaged by Funding Recipient as coordinator, consultant, or contractor or in any other capacity, or as employee, servant or agent of Funding Recipient, or shall make the City, EDC, the State and/or ESDC liable to any Person for the acts, omissions, liabilities, obligations, taxes and benefits of whatever nature, including but not limited to unemployment insurance and

old age taxes, incurred or payable by Funding Recipient, or any of its coordinators, consultants, contractors, employees, servants or agents.

Investigations

Cooperation by Funding Recipient

Funding Recipient will cooperate fully and faithfully with any investigation, audit or inquiry conducted by any Governmental Authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a Governmental Authority that is a party in interest to the Funding Agreement, when it is the subject of the investigation, audit or inquiry.

Hearings

The commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved, to determine if any penalties should attach for the failure of a person to testify if:

(a) Any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other Governmental Authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with EDC, ESDC, the City, the State or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, any local development corporation, or any public benefit corporation organized under the laws of the State of New York (defined collectively for purposes of this Article as "agencies"), or

(b) any person refuses to testify for a reason other than the assertion of his or her privilege against self incrimination in an investigation, audit or inquiry conducted by a Governmental Authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of a Governmental Authority that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof, ESDC, EDC or any local development corporation,

Failure to Report Solicitations

EDC or ESDC in its sole discretion may terminate the Funding Agreement upon not less than three (3) days written notice in the event Funding Recipient fails to promptly report in writing to the Commissioner of Investigation of the City, EDC and ESDC any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any

employee of EDC, the City, ESDC or the State or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of the Funding Agreement by Funding Recipient or affecting the performance of the Funding Agreement.

Events of Default

Each of the following shall constitute an Event of Default:

(a) Funding Recipient shall use or apply all or any portion of the Funding in violation of the terms, covenants and conditions of the Funding Agreement that relate to the permitted uses of the Funding and such violation remains uncured for twenty (20) Business Days after written notice to Funding Recipient specifying such violation.

(b) A breach of any of the terms, covenants or conditions with respect to demolition, removal or alteration of the Infrastructure Improvements paid for in whole or in part with the proceeds of the Funding shall occur and such breach remains uncured for twenty (20) Business Days after written notice to Funding Recipient specifying such breach (unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such twenty (20) Business Day period, in which case no Event of Default shall be deemed to exist as long as Funding Recipient shall commence the requisite performance or observance within such twenty (20) Business Day period and shall diligently and continuously prosecute the same to completion within a reasonable period).

(c) Funding Recipient shall fail to perform or observe any of the terms, covenants or conditions on its part to be performed or observed pursuant to the Funding Agreement (except any of the terms, covenants and conditions that pertain to the permitted uses of the Funding) and such failure continues for twenty (20) Business Days after written notice to Funding Recipient specifying such Default (unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such twenty (20) Business Day period, in which case no Event of Default shall be deemed to exist as long as Funding Recipient shall commence the requisite performance or observance within such twenty (20) Business Day period and shall diligently and continuously prosecute the same to completion within a reasonable period).

(d) Funding Recipient shall fail to comply with or perform any term, covenant or condition on its part to be performed under the Development Agreement and the effect of such failure constitutes an Event of Default (as defined in the Development Agreement) on the part of Funding Recipient under the Development Agreement.

(e) Funding Recipient ceases to perform at any time the Construction Work for any period of time in excess of ninety (90) consecutive calendar days unless: (i) the cessation of the Construction Work shall have been caused by Unavoidable Delays and the Construction Work shall have resumed promptly after the end of the Unavoidable Delay; and (ii) Funding Recipient shall have made adequate provision reasonably acceptable to the Public Parties for the protection of the Premises and materials stored on site against deterioration, loss, damage or theft. Notwithstanding the foregoing, if Funding Recipient ceases to perform the Construction

Work in accordance with the construction schedule for the Project, such interruption in performance shall not be an Event of Default.

(f) To the extent permitted by law, if Funding Recipient shall admit, in writing, that it is unable to pay its debts as such become due.

(g) Any material representation or warranty made or deemed made by Funding Recipient in this Agreement or that is contained in any certificate, document, opinion, financial or other statement furnished by Funding Recipient pursuant to this Agreement, or by any third party for or on behalf of Funding Recipient pursuant to this Agreement, shall be false, misleading, or intentionally incomplete in any material respect when made or deemed made.

(h) To the extent permitted by law, if Funding Recipient shall make an assignment for the benefit of creditors.

(i) To the extent permitted by law, if Funding Recipient shall file a voluntary petition under the present or any future Federal Bankruptcy Act or any other present or future Federal, state or other bankruptcy or insolvency statute or law or if such petition shall be filed against Funding Recipient and an order for relief shall be entered, or if Funding Recipient shall file a petition or an answer seeking, consenting to or acquiescing in, any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other present or future federal, state or other bankruptcy or insolvency statute or law, or shall seek, or consent to, or acquiesce in, or suffer the appointment of, any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Funding Recipient, or of all or any substantial part of its properties, or of the Premises or any interest of Funding Recipient therein, or if Funding Recipient shall take any partnership or corporate action in furtherance of any action described in Sections 18.01(h), 18.01(i), or Section 18.01(j) of the Funding Agreement.

(j) To the extent permitted by law, if within sixty (60) days after the commencement of a proceeding against Funding Recipient seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Code or any other present or future applicable federal, state or other bankruptcy or insolvency statute or law, such proceeding shall not be dismissed, or if, within one hundred twenty (120) days after the appointment, without the consent or acquiescence of Funding Recipient, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Funding Recipient, or of all or any substantial part of its properties, or of the Premises or any interest of Funding Recipient therein, such appointment shall not be vacated or stayed on appeal or otherwise, or if, within one hundred twenty (120) days after the expiration of any such stay, such appointment shall not be vacated.

(k) One or more judgments, decrees or orders for the payment of money that are final beyond any right of appeal, and individually or in the aggregate shall result in a material adverse change in the financial condition of Funding Recipient (such that it would be likely that Funding Recipient will not be able to complete the Project or otherwise materially and adversely affects the Project) shall be filed or entered against Funding Recipient, and any such judgments,

decrees or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied or stayed or bonded pending appeal.

(l) A levy under execution or attachment shall be made against the Premises or any part thereof, the income therefrom, the Funding Agreement or the Funding and such execution or attachment shall not be vacated or removed by court order, bonding or otherwise within a period of sixty (60) days.

(m) Unless caused by an Unavoidable Delay, Funding Recipient shall vacate or abandon the Premises (the fact that any of Funding Recipient's property remains in the Premises shall not be evidence that Funding Recipient has not abandoned the Premises) for a period exceeding ninety (90) consecutive days.

Certain Remedies

Upon the occurrence of an Event of Default, EDC or ESDC may exercise any right, power or remedy permitted to it by law, in equity, or under the Funding Agreement, including, without limitation:

(a) Suspending disbursements of the Funding under the Funding Agreement.

(b) Terminating the Funding Agreement in which event the Public Parties shall not be required to make further disbursements of the Funding; provided however, that with respect to an Event of Default under Section 18.01(d) and/or Section 18.01(e), the Public Parties shall not terminate the Funding Agreement unless the default giving rise to such Event of Default is (i) a material breach of the Funding Agreement (Section 18.01(d)), or (ii) a material breach of the Development Agreement or results in a termination of the Development Agreement (Section 18.01(e)). The Public Parties reserve all remedies provided in the Funding Agreement or available at law and/or equity, except Funding Recipient shall not be liable for any punitive, special or consequential damages under the Funding Agreement.

(c) Enforcing Funding Recipient's Obligations under the Funding Agreement administratively or by equitable remedies of specific performance, declaratory judgment or injunction.

Right to Refrain

EDC and ESDC, as the case may be, shall have the right, in its sole discretion, to refrain from exercising any of its rights under the Funding Agreement at any time or from time to time.

Miscellaneous

Limitations

No action shall lie or be maintained by Funding Recipient (and/or any other Person claiming under Funding Recipient) upon any claims based upon the Funding Agreement unless such action shall be commenced within twelve (12) months after the date of filing in the Office of the

Comptroller of the final Requisition hereunder, or within twelve (12) months of the expiration or earlier termination of the Funding Agreement, or within twelve (12) months of the accrual of the cause of action, whichever first occurs.

Consents and Approvals

Whenever in the Funding Agreement the Public Parties' consent or approval is not to be unreasonably withheld, such consent or approval also shall not be unreasonably conditioned or delayed. Any matter required to be done satisfactorily or to the satisfaction of a party need only be done reasonably satisfactorily or to the reasonable satisfaction of that party. Unless specifically stated otherwise, all consents or approvals of the Public Parties required under the Funding Agreement shall not be unreasonably withheld, delayed or conditioned.

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APPENDIX J

SUMMARY OF THE PILOT BONDS MASTER INDENTURE

The following is a brief summary of certain provisions of the PILOT Bonds Master Indenture of Trust (the "PILOT Bonds Master Indenture"). This summary does not purport to be comprehensive or complete, and reference is made to the PILOT Bonds Master Indenture for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

CUSTODY AND INVESTMENT OF PILOT BONDS FUNDS

Creation of Funds and Accounts

(a) The Agency establishes and creates the following special trust Funds and Accounts comprising such Funds:

(i) PILOT Project Fund

(A) Costs of Issuance Account (PILOT Bonds)

(B) Construction and Acquisition Account (PILOT Bonds)

(C) Capitalized Interest Account (PILOT Bonds)

(ii) PILOT Payment Fund

(iii) PILOT Bond Fund

(A) Principal Account (PILOT Bonds)

(B) Interest Account (PILOT Bonds)

(C) Redemption Account (PILOT Bonds)

(iv) PILOT Debt Service Reserve Fund

(v) Project Renewal Fund

(vi) PILOT Rebate Fund

(vii) PILOT Capital Improvement Fund

(viii) Subordinated Indebtedness Fund

(b) All of the PILOT Funds and PILOT Accounts created under the PILOT Bonds Master Indenture shall be held by the PILOT Bonds Trustee. All monies and investments deposited with the PILOT Bonds Trustee shall be held in trust and applied only in accordance with the PILOT Bonds Master Indenture and shall be trust funds for the purposes of the PILOT Bonds Master Indenture.

(c) On December 15 and June 15 of each PILOT Year, commencing December 15, 2009, the PILOT Bonds Trustee shall deliver the PILOT Bonds Trustee Certificate to the Independent Trustee, with a copy to Ballpark LLC and the Bond Insurer, setting forth the PILOT Bond Requirement for the next succeeding Payment Period.

Deposits into PILOT Project Fund; Application of PILOT Project Fund Monies

(a) There shall be deposited in the PILOT Project Fund (i) any and all amounts required to be deposited therein pursuant to each Supplemental Indenture and the PILOT Bonds Master Indenture, (ii) any contractor liquidated damages received by the Lease Revenue Bonds Trustee pursuant to the provisions of the Development Agreement Pledge and Assignment and disbursed in accordance with provisions of the Intercreditor Agreement and (iii) any other amounts otherwise required to be deposited therein pursuant to the PILOT Bonds Master Indenture. The amounts in the PILOT Project Fund shall be subject to a security interest, lien and charge in favor of the PILOT Bonds Trustee until disbursed as provided in the PILOT Bonds Master Indenture.

(b) Costs of Issuance Account (PILOT Bonds). The PILOT Bonds Trustee shall apply the amounts on deposit in the Costs of Issuance Account (PILOT Bonds) of the PILOT Project Fund to the payment, or reimbursement to the extent the same have been paid by or on behalf of the Agency, of Costs of Issuance for each Series of PILOT Bonds to the extent requisitioned under the PILOT Bonds Master Indenture pursuant to a written requisition signed by Ballpark LLC, as agent for the Agency, and submitted to the PILOT Bonds Trustee, together with bills or invoices supporting such requisition.

(c) Construction and Acquisition Account (PILOT Bond).

(i) The PILOT Bonds Trustee shall apply the amounts on deposit in the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund (1) to the payment, or reimbursement to the extent the same have been paid by or on behalf of Ballpark LLC or the Agency, of Project Costs to the extent requisitioned under subsection (ii) immediately below and (2) to the extent required by the summarized section entitled "Deposits into PILOT Rebate Fund; Application of PILOT Rebate Fund Monies," the payment of the PILOT Bonds Rebate Requirement.

(ii) The PILOT Bonds Trustee is authorized by the PILOT Bonds Master Indenture to disburse from the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund the amount required for the payment of Project Costs and is directed to issue its checks for each disbursement from the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund, upon a requisition submitted to the PILOT Bonds Trustee and signed by an Authorized Representative of Ballpark LLC and approved in writing by the Independent Engineer, provided that the PILOT Bonds Trustee shall not make any disbursements from the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund until the applicable requirements of the PILOT Bonds Master Indenture are satisfied. The PILOT Bonds Trustee shall not be required to issue such disbursement sooner than five (5) Business Days after the submission of such requisition. Such requisition shall be as set forth in the Form of Requisition from the PILOT Project Fund attached to the PILOT Bonds Master Indenture. Each such requisition shall be accompanied by (i) a schedule of bills or invoices supporting such requisition (stamped "paid" if reimbursement is to be made to Ballpark LLC) or other evidence reasonably satisfactory to the PILOT Bonds Trustee including evidence that the bill, invoice or other evidence was not incurred or paid on a date prior to the date of adoption of the Inducement Resolution and (ii) a partial waiver of lien from any contractor which is being paid from any disbursement. The PILOT Bonds Trustee shall be entitled to rely on the correctness and accuracy of such requisition as well as the propriety of the signature thereon. Notwithstanding the foregoing, the PILOT Bonds Trustee shall hold back in the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund an

amount as required in the PILOT Bonds Master Indenture until the PILOT Bonds Trustee receives (i) the completion certificate and other documents called for in the PILOT Bonds Master Indenture, including without limitation final lien waivers from each contractor that has furnished work, labor, services, materials or supplies to the Project.

(d) Capitalized Interest Account (PILOT Bonds). (i) There shall be deposited in the Capitalized Interest Account (PILOT Bonds) such amounts as shall be provided in a Supplemental Indenture relating to the PILOT Bonds. The initial amounts on deposit in the Capitalized Interest Account (PILOT Bonds) shall be used to pay interest on the PILOT Bonds, Regularly Scheduled Swap Payments, if any, and Bond Fees, if any, during the Construction Period and through six months after the Completion Date. The PILOT Bonds Trustee is authorized by the PILOT Bonds Master Indenture and directed to transfer from the Capitalized Interest Account (PILOT Bonds) to the Interest Account (PILOT Bonds) on or before each Interest Payment Date an amount equal to the amount necessary to pay the interest on, and Bond Fees relating to the PILOT Bonds becoming due on such Interest Payment Date and Regularly Scheduled Swap Payments due on such date. Earnings from investment of the Capitalized Interest Account (PILOT Bonds) shall be retained in the Capitalized Interest Account (PILOT Bonds). All amounts remaining in the Capitalized Interest Account (PILOT Bonds) on the date which is six months after the Completion Date, will be transferred first, to the PILOT Debt Service Reserve Fund, if and to the extent necessary to make the amount in the PILOT Debt Service Reserve Fund equal the PILOT Debt Service Reserve Requirement, and then any balance shall be transferred to the Interest Account (PILOT Bonds).

(ii) The PILOT Bonds Trustee is authorized to transfer from the Capitalized Interest Account (PILOT Bonds) to the PILOT Rebate Fund the amount required for the payment of the PILOT Bonds Rebate Requirement upon written instruction from the Agency to make such transfer in accordance with the summarized section entitled "Deposits Into PILOT Rebate Fund; Application of PILOT Rebate Fund Monies."

(e) The PILOT Bonds Trustee shall keep and maintain adequate records pertaining to the PILOT Project Fund and all disbursements therefrom and shall furnish copies of same to the Agency upon reasonable written request.

(f) The PILOT Bonds Trustee shall on written request by the Agency furnish to the Agency and the Bond Insurer within a reasonable time period a written statement of disbursements from the PILOT Project Fund, enumerating, among other things, item, cost, amount disbursed, date of disbursement and the person to whom payment was made, together with copies of all bills, invoices or other evidences submitted to the PILOT Bonds Trustee for such disbursement and all lien waivers from each contractor that furnished work, labor, services, materials or supplies to the Project.

(g) The completion of the Project shall be evidenced as set forth in the PILOT Bonds Master Indenture including the filing of the certificate of the Authorized Representative of Ballpark LLC referred to therein. Except as described in paragraph (d) above, upon the filing of such certificate, the balance in the PILOT Project Fund in excess of the amount, if any, stated in such certificate for the payment of any remaining part of the costs of the Project, shall be transferred by the PILOT Bonds Trustee to the PILOT Capital Improvement Fund to be applied in accordance with the provisions summarized below in the section entitled "PILOT Capital Improvement Fund." The PILOT Bonds Trustee shall promptly notify the Agency, the Bond Insurer and the Owners of PILOT Bonds of any amounts so transferred to the PILOT Capital Improvement Fund pursuant to this summarized section (g).

(h) In the event the Agency shall be required to or shall elect to cause the PILOT Bonds to be redeemed in whole pursuant to the PILOT Bonds Master Indenture or any Supplemental Indenture, the

balance in the PILOT Project Fund shall be deposited in the Redemption Account (PILOT Bonds) of the PILOT Bond Fund.

Deposits into Renewal Fund; Application of Renewal Fund Monies

(a) All amounts received by the PILOT Bonds Trustee constituting Restoration Funds, insurance proceeds or proceeds of condemnation awards shall be deposited in the Project Renewal Fund. All monies deposited in the Project Renewal Fund shall be held in trust by the PILOT Bonds Trustee and applied only in accordance with the provisions of this PILOT Bonds Master Indenture and shall be a trust fund for the purposes of the PILOT Bonds Master Indenture. Amounts on deposit in the PILOT Bonds Renewal Fund shall not be commingled with the amounts held in any Fund or Account under the PILOT Bonds Master Indenture.

(b) The PILOT Bonds Trustee is authorized to apply the amounts in the Project Renewal Fund to the payment (or reimbursement to the extent the same have been paid by or on behalf of Ballpark LLC or the Agency) of the costs required for the rebuilding, replacement, repair and restoration of the Stadium and the Stadium Equipment to the condition in which it existed immediately before the occurrence of the event requiring the rebuilding in accordance with the procedures set forth in clause (ii) of paragraph (c) of those provisions of the PILOT Bonds Master Indenture summarized above in the section entitled "Deposits in PILOT Project Fund; Application of PILOT Project Fund Monies" and the provisions of the PILOT Bonds Master Indenture relating to conditions to disbursement from the Construction and Acquisition Account (Lease Revenue) The PILOT Bonds Trustee is further authorized and directed to issue its checks for each disbursement from the Project Renewal Fund upon a requisition submitted to the PILOT Bonds Trustee and approved by the Independent Engineer in the manner set forth in said clause. Each such requisition shall be accompanied by bills, invoices or other evidences reasonably satisfactory to the PILOT Bonds Trustee. The PILOT Bonds Trustee shall be entitled to rely upon such requisition. The PILOT Bonds Trustee shall keep and maintain adequate records pertaining to the Project Renewal Fund and all disbursements therefrom and shall furnish copies of same to the Agency, the Bond Insurer, and Ballpark LLC upon reasonable written request therefore.

(c) The date of completion of the restoration of the Stadium and the Stadium Equipment shall be evidenced to the Agency, the Bond Insurer and the PILOT Bonds Trustee by a certificate of an Authorized Representative of Ballpark LLC stating (i) the date of such completion, (ii) that all labor, services, materials and supplies used therefor and all costs and expenses in connection therewith have been paid for, (iii) that the Stadium and the Stadium Equipment have each been restored to substantially its condition immediately prior to the Loss Event, (iv) that the Agency has good and valid leasehold title to all property constituting part of the restored Project and all property of the Stadium is subject to the mortgage liens and security interests of the PILOT Mortgages, (v) the PILOT Bonds Rebate Requirement applicable with respect to the Restoration Funds or condemnation awards and the earnings thereon (with a statement as to the determination of the PILOT Bonds Rebate Requirement and a direction to the PILOT Bonds Trustee of any required transfer to the PILOT Rebate Fund), and (vi) that the restored Stadium is ready for occupancy and that Stadium and the Stadium Equipment are ready for use and operation for their Intended Purposes. Notwithstanding the foregoing, such certificate shall state (x) that it is given without prejudice to any rights of Ballpark LLC against third parties which exist at the date of such certificate or which may subsequently come into being, (y) that it is given only for the purposes of this summarized section, and (z) that no Person other than the Agency, the PILOT Bondholders, the Bond Insurer or the PILOT Bonds Trustee may benefit therefrom. Such certificate shall be accompanied by (i) a permanent certificate of occupancy, if required, and any and all permissions, licenses or consents required of governmental authorities for the occupancy, operation and use of the Stadium and the Stadium Equipment for the purposes contemplated by the PILOT Agreement; (ii) a certificate of the Independent Engineer (1) certifying that all costs of rebuilding, repair, restoration and reconstruction of the Stadium

and Stadium Equipment have been paid in full, and (2) attaching thereto lien waivers or releases of mechanics' liens by all contractors and materialmen who supplied work, labor, services, materials or supplies in connection with the rebuilding, repair, restoration and reconstruction of the Stadium and the Stadium Equipment (or, to the extent that any such costs shall be the subject of a bona fide dispute, evidence to the PILOT Bonds Trustee that such costs have been appropriately bonded or that Ballpark LLC shall have posted a surety or security at least equal to the amount of such costs) and (iii) a current title update confirming that no mechanics' or other liens have been filed against the Project.

(d) In the event that seven (7) years after the date of the Loss Event, the Restoration Proceeds and other amounts on deposit in the Project Renewal Fund have not been applied to the costs of restoration of the Stadium and the Stadium Equipment and subject to payment to the Agency of the amount required to be paid thereto as set forth in the Stadium Lease, the Bond Insurer may direct the Agency and the PILOT Bonds Trustee to apply the remaining Restoration Proceeds and other monies on deposit in the Project Renewal Fund to the redemption of the Outstanding PILOT Bonds provided that the amount then on deposit in the Project Renewal Fund is insufficient, in the opinion of the Independent Engineer, required to restore the Stadium and Stadium Equipment to a condition that is reasonably likely (based upon an economic analysis prepared by a consultant with substantial expertise in performing revenue projections for professional sports facilities selected by the Agency with the consent of the Bond Insurer) to generate sufficient annual revenue to pay (i) PILOTs and Annual Debt Service on the Outstanding Lease Revenue Bonds and Installment Purchase Bonds, and (ii) annual operations and maintenance on the Stadium and Stadium Equipment, as so restored, in accordance with an operating budget submitted in accordance with the Stadium Lease, as certified by an independent consultant in the business of providing forecasts of the nature required by this provision. If so directed by the Bonds Insurer, the PILOT Bonds Trustee shall redeem the Outstanding PILOT Bonds in accordance with the PILOT Bonds Master Indenture and all amounts on deposit in the PILOT Bonds Renewal Fund will be transferred pro rata in proportion to the amount of Outstanding PILOT Bonds, the Outstanding Lease Revenue Bonds and the Installment Purchase Bonds, respectively, to (i) the Redemption Account (PILOT Bonds) in the PILOT Bond Fund, (ii) to the Lease Revenue Bonds Trustee under the Lease Revenue Bonds Indenture for deposit in the Redemption Account (Lease Revenue) in the Lease Revenue Bond Fund and (ii) to the Installment Purchase Bonds Trustee under the Installment Purchase Bonds Indenture for deposit in the Installment Purchase Redemption Account in the Installment Purchase Bond Fund, to redeem PILOT Bonds, Lease Revenue Bonds and Installment Purchase Bonds as soon as practicable.

(e) Any surplus amounts remaining in the Project Renewal Fund after the completion of the rebuilding, replacement, repair and restoration of the Stadium and the Stadium Equipment shall be transferred by the PILOT Bonds Trustee to Ballpark LLC unless Restoration Proceeds have been applied to redeem bonds in accordance with paragraph (c) of the summarized section immediately above in which case such surplus amount shall be transferred to the Agency.

Deposits into PILOT Payment Fund; Application of PILOT Payment Fund Monies

The PILOT Bonds Trustee shall deposit or cause to be deposited into the PILOT Payment Fund immediately upon their receipt, all PILOT Revenues. The PILOT Bonds Trustee shall also deposit in the PILOT Payment Fund such other amounts required to be deposited therein pursuant to the PILOT Bonds Master Indenture; provided, however, that (i) monies paid to the PILOT Bonds Trustee for the purchase or redemption of PILOT Bonds pursuant to the provisions of the PILOT Bonds Master Indenture or the Intercreditor Agreement, (ii) Liquidated Damages payable under the Non-Relocation Agreement to the City and assigned to the Agency under the Ground Lease, (iii) any Termination Payment under the Stadium Lease and (iv) the proceeds of a Substantial Taking received by the PILOT Bonds Trustee under the Stadium Lease and disbursed in accordance with the provisions of the Intercreditor Agreement, in each case, shall be deposited into the Redemption Account (PILOT Bonds) in the PILOT Bond Fund, in

any such case, without the deposit of such monies into the PILOT Payment Fund. Earnings from investments of the PILOT Payment Fund shall be deposited in the PILOT Payment Fund as received. No later than two Business Days' after receipt of any PILOT Payment, the PILOT Bonds Trustee shall make the following transfers from the PILOT Payment Fund in the following order, subject to credits for amounts already on deposit in the Funds and Accounts described below:

(i) To the Interest Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to the interest due and the Parity Reimbursement Obligations, Regularly Scheduled Swap Payments payable under related Parity Swap Obligations and any Bond Fees related to PILOT Bonds due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(ii) To the Principal Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to (i) (A) except for the January 1, 2010 Interest Payment Date one-half of the principal and Sinking Fund Installment due and payable on the next succeeding January 1 and (B) the related Parity Reimbursement Obligations due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period and (ii) in the case of the January 1, 2010 Interest Payment Date, an amount as required in the PILOT Bonds Master Indenture;

(iii) To the Redemption Account (PILOT Bonds) in the PILOT Bond Fund, an amount equal to the redemption price of any PILOT Bonds which is due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(iv) To reimburse each Reserve Account Credit Facility Provider for any amounts advanced under its Reserve Account Credit Facility relating to the PILOT Bonds, including paying interest thereon and any other amounts owed, in accordance with the terms of such Reserve Account Credit Facility and any reimbursement agreement between the Agency and the Lease Revenue Reserve Account Credit Facility Provider; to the extent that on any date the amounts available for such reimbursement payments are insufficient to make all such payments, including interest, the amounts actually available shall be paid, pro rata, to each Reserve Account Credit Facility Provider in proportion to the payments then due under the respective Reserve Account Credit Facilities; provided however, that if any such payment shall not result in the reinstatement of a portion of such Reserve Account Credit Facility in an amount equal to such payment (excluding the portion thereof representing interest on such advance), such reimbursement payment shall be made only after the payments otherwise required by subparagraphs (i) through (v) of this summarized section;

(v) If the balance in the PILOT Debt Service Reserve Fund, prior to any draw of monies from such Fund made on such first (1st) Business Day of the month, is less than the Debt Service Reserve Requirement, to the PILOT Debt Service Reserve Fund the amount necessary to satisfy the Debt Service Reserve Requirement;

(vi) To the PILOT Subordinated Bond Fund, the amount necessary to pay any principal of and interest of PILOT Bonds not otherwise funded by subparagraphs (i) and (ii) of this summarized section and any Swap Termination Payments and Other Swap Payments due and payable on the next succeeding Interest Payment Date or during the next succeeding Payment Period;

(vii) After making the deposits required by subparagraphs (i) through (vi) above, any monies remaining in the PILOT Payment Fund shall be held in the PILOT Payment Fund.

Deposits into PILOT Bond Fund; Application of PILOT Bond Fund Monies

(a) PILOT Bond Fund. There is created and established in the PILOT Bond Fund the accounts described below which shall be held by the PILOT Bonds Trustee and which shall be used solely for the purpose of paying the principal of and Redemption Price, if any, and interest and Sinking Fund Installments on, and any Bond Fees relating to, the PILOT Bonds and related Parity Debt and of retiring such PILOT Bonds at or prior to maturity in the manner provided in the PILOT Bonds Master Indenture and in any Supplemental Indenture and in making all Regularly Scheduled Swap Payments under Parity Swap Obligations related to such PILOT Bonds when due.

(b) Interest Account (PILOT Bonds).

(i) The PILOT Bonds Trustee shall deposit into the Interest Account (PILOT Bonds), upon receipt thereof, all amounts transferred by the PILOT Bonds Trustee for deposit therein in accordance with the section summarized above entitled "Deposits into PILOT Payment Fund; Application of PILOT Payment Fund Monies" and paragraph (d) below and any Regularly Scheduled Swap Payments related to the PILOT Bonds made by a Qualified Swap Provider pursuant to a Qualified Swap.

(ii) The PILOT Bonds Trustee shall, on or before each Interest Payment Date, pay out of the Interest Account (PILOT Bonds) subaccount relating to a Series of PILOT Bonds the amounts required for the payment of the interest becoming due on, and any Bond Fees relating to, such PILOT Bonds and related Parity Reimbursement Obligations on such Interest Payment Date. The PILOT Bonds Trustee shall also pay out of the Interest Account (PILOT Bonds) subaccount relating to a Series of PILOT Bonds, on any Redemption Dates for PILOT Bonds being refunded by an issue of Refunding Bonds, the amount required for the payment of interest on the PILOT Bonds then to be so redeemed. The PILOT Bonds Trustee shall also, on or before the date on which any Regularly Scheduled Swap Payments under a Parity Swap Obligation related to such PILOT Bonds is due, pay out of the Interest Account (PILOT Bonds) subaccount relating to the Series of PILOT Bonds for which the applicable Qualified Swap is related, the amounts required for the payment of the Regularly Scheduled Swap Payments becoming due on such date.

(c) Principal Account (PILOT Bonds).

(i) The PILOT Bond Trustee shall deposit into the Principal Account (PILOT Bonds), upon receipt thereof, all amounts transferred by the PILOT Bonds Trustee for deposit therein in accordance with the section summarized above entitled "Deposits into PILOT Payment Fund; Application of PILOT Payment Fund Monies" and paragraph (d) below representing principal becoming due on the PILOT Bonds and any related Parity Reimbursement Obligation on a principal payment date.

(ii) The PILOT Bonds Trustee shall, on each or before a principal payment date, pay out of the Principal Account (PILOT Bonds) subaccount relating to a Series of PILOT Bonds the amounts required for the payment of the principal and Sinking Fund Installment becoming due on the PILOT Bonds of such Series and any related Parity Reimbursement Obligation on such principal payment date.

(d) Redemption Account (PILOT Bonds).

(i) Except as may be otherwise provided in a Supplemental Indenture authorizing particular bonds, amounts in the Redemption Account (PILOT Bonds) of the PILOT Bond Fund shall be applied, at the written direction of the Agency, as promptly as practicable, to the purchase of PILOT Bonds, as applicable, at prices not exceeding the Redemption Price thereof applicable on the earliest date upon which such PILOT Bonds are next subject to redemption pursuant to the section summarized below

entitled "Notice of Redemption," plus accrued interest to the date of redemption. Any amount in the Redemption Account (PILOT Bonds) not so applied to the purchase of PILOT Bonds by forty-five (45) days prior to the next date on which such PILOT Bonds are so redeemable shall be applied to the redemption of such PILOT Bonds on such redemption date. Any amounts deposited in the Redemption Account (PILOT Bonds) and not applied within twelve (12) months of their date of deposit to the purchase or redemption of PILOT Bonds (except if held in accordance with the section summarized below entitled "Defeasance") shall be transferred to the Interest Account (PILOT Bonds). The PILOT Bonds to be purchased or redeemed shall be selected by the PILOT Bonds Trustee in the manner provided in the section summarized below entitled "Selection of PILOT Bonds to be Redeemed." Amounts in the Redemption Account (PILOT Bonds) to be applied to the redemption of PILOT Bonds shall be paid to the respective Paying Agents on or before the redemption date and applied by them on such redemption date to the payment of the Redemption Price of the PILOT Bonds being redeemed plus interest on such PILOT Bonds accrued to the redemption date.

(ii) Monies in the Redemption Account (PILOT Bonds) of the PILOT Bond Fund which are not set aside or deposited for the redemption or purchase of PILOT Bonds shall be transferred by the PILOT Bonds Trustee to the Interest Account (PILOT Bonds) or to the Principal Account (PILOT Bonds) of the PILOT Bond Fund.

(e) Deficiencies. If, on the Business Day preceding an Interest Payment Date or date for the payment of Regularly Scheduled Swap Payments, the balances in the Interest Account (PILOT Bonds) and/or the Principal Account (PILOT Bonds), after giving effect to any transfers made pursuant to this Article V, shall be insufficient for the purposes thereof on such Interest Payment Date, the PILOT Bonds Trustee shall transfer to the Interest Account (Lease Revenue) and then to the Principal Account (PILOT Bonds) such amounts as may be necessary to pay the principal of and interest on the PILOT Bonds on such Interest Payment Date from the PILOT Debt Service Reserve Fund.

(f) Earnings. Earnings from investment of the amounts held in the PILOT Bond Fund shall be deposited upon receipt during the Construction Period in the Construction and Acquisition Account (PILOT Bonds) of the PILOT Project Fund and after the Completion Date transferred to the PILOT Payment Fund.

Deposits into PILOT Debt Service Reserve Fund; Application of PILOT Debt Service Reserve Fund Monies

(a) At the time any Series of PILOT Bonds is delivered pursuant to the PILOT Bonds Master Indenture, the Agency shall pay into the PILOT Debt Service Reserve Fund from the proceeds of such PILOT Bonds or other available funds, the amount, if any, necessary for the amount on deposit in the PILOT Debt Service Reserve Fund to equal the Debt Service Reserve Requirement, after giving effect to any Reserve Account Credit Facility, calculated immediately after the delivery of such Series of PILOT Bonds.

(b) Amounts on deposit in the PILOT Debt Service Reserve Fund shall be applied as provided in this summarized section and in subsection (e) of the section summarized above entitled "Deposits into PILOT Bond Fund; Application of PILOT Bond Fund Monies." Bond Fees, fiduciary charges and expenses (including, but not limited to, legal fees and expenses) shall not be paid from the PILOT Debt Service Reserve Fund.

(c) If a deficiency exists in the PILOT Debt Service Reserve Fund, no later than the last Business Day of each calendar month the Agency shall transfer from the PILOT Bond Fund to the extent that there are sufficient monies available therein, and deposit in the PILOT Debt Service Reserve Fund

the amount, if any, required for the amount on deposit in the PILOT Debt Service Reserve Fund to equal the Debt Service Reserve Requirement as of the last day of such calendar month, after giving effect to any Reserve Account Credit Facility.

(d) Any amount in the PILOT Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement, after giving effect to any Reserve Account Credit Facility, may be retained therein or, upon the written direction of an Authorized Representative of the Agency filed with the PILOT Bonds Trustee, may be transferred to the Interest Account (PILOT Bonds) in the PILOT Bond Fund; provided, however, that any such excess as of the last Business Day of each calendar year shall be so transferred.

(e) Whenever the amount in the PILOT Debt Service Reserve Fund, without giving effect to any Reserve Account Credit Facility, together with the amount in the PILOT Bond Fund with respect to Debt Service on PILOT Bonds, is sufficient to pay in full all Outstanding PILOT Bonds in accordance with their terms (including the maximum amount of principal or applicable sinking fund Redemption Price and interest which could become payable thereon), the funds on deposit in the PILOT Debt Service Reserve Fund shall be transferred to the PILOT Bond Fund, and thereupon no further deposits shall be required to be made into the PILOT Debt Service Reserve Fund. Prior to said transfer, all investments held in the PILOT Debt Service Reserve Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on PILOT Bonds.

(f) Reserve Account Credit Facility may be made for the benefit of the Owners of the PILOT Bonds as provided in this summarized subsection (f). In lieu of any required transfers of monies to the PILOT Debt Service Reserve Fund, the Agency may cause to be deposited into the PILOT Debt Service Reserve Fund for the benefit of the Owners of the PILOT Bonds a Reserve Account Credit Facility in an aggregate amount equal to the difference between the Debt Service Reserve Requirement and the sums of monies or value of Qualified Investments then on deposit in the PILOT Debt Service Reserve Fund, if any. In lieu of retaining all or any portion of the monies theretofore on deposit in the PILOT Debt Service Reserve Fund, the Agency may cause to be deposited into the PILOT Debt Service Reserve Fund an Reserve Account Credit Facility in an aggregate amount equal to such monies, subject to subsection (d) of this summarized section. Each Reserve Account Credit Facility shall be payable (upon the giving of notice as required thereunder) on any date on which monies may be required to be withdrawn from the PILOT Debt Service Reserve Fund and applied to the payment of principal of or interest on any PILOT Bonds, and such withdrawal cannot be met by amounts on deposit in the PILOT Bond Fund. Any insurer providing an Reserve Account Credit Facility surety bond or insurance policy shall be an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in the two highest Rating Categories by Moody's and S&P. Any Reserve Account Credit Facility letter of credit issuer shall be a bank or trust company which on the date of issuance of the letter of credit has an outstanding unsecured, uninsured and unguaranteed debt issue which is rated in the two highest Rating Categories by Moody's and S&P. Any provider of any other Reserve Account Credit Facility obligation shall have the qualifications set forth in a Supplemental Indenture; provided, however, that prior to the deposit of such other Reserve Account Credit Facility obligation in the PILOT Debt Service Reserve Fund, the PILOT Bonds Trustee shall have received written confirmation from each of Moody's and S&P to the effect that the deposit of such Reserve Account Credit Facility will not, by itself, result in the withdrawal, suspension or downgrade of any rating issued by either Moody's or S&P with respect to any Outstanding PILOT Bonds. If a disbursement is made pursuant to an Reserve Account Credit Facility, the Agency shall either (i) reinstate the maximum limits of such Reserve Account Credit Facility or (ii) deposit into the PILOT Debt Service Reserve Fund funds in the amount of the disbursement made under such Reserve Account Credit Facility, or a combination of such alternatives, at the times and in the amounts required by subsection (c) of this summarized section. In the event that the rating attributable to any provider of any Reserve Account Credit Facility shall fall below that required as provided above, such Reserve Account Credit Facility

shall no longer be deemed to be an Reserve Account Credit Facility and the Agency shall either (i) replace such Reserve Account Credit Facility with an Reserve Account Credit Facility which shall meet the requirements provided above or (ii) deposit into the PILOT Debt Service Reserve Fund sufficient funds, or a combination of such alternatives, at the times and in the amounts required by subsection (c) of this summarized section.

(g) In the event of the refunding of any PILOT Bonds, the PILOT Bonds Trustee shall, upon the written direction of an Authorized Representative of the Agency, withdraw from the PILOT Debt Service Reserve fund all or any portion of amounts accumulated therein with respect to the PILOT Bonds being refunded and apply such amounts in accordance with such direction; provided, however, that such withdrawal shall not be made unless (i) immediately thereafter the PILOT Bonds being refunded shall be deemed to have been paid pursuant to subsection(b) of section summarized below entitled "Defeasance," and (ii) subject to subsection(e) of this summarized section, the amount remaining in the PILOT Debt Service Reserve Fund, after giving effect to any Reserve Account Credit Facility, after such withdrawal shall not be less than the Debt Service Reserve Requirement.

Deposits into PILOT Rebate Fund; Application of PILOT Rebate Fund Monies

(a) The PILOT Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the PILOT Bonds Trustee or the PILOT Bondholder or any other Persons.

(b) The Agency shall calculate the PILOT Bonds Rebate Requirement (i) prior to the Project achieving Completion, on the last Business Day of each Bond Year and (ii) after Completion at the times and in the manner provided in the PILOT Bonds Tax Certificate, the terms of which are incorporated herein. The Agency shall deliver to the PILOT Bonds Trustee a certificate setting forth such PILOT Bonds Rebate Requirement and directing that a transfer be made from (i) prior to the Project achieving Completion, the PILOT Project Fund and (ii) after Completion, from the PILOT Revenue Fund, to the PILOT Bonds Rebate Fund in the amount of the PILOT Bonds Rebate Requirement at the times set forth in such certificate.

(c) Deposits into the PILOT Rebate Fund shall be made in an amount sufficient to meet the PILOT Bonds Rebate Requirement (i) at any time prior to Completion, as set forth in the certificate described in clause (b) immediately above and (ii) after Completion, as described in the PILOT Bond Tax Certificate. Amounts on deposit in the PILOT Rebate Fund that are required to be paid to the United States Agency of the Treasury pursuant to the Code shall be paid at the times and in the amounts set forth in or determined in accordance with the PILOT Bonds Rebate Certificate or the PILOT Bonds Tax Certificate.

(d) The PILOT Bonds Trustee shall have no obligation under this PILOT Bonds Master Indenture to transfer any amounts to the PILOT Rebate Fund unless the PILOT Bonds Trustee shall have received specific written instructions from the Agency to make such transfer.

Subordinated Indebtedness Fund

(a) Subject to subsection(b) summarized below, the PILOT Bonds Trustee shall apply amounts in the Subordinated Indebtedness Fund to the payment of (i) the principal or Sinking Fund Installment of and interest on, and any Bond Fees relating to, PILOT Bond Subordinated Indebtedness and related Parity Debt when due and (ii) all Swap Termination Payments and other Swap Termination Payments when due in accordance with the provisions of, and subject to the priorities and limitations and restrictions provided in, a Supplemental Indenture.

(b) If at any time the amount in the Interest Account (PILOT Bonds) or the Principal Account (PILOT Bonds) in the PILOT Bond Fund shall be less than the requirement of such Account, or the amount in the PILOT Debt Service Reserve Fund shall be less than the Debt Service Reserve Requirement applicable thereto as the result of any transfer of monies from said Fund to the Interest Account (PILOT Bonds) or Principal Account (PILOT Bonds) in the PILOT Bond Fund, and there shall not be credited to the PILOT Bond Fund available monies sufficient to cure such deficiency, then the PILOT Bonds Trustee shall withdraw from the Subordinated Indebtedness Fund and deposit in the Interest Account (PILOT Bonds) or the Principal Account (PILOT Bonds) in the PILOT Bond Fund or the PILOT Debt Service Reserve Fund, as the case may be, the amount necessary (or all the monies in said Subordinated Indebtedness Fund, if less than the amount necessary) to make up such deficiency.

(c) Earnings from investment of the amounts held in the Subordinated Indebtedness Fund shall be deposited upon receipt during the Construction Period in the Construction and Acquisition Account (PILOT Bonds) in the PILOT Project Fund and after the Completion Date transferred to the PILOT Payment Fund.

Transfer to PILOT Rebate Fund

The PILOT Bonds Trustee shall have no obligation under the PILOT Bonds Master Indenture to transfer any amounts to the PILOT Rebate Fund unless the PILOT Bonds Trustee shall have received specific written instructions from the Agency to make such transfer.

PILOT Capital Improvement Fund

(a) There shall be deposited in the PILOT Capital Improvement Fund the balance remaining on deposit in the PILOT Project Fund after completion of the Project in accordance with the PILOT Bonds Master Indenture.

(b) On the first Business Day of each month commencing with the first such Business Day following the deposit of funds to the PILOT Capital Improvement Fund, from the PILOT Capital Improvement Fund, the PILOT Bonds Trustee shall transfer to Ballpark LLC, as agent for the Agency, the amount requisitioned pursuant to paragraph (c) below, provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such monies on costs of Capital Improvements to the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (B) to keep such monies in a segregated account, not commingled with any monies of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such monies so as to be able to demonstrate that such expenditure complies with clause (A), above; and (D) to provide a certification to the PILOT Bonds Trustee, the Bond Issuer and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A), above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

(c) Amounts on deposit in the PILOT Capital Improvement Fund shall be available to pay or to reimburse Ballpark LLC for costs of Capital Improvements to the Stadium, including costs paid during the current and prior calendar years and shall be disbursed by the PILOT Bonds Trustee upon receipt by the PILOT Bonds Trustee and the Bond Insurer of a written requisition signed by Ballpark LLC, as agent for the Agency, together with the bills or invoices supporting such requisition.

Investment of Funds and Accounts

(a) Except as may be otherwise provided in a Supplemental Indenture authorizing particular PILOT Bonds, amounts in the PILOT Rebate Fund, the PILOT Project Fund, the PILOT Capital Improvement Fund and the Renewal Fund may, if and to the extent then permitted by law, be invested only in Qualified Investments; and amounts in the PILOT Bond Fund, PILOT Debt Service Reserve Fund and the Subordinated Indebtedness Fund may, if and to the extent permitted by law, be invested only in Government Obligations. Such investments of the amounts in the PILOT Bond Fund, PILOT Debt Service Reserve Fund and the Subordinated Indebtedness Fund shall mature in such amounts and have maturity dates or be subject to redemption at the option of the owners thereof on or prior to the date on which the amounts invested therein will be needed for the purposes of the PILOT Bond Fund, the PILOT Debt Service Reserve Fund or the Subordinated Indebtedness Fund. Any investment authorized by the PILOT Bonds Master Indenture is subject to the condition that no portion of the proceeds derived from the sale of the PILOT Bonds shall be used, directly or indirectly, in such manner as to cause any PILOT Bond to be an "arbitrage PILOT Bond" within the meaning of Section 148 of the Code. Such investments shall be made by the PILOT Bonds Trustee only at the specific written request (including telecopy) of an Authorized Representative of the Agency, such written request to specify the particular investment to be made. Any investment under the PILOT Bonds Master Indenture shall be made in accordance with the PILOT Bond Tax Certificate, and the Agency shall so certify to the PILOT Bonds Trustee with each such investment direction as referred to below. Such investments shall mature in such amounts and at such times as may be necessary to provide funds when needed to make payments from the applicable Fund. Net income or gain received and collected from such investments shall be credited and losses charged to the fund or account for which such investment shall have been made; provided, however, that such net income or gain shall be credited to (i) the Interest Account (PILOT Bonds) of the PILOT Bond Fund with respect to the investment of amounts held in the PILOT Bond Fund, and (ii) the PILOT Project Fund with respect to the investment of amounts held in the PILOT Project Fund until amounts on deposit therein are transferred in accordance with the provisions of the PILOT Bonds Master Indenture and thereafter, the Interest Account (PILOT Bonds) of the PILOT Bond Fund for application to the debt service on the PILOT Bonds.

(b) The PILOT Bonds Trustee shall sell at the best price reasonably obtainable by it or present for redemption or exchange any obligations in which monies shall have been invested to the extent necessary to provide cash in the respective Funds or Accounts, to make any payments required to be made therefrom, or to facilitate the transfers of monies or securities between various Funds and Accounts as may be required from time to time pursuant to the provisions of the PILOT Bonds Master Indenture. As soon as practicable after any such sale, redemption or exchange, the PILOT Bonds Trustee shall give notice thereof to the Agency.

(c) Except as otherwise provided in the PILOT Bonds Master Indenture, neither the PILOT Bonds Trustee nor the Agency shall be liable for any loss arising from, or any depreciation in the value of any obligations in which monies of the Funds and Accounts shall be invested or from any other loss, fee, tax or charge in connection with any investment, reinvestment or liquidation of an investment under the PILOT Bonds Master Indenture. The investments authorized by this summarized section shall at all times be subject to the provisions of applicable law, as amended from time to time.

(d) Qualified Investments shall be valued at the lesser of cost or market price, inclusive of accrued interest.

Application of Monies in Certain Funds for Retirement of PILOT Bonds

Notwithstanding any other provisions of the PILOT Bonds Master Indenture, if on any Interest Payment Date or redemption date the amounts held in the Funds established under the PILOT Bonds Master Indenture (other than the PILOT Rebate Fund and any Reserve Account Credit Facility) are sufficient to pay one hundred per centum (100%) of the principal or Redemption Price, as the case may be, of all Outstanding PILOT Bonds and the interest accruing on such PILOT Bonds to the next date on which such PILOT Bonds are redeemable or payable, as the case may be, whichever is earlier, the PILOT Bonds Trustee shall so notify the Agency. Upon receipt of written instructions from the Agency directing such redemption, the PILOT Bonds Trustee shall proceed to redeem all such Outstanding PILOT Bonds in the manner provided for redemption of such PILOT Bonds by the PILOT Bonds Master Indenture.

Monies to be Held in Trust

All monies required to be deposited with or paid to the PILOT Bonds Trustee for the credit of any Fund or Account under any provision of the PILOT Bonds Master Indenture and all investments made therewith shall be held by the PILOT Bonds Trustee in trust for the benefit of the PILOT Bondholder, and while held by the PILOT Bonds Trustee constitute part of the PILOT Trust Estate, other than the PILOT Rebate Fund, and be subject to the lien of the PILOT Bonds Master Indenture.

Repayment to the Agency from the Funds

After payment in full of the PILOT Bonds (in accordance with the section summarized below entitled "Defeasance") and the payment of all fees, charges and expenses of the Agency, the PILOT Bonds Trustee, the PILOT Bond Registrar, the Paying Agents, the Bond Insurer and the Reserve Account Credit Facility Provider and all other amounts required to be paid under the PILOT Bonds Master Indenture and under each of the PILOT Security Documents, and the payment of any amounts which the PILOT Bonds Trustee is directed to rebate to the Federal government pursuant to the PILOT Bonds Master Indenture and the PILOT Bond Tax Certificate, all amounts remaining in any fund shall be paid to the Agency.

TRANSFER OF BONDS

Interchangeability, Transfer and Registry

(a) Except as may be otherwise provided in a Supplemental Indenture authorizing particular PILOT Bonds (including book-entry-only PILOT Bonds), each PILOT Bond shall be transferable only upon compliance with the restrictions on transfer set forth on such PILOT Bond and only upon the books of the Agency, which shall be kept for the purpose at the designated corporate trust office of the PILOT Bonds Trustee, by the registered Owner thereof in person or by his duly authorized attorney-in-fact with a guaranty of the signature thereon by a member of the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15, upon presentation thereof together with a written instrument of transfer in the form appearing on such PILOT Bond, duly executed by the registered owner or his duly authorized attorney-in-fact with signature guaranteed. Upon the transfer of any PILOT Bond the Agency shall prepare and issue in the name of the transferee one or more new PILOT Bonds of the same aggregate principal amount, Series and maturity as the surrendered PILOT Bond.

(b) Except as may be otherwise provided in a Supplemental Indenture authorizing particular PILOT Bonds, any PILOT Bond, upon surrender thereof at the designated corporate trust office of the PILOT Bonds Trustee in the City with a written instrument of transfer in the form appearing on such PILOT Bond, duly executed by the registered owner or his duly authorized attorney-in-fact, with a guaranty of the signature thereon by a commercial bank or trust company having its principal office or correspondent in The City of New York, or by a member of the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of PILOT Bonds of the same Series and maturity of any other authorized denominations. However, the PILOT Bonds Trustee will not be required to transfer or exchange any PILOT Bonds selected, called or being called for redemption in whole or in part.

(c) Except as may be otherwise provided in a Supplemental Indenture authorizing particular PILOT Bonds, the Agency, the PILOT Bond Registrar, the PILOT Bonds Trustee, the Bond Insurer and any PILOT Bond Paying Agent may deem and treat the Person in whose name any PILOT Bond shall be registered as the absolute owner of such PILOT Bond, whether such PILOT Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, and interest on such PILOT Bond and for all other purposes, and all payments made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such PILOT Bond to the extent of the sum or sums so paid, and neither the Agency, the PILOT Bond Registrar, the PILOT Bonds Trustee, the Bond Insurer nor any Paying Agent shall be affected by any notice to the contrary.

(d) In all cases in which the privilege of transferring or exchanging PILOT Bonds is exercised, the Agency or the PILOT Bonds Trustee may make a charge sufficient to reimburse it for any expenses including reasonable attorney's fees and any tax, fee or other governmental charge required to be paid in connection therewith; any such expenses shall be paid by the Agency but any such tax, fee or other governmental charge shall be paid by the Owner requesting such transfer or exchange.

PILOT Bonds Mutilated, Destroyed, Stolen or Lost

In case any PILOT Bond shall become mutilated or be destroyed, stolen or lost, the Agency shall execute, and thereupon the PILOT Bonds Trustee shall authenticate and deliver, a new PILOT Bond of like Series, maturity and unpaid principal amount as the PILOT Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated PILOT Bond, upon surrender and cancellation of such mutilated PILOT Bond, or in lieu of and in substitution for the PILOT Bond destroyed, stolen or lost, upon filing with the PILOT Bonds Trustee evidence reasonably satisfactory to it that such PILOT Bond has been destroyed, stolen or lost, and upon furnishing the Agency and the PILOT Bonds Trustee with indemnity satisfactory to the PILOT Bonds Trustee and to the Agency and complying with such other reasonable regulations as the PILOT Bonds Trustee may prescribe and paying such expenses (including reasonable attorney's fees) as the Agency and the PILOT Bonds Trustee may incur. All PILOT Bonds so surrendered to the PILOT Bonds Trustee shall be cancelled by it. Every new PILOT Bond issued pursuant to the provisions of this summarized section by virtue of the fact that any PILOT Bond is destroyed, lost or stolen, shall, with respect to such PILOT Bond, constitute an additional contractual obligation of the Agency whether or not the destroyed, lost or stolen PILOT Bond shall be found and shall be enforceable at any time, and shall be entitled to all the benefits of the PILOT Bonds Master Indenture equally and proportionately with any and all other PILOT Bonds duly issued under the PILOT Bonds Master Indenture. In the event any such destroyed, stolen or lost PILOT Bond shall have matured, or be about to mature, the Agency may, instead of issuing a new PILOT Bond, cause the PILOT Bonds Trustee to pay the same without surrender thereof upon compliance with the condition in the first sentence of this summarized section out of monies held by the PILOT Bonds Trustee and available for

such purpose. All PILOT Bonds shall be held and owned upon the express condition (to the extent lawful) that the foregoing provisions are exclusive with respect to the replacement or payment of any mutilated, destroyed or lost or stolen PILOT Bond and shall preclude any and all other rights and remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Cancellation and Destruction of PILOT Bonds

All PILOT Bonds paid or redeemed, either at or before maturity, shall be delivered to the PILOT Bonds Trustee when such payment or redemption is made, and such PILOT Bonds together with all PILOT Bonds purchased by the PILOT Bonds Trustee, shall thereupon be promptly cancelled. PILOT Bonds so cancelled shall be held by the PILOT Bonds Trustee or, upon the written request of the Agency, delivered to the Agency or destroyed.

Requirements With Respect to Transfers

In all cases in which the privilege of transferring PILOT Bonds is exercised, the Agency shall execute and the PILOT Bonds Trustee shall authenticate and deliver PILOT Bonds in accordance with the provisions of the PILOT Bonds Master Indenture. All PILOT Bonds surrendered in any such transfer shall forthwith be cancelled by the PILOT Bonds Trustee. For every such transfer of PILOT Bonds, the Agency or the PILOT Bonds Trustee may, as a condition precedent to the privilege of making such transfer, make a charge sufficient to reimburse it for any tax, fee (including reasonable attorney's fees) or other governmental charge required to be paid with respect to such transfer and may charge a sum sufficient to pay the cost of preparing each new PILOT Bond issued upon such transfer, which sum or sums shall be paid by the Person requesting such transfer.

ENHANCEMENT FACILITIES; QUALIFIED SWAPS AND OTHER SIMILAR ARRANGEMENTS; PARITY OBLIGATIONS

(a) A Supplemental Indenture authorizing the issuance of a Series of PILOT Bonds may establish such provisions as are necessary (i) to comply with the provisions of any Enhancement Facility that are not inconsistent with the PILOT Bonds Master Indenture, (ii) to provide relevant information and notices to the issuer of the Enhancement Facility, and (iii) to provide a mechanism for paying principal and Sinking Fund Installments of and interest on PILOT Bonds secured by, or purchased pursuant to, the Enhancement Facility.

(b) The Agency may enter into agreements with the issuer of any Enhancement Facility providing for, among other things: (i) the payment of fees, costs, expenses and, to the extent permitted by law, indemnities to such issuer, its parent and its assignees and participants in connection with such Enhancement Facility, (ii) the terms and conditions of such Enhancement Facility and the PILOT Bonds to which the Enhancement Facility relates, and (iii) the security, if any, to be provided for the issuance of such Enhancement Facility. Any such agreement may provide for the purchase of PILOT Bonds to which the Enhancement Facility relates by the issuer of such Enhancement Facility, with such adjustments to the rate of interest, method of determining interest, maturity (which shall not be inconsistent with the requirements of subsection (c) of this summarized section), or redemption provisions, as shall be specified by the Supplemental Indenture authorizing the issuance of such PILOT Bonds. Any payment obligation of the Agency under any such Enhancement Facility shall be a non-recourse obligation to be paid solely from amounts on deposit in the PILOT Payment Fund established under and in accordance with the terms of the PILOT Bonds Master Indenture.

(c) The Agency may, in an agreement with the issuer of any Enhancement Facility, agree to directly reimburse such issuer (or its assignees and participants, or any agent for the issuer or its assignees) for amounts paid by the issuer of the Enhancement Facility for the payment of the principal of, interest on, and Redemption Price or Purchase Price of PILOT Bonds under the terms of such Enhancement Facility (together with interest thereon, if any, and the amounts and obligations described in the next following two paragraphs, a "Reimbursement Obligation"), whether evidenced by an obligation to reimburse such issuer that is separate from the Agency's obligations on PILOT Bonds (a "Credit Facility Reimbursement Obligation") or by modified debt service obligations on PILOT Bonds acquired by such issuer (a "Liquidity Facility Reimbursement Obligation"). Notwithstanding anything to the contrary contained in this paragraph, no Reimbursement Obligation shall be created, for purposes of the PILOT Bonds Master Indenture, until amounts are paid under the related Enhancement Facility.

Any Credit Facility Reimbursement Obligation may include interest calculated at a rate higher than the interest rate on the related PILOT Bond. The following obligations also shall constitute Credit Facility Reimbursement Obligations: (i) payments of any fees, costs, expenses, indemnification, or other obligations to any such provider, its parent and its assignees and participants or any agent therefor, and (ii) payments pursuant to any advance, term-loan or other principal amortization requirements in reimbursement of any such advance or term-loan.

Any Liquidity Facility Reimbursement Obligation evidenced by PILOT Bonds of a Series may include interest calculated at a rate higher than the interest rate on other PILOT Bonds of such Series. The following obligations also shall constitute Liquidity Facility Reimbursement Obligations: (i) payments of any fees, costs, expenses, indemnification, or other obligations to any such provider, its parent and its assignees and participants or any agent therefor, and (ii) payments of differential and/or excess interest amounts.

(d) Any such Enhancement Facility shall be for the benefit of or secure only such PILOT Bonds or portion thereof as shall be specified in the applicable Supplemental Indenture.

(e) In connection with the issuance of any PILOT Bonds or at any time thereafter so long as PILOT Bonds remain Outstanding, the Agency may, to the extent from time to time permitted pursuant to law and with the prior written consent of the Bond Insurer, enter into Qualified Swaps. The total amount of the termination payment under a Qualified Swap shall be subordinated to the payment of the principal of and interest on the PILOT Bonds; provided, however, that if the Agency elects to terminate any Qualified Swap at its option, any termination payments shall be made as provided in such Qualified Swap.

(f) For purposes of this summarized section, to the extent provided in a Supplemental Indenture, the term "issuer" of an Enhancement Facility for PILOT Bonds of a Series may include, in addition to the actual issuer or issuers thereof and any lender that is a party to, or is a participant in rights created under, such Enhancement Facility.

(g) Any reimbursement obligation, modified debt service provision, interest rate exchange or rate protection agreement, or other arrangements and costs, of the types (but not necessarily satisfying all requirements) described in this summarized section but applicable to Subordinated Indebtedness shall constitute Subordinated Obligations.

(h) Any reimbursement obligation described in this summarized section shall be a non-recourse obligation to be paid solely from amounts on deposit in the Debt Service and Reimbursement Fund established under the PILOT Assignment.

REDEMPTION OF PILOT BONDS

Privilege of Redemption and Redemption Price

PILOT Bonds or portions thereof subject to redemption prior to maturity pursuant to a Supplemental Indenture shall be redeemable, upon mailed notice as provided in the PILOT Bonds Master Indenture, at the times, at the Redemption Prices and upon such terms (in addition to and consistent with the terms contained in the PILOT Bonds Master Indenture) as shall be specified in the Supplemental Indenture authorizing such PILOT Bonds.

Selection of PILOT Bonds to be Redeemed

In the event of redemption of less than all the Outstanding PILOT Bonds of the same Series and maturity, the particular PILOT Bonds or portions thereof to be redeemed shall be selected by the PILOT Bonds Trustee in such manner as the PILOT Bonds Trustee in its discretion may deem fair, except that to the extent practicable, the PILOT Bonds Trustee shall select PILOT Bonds for redemption such that no PILOT Bond remaining Outstanding shall be in a denomination less than the minimum permitted by the PILOT Bonds Master Indenture. Unless otherwise required by any Supplemental Indenture in the event of redemption of less than all the Outstanding PILOT Bonds of the same Series stated to mature on different dates, the principal amount of such Series of PILOT Bonds to be redeemed shall be applied in any order of maturity of the Outstanding Series of PILOT Bonds to be redeemed that the Agency may elect upon receipt of (i) the written approval of the Bond Insurer and (ii) an opinion of Bond Counsel. The portion of PILOT Bonds of any Series to be redeemed in part shall be in the principal amount of the minimum authorized denomination thereof or some integral multiple thereof and, in selecting PILOT Bonds of a particular Series for redemption, the PILOT Bonds Trustee shall treat each such PILOT Bond as representing that number of PILOT Bonds of such Series which is obtained by dividing the principal amount of such registered PILOT Bond by the minimum denomination (referred to below as a "unit") then issuable rounded down to the integral multiple of such minimum denomination. If it is determined that one or more, but not all, of the units of principal amount represented by any such PILOT Bond is to be called for redemption, then, upon notice of intention to redeem such unit or units, the Owner of such PILOT Bond shall forthwith surrender such PILOT Bond to the PILOT Bonds Trustee for (a) payment to such Owner of the Redemption Price of the unit or units of principal amount called for redemption and (b) delivery to such Owner of a new PILOT Bond or PILOT Bonds of such Series in the aggregate unpaid principal amount of the unredeemed balance of the principal amount of such PILOT Bond. New PILOT Bonds of the same Series and maturity representing the unredeemed balance of the principal amount of such PILOT Bond shall be issued to the registered Owner thereof, without charge therefor. If the Owner of any such PILOT Bond of a denomination greater than a unit shall fail to present such PILOT Bond to the PILOT Bonds Trustee for payment and exchange as aforesaid, such PILOT Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only).

Notice of Redemption

When redemption of any PILOT Bonds is requested or required pursuant to the PILOT Bonds Master Indenture, the PILOT Bonds Trustee, upon the direction of the Agency, shall give notice of such redemption in the name of the Agency, specifying the name of the Series, CUSIP number, PILOT Bond numbers, the date of original issue of such Series, the date of mailing of the notice of redemption, maturities, interest rates and principal amounts of the PILOT Bonds or portions thereof to be redeemed, the redemption date, the Redemption Price, and the place or places where amounts due upon such redemption will be payable (including the name, address and telephone number of a contact person at the PILOT Bonds Trustee) and specifying the principal amounts of the PILOT Bonds or portions thereof to

be payable and, if less than all of the PILOT Bonds of any maturity are to be redeemed, the numbers of such PILOT Bonds or portions thereof to be so redeemed. Such notice shall further state that on such date there shall become due and payable upon each PILOT Bond or portion thereof to be redeemed the Redemption Price thereof together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice may set forth any additional information relating to such redemption. The PILOT Bonds Trustee, at the direction of the Agency, in the name and on behalf of the Agency, shall mail a copy of such notice by certified mail, return receipt, postage prepaid, not more than sixty (60) nor less than thirty (30) days prior to the date fixed for redemption, to the Bond Insurer and the PILOT Bond Owners, at their last address, if any, appearing upon the registration books, but any defect in such notice shall not affect the validity of the proceedings for the redemption of such Series of PILOT Bonds with respect to which proper mailing was effected. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. In the event of a postal strike, the PILOT Bonds Trustee shall give notice by other appropriate means selected by the PILOT Bonds Trustee in its discretion. If any PILOT Bond shall not be presented for payment of the Redemption Price within sixty (60) days of the redemption date, the PILOT Bonds Trustee shall mail a second notice of redemption to the PILOT Bondholder by certified mail, return receipt, postage prepaid. Any amounts held by the PILOT Bonds Trustee due to non-presentment of PILOT Bonds for payments on or after any redemption date shall be retained by the PILOT Bonds Trustee for a period of at least one year after the final maturity date of such PILOT Bonds.

If notice of redemption shall have been given as aforesaid, the PILOT Bonds of such Series called for redemption shall become due and payable on the redemption date, provided, however, that with respect to any optional redemption of the PILOT Bonds of a Series, such notice shall state that such redemption shall be conditional upon the receipt by the PILOT Bonds Trustee on or prior to the date fixed for such redemption of monies sufficient to pay the principal of, redemption premium, if any, and interest on the PILOT Bonds of such Series to be redeemed, and that if such monies shall not have been so received said notice shall be of no force and effect and the Agency shall not be required to redeem the PILOT Bonds of such Series. In the event that such notice of optional redemption contains such a condition and such monies are not so received, the redemption shall not be made and the PILOT Bonds Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such monies were not so received. If a notice of optional redemption shall be unconditional, or if the conditions of a conditional notice of optional redemption shall have been satisfied, then upon presentation and surrender of the PILOT Bonds of such Series so called for redemption at the place or places of payment, such Series of PILOT Bonds shall be redeemed.

Under no circumstances shall the PILOT Bonds Trustee be required to expend any of its own funds for any purpose for which funds are to be disbursed under the PILOT Bonds Master Indenture.

Payment of Redeemed PILOT Bonds

(a) Notice having been given in the manner provided in the section summarized above entitled "Notice of Redemption," the PILOT Bonds or portions thereof so called for redemption shall become due and payable on the redemption dates so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date. If, on the redemption date, monies for the redemption of all the PILOT Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on the PILOT Bonds or portions thereof so called for redemption shall cease to accrue and become payable. If said monies shall not be so available on the redemption date, such PILOT Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(b) Payment of the Redemption Price plus interest accrued to the redemption date shall be made to or upon the order of the registered Owner only upon presentation of such PILOT Bonds for cancellation and exchange as provided in the summarized section below entitled "Cancellation of Redeemed PILOT Bonds"; provided, however, that any Owner of at least $1,000,000 in original aggregate principal amount of PILOT Bonds may, by written request to the PILOT Bonds Trustee no later than five (5) days prior to the date of redemption direct that payments of Redemption Price and accrued interest to the date of redemption be made by wire transfer as soon as practicable after tender of the PILOT Bonds in Federal funds at such wire transfer address as the owner shall specify to the PILOT Bonds Trustee in such written request.

Cancellation of Redeemed PILOT Bonds

(a) All PILOT Bonds redeemed in full under the provisions of the PILOT Bonds Master Indenture, shall forthwith be cancelled and returned to the Agency and no PILOT Bonds shall be executed, authenticated or issued under the PILOT Bonds Master Indenture in exchange or substitution therefor, or for or in respect of any paid portion of a PILOT Bond.

(b) If there shall be drawn for redemption less than all of a PILOT Bond, as described above in the summarized section entitled "Selection of PILOT Bonds to be Redeemed," the Agency shall execute and the PILOT Bonds Trustee shall authenticate and deliver, upon the surrender of such PILOT Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the PILOT Bond so surrendered, a PILOT Bond or PILOT Bonds of like Series and maturity in any of the authorized denominations.

Purchase of PILOT Bonds Requires Bond Insurer Consent

No purchase of any PILOT Bonds in advance of their respective maturity dates may be effected without the prior written consent of the Bond Insurer.

PARTICULAR COVENANTS

Agency's Obligations Not to Create A Pecuniary Liability

Each and every covenant made in the PILOT Bonds Master Indenture, including all covenants made in the various sections under the heading "Particular Covenants," is predicated upon the condition that any obligation for the payment of money incurred by the Agency shall not create a debt of the State nor the City and neither the State nor the City shall be liable on any obligation so incurred, and the PILOT Bonds shall not be payable out of any funds of the Agency other than those pledged therefor but shall be payable by the Agency solely from the PILOT Revenues and receipts derived from or in connection with the Stadium pledged to the payment thereof in the manner and to the extent in the PILOT Bonds Master Indenture specified and nothing in the PILOT Bonds, in the PILOT Agreement, in the PILOT Assignment or in the PILOT Bonds Master Indenture shall be considered as pledging any other funds or assets of the Agency.

Payment of Principal and Interest

The Agency covenants that it will from the sources contemplated in the PILOT Bonds Master Indenture promptly pay or cause to be paid the principal of, and interest on the PILOT Bonds, and the Redemption Price, if any, together with interest accrued thereon to the date of redemption, at the place, on the dates and in the manner provided in the respective Supplemental Indenture and in the PILOT Bonds according to the true intent and meaning thereof. All covenants, stipulations, promises, agreements and

obligations of the Agency contained in the PILOT Bonds Master Indenture shall be deemed to be covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, officer, director, employee or agent thereof in his individual capacity, and no resort shall be had for the payment of the principal of, redemption premium, if any, or interest on the PILOT Bonds or for any claim based thereon or under the PILOT Bonds Master Indenture against any such member, officer, director, employee or agent or against any natural person executing the PILOT Bonds. Neither the PILOT Bonds, the interest thereon, nor the Redemption Price thereof shall ever constitute a debt of the State or of the City and neither the State nor the City shall be liable on any obligation so incurred, and the PILOT Bonds shall not be payable out of any funds of the Agency other than those pledged therefor. The Agency shall not be required under the PILOT Bonds Master Indenture or the PILOT Agreement or any other PILOT Security Document to expend any of its funds other than (i) the proceeds of the PILOT Bonds, (ii) the PILOT Revenues and receipts, and other monies held or derived from or in connection with the Stadium and pledged to the payment of the PILOT Bonds, (iii) any income or gains therefrom, and (iv) the Net Proceeds with respect to the Stadium.

Performance of Covenants; Authority

The Agency covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the PILOT Security Documents executed, authenticated and delivered under the PILOT Bonds Master Indenture and in all proceedings pertaining thereto. The Agency covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the PILOT Bonds authorized by the PILOT Bonds Master Indenture and to execute the PILOT Bonds Master Indenture, to assign the PILOT Agreement and to pledge the PILOT Revenues and receipts pledged in the manner and to the extent set forth in the PILOT Bonds Master Indenture; that all action on its part for the issuance of the PILOT Bonds and the execution and delivery of the PILOT Bonds Master Indenture has been duly and effectively taken; and that the PILOT Bonds in the hands of the PILOT Bondholders are and will be the valid and enforceable special obligations of the Agency according to the import thereof.

Transfer of Lease Interests

Subject to the provisions of the Stadium Lease, for as long as any PILOT Bonds remain outstanding under the PILOT Bonds Master Indenture, the Agency may not sell, assign or transfer all or any portion of the Agency's interest in the Stadium and the Stadium Lease, except to a fully tax exempt public benefit corporation, which is fully exempt from all real estate taxes, sales and use taxes, and other taxes from which the Stadium is exempt by virtue of the Agency's leasehold interest therein, subject to the rights of PILOT Bondholders, and shall in no event sell, assign or transfer all or any portion of the Agency's interest in the Stadium and the Stadium Lease during construction of the Stadium. In the event of any permitted sale or sales, assignment or assignments, or transfer or transfers of Agency's interest in the Stadium and the Stadium Lease, the seller, assignor or transferor, as the case may be, shall be and is entirely freed and relieved of all agreements, covenants and obligations of the Agency under the Stadium Lease to be performed whether accruing before or after the date of such sale, assignment or transfer, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the Person who acquires or owns the Stadium, including, without limitation, the purchaser, assignee or transferee on any such sale, assignment or transfer, that such Person has assumed and agreed to carry out any and all agreements, covenants and obligations of the Agency under the Stadium Lease and the PILOT Security Documents whether accruing before or after the date of such sale, assignment or transfer, and security for such obligations in term and substance reasonably satisfactory to the Agency.

Additional Covenants with respect to the Stadium Lease

(a) The Agency covenants to design, develop, acquire, construct, equip, operate and maintain the Stadium, or to cause the Stadium to be designed, developed, acquired, constructed, equipped, operated and maintained, as a first class Major League Baseball stadium, which obligation on the part of the Agency shall be subject to the limitations set forth in paragraph (b) of this summarized section

(b) To the extent the covenants in paragraph (a) of this summarized section require the Agency to take any action, the obligation of the Agency to take such action shall be deemed satisfied by the assignment to the PILOT Bonds Trustee pursuant to the Partial Lease Assignment of certain representations, warranties and covenants of Ballpark LLC under the Stadium Lease. To the extent the covenants contained in paragraph (a) of this summarized section require the Agency to undertake any payment obligations, such obligations shall be non-recourse obligations and the payment thereof shall be made solely from amounts on deposit and available therefor in the O&M Fund established under the PILOT Assignment.

(c) Subject to the provisions of the PILOT Bonds Master Indenture and the Agency's Reserved Rights, the Agency covenants that it will take no action or fail to take any action under any Agency Document that would materially impair the rights or remedies of the PILOT Bondholders under the PILOT Bonds or the PILOT Bonds Master Indenture.

(d) To the extent any of the covenants contained in this summarized section require the Agency to take any action, such obligation may be satisfied by assignment to another lessee, including Ballpark LLC. To the extent any of the covenants contained in this summarized section require the Agency to undertake any payment obligations, such obligations are non-recourse obligations and are limited to be paid solely from amounts on deposit in the Debt Service and Reimbursement Fund established under the PILOT Assignment.

No Impairment

Subject to the provisions of the PILOT Bonds Master Indenture and the Agency's Reserved Rights enumerated in clause (iv) of the definition thereof (but excluding from such clause (iv) Sections 19.08, 36.01 and 36.02), the Agency covenants that it will take no action or omit to take any action under any Agency Document, irrespective of the capacity in which the Agency has executed any such Agency Document, that would materially impair the right or remedies of the PILOT Bondholders under the PILOT Bonds or the PILOT Bonds Master Indenture.

EVENTS OF DEFAULT; REMEDIES OF BONDHOLDERS

Events of Default

(a) Each of the following events is defined as and shall constitute an "Event of Default":

(i) Failure in the payment of the interest on any PILOT Bond when the same shall become due and payable;

(ii) Failure in the payment of the principal or redemption premium, if any, of any PILOT Bonds, when the same shall become due and payable, whether at the stated maturity thereof or upon proceedings for redemption thereof or otherwise, or interest accrued thereon to the date of redemption after notice of redemption therefor or otherwise;

(iii) Failure of the Agency to observe or perform any covenant, condition or agreement in the PILOT Bonds or under the PILOT Bonds Master Indenture on its part to be performed (except as set forth in clauses (i) and (ii) above) and (A) continuance of such failure for a period of thirty (30) days after receipt by the Agency of written notice specifying the nature of such default from the PILOT Bonds Trustee or the PILOT Bondholder, or (B) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, the Agency fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue with reasonable diligence its efforts to cure the same;

(iv) The occurrence of an "Event of Default" under the PILOT Assignment;

(v) The Agency, shall (A) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (C) make a general assignment for the benefit of its creditors, (D) commence a voluntary case under the Bankruptcy Code (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (F) take any action for the purpose of effecting any of the foregoing, or (G) be adjudicated a bankrupt or insolvent by any court;

(vi) A proceeding or case shall be commenced, without the application or consent of the Agency, in any court of competent jurisdiction, seeking, (A) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (B) the appointment of a trustee, receiver, liquidator, custodian or the like of Ballpark LLC or any substantial part of their respective assets, (C) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against the Agency shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (D) the Agency shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code; or

(vii) With respect to a Series of PILOT Bonds, any additional events as may be specified in the Supplemental Indenture authorizing the issuance of such Series.

Enforcement of Remedies

(a) Upon the occurrence and continuance of any PILOT Event of Default, the PILOT Bonds Trustee may, with consent of the Bond Insurer (as long as the Bond Insurer is not in material default of its obligations under the Bond Insurance Policy) proceed, or, if the Bond Insurer is in material default of its obligations under the Bond Insurance Policy, upon the written request of Owners of a majority in principal amount of the PILOT Bonds shall proceed, to protect and enforce its rights and the rights of the PILOT Bondholders under the Act, the PILOT Bonds, the PILOT Assignment, the PILOT Bonds Master Indenture and under any other PILOT Security Document forthwith by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, whether for the specific performance of any covenant or agreement contained in the PILOT Bonds Master Indenture or in any other PILOT Security Document or in aid of the execution of any power granted in the PILOT Bonds Master Indenture or in any other PILOT Security Document or in the Act or for the enforcement of any legal or equitable rights or remedies as the PILOT Bonds Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights or to perform any of its duties under the PILOT Bonds Master Indenture or under any other PILOT Security Document. In addition to any rights or remedies available to the PILOT Bonds Trustee under the PILOT Bonds Master Indenture or

elsewhere, upon the occurrence and continuance of a PILOT Event of Default the PILOT Bonds Trustee may take such action, without notice or demand, as it deems advisable.

(b) In the enforcement of any right or remedy under the PILOT Bonds Master Indenture, under any other PILOT Security Document or under the Act, the PILOT Bonds Trustee shall be entitled to sue for, enforce payment on and receive any or all amounts then or during any default becoming, and any time remaining, due from the Agency, for principal, interest, Redemption Price, or otherwise, under any of the provisions of the PILOT Bonds Master Indenture, of any other PILOT Security Document or of the PILOT Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in the PILOT Bonds, together with any and all costs and expenses of collection and of all proceedings under the PILOT Bonds Master Indenture, under any such other PILOT Security Document and under the PILOT Bonds, without prejudice to any other right or remedy of the PILOT Bonds Trustee or of the PILOT Bondholders, and to recover and enforce judgment or decree against the Agency, but solely as provided in the PILOT Bonds Master Indenture and in the PILOT Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from the monies in the PILOT Bond Fund and other monies available therefor to the extent provided in the PILOT Bonds Master Indenture) in any manner provided by law, the monies adjudged or decreed to be payable. The PILOT Bonds Trustee shall file proof of claim and other papers or documents as may be necessary or advisable in order to have the claims of the PILOT Bonds Trustee and the PILOT Bondholders allowed in any judicial proceedings relative to the Agency or their creditors or property.

(c) Regardless of the occurrence of an PILOT Event of Default, the PILOT Bonds Trustee, if directed by the Bond Insurer (as long as the Bond Insurer is not in material default of its obligations under the Bond Insurance Policy), shall institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the PILOT Bonds Master Indenture or under any other PILOT Security Document by any acts which may be unlawful or in violation of the PILOT Bonds Master Indenture or of such other PILOT Security Document or of any resolution authorizing any PILOT Bonds, and such suits and proceedings as the PILOT Bonds Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the PILOT Bondholders; provided, that such request shall not be otherwise than in accordance with the provisions of law and of the PILOT Bonds Master Indenture.

Right of Bond Insurer and PILOT Bondholders to Direct Proceedings

Anything in the PILOT Bonds Master Indenture to the contrary notwithstanding, the Bond Insurer (so long as the Bond Insurer is not in material default of its obligations under the Bond Insurance Policy) or a majority of the PILOT Bondholders (if the Bond Insurer is in material default of its obligations under the Bond Insurance Policy), shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the PILOT Bonds Trustee, with indemnity as may be required by the PILOT Bonds Trustee pursuant to the summarized section entitled "Indemnity," to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the PILOT Bonds Master Indenture or for the appointment of a receiver or any other proceedings under the PILOT Bonds Master Indenture; provided, however, that such direction shall not be otherwise than in accordance with the provisions of applicable law and of the PILOT Bonds Master Indenture. Subject to the rights of the Bond Insurer noted above in this summarized section, unless directed by fifty-one percent (51%) of the PILOT Bondholders pursuant to this summarized section, the PILOT Bonds Trustee shall have full power in the exercise of its discretion for the best interests of the Owners of the PILOT Bonds, to conduct, continue, discontinue, withdraw, compromise, settle or otherwise dispose of any legal or equitable action or proceeding.

Application of PILOT Revenues and Other Monies After Default

(a) All monies received by the PILOT Bonds Trustee pursuant to any right given or action taken under the provisions of PILOT Bonds Master Indenture or under any other PILOT Security Document shall, after payment of the cost and expenses, including reasonable attorney's fees, of the proceedings resulting in the collection of such monies and of the expenses, including reasonable attorney's fees, liabilities and advances incurred or made by the PILOT Bonds Trustee, the Bond Insurer and the PILOT Bondholder, be deposited in the PILOT Bond Fund and all monies so deposited and available for payment of the PILOT Bonds shall be applied, subject to the PILOT Bonds Master Indenture, as follows:

First - To the payment to the Persons entitled thereto of all installments of interest then due on the PILOT Bonds; and

Second - To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price, if any, of any of the PILOT Bonds or principal installments which shall have become due (other than PILOT Bonds or principal installments called for redemption for the payment of which monies are held pursuant to the provisions of the PILOT Bonds Master Indenture), with interest on such PILOT Bonds, at the rate or rates expressed thereon, from the respective dates upon which they become due.

(b) Whenever monies are to be applied pursuant to the provisions of this summarized section, such monies shall be applied at such times, and from time to time, as the PILOT Bonds Trustee shall determine, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. Whenever the PILOT Bonds Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The PILOT Bonds Trustee shall give such written notice to the PILOT Bondholders as it may deem appropriate of the deposit with it of any such monies and of the fixing of any such date, and shall not be required to make payment to the PILOT Bondholders until such PILOT Bonds shall be presented to the PILOT Bonds Trustee for appropriate endorsement or for cancellation if fully paid.

Actions by PILOT Bonds Trustee

All rights of action under the PILOT Bonds Master Indenture, under any other PILOT Security Document or under any of the PILOT Bonds may be enforced by the PILOT Bonds Trustee without the possession of any of the PILOT Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the PILOT Bonds Trustee shall be brought in its name as PILOT Bonds Trustee without the necessity of joining as plaintiff or defendant the PILOT Bondholder.

Bond Insurer as Registered Owner of PILOT Bonds Insured

(a) As long as the Bond Insurer is not in material default of its obligations under the Bond Insurance Policy, notwithstanding anything to the contrary in the PILOT Bonds Master Indenture, the Bond Insurer shall be recognized as the Registered Owner of each PILOT Bond which it insures (i) for the purposes of exercising all rights and privileges available to PILOT Bondholders, including, but not limited to, when the approval, consent or actions of the Owners of such PILOT Bonds is required or may be exercised under the PILOT Bonds Indenture and whenever the approval, consent or action of the issuer of such Enhancement Facility shall be required in addition to the approval, consent or action of the

applicable percentage of the Owners of the Outstanding PILOT Bonds the payment of which such Enhancement Facility secures or secured when the approval, consent or action of the Owners of such PILOT Bonds is required or may be exercised under the PILOT Bonds Master Indenture and (ii) as long as it is not in material default of its obligations under the Bond Insurance Policy, the Bond Insurer shall have the right to institute any suit, action or proceeding at law or in equity under the same terms as a PILOT Bondholder in accordance with the provisions of the PILOT Bonds Master Indenture.

(b) In the event that the principal, Sinking Fund Installments, if any, Purchase Price and Redemption Price, if applicable, or interest due on any Outstanding PILOT Bonds shall be paid under the provisions of an Enhancement Facility, all covenants, agreements and other obligations of the Agency to the Owners of such PILOT Bonds shall continue to exist, and the issuer of the Enhancement Facility shall be subrogated to the rights of such Owners in accordance with the terms of such Enhancement Facility.

Individual PILOT Bondholder Action Restricted

(a) Subject to the summarized sections entitled "Enforcement of Remedies," "Right of Bond Insurer and PILOT Bondholders to Direct Proceedings" and "Bond Insurer as Registered Owner of PILOT Bonds Insured," no PILOT Bondholder shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provisions of the PILOT Bonds Master Indenture or of any other PILOT Security Document or the execution of any trust under the PILOT Bonds Master Indenture or for any remedy under the PILOT Bonds Master Indenture or under any other PILOT Security Document, unless the PILOT Bondholder shall have previously given to the PILOT Bonds Trustee written notice of the occurrence of a PILOT Event of Default as provided in the PILOT Bonds Master Indenture and the Owners of at least twenty-five percent (25%) in principal amount of the PILOT Bonds then Outstanding shall have filed a written request with the PILOT Bonds Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in the PILOT Bonds Master Indenture or in such other PILOT Security Document or by the Act or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless the PILOT Bondholder shall have offered to the PILOT Bonds Trustee adequate security and indemnity against the costs, expenses, including reasonable attorney's fees, and liabilities to be incurred therein or thereby, and the PILOT Bonds Trustee shall have refused to comply with such request for a period of sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that the PILOT Bondholder shall not have any right in any manner whatever by its action to affect, disturb or prejudice the pledge created by the PILOT Bonds Master Indenture, or to enforce any right under the PILOT Bonds Master Indenture except in the manner provided in the PILOT Bonds Master Indenture; and that all proceedings at law or in equity to enforce any provision of the PILOT Bonds Master Indenture shall be instituted, had and maintained in the manner provided in the PILOT Bonds Master Indenture.

(b) Nothing in the PILOT Bonds Master Indenture, in any other PILOT Security Document or in the PILOT Bonds contained shall affect or impair the right of the PILOT Bondholders to payment of the principal or Redemption Price, if applicable, of, and interest on any PILOT Bond at and after the maturity thereof, or the obligation of the Agency to pay the principal or Redemption Price, if applicable, of, and interest on each of the PILOT Bonds to the PILOT Bondholders at the time, place, from the source and in the manner provided in the PILOT Bonds Master Indenture and in said PILOT Bonds expressed.

Effect of Discontinuance of Proceedings

In case any proceedings taken by the PILOT Bonds Trustee on account of any PILOT Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the PILOT Bonds Trustee, then and in every such case, the Agency, the PILOT Bonds Trustee and the PILOT Bondholders shall be restored, respectively, to their former positions and rights

under the PILOT Bonds Master Indenture, and all rights, remedies, powers and duties of the PILOT Bonds Trustee shall continue as in effect prior to the commencement of such proceedings.

Remedies Not Exclusive

No remedy by the terms of the PILOT Bonds Master Indenture conferred upon or reserved to the PILOT Bonds Trustee or to the PILOT Bondholders is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given under the PILOT Bonds Master Indenture or now or hereafter existing at law or in equity or by statute.

Delay or Omission

No delay or omission of the PILOT Bonds Trustee or of any PILOT Bondholder to exercise any right or power arising upon any default shall impair any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by the PILOT Bonds Master Indenture to the PILOT Bonds Trustee and the PILOT Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient by the PILOT Bonds Trustee or by the PILOT Bondholders.

Notice of Default

The PILOT Bonds Trustee shall promptly mail to the Agency, the Bond Insurer and to the PILOT Bondholders by first class mail, postage prepaid, written notice of the occurrence of any PILOT Event of Default. The PILOT Bonds Trustee shall not, however, be subject to any liability to the PILOT Bondholders by reason of its failure to mail any notice required by this Section.

Waivers of Default

The PILOT Bonds Trustee shall waive any default under the PILOT Bonds Master Indenture and its consequences and rescind any declaration of acceleration only upon the written request of the Bond Insurer (as long as the Bond Insurer is not in material default of its obligations under the Bond Insurance Policy) or the Owners of a majority in principal amount of the PILOT Bonds (if the Bond Insurer is in material default of its obligations under the Bond Insurance Policy); provided, however, that there shall not be waived (a) any default in the payment of the principal of any Outstanding PILOT Bonds at the date specified therein or (b) any default in the payment when due of the interest on any such PILOT Bonds, unless, prior to such waiver, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the PILOT Bonds on overdue installments of interest in respect of which such default shall have occurred, and all arrears of payment of principal when due, as the case may be, and all expenses of the PILOT Bonds Trustee in connection with such default shall have been paid or provided for, or in case any proceeding taken by the PILOT Bonds Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the PILOT Bonds Trustee, then and in every such case the Agency, the PILOT Bonds Trustee and the PILOT Bondholders shall be restored to their former positions and rights under the PILOT Bonds Master Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

No Acceleration of PILOT Bonds or Parity Obligations

Anything in the PILOT Bonds Master Indenture to the contrary notwithstanding, neither the PILOT Bonds Trustee nor the Owners nor the issuer of any Enhancement Facility nor a party to any Qualified Swap shall have the right to accelerate the maturity of any PILOT Bond or Parity Obligation. The preceding sentence shall not be construed to prohibit any redemption of PILOT Bonds or Parity

Obligations at the option of the Owner, holder or issuer thereof or other party thereto, or if required pursuant to any Enhancement Facility, or any optional or mandatory tender of PILOT Bonds or Parity Obligations pursuant to the terms thereof, or any early termination of a Qualified Swap (subject to subsection (e) of the summarized section entitled "Enhancement Facilities; Qualified Swaps and Other Similar Arrangements; Parity Obligations," above).

BOND TRUSTEE AND PAYING AGENT

Indemnity

The PILOT Bonds Trustee shall be under no obligation to institute any suit, or to take any remedial action under the PILOT Bonds Master Indenture or under any other PILOT Security Document or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts created by the PILOT Bonds Master Indenture or in the enforcement of any rights and powers under the PILOT Bonds Master Indenture, or under any other PILOT Security Document, until it shall be indemnified to its satisfaction against any and all reasonable compensation for services, costs and expenses, outlays, and counsel fees and other disbursements, and against all liability not due to its willful misconduct or gross negligence.

DISCHARGE OF PILOT BONDS MASTER INDENTURE

Defeasance

(a) If the Agency shall pay or cause to be paid, or there shall otherwise be paid, to the PILOT Bondholders the principal or Redemption Price, if applicable, of, interest and all other amounts due or to become due thereon or in respect thereof, at the times and in the manner stipulated therein and in the PILOT Bonds Master Indenture, and all fees and expenses and other amounts due and payable under the PILOT Bonds Master Indenture, and any other amounts required to be rebated to the Federal government pursuant to the PILOT Bond Tax Certificate or the PILOT Bonds Master Indenture, shall be paid in full, then the pledge of any PILOT Revenues or receipts from or in connection with the PILOT Security Documents or the Stadium under the PILOT Bonds Master Indenture and the rights granted by the PILOT Bonds Master Indenture, and all covenants, agreements and other obligations of the Agency to the PILOT Bondholders under the PILOT Bonds Master Indenture shall thereupon, upon receipt of an opinion Bond Counsel to the effect that the Agency has duly provided or caused to be provided for the payment to the PILOT Bondholder the amounts required to pay the principal or Redemption Price, if applicable, of, and interest on the PILOT Bonds, cease, terminate and become void and be discharged and satisfied and the PILOT Bonds shall thereupon cease to be entitled to any lien, benefit or security under the PILOT Bonds Master Indenture, except as to monies or securities held by the PILOT Bonds Trustee or the Paying Agents as provided below. At the time of such cessation, termination, discharge and satisfaction, (1) the PILOT Bonds Trustee shall cancel and discharge the lien of the PILOT Bonds Master Indenture and deliver to the Agency all such instruments as may be appropriate to satisfy such liens and to evidence such discharge and satisfaction, and (2) the PILOT Bonds Trustee and the Paying Agent shall pay over or deliver to the Agency or on its order all monies or securities held by them pursuant to the PILOT Bonds Master Indenture which are not required (i) for the payment of principal or Redemption Price, if applicable, and interest on PILOT Bonds not theretofore surrendered for such payment or redemption, (ii) for the payment of all such other amounts due or to become due under the PILOT Security Documents, or (iii) for the payments of any amounts the PILOT Bonds Trustee has been directed to pay to the Federal government under the PILOT Bond Tax Certificate or the PILOT Bonds Master Indenture.

(b) Outstanding PILOT Bonds or any portion thereof shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in

paragraph (a) immediately above either (A) as provided in the Supplemental Indenture authorizing their issuance or (B) if (i) in case any of said PILOT Bonds are to be redeemed on any date prior to their maturity, the Agency shall have given to the PILOT Bonds Trustee, in form satisfactory to it, irrevocable instructions to mail, as provided in the PILOT Bonds Master Indenture, notice of redemption on said date of such PILOT Bonds, (ii) there shall have been irrevocably deposited with the PILOT Bonds Trustee or other Paying Agent either monies in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the PILOT Bonds Trustee or such Paying Agent at the same time, shall be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such PILOT Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) in the event such PILOT Bonds are not by their terms maturing or are not to be redeemed within the next succeeding sixty (60) days, the Agency shall have given the PILOT Bonds Trustee, in form satisfactory to it, irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such PILOT Bonds that the deposit required by clause (ii) above has been made with the PILOT Bonds Trustee and that said PILOT Bonds are deemed to have been paid in accordance with this summarized section, and stating such maturity or redemption date upon which monies are to be available for the payment of the principal or Redemption Price, if applicable, on such PILOT Bonds, and (iv) in the case of PILOT Bonds subject to optional or mandatory tender for purchase prior to the maturity or earlier redemption date specified for its payment pursuant to this summarized section, the PILOT Bonds Trustee or such Paying Agent shall have received written confirmation from each Rating Agency to the effect that the deposit and provisions for defeasance made pursuant to this summarized section will not, by themselves, result in the withdrawal, suspension or downgrade of any rating issued by such Rating Agency with respect to such PILOT Bonds. Neither Defeasance Securities nor monies deposited with the PILOT Bonds Trustee or other Paying Agent pursuant to this summarized section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said PILOT Bonds; provided, however, that any monies on deposit with the PILOT Bonds Trustee or such Paying Agent, (i) to the extent such monies will not be required at any time for such purpose, shall be deposited in the Principal Account (PILOT Bonds) in the PILOT Bond Fund or, if paragraph (a) immediately above applies, paid over to the Agency as received by the PILOT Bonds Trustee or such Paying Agent, free and clear of any trust, lien or pledge securing said PILOT Bonds or otherwise existing under the PILOT Bonds Master Indenture, and (ii) to the extent such monies will be required for such purpose on another date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient, together with any monies available to the PILOT Bonds Trustee or Paying Agent for such purpose, to pay when due the principal or Redemption Price, if applicable, and interest to become due on said PILOT Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Notwithstanding any other provision of the PILOT Bonds Master Indenture, the Agency may, at the time any PILOT Bonds are deemed to have been paid within the meaning and with the effect expressed in paragraph (a) immediately above, elect to retain the right to redeem or require the tender of any such PILOT Bonds; provided, however, that such PILOT Bonds shall at all times comply with the requirements of this summarized section for such PILOT Bonds to be deemed to have been paid as aforesaid.

(c) Anything in the PILOT Bonds Master Indenture to the contrary notwithstanding, all instructions by the Agency, accepted by the PILOT Bonds Trustee or any Paying Agent, given pursuant to this summarized section to mail notice of redemption of the PILOT Bonds of a Series (other than PILOT Bonds of such Series which have been purchased by the PILOT Bonds Trustee at the direction of the Agency as therein provided prior to the mailing of such notice of redemption) shall be irrevocable and shall foreclose the exercise by the Agency of any other optional redemption right with respect to such

PILOT Bonds, except that any such instructions may be revoked prior to any deposit pursuant to clause (B)(ii) of paragraph (b) of the summarized section entitled "Defeasance."

(d) For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of monies, or Defeasance Securities and monies, if any, in accordance with the PILOT Bonds Master Indenture, the interest to come due on such Variable Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such Maximum Rate for any period, the total amount of monies and Defeasance Securities on deposit with the PILOT Bonds Trustee for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited with the PILOT Bonds Trustee on such date in respect of such Variable Rate Bonds the PILOT Bonds Trustee shall, if requested by the Agency, pay the amount of such excess to the Agency free and clear of any trust, pledge, lien, encumbrance or security interest created by the PILOT Bonds Master Indenture.

(e) Anything in the PILOT Bonds Master Indenture to the contrary notwithstanding, any monies held by a Fiduciary in trust for the payment and discharge of the principal or Redemption Price of or interest on any of the PILOT Bonds and amounts payable by the Agency under Parity Obligations which remain unclaimed for two years after the date when such principal, Redemption Price, interest or amounts, respectively, have become due and payable, either at their stated maturity or due dates or by call for earlier redemption, if such monies were held by the Fiduciary at such date, or for two years after the date of deposit of such monies if deposited with the Fiduciary after the date when such principal, Redemption Price, interest or amounts, respectively, became due and payable, shall, at the written request of the Agency, be repaid by the Fiduciary to the Agency or such officer, board or body as then may be entitled by law to receive the same, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of PILOT Bonds and the Owners or issuers of or other parties to Parity Obligations, as applicable, shall look only to the Agency or such officer, board or body for the payment of such principal, Redemption Price, interest or amounts, respectively. Before being required to make any such payment to the Agency, the Fiduciary shall, at the expense of the Agency, cause to be mailed to the Owners, issuers or parties entitled to receive such monies, at their last addresses, if any, appearing upon the registry books or other notice addresses on file with the Fiduciary or the Agency, a notice that said monies remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days after the date of the mailing, the balance of such monies then unclaimed will be returned to the Agency or such officer, board or body. The failure of any owner of PILOT Bonds, holders, issuers or parties to receive such notice shall not affect the application of monies under this paragraph.

AMENDMENTS OF PILOT BONDS MASTER INDENTURE

Supplemental Indentures Without PILOT Bondholder Consent

(a) The Agency and the PILOT Bonds Trustee may, from time to time and at any time, enter into Supplemental Indentures without consent of the PILOT Bondholders but with the prior written consent of the Bond Insurer for any of the following purposes:

(i) To cure any formal defect, omission or ambiguity in the PILOT Bonds Master Indenture or in any description of property subject to the lien of the PILOT Bonds Master Indenture, if such action is not materially adverse to the interests of the PILOT Bondholder;

(ii) To grant to or confer upon the PILOT Bonds Trustee for the benefit of the PILOT Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with the PILOT Bonds Master Indenture as theretofore in effect;

(iii) To add to the covenants and agreements of the Agency in the PILOT Bonds Master Indenture other covenants and agreements to be observed by the Agency which are not contrary to or inconsistent with the PILOT Bonds Master Indenture as theretofore in effect;

(iv) To add to the limitations and restrictions in the PILOT Bonds Master Indenture other limitations and restrictions to be observed by the Agency which are not contrary to or inconsistent with the PILOT Bonds Master Indenture as theretofore in effect;

(v) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the PILOT Bonds Master Indenture of the properties of the Facility, or revenues or other income from or in connection with the Facility or of any other monies, securities or funds, or to subject to the lien or pledge of the PILOT Bonds Master Indenture additional revenues, properties or collateral;

(vi) To modify or amend such provisions of the PILOT Bonds Master Indenture as shall, in the opinion of Nationally Recognized Bond Counsel, be necessary to assure that the interest on the PILOT Bonds not be includable in gross income for Federal income tax purposes;

(vii) To modify, amend or supplement the PILOT Bonds Master Indenture or any Supplemental Indenture in such manner as to permit the qualification of the PILOT Bonds Master Indenture and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the PILOT Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to the PILOT Bonds Master Indenture or any Supplemental Indenture such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;

(viii) To surrender any right, power or privilege reserved to or conferred upon the Agency by the PILOT Bonds Master Indenture;

(ix) To authorize PILOT Bonds of a Series and, in connection therewith, specify and determine the matters and things mentioned or referred to in the PILOT Bonds Master Indenture, and also any other matters and things relative to such PILOT Bonds which are not contrary to or inconsistent with the PILOT Bonds Master Indenture as theretofore in effect (including without limitation to provide in the Supplemental Indenture authorizing such PILOT Bonds that either all or certain specified references in the PILOT Bonds Master Indenture to principal or Redemption Price of such PILOT Bonds shall be deemed to include reference, on a parity basis, to the Purchase Price of such PILOT Bonds) or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such PILOT Bonds;

(x) To authorize Subordinated Indebtedness and provide with respect thereto to the extent provided by, and otherwise not inconsistent with, the PILOT Bonds Master Indenture theretofore in effect;

(xi) To subject Subordinated Obligations and Subordinated Indebtedness to the lien on and pledge of the PILOT Trust Estate pursuant to the Granting Clauses on a subordinate basis;

(xii) To set forth or determine any matters which the PILOT Bonds Master Indenture specifies may be set forth or determined by a Supplemental Indenture, except as provided by the summarized sections entitled "Supplemental Indentures with Bondholder Consent" and "Consent of PILOT Bondholders";

(xiii) To comply with regulations and procedures as are from time to time in effect relating to any book-entry-only system, whether within or without the United States, for the registration of beneficial ownership interests in PILOT Bonds;

(xiv) To evidence the assignment and transfer of rights, and the delegation of duties and obligations, of the Agency by operation of law to another Agency, agency or instrumentality of the State that has indicated in writing its willingness to accept the rights of the Agency and to assume and discharge the duties and obligations of the Agency;

(xv) To modify any of the provisions of the PILOT Bonds Master Indenture in any other respect whatever with respect to any PILOT Bonds, provided that (i) (a) such modification relates only, and is to be effective prior to the issuance of, such PILOT Bonds, or (b) such modification relates only, and is to be effective only upon the remarketing of, such PILOT Bonds in connection with an optional or mandatory tender thereof for purchase by or on behalf of the Agency, and (ii) such modification is disclosed in an offering or reoffering document applicable to such issuance or remarketing; or

(xvi) To modify any of the provisions of the PILOT Bonds Master Indenture in any other respect whatever, provided that such modification shall be, and shall be expressed to be, effective only after all PILOT Bonds Outstanding and outstanding or unpaid Parity Obligations at the date of the execution and delivery of such Supplemental Indenture shall cease to be Outstanding or owing, as the case may be.

(b) Before the Agency and the PILOT Bonds Trustee shall enter into any Supplemental Indenture pursuant to this summarized section, there shall have been filed with the PILOT Bonds Trustee an opinion of Nationally Recognized Bond Counsel stating that such Supplemental Indenture is authorized or permitted by the PILOT Bonds Master Indenture and complies with its terms, and that upon execution it will be valid and binding upon the Agency in accordance with its terms.

Supplemental Indentures With Bondholder Consent

Any modification or amendment of the PILOT Bonds Master Indenture and of the rights and obligations of the Agency and of the Owners, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in the summarized section entitled "Consent of PILOT Bondholders," (i) of the Owners of a majority in principal amount of the PILOT Bonds Outstanding at the time such consent is given, and (ii) in case less than all of the PILOT Bonds then Outstanding are affected by the modification or amendment, of the Owners of a majority in principal amount of the PILOT Bonds so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as particular PILOT Bonds remain Outstanding, the consent of the Owners of such PILOT Bonds shall not be required and such PILOT Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding PILOT Bonds under this summarized section. No such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal of any Outstanding PILOT Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such PILOT Bond, (b) reduce the percentages or otherwise affect the classes of PILOT Bonds the consent of the Owners of

which is required to waive an Event of Default or otherwise effect any such modification or amendment, (c) create a preference or priority of any PILOT Bond or PILOT Bonds over any other PILOT Bond or PILOT Bonds, without the consent of the Owners of all such PILOT Bonds, (d) create a lien prior to or on parity with the lien of the PILOT Bonds Master Indenture, without the consent of the Owners of all of the PILOT Bonds then Outstanding, except to the extent permitted by the PILOT Bonds Master Indenture, or (e) change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this summarized section, a PILOT Bond shall be deemed to be affected by a modification or amendment of the PILOT Bonds Master Indenture if the same materially and adversely affects the rights of the Holder of such PILOT Bond. The PILOT Bonds Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment particular PILOT Bonds would be affected by any modification or amendment of the PILOT Bonds Master Indenture and any such determination shall be binding and conclusive on the Agency and all Holders of PILOT Bonds.

For the purposes of the PILOT Bonds Master Indenture, the purchasers of the PILOT Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase, may consent to a modification or amendment permitted by the PILOT Bonds Master Indenture, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such PILOT Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the PILOT Bonds of such Series.

Consent of PILOT Bond Owners

Supplemental Indenture making a modification or amendment permitted by the provisions of the summarized section entitled "Supplemental Indentures With Bondholder Consent" may at any time be executed by the Agency and the PILOT Bonds Trustee, to take effect when and as provided in this summarized section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the PILOT Bonds Trustee) together with a request to the Owners for their consent thereto in form satisfactory to the PILOT Bonds Trustee, shall be mailed by the Agency to the Owners (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this summarized section provided). Such Supplemental Indenture shall not be effective unless and until (a) there shall have been filed with the PILOT Bonds Trustee (i) the written consents of Owners of the percentages of Outstanding PILOT Bonds specified in the summarized section entitled "Supplemental Indentures With Bondholder Consent" and (ii) a Counsel's Opinion stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the Agency and filed by the Agency in accordance with the provisions of the PILOT Bonds Master Indenture, is authorized or permitted by the PILOT Bonds Master Indenture, and is valid and binding upon the Agency and enforceable in accordance with its terms, and (b) a notice shall have been mailed to Owners as hereinafter in this summarized section provided. Any such consent, including without limitation any consent provided by the initial purchaser of a PILOT Bond from the Agency, shall be binding upon the Owner of the PILOT Bonds giving such consent and, anything in the summarized section entitled "Supplemental Indentures Without Bondholder Consent" to the contrary notwithstanding, upon any subsequent Owner of such PILOT Bonds and of any PILOT Bonds issued in exchange therefor (whether or not such subsequent owner has notice thereof). At any time after the Owners of the required percentages of PILOT Bonds shall have filed their consents to the Supplemental Indenture, the PILOT Bonds Trustee shall make and file with the Agency, and retain on file, a written statement that the Owners of such required percentages of PILOT Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture executed by the

parties to the PILOT Bonds Master Indenture as of a stated date, a copy of which is on file with the PILOT Bonds Trustee) has been consented to by the Owners of the required percentages of PILOT Bonds and will be effective as provided in this summarized section, shall be given to Owners of PILOT Bonds by the PILOT Bonds Trustee by mailing such notice to Owners of PILOT Bonds (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this summarized section provided). The PILOT Bonds Trustee shall retain on file proof of the mailing of such notice. A record, consisting of the papers required or permitted by this summarized section to be filed with the PILOT Bonds Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the Agency, the Fiduciaries and the Owners of all PILOT Bonds at the expiration of forty (40) days after the mailing of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty day period; provided, however, that any Fiduciary and the Agency during such forty day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Modification by Unanimous Consent

The terms and provisions of the PILOT Bonds Master Indenture and the rights and obligations of the Agency and of the Owners of PILOT Bonds may be modified or amended in any respect upon the execution by the Agency, the PILOT Bonds Trustee and the Co-PILOT Bonds Trustee of a Supplemental Indenture, the filing of a fully executed copy with the PILOT Bonds Trustee and the Co-PILOT Bonds Trustee, and the consent of the Owners of all of the PILOT Bonds then Outstanding, such consent to be given as provided in the summarized section entitled "Consent of PILOT Bond Owners," above; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the PILOT Bonds Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Owners of PILOT Bonds.

Exclusion of PILOT Bonds

PILOT Bonds owned or held by or for the account of the Agency shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding PILOT Bonds provided for in the PILOT Bonds Master Indenture, and the Agency shall not be entitled with respect to such PILOT Bonds to give any consent or take any other action provided for in the PILOT Bonds Master Indenture. At the time of any consent or other action taken under the PILOT Bonds Master Indenture, the Agency shall furnish the PILOT Bonds Trustee a certificate of an Authorized Representative, upon which the PILOT Bonds Trustee may rely, describing all PILOT Bonds so to be excluded.

Notation on Bonds

PILOT Bonds delivered after the effective date of any action taken as in the PILOT Bonds Master Indenture may, and, if the PILOT Bonds Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Agency and the PILOT Bonds Trustee as to such action, and in that case upon demand of the Owner of any PILOT Bond Outstanding at such effective date and presentation of his PILOT Bond for the purpose at the office of the PILOT Bonds Trustee designated for such purpose, suitable notation shall be made on such PILOT Bond by the PILOT Bonds Trustee as to any such action. If the Agency or the PILOT Bonds Trustee shall so determine, new PILOT Bonds so modified as in the opinion of the PILOT Bonds Trustee and the Agency to conform to such action shall be prepared and delivered, and upon demand of the Owner of any PILOT Bond then Outstanding shall be exchanged,

without cost to such Owners of PILOT Bonds for PILOT Bonds of the same Series, maturity and interest rate then Outstanding, upon surrender of such PILOT Bonds.

Consent of the Bond Insurer When Consent of Bondholder Required

As long as any PILOT Bonds are Outstanding and insured as to the payment of principal and interest by a policy of insurance issued by a Bond Insurer and such Bond Insurer is not in default in respect of any of its obligations under such policy of insurance, such Bond Insurer, and not the registered Owners of PILOT Bonds thereof, shall be deemed to be the Holder of any PILOT Bonds of any Series as to which it is the Bond Insurer at all times for the purpose of giving any approval or consent to the execution and delivery of any Supplemental Indenture or any amendment, change or modification of the PILOT Bonds Master Indenture which, as specified in the summarized section entitled "Supplemental Indentures With Bondholder Consent," requires the written approval or consent of the Owners of at least a majority in principal amount of PILOT Bonds of such Series at the time Outstanding.

AMENDMENTS OF PILOT BOND DOCUMENTS

Rights of Bond Insurer

Anything in the PILOT Bonds Master Indenture to the contrary notwithstanding, no amendment or Supplemental Indenture under the provisions of the PILOT Bonds Master Indenture summarized herein under the heading "Amendments of PILOT Bonds Master Indenture" shall become effective without the prior written consent of the Bond Insurer.

Amendments of PILOT Security Documents Not Requiring Consent of PILOT Bondholders

The Agency and the PILOT Bonds Trustee may, without the consent of or notice to the PILOT Bondholders but with the prior written consent of the Bond Insurer, consent to any amendment, change or modification of any of the PILOT Security Documents for the purpose of curing any ambiguity or formal defect or omission therein or which, in the judgment of the PILOT Bonds Trustee will not have a materially adverse effect to the prejudice of the PILOT Bonds Trustee or the PILOT Bondholders. The PILOT Bonds Trustee shall have no liability to the PILOT Bondholders or any other person for any action taken by it in good faith pursuant to this summarized section.

Amendments of PILOT Security Documents Requiring Consent of PILOT Bondholders

Except as provided in the PILOT Bonds Master Indenture and subject to the section summarized above entitled "Bond Insurer as Registered Owner of PILOT Bonds Insured," the Agency and the PILOT Bonds Trustee shall not consent to any amendment, change or modification of any of the PILOT Security Documents, without mailing of notice and the written approval or consent of the PILOT Bondholders given and procured as provided in the summarized section entitled "Supplemental Indentures With PILOT Bondholder Consent." If at any time the Agency shall request the consent of the PILOT Bonds Trustee to any such proposed amendment, change or modification, the PILOT Bonds Trustee shall cause notice of such proposed amendment, change or modification to be mailed in the same manner as is provided in the PILOT Bonds Master Indenture with respect to Supplemental Indentures requiring the consent of PILOT Bondholders. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the principal office of the PILOT Bonds Trustee for inspection by all PILOT Bondholders.

APPENDIX K — SUMMARY OF THE PILOT AGREEMENT

The following is a brief summary of certain provisions of the PILOT Agreement. This summary does not purport to be comprehensive or complete, and reference is made to the PILOT Agreement for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

The Agency's rights and remedies under the PILOT Agreement will not be pledged or assigned to the PILOT Bonds Trustee as security for the Series 2006 PILOT Bonds. Series 2006 PILOT Bondholders will have no rights under the PILOT Agreement.

PILOT Payments

(a) Ballpark LLC agrees to make, without diminution, deduction or set-off whatsoever, and without prior notice or demand, payments to the Agency in lieu of all real estate taxes and assessments which would be levied upon or with respect to the Facility if the Facility were not exempt by virtue of the Agency's interest therein (the "PILOT Payments"). The amounts of such PILOT Payments, frequency of payment and method for calculation thereof shall be as set forth in the PILOT Agreement.

(b) Ballpark LLC agrees to pay, as PILOT Payments, the amounts set forth in the PILOT Agreement; provided, however, that in no event shall Ballpark LLC be required to make PILOT Payments in any PILOT Year in an amount greater than the real estate taxes and assessments for such PILOT Year which would have been levied upon or with respect to the Facility if the Facility were not exempt by virtue of the Agency's interest therein (the "Actual Taxes"). The Agency shall compute or cause the Actual Taxes to be computed (without regard to any discretionary reduction thereof or exemption therefrom for which the Facility might otherwise be eligible under any law or regulation other than the Act) no later than August 15 of each year, as follows: the Agency or its designee shall multiply (x) the applicable assessment of the Facility, as most recently determined by the City and (y) the tax rate then applicable to Class Four Property, or any successor property classification established by the City that would otherwise be applicable to the Facility, for purposes of levying real property taxes on the Facility, if the Facility were subject to real property taxation. Such computation of the Actual Taxes shall be conclusive, absent manifest error, and written notice of the amount of the Actual Taxes shall be provided by the Agency to Ballpark LLC on or prior to September 1 of each year; provided, however, that any failure by the Agency to provide such notice shall not alter, reduce or diminish the obligation of Ballpark LLC to make such PILOT Payment when due.

(c) The obligation of Ballpark LLC under the PILOT Agreement to make PILOT Payments to the Agency in any PILOT Year during the Initial Term shall be secured by a PILOT Mortgage granted by Ballpark LLC and the Agency to the Agency, as set forth in the PILOT Agreement, encumbering Ballpark LLC's and the Agency's respective interests in and to the Facility with respect to which such PILOT Payments are to be made. Each such PILOT Mortgage shall be (a) subject and subordinate to any PILOT Mortgage securing the obligation of Ballpark LLC to make corresponding PILOT Payments under the PILOT Agreement during any succeeding PILOT Year, and (b) paramount in lien to any PILOT Mortgage securing the obligation of Ballpark LLC to make corresponding PILOT Payments under the PILOT Agreement during any preceding PILOT Year.

(d) Each of the Agency and Ballpark LLC shall have the right at any time to request the City to undertake an informal review of the assessment of the Facility, provided that no more than one (1) such informal review shall be undertaken at the request of a party to the PILOT Agreement in any twelve (12) month period. Each of the Agency and Ballpark LLC agrees (i) to cooperate fully and faithfully in any informal review of the assessment of the Facility undertaken by the City at the request of either party to

the PILOT Agreement; and (ii) to notify the other in writing prior to making any request of the City to undertake an informal review pursuant to the PILOT Agreement and as summarized in this paragraph (d).

Tax-Exempt Status of the Facility; Other Payments

(a) *Effective Dates*. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law (the "RPTL"), the parties to the PILOT Agreement understand that for so long as the Agency shall own or have a controlling interest in some or all of the Facility, including without limitation the Land and shall have filed the necessary application for exemption with the City Assessor, the Facility shall be assessed as exempt upon the assessment rolls of the City in accordance with said Section 412-a of the RPTL. The "Effective Date" of the PILOT Agreement with respect to the Facility shall be the first taxable status date following the filing by the Agency of such application for exemption.

(b) *Interim Assessments*. Ballpark LLC will be required to pay all taxes and assessments, if any, lawfully levied and/or assessed against the Facility from the Effective Date until the first day of the fiscal tax year of the City in which the Facility shall be entitled to exempt status on the tax rolls of the City by virtue of the Agency's ownership or control thereof; provided, however, that during the period from such Effective Date to but not including the first day of the applicable fiscal tax year, Ballpark LLC shall not be required to make PILOT Payments relating to the Facility.

(c) *Special Assessments*. The parties to the PILOT Agreement understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the RPTL does not entitle the Agency to exemption from special assessments, special ad valorem levies and service charges against real property which are or may be imposed for special improvements or special district improvements. Ballpark LLC will be required to pay, and pursuant to the PILOT Agreement agrees to pay in full and on a timely basis, all special assessments and special ad valorem levies lawfully levied and/or assessed against the Facility.

Requirement that Mortgagees Subordinate to PILOT Payments

The Agency and Ballpark LLC agree that any mortgages (other than PILOT Mortgages) on any part of the Facility granted by either of them shall provide that the rights of the mortgagees thereunder shall be subordinate to the right of the Agency to receive PILOT Payments pursuant to the PILOT Agreement and to the exercise by the Agency or its assignee of its rights and remedies under the PILOT Mortgages.

Interest

During the PILOT Term, if Ballpark LLC shall have failed to make any PILOT Payment required by the PILOT Agreement when due, its obligation to make the PILOT Payment so in default shall continue as an obligation of Ballpark LLC until such payment in default shall have been made in full, and Ballpark LLC shall pay the same together with interest thereon, to the extent permitted by law, at the rate otherwise applicable to late payments of real estate taxes, as such rate is determined from time to time by resolution of the City Council.

Successors

(a) In connection with any Assignment, Transfer or other Capital Transaction (each as defined in the Stadium Lease), the provisions of Section 17.01 of the Stadium Lease shall be deemed to be incorporated into the PILOT Agreement.

(b) The right, title and interest of Ballpark LLC under the PILOT Agreement may be assigned in whole or in part to a purchaser of some or all of the Facility in a federal bankruptcy proceeding with respect to Ballpark LLC, provided that (i) all existing defaults under the PILOT Agreement with respect to the purchased assets are cured, (ii) the Agency is compensated for any damages such defaults may have occasioned, (iii) the assignor and assignee otherwise comply with the applicable provisions of the Bankruptcy Code, or such other federal bankruptcy law as is then in effect, with respect to such assignment, and (iv) such assignee provides the Agency with written confirmation that (x) such assignee assumes and agrees to be bound by the assignor's obligations under the PILOT Agreement, and (y) the portion of the Facility purchased by the assignee will be subject to the applicable PILOT Mortgages.

Nature of Obligations

The obligations of the Agency under the PILOT Agreement and the PILOT Mortgages shall be absolute, unconditional and irrevocable, provided that nothing contained in this paragraph shall be construed to constitute a waiver by the Agency of any of its rights under the PILOT Agreement arising from the occurrence and continuance of a default under the PILOT Agreement. The obligations of Ballpark LLC under the PILOT Agreement, including without limitation the obligations of Ballpark LLC summarized above under the caption "PILOT Payments", shall not be diminished, limited or reduced, in any way by Section 854(17) of the Act or any other provision thereof.

No Recourse; Limited Obligation of the Agency

(a) *No Recourse*. All covenants, stipulations, promises, agreements and obligations of any party to the PILOT Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of such party and any general partner or other person legally obligated to perform the obligations of such party and not of any affiliate, member, shareholder, limited partner, officer, agent, servant or employee of such party in his, her or its individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in the PILOT Agreement, or otherwise based on or in respect of the PILOT Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future affiliate, member, shareholder, limited partner, officer, agent, servant or employee, as such, of such party or any successor thereto or any person executing the PILOT Agreement on behalf of such party. Any and all such liability of, and any and all such rights and claims against, any such person or entity under or by reason of the obligations, covenants or agreements contained in the PILOT Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of the PILOT Agreement.

(b) *Limited Obligation*. The obligations and agreements of the Agency contained in the PILOT Agreement shall not constitute or give rise to an obligation of the State or the City, and neither of the State nor the City shall be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from certain revenues of the Agency relating to the Facility.

(c) *Further Limitation*. Notwithstanding any provision of the PILOT Agreement to the contrary, other than the computation of Actual Taxes as summarized in subsection (b) of the summarized section above entitled "PILOT Payments," the Agency shall not be obligated to Ballpark LLC to take any action pursuant to any provision of the PILOT Agreement unless (i) the Agency shall have been requested to do so in writing by Ballpark LLC, and (ii) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from Ballpark LLC security or

indemnity satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

Status of Ballpark LLC

As long as the PILOT Agreement is in effect, the Agency and Ballpark LLC agree that Ballpark LLC shall be deemed to have such rights as may be necessary with respect to the Facility solely for purposes of instituting, and shall have the right to institute, judicial review of an assessment of the real estate with respect to the Facility pursuant to the provisions of Article 7 of the Real Property Tax Law or any other applicable law, as the same may be amended from time to time. Notwithstanding the foregoing, in the event that the assessment of the real estate with respect to the Facility is reduced as a result of any such judicial review, Ballpark LLC shall not be entitled to receive a refund or refunds of any PILOT Payments already paid by it under the PILOT Agreement, except as otherwise provided in the PILOT Assignment, or a credit against or a reduction of the PILOT Payments to be paid by Ballpark LLC under the PILOT Agreement, except as limited by the PILOT Agreement and summarized in paragraph (b) above under the caption "PILOT Payments." Except as provided in the PILOT Assignment, in no event shall the Agency be required to remit to Ballpark LLC any moneys otherwise due as a result of a reduction in the assessment of the Facility due to a certiorari review. Ballpark LLC agrees that it will notify the Agency if Ballpark LLC shall have requested a reassessment of the Facility or a reduction in the Actual Taxes on the Facility or shall have instituted any tax certiorari proceedings with respect to the Facility. Ballpark LLC shall deliver copies of all notices, correspondence, claims, actions and/or proceedings brought by or against Ballpark LLC in connection with any reassessment of the Facility, any reduction of taxes with respect to the Facility, or any tax certiorari proceedings with respect to the Facility.

Term

The PILOT Agreement shall become effective with respect to the Facility as of the Effective Date and shall remain in effect for the Initial Term. In the event that the Stadium Lease is renewed for one or more Extended Terms pursuant to the exercise by Ballpark LLC of an extension option thereunder, the PILOT Agreement shall remain in effect for each such Extended Term (the Initial Term, together with one or more Extended Terms, if any, being referred to in the PILOT Agreement as the "PILOT Term"). In the event that the Stadium Lease is terminated prior to the expiration of the PILOT Term, Ballpark LLC shall be released from its prospective obligations under the PILOT Agreement (other than its obligations under the section of the PILOT Agreement entitled "Liability" with respect to matters arising or events occurring prior to such termination of the Stadium Lease, which obligations shall survive) as of the date of such termination of the Stadium Lease.

APPENDIX L – SUMMARY OF THE PILOT ASSIGNMENT

The following is a brief summary of certain provisions of the PILOT Assignment. This summary does not purport to be comprehensive or complete, and reference is made to the PILOT Assignment for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

Assignment and Agreement

(a) The Agency pledges, assigns, transfers and sets over to the Independent Trustee for the purposes described in the PILOT Assignment all the Agency's right to and interest in all PILOT Payments due or to become due under the PILOT Agreement and any and all other rights and remedies of the Agency under or arising out of the PILOT Agreement, as amended from time to time, except for Unassigned PILOT Rights.

(b) The Independent Trustee shall have no obligation, duty or liability under the PILOT Agreement, nor shall the Independent Trustee be required or obligated in any manner to fulfill or perform any obligation, covenant, term or condition of the Agency thereunder.

(c) The Agency irrevocably constitutes and appoints the Independent Trustee its true and lawful attorney, with power of substitution for the Agency and in the name of the Agency or in the name of the Independent Trustee or otherwise, for the use and benefit of the Independent Trustee on behalf of the PILOT Bonds Trustee, any beneficiary of any Reimbursement Obligations in connection with the PILOT Bonds (each, a "Reimbursed Party"), the City, and the Agency, as their respective interests may appear in the PILOT Assignment, to ask, demand, require, receive, collect and compound all claims for any and all moneys due or to become due under or arising out of the PILOT Agreement (except for Unassigned PILOT Rights) and to endorse any checks and other instruments or orders in connection therewith, and, if any default or Event of Default under the PILOT Agreement shall occur, (i) to exercise and enforce any and all claims, rights, powers and remedies of the Agency under or arising out of the PILOT Agreement (except for Unassigned PILOT Rights); and (ii) to file, commence and prosecute any suits, actions and proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Independent Trustee under the PILOT Assignment and to enforce any rights in respect thereof and all other claims, rights, powers and remedies of the Agency under or arising out of the PILOT Agreement (except for Unassigned PILOT Rights).

(d) The City, as the affected tax jurisdiction, acknowledges and agrees to the allocation set forth in the PILOT Assignment of the PILOT Payments to be made by Ballpark LLC under the PILOT Agreement, and the City acknowledges, covenants and agrees, to the fullest extent permitted by Section 868 of the Act, for the benefit of the holders of the PILOT Bonds, that the City will not limit or alter the rights vested in the Agency under the Act to undertake the Project, to establish and collect the PILOT Payments under the PILOT Agreement or to fulfill the terms of the PILOT Assignment and the other documents and agreements entered into in connection with the PILOT Assignment on behalf of the holders of such PILOT Bonds, nor will the City in any way impair the rights and remedies of the Independent Trustee, the holders of such bonds or the PILOT Bonds Trustee until such bonds, together with interest thereon, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof are fully met and discharged and are no longer Outstanding.

PILOT Fund

(a) The Independent Trustee shall establish and maintain the New York City Industrial Development Agency-Queens Baseball Stadium Project PILOT fund (the "PILOT Fund"), into which the Independent Trustee shall deposit all payments made to it pursuant to the PILOT Agreement and the PILOT Assignment and any other amounts required or permitted to be deposited therein pursuant to the provisions of the PILOT Assignment.

(b) Such PILOT Fund, and all right, title and interest in and to all cash, property or rights transferred to or deposited in such PILOT Fund from time to time, all earnings, investments and securities held in such PILOT Fund in accordance with the PILOT Assignment and any and all proceeds of the foregoing, are conveyed, transferred, pledged and assigned to, and a security interest therein is granted to, and the Independent Trustee shall hold and dispose of such PILOT Fund and the earnings thereon for the benefit of, the PILOT Bonds Trustee, any Reimbursed Party, the City and the Agency, as described in the PILOT Assignment.

Additional Funds

(a) The Independent Trustee shall establish and maintain the following additional funds:

(i) The New York City Industrial Development Agency – Queens Baseball Stadium Project Debt Service and Reimbursement Fund (the "Debt Service and Reimbursement Fund"), which Debt Service and Reimbursement Fund shall be held for the benefit of, and pledged to, the PILOT Bonds Trustee and any Reimbursed Party, as described in the PILOT Assignment; and

(ii) The New York City Industrial Development Agency – Queens Baseball Stadium Project City Fund (the "City Fund"), which City Fund shall be held for the benefit of, and pledged to, the City; and

(iii) The New York City Industrial Development Agency – Queens Baseball Stadium Project Operation and Maintenance Fund (the "O&M Fund"), which O&M Fund shall be held for the benefit of and, subject to the summarized section hereof entitled "Ballpark LLC's Right to Refund", pledged to the Agency; and

(b) The Independent Trustee is authorized to establish and maintain for so long as necessary other funds and accounts under the PILOT Assignment, including accounts and subaccounts within the funds and accounts established by the PILOT Assignment; provided, however, that no such action shall adversely affect the priority of the liens established in the PILOT Assignment for the benefit of the PILOT Bonds Trustee, any Reimbursed Party, the City or the Agency.

Receipt and Deposit of PILOT Payments

(a) Immediately upon their receipt by the Independent Trustee, the proceeds of any PILOT Payments (the "PILOT Receipts") required by the PILOT Agreement shall be deposited to the PILOT Fund.

(b) PILOT Receipts deposited to the PILOT Fund while PILOT Bonds are Outstanding shall be transferred for the following purposes in the order of priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each Fund, deposit, transfer or

payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

(i) FIRST, to the Debt Service and Reimbursement Fund, immediately upon receipt by the Independent Trustee from the PILOT Bonds Trustee of a certificate (the "PILOT Bonds Trustee Certificate") setting forth the PILOT Bond Requirement for the Payment Period beginning during the current PILOT Period, and in any event no later than each December 20 and June 20: PILOT Receipts in an amount equal to the PILOT Bond Requirement set forth in such PILOT Bonds Trustee Certificate; provided, however, that if no PILOT Bonds Trustee Certificate is received by the Independent Trustee from the PILOT Bonds Trustee by December 20 or June 20, as applicable, the Independent Trustee shall transfer to the Debt Service and Reimbursement Fund on December 20 or June 20, as applicable, an amount equal to the PILOT Bond Requirement for the Payment Period that ends during the current PILOT Period; and

(ii) SECOND, to the O&M Fund, immediately after the transfer described in clause (i) immediately above, but only to the extent that all deposits, transfers or payments required by said clause have been made and all requirements with respect thereto have been fully and completely satisfied (including the curing of any deficiencies in prior deposits, transfers or payments): all moneys remaining in the PILOT Fund after the transfers described in summarized clause (i) immediately above.

(c) If no PILOT Bonds are Outstanding but the Agency is subject to one or more Reimbursement Obligations in connection with the PILOT Bonds, PILOT Receipts deposited to the PILOT Fund shall be transferred for the following purposes in the order of priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each Fund, deposit, transfer or payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

(i) FIRST, to the Debt Service and Reimbursement Fund, immediately upon their deposit to the PILOT Fund: a portion of the deposited PILOT Receipts sufficient to provide for the Reimbursement Payments on the Reimbursement Dates required by the PILOT Assignment and described in paragraph (a) below under the caption "Allocation of PILOT Receipts – PILOT Bonds No Longer Outstanding", to the extent that such Reimbursement Dates precede the date of the next subsequent PILOT Payment required pursuant to the PILOT Agreement; and

(ii) SECOND, to the O&M Fund, immediately after the transfer described in clause (i) immediately above, but only to the extent that all deposits, transfers or payments required by said clause have been made and all requirements with respect thereto have been fully and completely satisfied (including the curing of any deficiencies in prior deposits, transfers or payments): all moneys remaining in the PILOT Fund after the transfer described in summarized clause (i) immediately above.

(d) If (1) no PILOT Bonds are Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fortieth (40^{th}) anniversary of the date of Substantial Completion (as defined in the Stadium Lease) has not occurred (subject to any

extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts deposited to the PILOT Fund shall be transferred to the O&M Fund.

(e) If (1) no PILOT Bonds are Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fortieth (40^{th}) anniversary of the date of Substantial Completion has occurred but the fiftieth (50^{th}) anniversary of such date has not (subject in each case to any extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts deposited to the PILOT Fund shall be transferred to the City Fund and the O&M Fund on a parity basis as described below:

(i) to the City Fund, immediately upon their deposit to the PILOT Fund: seventy-five percent (75%) of any PILOT Receipts so deposited; and

(ii) to the O&M Fund, immediately upon their deposit to the PILOT Fund: twenty-five percent (25%) of any PILOT Receipts so deposited.

No distinction shall exist in the use of moneys on deposit in the PILOT Fund for payment into the City Fund and the O&M Fund as described in this summarized subsection (e), such Funds being on a parity with each other as to payment from the PILOT Fund.

(f) If (1) no PILOT Bonds are Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fiftieth (50^{th}) anniversary of the date of Substantial Completion has occurred (subject to any extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts deposited to he PILOT Fund shall be transferred to the City Fund.

O&M Fund

(a) PILOT Receipts in the PILOT Fund shall be transferred to the O&M Fund as directed in the summarized section above entitled "Receipt and Deposit of PILOT Payments" in subsections (b)(ii), (c)(ii), (d) and (e)(ii).

(b) Amounts on deposit in the O&M Fund are available to pay or to reimburse Ballpark LLC for costs of operating and maintaining the Stadium, including costs paid during the current and prior calendar years and shall be disbursed by the Independent Trustee upon receipt by the Independent Trustee of a written requisition signed by Ballpark LLC, as agent for the Agency, together with bills or invoices supporting such requisition.

(c) Any amounts remaining in the O&M Fund upon the termination of the PILOT Assignment shall be transferred by the Independent Trustee to the Agency.

Administration of Funds

(a) In the event that there are insufficient moneys on deposit in any fund set forth above to provide when due for the applicable payment, deposit or transfer required by the summarized sections below entitled "Allocation of PILOT Receipts-PILOT Bonds Outstanding" and "Allocation of PILOT Receipts-PILOT Bonds No Longer Outstanding", the Independent Trustee shall immediately transfer, from one or more funds lower in priority, moneys sufficient to provide for such required payment, deposit or transfer. Such transfers shall be made in reverse priority order, from all other funds lower in priority than the fund in which such deficiency exists, until such deficiency shall have been satisfied.

(b) Any payment, deposit or transfer required to be made by the summarized sections below entitled "Allocation of PILOT Receipts-PILOT Bonds Outstanding" and "Allocation of PILOT Receipts-PILOT Bonds No Longer Outstanding" from any fund set forth above shall be made pari passu with any other payments, deposits or transfers required to be made by the PILOT Assignment from such fund.

Investment and Valuation of Funds

(a) Moneys maintained by the Independent Trustee in the funds and accounts established under the PILOT Assignment may be invested only in Authorized Investments, as directed by an Authorized Representative of the Agency or its designee. The Independent Trustee shall use reasonable efforts to make such investments in such amounts and at such times as may be necessary to provide moneys when needed to make payments or transfers from the applicable fund or account. Net income or gain received and collected from such investments shall be credited and losses charged to the applicable fund or account.

(b) At least ten (10) days prior to the first Business Day of each month, the Independent Trustee shall notify the Agency of the amount of such net investment income or gain received and collected subsequent to the first Business Day of the then-current month and the amounts then available in the various funds established under the PILOT Assignment.

(c) Upon the written direction of an Authorized Representative of the Agency, the Independent Trustee shall sell at the best price reasonably obtainable by it, or present for redemption or exchange, any obligations in which moneys shall have been invested to the extent necessary to provide cash in the respective funds and accounts established under the PILOT Assignment required to make any payments to be made therefrom or to facilitate transfers of moneys or securities between various funds or accounts. The Independent Trustee shall not be liable for any losses incurred as a result of actions taken in good faith in accordance with this subsection or any losses incurred as a result of any actions taken in the absence of instructions required by the PILOT Assignment and described in this subsection. As soon as practicable, but in no event more than three (3) Business Days after any such sale, redemption or exchange, the Independent Trustee shall give notice thereof to the Agency.

(d) The Independent Trustee shall not be liable for any loss arising from, or any depreciation in the value of, any Authorized Investments in which moneys under the PILOT Assignment shall be invested. The investments authorized by this summarized section shall at all times be subject to the provisions of applicable law, as amended from time to time.

(e) Authorized Investments held in any funds or accounts under the PILOT Assignment shall be valued at the lesser of cost or market price, inclusive of accrued interest.

Allocation of PILOT Receipts—PILOT Bonds Outstanding

(a) Subject to the PILOT Assignment and as summarized in this subsection (b) immediately below, PILOT Receipts held by the Independent Trustee while PILOT Bonds are Outstanding shall be applied for the following purposes in the priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each deposit, transfer or payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

(i) FIRST, from the Debt Service and Reimbursement Fund, on each date on which an amount of PILOT Receipts is deposited to such Debt Service and Reimbursement Fund, the Independent Trustee shall immediately transfer such

amount of PILOT Receipts to the PILOT Bonds Trustee, in any event in an aggregate amount such that upon the final transfer of such PILOT Receipts to the PILOT Bonds Trustee during any PILOT Period, the amount so transferred to the PILOT Bonds Trustee during such PILOT Period is equal to the PILOT Bond Requirement for the Payment Period beginning during such PILOT Period; and

(ii) SECOND, on the first Business Day of each month commencing with the first such Business Day following the initial deposit to the O&M Fund, from the O&M Fund, the Independent Trustee shall transfer to Ballpark LLC, as agent for the Agency, the amount requisitioned pursuant to the section summarized above entitled "O&M Fund"; provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such moneys on costs of operation and maintenance of the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (B) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure complies with clause (A), above; and (D) to provide a certification to the Independent Trustee and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A), above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

(b) If (1) PILOT Bonds are Outstanding, and (2) no PILOT Bonds Trustee Certificate has yet been received by the Independent Trustee from the PILOT Bonds Trustee by December 20 or June 20, as applicable, then PILOT Receipts held by the Independent Trustee shall be applied for the following purposes in the priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each deposit, transfer or payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

(i) FIRST, from the Debt Service and Reimbursement Fund, on each date on which an amount of PILOT Receipts is deposited to such Debt Service and Reimbursement Fund, the Independent Trustee shall immediately transfer such amount of PILOT Receipts to the PILOT Bonds Trustee; and

(ii) SECOND, on the first Business Day of each month commencing with the first such Business Day following the initial deposit to the O&M Fund, from the O&M Fund, the Independent Trustee shall transfer to Ballpark LLC, as agent for the Agency, the amount requisitioned pursuant to the summarized section entitled "O&M Fund" in subsection (b); provided, however, that the aggregate amount transferred to Ballpark LLC from moneys deposited to the O&M Fund during the current PILOT Period shall not exceed seventy-five percent (75%) of all PILOT Receipts so deposited to the O&M Fund during such PILOT Period, until the sooner to occur of (x) the last Business Day of such PILOT Period, and (y) the receipt by the Independent Trustee from the PILOT Bonds Trustee of a PILOT Bonds Trustee Certificate relating to the Payment Period beginning during such PILOT Period (upon receipt of which PILOT Bonds Trustee Certificate, the Independent Trustee shall immediately transfer to the Debt Service and Reimbursement Fund the amount, if any, by which the PILOT Bond Requirement for the Payment Period beginning during such PILOT Period

exceeds the PILOT Bond Requirement for the Payment Period that ends during such PILOT Period); and provided further that, by its acceptance of any amount transferred to it pursuant to this summarized subsection, Ballpark LLC shall be deemed to covenant (1) to expend such moneys on costs of operation and maintenance of the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (2) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (3) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure complies with clause (1), above; and (4) to provide a certification to the Independent Trustee and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (1), above, including copies of any records described in clause (3), above, necessary to substantiate such certification.

Allocation of PILOT Receipts—PILOT Bonds No Longer Outstanding

(a) If no PILOT Bonds are Outstanding but the Agency is subject to one or more Reimbursement Obligations in connection with the PILOT Bonds, PILOT Receipts held by the Independent Trustee shall be applied for the following purposes in the priority in which listed (including curing any deficiencies in prior deposits, transfers or payments), the requirements of each deposit, transfer or payment to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, except as otherwise specifically provided below:

(i) FIRST, from the Debt Service and Reimbursement Fund, on each date (each, a "Reimbursement Date") on which an amount relating to a Reimbursement Obligation (each, a "Reimbursement Payment") is required to be paid pursuant to the applicable arrangements between the Agency and the Reimbursed Party, the Independent Trustee shall transfer PILOT Receipts to the Reimbursed Party in an amount equal to such Reimbursement Payment and in accordance with a certification (the "Reimbursement Certification"), which shall be submitted to the Independent Trustee by the Reimbursed Party no fewer than ten (10) Business Days prior to the date of the deposit to the Debt Service and Reimbursement Fund required by the PILOT Assignment and summarized in clause (i) of subsection (c) in the summarized section above entitled "Receipt and Deposit of PILOT Payments," and which shall be approved in writing by the Agency prior to such submission to the Independent Trustee, which Reimbursement Certification shall include such information regarding the time, place and method of payment of such Reimbursement Payments as shall be reasonably necessary to permit the Independent Trustee to make such Reimbursement Payments as directed; and

(ii) SECOND, on the first Business Day of each month, from the O&M Fund, the Independent Trustee shall transfer to Ballpark LLC, as agent for the Agency, the amount requisitioned pursuant to the subsection (b) of the summarized section above entitled "O&M Fund"; provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such moneys on costs of operation and maintenance of the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (B) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure

complies with clause (A), above; and (D) to provide a certification to the Independent Trustee and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A), above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

(b) If (1) no PILOT Bonds Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fortieth (40^{th}) anniversary of the date of Substantial Completion has not occurred (subject to any extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts held by the Independent Trustee in the O&M Fund shall, on the first Business Day of each month, be transferred by the Independent Trustee from such O&M Fund to Ballpark LLC, as agent for the Agency, in accordance with the procedures set forth in subsection (b) of the above section entitled "O&M Fund"; provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such moneys on costs of operation and maintenance of the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (B) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure complies with clause (A), above; and (D) to provide a certification to the Independent Trustee and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A), above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

(c) If (1) no PILOT Bonds are Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fortieth (40^{th}) anniversary of the date of Substantial Completion has occurred but the fiftieth (50^{th}) anniversary of such date has not (subject in each case to any extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts held by the Independent Trustee in the City Fund and the O&M Fund, respectively, shall: (a) on each June 26 and December 27, or on the first Business Day thereafter in the event that such respective dates are not Business Day, be transferred by the Independent Trustee from such City Fund to the City; and (b) on the first Business Day of each month, be transferred by the Independent Trustee from such O&M Fund to Ballpark LLC, as agent for the Agency, in accordance with the procedures set forth in subsection (b) of the summarized section above entitled "O&M Fund", provided that, by its acceptance of any amount so transferred, Ballpark LLC shall be deemed to covenant (A) to expend such moneys on costs of operation and maintenance of the Stadium incurred pursuant to Articles 9 and 10 of the Stadium Lease; (B) to keep such moneys in a segregated account, not commingled with any moneys of Ballpark LLC, until they are so expended; (C) to maintain reasonably sufficient records of the expenditure of such moneys so as to be able to demonstrate that such expenditure complies with clause (A), above; and (D) to provide a certification to the Independent Trustee and the Agency, if and when requested, but in no event more frequently than twice in any PILOT Year, as to compliance with clause (A), above, including copies of any records described in clause (C), above, necessary to substantiate such certification.

(d) If (1) no PILOT Bonds are Outstanding, (2) the Agency is not subject to any Reimbursement Obligation in connection with the PILOT Bonds, and (3) the fiftieth (50^{th}) anniversary of the date of Substantial Completion has occurred (subject to any extension of the Initial Term as provided in Section 2.01(c) of the Stadium Lease), PILOT Receipts held by the Independent Trustee in the City Fund shall, on each June 26 and December 27, or on the first Business Day thereafter in the event that such respective dates are not Business Days, be transferred by the Independent Trustee from such City Fund to the City.

Ballpark LLC's Right to Refund

Notwithstanding the provisions of the PILOT Assignment, which are summarized in the section above entitled "Allocation of PILOT Receipts – PILOT Bonds Outstanding" in clauses (a)(ii) and (b)(ii) and in the summarized section entitled "Allocation of PILOT Receipts – PILOT Bonds No Longer Outstanding" in subsections (a)(ii) and (b) and (c), in the event that the assessment of the Facility is reduced retroactively as a result of any judicial review undertaken pursuant to Section 11 of the PILOT Agreement, and, as a result of such reduction, the Actual Taxes for any PILOT Year would have been less than the PILOT Payment that was made by Ballpark LLC with respect to such PILOT Year, Ballpark LLC shall be entitled to a refund from moneys held only in the O&M Fund in an amount equal to the difference between the PILOT Payment made by Ballpark LLC with respect to such PILOT Year and such reduced Actual Taxes.

No Recourse; Limited Obligation of the Agency

(a) *No Recourse*. All covenants, stipulations, promises, agreements and obligations of any party to the PILOT Assignment shall be deemed to be the covenants, stipulations, promises, agreements and obligations of such party and any Person legally obligated to perform the obligations of such party and not of any member, shareholder, limited partner, officer, agent, servant or employee of such party in his, her or its individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in the PILOT Assignment, or otherwise based on or in respect of the PILOT Assignment, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, shareholder, limited partner, officer, agent, servant or employee, as such, of such party or any successor thereto or any person executing the PILOT Assignment on behalf of such party. Any and all such liability of, and any and all such rights and claims against, any person or entity other than a party to the PILOT Assignment under or by reason of the obligations, covenants or agreements contained in the PILOT Assignment or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of the PILOT Assignment.

(b) *Limited Obligation*. The obligations and agreements of the Agency contained in the PILOT Assignment shall not constitute or give rise to an obligation of the State or the City, and neither of the State or the City shall be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from certain revenues of the Agency relating to the Stadium.

Tax Covenant

(a) The Independent Trustee shall not take or omit to take any action which would cause interest on any PILOT Bond to be included in the gross income of any Owner thereof for federal income tax purposes by reason of subsection (b) of Section 103 of the Code. Without limiting the generality of the foregoing, no funds of the Agency shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any PILOT Bond to be an "arbitrage bond" as defined in Section 148 of the Code and to be subject to treatment under subsection (b)(2) of Section 103 of the Code as an obligation not described in subsection (a) of said section. The Agency shall pay to the United States any amounts that are necessary for the purpose of compliance with the provisions of Section 148 of the Code. The provisions summarized in this subsection shall survive the defeasance and payment of the PILOT Bonds.

(b) Notwithstanding any provision of the PILOT Assignment to the contrary, upon the Independent Trustee's failure to observe, or refusal to comply with, the covenant summarized in paragraph (a) immediately above, the Owners of the PILOT Bonds, or the PILOT Bonds Trustee acting

on their behalf, shall be entitled only to the right of specific performance of such covenant, in the manner and to the extent permitted under the PILOT Bond Indenture, and shall not be entitled to any of the other rights and remedies provided under the PILOT Bond Indenture.

APPENDIX M

SUMMARY OF THE PILOT MORTGAGES

The following is a brief summary of certain provisions of the PILOT Mortgages. This summary does not purport to be comprehensive or complete, and reference is made to the PILOT Mortgages for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

Although the PILOT Mortgages will secure the payment of PILOTs by Ballpark LLC to the PILOT Trustee under the PILOT Agreement, the PILOT Mortgages will not be assigned to the Bond Trustee and will not constitute security for the Series 2006 PILOT Bonds. Series 2006 Bondholders will have no rights under the PILOT Mortgages.

Each of the Agency and Ballpark LLC mortgages to the Agency, as Mortgagee, all of its respective right, title and interest in and to the following described property (collectively, the "Mortgaged Property"), excluding, however, the Agency's Reserved Rights:

(i) The Ground Lease, the Stadium Lease and the Stadium Use Agreement and the leasehold and subleasehold estates created thereby, together with all the estate and rights of the Agency in and to the Land under and by virtue of the Ground Lease and all the estate and rights of Ballpark LLC in and to the Land, the Stadium and the Parking Facilities under and by virtue of the Stadium Lease.

(ii) The Facility, together with the tenements, hereditaments, servitudes, estates, rights, easements, whether temporary or permanent, privileges, liberties, licenses, royalties, mineral, oil and gas rights, reversions, remainders and immunities thereunto belonging or appertaining that may from time to time be owned by the Agency and/or Ballpark LLC, including, without limitation, all the right, title and interest of the Agency and/or Ballpark LLC in and to all streets, ways, alleys, roads, parking facilities, water, water courses, water rights, waterways, passages, sewer rights and public places adjoining the Facility and all easements and rights-of-way, public or private, and strips and gores of land, now or hereafter used in connection therewith, together with all land lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining the Facility to the center line thereof, and now or hereafter used or usable in connection with the Facility.

(iii) All fixtures, equipment, machinery, apparatus, appliances, fittings and chattels and articles of personal property of every kind and nature, and all building equipment, materials and supplies of any nature whatsoever, now or hereafter incorporated in, or attached to, the Land, the Stadium and/or the Parking Facilities and owned by the Agency or in which the Agency has or shall have an interest and all renewals and replacements thereof and additions and accessions thereto, including, without limitation, all partitions, elevators, lifts, heating, lighting, incinerating and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus, exhaust and heater fans, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, refrigerators, attached cabinets, partitions, ducts and compressors (which machinery, apparatus, equipment, fittings, fixtures and articles of personal property, all replacements thereof, substitutions therefor and additions and accessions thereto, together with the proceeds thereof, are hereafter collectively referred to as the "Equipment"), all of which shall be deemed to be, remain and form a part of the Facility and be encumbered by and subject to the lien of the PILOT Mortgages, but only to the extent that the Equipment or such other property constitutes property which could be subject to, or be the subject of, a real property tax in rem foreclosure proceeding in the City (the "Mortgaged Equipment").

(iv) All insurance proceeds, condemnation awards and other compensation, including interest thereon, and the right to receive and apply the same (including the right to receive and apply the proceeds of any judgments or settlements made in lieu of any such insurance for damages to the Land, the Stadium and/or the Parking Facilities), which are heretofore or hereafter made with respect to the Land, the Stadium and/or the Parking Facilities as a result of or in lieu of any taking by eminent domain (including any transfer made in lieu of the exercise of said right), the alteration of the grade of any street, or any other damage or injury to or decrease in the value of the Land, the Stadium and/or the Parking Facilities.

(v) All right, title and interest of the Agency in and to (a) any and all present and future leases (other than the Ground Lease) of space in the Facility; (b) any and all present and future subleases, licenses and other occupancy agreements (other than the Stadium Lease) of space in the Facility; (c) all rents, issues, profits and other revenues payable to the Agency under any such leases, subleases, licenses and occupancy agreements; and (d) any contracts for the sale of all or any portion of the Land, the Stadium and/or the Parking Facilities and any down payments or other proceeds thereof. Nothing in this summarized clause (v) is intended to constitute the consent of the Mortgagee to any such leases, subleases, licenses, occupancy agreements or sale contracts (except for the Ground Lease, the Stadium Lease and such other leases, subleases, licenses, occupancy agreements or sale contracts as are expressly permitted by the Ground Lease or the Stadium Lease).

(vi) All right, title and interest of Ballpark LLC in and to (a) any and all present and future leases (other than the Stadium Lease) of space in the Facility; (b) any and all present and future subleases, licenses and other occupancy agreements (other than the Stadium Use Agreement) of space in the Facility; (c) all rents, issues, profits and other revenues payable to Ballpark LLC under any such leases, subleases, licenses and occupancy agreements; and (d) any contracts for the sale of all or any portion of the Land, the Stadium and/or the Parking Facilities and any down payments or other proceeds thereof. Nothing in this summarized clause (vi) is intended to constitute the consent of the Mortgagee to any such leases, subleases, licenses, occupancy agreements or sale contracts (except for the Stadium Lease, the Stadium Use Agreement and such other leases, subleases, licenses, occupancy agreements or sale contracts as are expressly permitted by the Stadium Lease or the Stadium Use Agreement).

(vii) All the right, in the name and on behalf of the Agency and/or Ballpark LLC, to appear in and defend any action or proceeding brought with respect to the lien of the PILOT Mortgages, the Land, the Stadium and/or the Parking Facilities and to commence any action, suit or proceeding to protect the lien of the PILOT Mortgages and/or the interest of the Mortgagee in and to the Land, the Stadium and/or the Parking Facilities.

(viii) Any and all air rights, development rights, zoning rights or other similar rights or interests that benefit or are appurtenant to the Land, the Stadium and/or the Parking Facilities and any proceeds arising therefrom.

(ix) In connection with the Facility, all appurtenances in respect of or otherwise relating to the Ground Lease, the Stadium Lease and the Stadium Use Agreement, including, without limitation, any renewal options and expansion rights, and (a) all modifications, amendments, renewals and extensions of the Ground Lease, the Stadium Lease and the Stadium Use Agreement, and all other rights to renew or extend the term thereof, (b) all other options, privileges and rights granted and demised to the Agency and/or Ballpark LLC under the Ground Lease, the Stadium Lease and the Stadium Use Agreement, (c) all the right or privilege of the Agency and/or Ballpark LLC to terminate, cancel, abridge, surrender, merge, modify or amend the Ground Lease, the Stadium Lease or the Stadium Use Agreement, and (d) any and all possessory rights of the Agency and/or Ballpark LLC and other rights and/or privileges of possession, including, without limitation, the right of the Agency and/or Ballpark LLC to elect to remain in possession of the Land, the Stadium and/or the Parking Facilities and the leasehold estate created by the

Ground Lease, the subleasehold estate created by the Stadium Lease and the license created by the Stadium Use Agreement pursuant to Section 365(h)(1) of the Federal bankruptcy code (as amended from time to time and including any successor legislation thereto, the "Bankruptcy Code").

(x) In connection with the Facility, all of the Agency's and/or Ballpark LLC's claims and rights to damages and any other remedies in connection with or arising from the rejection of the Stadium Lease by Ballpark LLC or the rejection of the Stadium Use Agreement by the Partnership, or any trustee, custodian or receiver pursuant to the Bankruptcy Code in the event that there shall be filed by or against Ballpark LLC or the Partnership any petition, action or proceeding under the Bankruptcy Code or under any other similar Federal or state law now or hereafter in effect.

(xi) Any and all further estate, right, title, interest, property, claim and demand whatsoever of the Agency and/or Ballpark LLC in and to any of the above; excluding, however, the Agency's Reserved Rights.

Payment, Performance, Observance and Compliance

Ballpark LLC covenants to timely pay, perform, observe and comply with all of the Obligations to which it shall be subject in accordance with the terms of the PILOT Agreement and the PILOT Mortgages.

Assignment of PILOT Mortgage

Immediately after the execution and delivery of the PILOT Mortgages, the Mortgagee shall assign its interest as mortgagee under the PILOT Mortgages to the Independent Trustee.

Protective Action

If any action or proceeding be commenced (except an action to foreclose the PILOT Mortgages or to collect the Obligations secured by the PILOT Mortgages), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of the PILOT Mortgages, all sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by the PILOT Mortgages (including reasonable attorneys' fees and all costs and disbursements incurred in connection with such litigation) shall be paid by Ballpark LLC, together with interest thereon at the Late Charge Rate (as defined in Article 13 of the Stadium Lease), and any such sum and the interest thereon shall be a lien on the Mortgaged Property, prior to any right, title to, interest in or claim upon the Mortgaged Property attaching or accruing subsequent to the lien of the PILOT Mortgages, and shall be deemed to be secured by the PILOT Mortgages. In any action or proceeding to foreclose the PILOT Mortgages, the provisions of law respecting the recovery of costs, disbursements and allowance shall apply unaffected by this covenant.

After-Acquired Property

All right, title and interest of the Agency and/or Ballpark LLC in and to all improvements, betterments, renewals, substitutions and replacements of, and all additions, accessions and appurtenances to, the Mortgaged Property, or any part thereof, hereafter acquired, constructed, assembled or placed by or at the direction of the Agency or Ballpark LLC on or in the Mortgaged Property, and all conversions and proceeds of the security constituted thereby, immediately upon such acquisition, construction, assembly, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance or assignment or other act of the Agency or Ballpark LLC, shall become subject to the lien of the PILOT Mortgages as fully and completely, and with the same force and effect as though now owned

by the Agency or Ballpark LLC and specifically described in the Granting Clauses of the PILOT Mortgages, but at any and all times the Agency (at the sole cost and expense of Ballpark LLC), and Ballpark LLC, on demand, will execute, acknowledge and deliver to the Mortgagee, and will cause to be recorded or filed as provided in the PILOT Mortgages, any and all such further assurances and mortgages, conveyances or assignments thereof as the Mortgagee may reasonably require for the purposes of expressly and specifically subjecting the same to the lien of the PILOT Mortgages.

Limitations on Actions of Ballpark LLC

If at any time Ballpark LLC believes that the Mortgagee has not acted reasonably in granting or withholding any consent or approval, making any other determination or taking, or failing to take any other action under the PILOT Mortgages, or any other instrument now or hereafter executed and delivered pursuant to the PILOT Mortgages, as to which consent or approval, determination or other action either the Mortgagee has expressly agreed to act reasonably or absent such agreement, a court of law having jurisdiction over the subject matter would require the Mortgagee to act reasonably, the sole remedy of Ballpark LLC shall be to seek injunctive relief or specific performance, and no action for monetary damages or punitive damages shall in any event or under any circumstance be maintained by Ballpark LLC against the Mortgagee, and Ballpark LLC shall have no claim or charge against the payment or performance of the Obligations.

Event of Default

The failure to pay any of the PILOT Obligations as set forth in the PILOT Agreement, or any interest or late payment charges, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon, are due constitutes a **"**Default.**"**

Remedies

(a) Upon the occurrence and during the continuation of any Event of Default under the PILOT Mortgages, the Mortgagee's exercise of its rights and remedies specified in paragraph (b) of this summarized section shall be expressly subject to the satisfaction of the following conditions precedent:

(i) the failure to pay any of the PILOT Obligations, or any interest or late payment charges thereon, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon were due constituting such Event of Default shall have continued unremedied for a period of one (1) year after the date any such PILOT Obligations, interest or late payment charges thereon were due in accordance with the terms of the PILOT Agreement;

(ii) at least ten (10) weeks before the exercise of any such rights or remedies, the Mortgagee shall have given Ballpark LLC, the Agency, the Partnership, the Commissioner of Finance of The City of New York and the holder of record of any other mortgage encumbering all or any portion of the Mortgaged Property that is subordinate in lien to the lien of the PILOT Mortgages (each, a "Subordinate Mortgagee") written notice of (A) the failure to pay any of the PILOT Obligations, interest or late payment charges thereon, as and when such PILOT Obligations, interest or late payment charges thereon, were due, and (B) the intent of the Mortgagee to exercise its rights and remedies under the PILOT Mortgages unless such failure is cured within ten (10) weeks after the date of such notice (the "Foreclosure Notice"); and

(iii) a copy of the Foreclosure Notice shall have been published at least once a week for six (6) consecutive weeks in (A) the City Record and (B) two newspapers, one of which may be a law

journal and other of which is circulated generally in the Borough of Queens, the first such publication to occur at least ten (10) weeks before the exercise of any of such rights or remedies.

By its acceptance of the PILOT Mortgage, the Mortgagee agrees to accept a cure of any Event of Default by the Partnership or any Subordinate Mortgagee with the same force and effect as if such Event of Default had been cured by the Agency or Ballpark LLC.

(b) Subject to summarized paragraph (a) immediately above, upon the occurrence and during the continuation of an Event of Default under the PILOT Mortgages, the Mortgagee may, in addition to any other rights or remedies available to it under the PILOT Mortgages, at law, in equity or elsewhere, take such action, without notice or demand, as it deems advisable to protect and enforce its rights against the Agency (subject to the provisions of the summarized section entitled "No Recourse; Limitation of Liability") and Ballpark LLC in and to the Mortgaged Property, including, without limitation, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as the Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee:

(i) without entry, institute proceedings to foreclose the lien of the PILOT Mortgages against all or, from time to time, any part of the Mortgaged Property and to have the same sold under the judgment or decree of a court of competent jurisdiction to the highest bidder, at public sale, subject to statutory and other legal requirements, if any, including all right, title and interest, claim and demand therein and thereto and all right of redemption thereof, in each case of the Agency and Ballpark LLC;

(ii) sell, assign or transfer the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of the Agency and/or Ballpark LLC therein and right of redemption thereof, pursuant to the power of sale or otherwise, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law (provided that ten (10) days notice of sale of the Mortgaged Property shall be deemed reasonable notice) for such price and form of consideration as the Mortgagee may determine as may be required by law; or

(iii) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained in the PILOT Mortgages.

(c) Anything contained in paragraph (b) of this summarized section entitled "Remedies" to the contrary notwithstanding, if a Default shall have occurred and is continuing on or after January 1, 2045, then, subject to paragraph (a) of this summarized section entitled "Remedies", by its acceptance of the PILOT Mortgage, Mortgagee agrees that, in addition to any other rights and remedies available to it under the PILOT Mortgages, at law, in equity or elsewhere, it shall promptly, without entry, institute proceedings to foreclose the lien of the PILOT Mortgages against all of the Mortgaged Property and thereafter diligently proceed to have the same sold under the judgment or decree of a court of competent jurisdiction to the highest bidder, at public sale, subject to statutory and other legal requirements, if any, including all right, title and interest, claim and demand therein and thereto and all right of redemption thereof, of the Agency and Ballpark LLC.

(d) Anything contained in this summarized section entitled "Remedies" to the contrary notwithstanding, by its acceptance of the PILOT Mortgages, the Mortgagee agrees that upon the occurrence and during the continuation of any Event of Default under the PILOT Mortgages, the Mortgagee shall not exercise any remedy or take any other action which would result in the termination of any of the rights of the Partnership to use the Facility in accordance with and pursuant to the terms of the Stadium Use Agreement prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such Event of Default and ending on the date that is six (6) months after the date of

such commencement; provided that if the Stay Period expires during a Team Season (as hereinafter defined), the Stay Period shall be extended to the day after the last day of such Team Season. The term "Team Season" shall mean the period from the date of the first Team Home Game (as defined in the Stadium Lease) to the date of the last Team Home Game in each Lease Year (as defined in the Stadium Lease) or such other period as shall be fixed by Major League Baseball (as defined in the Stadium Lease).

Foreclosure

(a) In the case of a foreclosure sale or pursuant to any order in any judicial proceeding or otherwise, the Mortgaged Property may be sold as an entirety in one parcel (or as one integrated unit) or separate parcels (or one or more of the interests comprising the Mortgaged Property separately from the others) in such manner or order as the Mortgagee, in its sole and absolute discretion, may elect.

(b) The Mortgagee may adjourn from time to time any foreclosure sale to be made under or by virtue of the PILOT Mortgages by announcement at the time and place appointed for such sale or for such adjourned sale or sales and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may prosecute such sale in court at the time and place to which the same shall be so adjourned as the same may be so ordered.

(c) Upon the completion of any foreclosure sale, an officer of any court empowered to do so shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, granting, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold.

(d) Upon any sale made under or by virtue of the foreclosure of the PILOT Mortgages, the Mortgagee may bid for and acquire the Mortgaged Property or any part thereof and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the Obligations the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums that the Mortgagee is entitled to receive under the Obligations, together with interest and late charges thereon.

(e) No recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of the Mortgagor shall affect in any manner or to any extent the lien of the PILOT Mortgages upon the Mortgaged Property or any part thereof, or any liens, rights, powers or remedies of the Mortgagee under the PILOT Mortgages, but such liens, rights, powers and remedies of the Mortgagee shall continue unimpaired.

(f) The proceeds of any sale made under or by virtue of this summarized section entitled "Foreclosure" shall be applied as follows:

> First: To payment of the reasonable costs and expenses of any such sale, including reasonable out-of-pocket costs of the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made;
>
> Second: To the payment of the Obligations, together with interest and late charges thereon;
>
> Third: To the payment of any and all other sums secured by the PILOT Mortgages;
>
> Fourth: The surplus, if any, to the Agency or to such other Person or Persons as may be lawfully entitled to receive the same; provided, however, that upon

receipt of an approving opinion of Nationally Recognized Bond Counsel, or an approving private letter ruling from the Internal Revenue Service, the surplus, if any, shall be paid to Ballpark LLC.

Attorneys Fees and Other Costs

Ballpark LLC agrees to bear all costs, fees and expenses, including court costs and reasonable attorneys' fees and disbursements for legal services of or incidental to the enforcement of any provisions of the PILOT Mortgages, or enforcement, compromise or settlement of any of the Obligations, or for the curing of any Event of Default under the PILOT Mortgages, or defending or asserting the rights and claims of the Mortgagee in respect thereof, by litigation or otherwise, and, upon demand therefor, will pay to the Mortgagee any such expenses incurred, and such expenses shall be deemed part of the Obligations secured by the PILOT Mortgages, and from the date due shall be collectible in like manner as the Obligations secured by the PILOT Mortgages and, until so paid, shall bear interest at the Default Rate. All rights and remedies of the Mortgagee shall be cumulative and may be exercised singly or concurrently.

No Recourse; Limitation of Liability

(a) Ballpark LLC releases the Agency and its members, directors, officers, agents (other than Ballpark LLC), and employees from, agrees that the Agency and its members, directors, officers, agents (other than Ballpark LLC), and employees shall not be liable for, and agrees to protect, defend, indemnify and hold harmless the Agency and its members, directors, officers, agents (other than Ballpark LLC) and employees from and against any and all claims arising as a result of the Agency undertaking the Project, including, but not limited to:

(i) Liability for loss or damage to property or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Mortgaged Property, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Mortgaged Property;

(ii) Liability arising from or expense incurred by the Agency's acquisition of an interest in the Mortgaged Property and the leasing thereof to Ballpark LLC, including, without limiting the generality of the foregoing, all liabilities or claims arising as a result of the Agency's obligations under the PILOT Mortgages and arising out of a defect in title or a Lien adversely affecting the Mortgaged Property;

(iii) All claims arising from the exercise by Ballpark LLC of the authority conferred upon it, and performance of the obligations assumed by it, as the agent of the Agency in connection with the Mortgaged Property; and

(iv) All causes of action and attorneys' fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing; provided that any such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, directors, officers, agents (other than Ballpark LLC) or employees.

The foregoing indemnities shall apply notwithstanding the fault or negligence of the Agency or any of its members, directors, officers, agents (other than Ballpark LLC) or employees (other than gross negligence or willful misconduct as finally determined to exist by a court or arbitrator) and irrespective of any breach of statutory obligation or any rule of comparative or apportional liability.

(b) In the event of any claim against the Agency or its members, directors, officers, agents (other than Ballpark LLC) or employees by any employee of Ballpark LLC, or any contractor of Ballpark LLC, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of Ballpark LLC under the PILOT Mortgages shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Ballpark LLC, such employee or such contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws.

(c) To effectuate the provisions of this summarized section entitled "No Recourse; Limitation of Liability," Ballpark LLC agrees to provide for and insure, in the liability policies required by the Agency in connection with the Mortgaged Property, its liabilities assumed pursuant to this summarized section.

(d) Notwithstanding any other provisions of the PILOT Mortgages, the obligations of Ballpark LLC pursuant to this summarized section entitled "No Recourse; Limitation of Liability," shall remain in full force and effect after the termination or satisfaction of the PILOT Mortgages until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution relating to the matters in the PILOT Mortgages described may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency, or its members, directors, officers, agents (other than Ballpark LLC) or employees relating thereto.

(e) The obligations and agreements of the Agency contained in the PILOT Mortgages and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed to be the obligations and agreements of the Agency and not of any member, director, officer, agent (other than Ballpark LLC) or employee of the Agency in his individual capacity; and the members, directors, officers, agents (other than Ballpark LLC) and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect of the PILOT Mortgages or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained in the PILOT Mortgages or therein shall not constitute or give rise to an obligation of the State or of the City, and neither the State nor the City shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived from the lease, sale or other disposition of the Mortgaged Property. No order or decree of specific performance with respect to any of the obligations of the Agency under the PILOT Mortgages or thereunder shall be sought or enforced against the Agency unless:

(i) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period;

(ii) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(iii) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, directors, officers, agents (other than Ballpark LLC) or employees shall be subject to potential liability, the party seeking such order or decree shall (A) agree to protect, defend, indemnify and hold harmless the Agency and its members, directors, officers, agents (other than Ballpark LLC) and employees against any liability incurred as a result of its compliance with such demand; and (B) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, directors, officers, agents (other than Ballpark LLC) and employees against all liability expected to be incurred as a result of compliance with such request.

Condemnation and Insurance Proceeds

In connection with the condemnation or the damage or destruction of any Mortgaged Property and the payment of any condemnation awards or insurance or other proceeds in connection therewith, the provisions of Articles 15 and 16 of the Stadium Lease shall be deemed to be incorporated into the PILOT Mortgages and shall survive any termination of the Stadium Lease.

Discharge

Upon the indefeasible payment in full of the Obligations, and all other sums secured by the PILOT Mortgages, the PILOT Mortgages and the lien created by the PILOT Mortgages shall be of no further force or effect, and the Agency and Ballpark LLC shall be released from their respective covenants, agreements and obligations contained in the PILOT Mortgages.

Upon the indefeasible payment in full of the Obligations and all other sums secured by the PILOT Mortgages, the Mortgagee, at the request and the expense of Ballpark LLC, shall promptly execute and deliver to Ballpark LLC in respect of the PILOT Mortgages a satisfaction of mortgage or, if requested by Ballpark LLC, an assignment of mortgage without recourse, in each case in form suitable for recording in the Office of the City Register, Queens County, together with such other documents as may be reasonably requested by Ballpark LLC to evidence the satisfaction and discharge of the PILOT Mortgages and the release of Ballpark LLC and the Agency from their respective covenants, agreements and obligations under the PILOT Mortgages, or the assignment of the PILOT Mortgages, as the case may be.

Termination of Stadium Lease

Nothing in the PILOT Mortgages shall limit the right of Ballpark LLC to terminate the Stadium Lease prior to its ordinary expiration date in accordance with the express terms of the Stadium Lease.

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APPENDIX N — SUMMARY OF THE PARTIAL LEASE ASSIGNMENT

The following is a brief summary of certain provisions of each of the PILOT Bonds Partial Lease Assignment, the Installment Purchase Bonds Partial Lease Assignment and the Lease Revenue Bonds Partial Lease Assignment (collectively, the "Partial Lease Assignment"). This summary does not purport to be comprehensive or complete, and reference is made to the applicable Partial Lease Assignment for full and complete statements of such and all provisions. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in "Appendix B - Certain Definitions."

For value received, the Agency absolutely and unconditionally assigns, pledges, transfers, conveys and sets over to the Trustee, and grants to the Trustee a continuing security interest in, all of the Agency's right, title and interest in and to the representations, warranties and covenants of Ballpark LLC contained in those provisions of the Stadium Lease summarized in Appendix F of this Official Statement under the captions "Additional Covenants" and "Additional Representations and Warranties of Tenant" (collectively, the "Assigned Stadium Lease Covenants"), it being intended by the Agency that the Partial Lease Assignment constitutes a present, absolute assignment and not an assignment for additional security only.

The Trustee shall have no obligation, duty or liability under the Stadium Lease, except as specifically set forth in the Partial Lease Assignment and accepted by the Trustee pursuant to the Acceptance thereof, nor shall the Trustee be required or obligated in any manner to fulfill or perform any obligation, covenant, term or condition of the Agency under the Stadium Lease.

The Agency irrevocably constitutes and appoints the Trustee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Agency or the Trustee or otherwise, for the use and benefit of the Trustee, (a) to exercise and enforce any and all claims, options, powers, rights and remedies of the Agency under or arising out of the Assigned Stadium Lease Covenants, including, without limitation, any and all claims, options, powers, rights and remedies of the Agency under the Stadium Lease arising out of the failure of Ballpark LLC to observe or perform one or more of the covenants or agreements of Ballpark LLC set forth in the Assigned Stadium Lease Covenants, and (b) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Agency under or arising out of the Assigned Stadium Lease Covenants, including, without limitation, any and all claims, options, powers, rights and remedies of the Agency under the Stadium Lease arising out of the failure of Ballpark LLC to observe or perform one or more of the covenants or agreements of Ballpark LLC set forth in the Assigned Stadium Lease Covenants, as fully and completely as though the Trustee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Trustee to be necessary or advisable in its absolute discretion.

The Agency ratifies and confirms the Stadium Lease and represents and warrants to the Trustee that (a) the Stadium Lease is in full force and effect, (b) the Agency is not in default under the Stadium Lease, (c) to the best of the Agency's knowledge, Ballpark LLC is not in default under the Stadium Lease, and (d) the Agency has not assigned or pledged, and covenants that it will not assign or pledge, so long as the Partial Lease Assignment shall remain in effect, the whole or any part of the claims, options, powers, rights or remedies assigned to the Trustee thereunder to anyone other than the Trustee.

The Partial Lease Assignment shall be binding upon the Agency and its successors and assigns and shall inure to the benefit of the Trustee and its successors and assigns, as Trustee for the benefit of the Holders of the Bonds.

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APPENDIX O

FORM OF BOND COUNSEL OPINION

Upon the issuance of the Tax Exempt PILOT Bonds, Nixon Peabody LLP, New York, New York, as Bond Counsel will deliver its Bond Counsel opinion in substantially the same form as this Appendix.

[Date of Closing]

New York City Industrial
Development Agency
New York, New York

Re: $547,355,000 New York City Industrial Development Agency
PILOT Bonds (Queens Baseball Stadium Project), Series 2006

Ladies and Gentlemen:

We have acted as bond counsel to the New York City Industrial Development Agency (the "Agency") in connection with the issuance on the date hereof by the Agency of its New York City Industrial Development Agency PILOT Bonds (Queens Baseball Stadium Project), Series 2006 in the aggregate principal amount of $547,355,000 (the "Tax Exempt PILOT Bonds"). The Tax Exempt PILOT Bonds are authorized to be issued pursuant to (i) Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 1082 of the 1974 Laws of the State of New York, as amended (collectively, the "Act"), (ii) resolutions of the Agency, duly adopted by the Agency on March 14, 2006 and July 11, 2006 (collectively, the "Resolutions"), and (iii) a PILOT Bonds Master Indenture of Trust, dated as of August 1, 2006, (the "PILOT Master Indenture"), between the Agency and The Bank of New York, as trustee (the "PILOT Bonds Trustee"), as supplemented by the First Supplemental Indenture of Trust, dated as of August 1, 2006 (the "Supplemental PILOT Indenture" and, together with the PILOT Master Indenture, the "PILOT Bonds Indenture"), between the Agency and the PILOT Bonds Trustee, for the purpose of providing for the financing of (A) a portion of the costs of the design, development, acquisition, construction and equipping of a Major League Baseball stadium having a seating and standing-room capacity for approximately 45,000 persons, together with related concession areas, ancillary structures and other improvements (collectively, the "Stadium"), to be located on a portion of a certain parcel of land in the Borough and County of Queens and the City and State of New York bounded on the north by the south side of Northern Boulevard, on the east by the west side of 126th Street, on the south by the north side of Roosevelt Avenue and on the west by the east side of Grand Central Parkway (the "Stadium Site"; which together with the remainder of such parcel of land (the "North Parking Site") is referred to herein as the "Primary Site"), (B) capitalized interest on the Tax Exempt PILOT Bonds, (C) the purchase of a surety bond to satisfy the Debt Service Reserve Fund Requirement, and (D) certain costs of issuance of the Tax Exempt PILOT Bonds (collectively, the "Project").

Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Master Glossary of Terms of the New York City Industrial Development

Agency PILOT Revenue Bonds, Lease Revenue Bonds and Installment Purchase Bonds (Queens Baseball Stadium Project), dated as of August 1, 2006 (the "Master Glossary").

The Primary Site will be leased to the Agency by The City of New York (the "City") pursuant to terms of a Primary Site Ground Lease Agreement, dated as of August 1, 2006 (the "Ground Lease"), between the City and the Agency. The Stadium Site will be subleased and the Stadium will be leased to Queens Ballpark Company, L.L.C., a New York limited liability company ("Ballpark LLC"), by the Agency, pursuant to the terms of a Stadium Lease Agreement, dated as of August 1, 2006 (the "Stadium Lease"), between Ballpark LLC and the Agency. Consistent with the terms of a letter agreement, dated August 1, 2006 (the "Parking Facilities Letter Agreement"), among the Agency, the City and Ballpark LLC, the North Parking Site will be subleased and the parking facilities located thereon (the "North Site Parking Facilities") will be leased to Ballpark LLC by the Agency, pursuant to the North Parking Site Lease Agreement, dated as of August 1, 2006 (the "North Parking Site Lease"), between Ballpark LLC and the Agency. Ballpark LLC will sub-sublease the Stadium Site and sublease the Stadium to Sterling Mets, L.P., a Delaware limited partnership (the "Partnership"), pursuant to the terms of the Stadium Use Agreement, dated as of August 1, 2006 ("Stadium Use Agreement"), between Ballpark LLC and the Partnership. In addition, pursuant to a Non-Relocation Agreement, dated as of August 1, 2006 (the "Non-Relocation Agreement"), among the City, the New York State Urban Development Corporation, the Agency, Ambac Assurance Corporation and the Partnership and, for the limited purposes set forth therein, Mets Partners Inc. and Mets Limited Partnership, the Partnership has agreed to cause the Team to play substantially all of its regular season Team Home Games in the Stadium until the expiration of the Stadium Lease or earlier termination of the Non-Relocation Agreement.

The Agency and Ballpark LLC will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2006 (the "PILOT Agreement"), to make provision for payments by Ballpark LLC in lieu of real property taxes and assessments (the "PILOTs") with respect to the Stadium, the Primary Site and the North Site Parking Facilities. Each annual obligation of Ballpark LLC to pay PILOTs under the PILOT Agreement is secured by a separate Leasehold PILOT Mortgage made by the Agency and Ballpark LLC to the Agency, each dated as of August 1, 2006 (the "PILOT Mortgages"). Pursuant to the PILOT Assignment and Escrow Agreement, dated as of August 1, 2006 (the "PILOT Assignment"), among the Agency, the PILOT Bonds Trustee, The Bank of New York, as Independent Trustee (the "Independent Trustee"), and the City, the Agency has assigned its rights to PILOTs under the PILOT Agreement to the Independent Trustee, and the Independent Trustee is required to pay a portion of the PILOTs to the PILOT Bonds Trustee to pay debt service on and certain other amounts relating to the Tax Exempt PILOT Bonds. Pursuant to the PILOT Assignment, the City has acknowledged and agreed to the allocation of the PILOTs to be made by Ballpark LLC as set forth in the PILOT Assignment.

The Tax Exempt PILOT Bonds are dated the date hereof and bear interest from the date thereof pursuant to the respective terms of the Tax Exempt PILOT Bonds. The Tax Exempt PILOT Bonds are subject to prepayment or redemption prior to maturity, as a whole or in part, at such time or times, under such circumstances and in such manner as is set forth in the Tax Exempt PILOT Bonds and the PILOT Bonds Indenture.

As bond counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates and documents (including all documents constituting the Transcript of Proceedings with respect to the issuance of the Tax Exempt PILOT Bonds) as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, with your permission, we have assumed the following: (i) the genuineness of all signatures, (ii) the authenticity of all documents submitted to us as originals, (iii) the conformity to the original documents of all documents submitted to us as copies and (iv) except as specifically covered by the opinions set forth below, the due authorization, execution and delivery on behalf of the respective parties thereto of the documents referred to herein and the legal, valid and binding effect thereof on such parties. As to any facts material to our opinion, without having conducted any independent investigation, we have relied upon, and assumed the accuracy and truthfulness of, the aforesaid instruments, certificates and documents, including without limitation, the representations and warranties of the parties set forth therein. We call your attention to the fact that there are certain requirements with which the Agency must comply after the date of issuance of the Tax Exempt PILOT Bonds in order for the interest on the Tax Exempt PILOT Bonds to remain excluded from gross income for federal income tax purposes. Copies of the aforementioned documents are included in the Transcript of Proceedings.

In addition, in rendering the opinions set forth below, we have relied upon the opinions of the Vice President for Legal Affairs of the Agency, Richard E. Marshall, Esq. and counsel to the Independent Trustee and the PILOT Bonds Trustee, Dorsey & Whitney LLP, New York, New York; each of even date herewith. Copies of the aforementioned opinions are contained in the Transcript of Proceedings.

We have also examined one of said Tax Exempt PILOT Bonds, as executed, and in our opinion, the form of said Tax Exempt PILOT Bond and its execution is regular and proper.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Agency is a duly organized and existing corporate governmental agency constituting a public benefit corporation of the State of New York.

2. The Agency is duly authorized to finance, acquire, construct, improve, equip and furnish the Stadium and to issue, execute, sell and deliver the Tax Exempt PILOT Bonds, for the purpose of financing or refinancing the costs of such acquisition, construction, improving, equipping and furnishing, together with other expenses and costs incidental thereto.

3. The Agency has the right and power to enter into the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Bond Purchase Contract and the Continuing Disclosure Agreement, and the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Bond Purchase

Contract, the Continuing Disclosure Agreement and the Official Statement have been duly authorized, executed and delivered by the Agency, and assuming the due authorization, execution and delivery thereof by the other parties thereto, the PILOT Bonds Indenture, the Ground Lease, the Development Agreement, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Bond Purchase Contract and the Continuing Disclosure Agreement, are in full force and effect in accordance with their terms and are valid and binding upon the Agency and enforceable in accordance with their respective terms, and no other authorization by the Agency for the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the Non-Relocation Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Bond Purchase Contract, the Continuing Disclosure Agreement and the Official Statement is required.

4. The Resolutions have been duly adopted by the Agency and are in full force and effect.

5. The PILOT Bonds Indenture creates the valid pledge which it purports to create for the benefit of the holders of the Tax Exempt PILOT Bonds of (i) the proceeds of the Tax Exempt PILOT Bonds; (ii) the PILOT Revenues; (iii) all right, title and interest of the Agency in and to the Funds and Accounts (other than the PILOT Rebate Fund) under the PILOT Bonds Indenture, including monies and investments therein, subject only to the provisions of the PILOT Bonds Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the PILOT Bonds Indenture; and (iv) all right, title and interest of the PILOT Bonds Trustee in the moneys and securities from time to time held in the Debt Service and Reimbursement Fund held by the Independent Trustee under the PILOT Assignment.

6. The Agency has the right and power to authorize, execute and deliver the Tax Exempt PILOT Bonds and the Tax Exempt PILOT Bonds have been duly and validly authorized, executed and delivered by the Agency, in accordance with law, including the Act, and in accordance with the PILOT Bonds Indenture. The Tax Exempt PILOT Bonds are valid and binding special, limited obligations of the Agency, are enforceable in accordance with their terms and the terms of the PILOT Bonds Indenture and are payable from moneys on deposit in the Funds and Accounts maintained under the PILOT Bonds Indenture, all as provided in the PILOT Bonds Indenture, and are entitled to the benefits of the PILOT Bonds Indenture and the Act.

7. The Tax Exempt PILOT Bonds do not constitute a debt of the State of New York or of The City of New York, and neither the State of New York nor The City of New York will be liable thereon.

8. The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain requirements which must be met subsequent to the issuance and delivery of the Tax Exempt PILOT Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Tax Exempt PILOT Bonds to be included in gross income for federal income tax purposes

retroactive to the date of issue of the Tax Exempt PILOT Bonds. Pursuant to the PILOT Bonds Indenture and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 (the "Tax Certificate"), the Agency has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Tax Exempt PILOT Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Agency has made certain representations and certifications in the PILOT Bonds Indenture and the Tax Certificate and Ballpark LLC and the Partnership have made certain representations and certifications in the Tax Certificate. We have not independently verified the accuracy of those certifications or representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Tax Exempt PILOT Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Tax Exempt PILOT Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

9. Bond Counsel is further of the opinion that the difference between the principal amount of the Tax Exempt PILOT Bonds maturing on January 1, 2011 and bearing interest at 3.625%, on January 1, 2012 and bearing interest at 3.70%, on January 1, 2013 and bearing interest at 3.80%, on January 1, 2014 and bearing interest at 3.90%, on January 1, 2015 and bearing interest at 4.00%, on January 1, 2016 and bearing interest at 4.00%, on January 1, 2017 and bearing interest at 4.10%, on January 1, 2021 and bearing interest at 4.25%, on January 1, 2026 and bearing interest at 4.30% and on January 1, 2031 and bearing interest at 4.375%; (collectively the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for Federal income tax purposes to the same extent as interest on the Tax Exempt PILOT Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

10. The interest on the Tax Exempt PILOT Bonds is exempt, by virtue of the New York General Municipal Law, from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Except as stated in the preceding four paragraphs, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of the Tax Exempt PILOT Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Tax Exempt PILOT Bonds, or the interest thereon, if any action

is taken with respect to the Tax Exempt PILOT Bonds or the proceeds thereof upon the advice or approval of other counsel.

The foregoing opinions are qualified to the extent that the enforceability of the Tax Exempt PILOT Bonds, the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Mortgage Assignment, the PILOT Assignment, the Partial Lease Assignment, the Non-Relocation Agreement, the Bond Purchase Contract or the Continuing Disclosure Agreement may be subject to or limited by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally, (ii) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity), including, without limitation, (A) the possible unavailability of specific performance, injunctive relief or any other equitable remedy, (B) concepts of materiality, reasonableness, good faith and fair dealing and (C) public policy. We express no opinion with respect to the availability of any specific remedy provided for in any of the Tax Exempt PILOT Bonds, the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Non-Relocation Agreement, the Continuing Disclosure Agreement and the Bond Purchase Contract.

The opinions expressed herein are subject to the further qualifications that the obligations of the parties under the Tax Exempt PILOT Bonds, the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Non-Relocation Agreement, the Continuing Disclosure Agreement and the Bond Purchase Contract may be subject to possible limitations upon the exercise of remedial or procedural provisions contained in the Tax Exempt PILOT Bonds, the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Non-Relocation Agreement, the Continuing Disclosure Agreement and the Bond Purchase Contract; provided that such limitations do not, in our opinion, make the remedies and procedures which will be afforded to the parties inadequate for the practical realization of the substantive benefits purported to be provided by the Tax Exempt PILOT Bonds, the PILOT Bonds Indenture, the Ground Lease, the Stadium Lease, the North Parking Site Lease, the Parking Facilities Letter Agreement, the Development Agreement, the PILOT Agreement, the PILOT Mortgages, the PILOT Assignment, the PILOT Mortgage Assignment, the Partial Lease Assignment, the Non-Relocation Agreement, the Continuing Disclosure Agreement and the Bond Purchase Contract.

We express no opinion herein regarding any financial or other information which has been or will be supplied to purchasers of the Tax Exempt PILOT Bonds.

We express no opinion as to the sufficiency of the description of the Primary Site and the Stadium in the Ground Lease, of the Stadium Site and the Stadium in the Stadium Lease or of the

North Parking Site in the North Parking Site Lease or as to title to the Primary Site, or, except as stated in paragraph (5) above, as to the adequacy, perfection or priority of any lien on or any security interest in any collateral securing the Tax Exempt PILOT Bonds.

Furthermore, we express no opinion with respect to whether the Agency and the Ballpark LLC (i) have obtained any or all necessary governmental approvals, consents or permits, or (ii) have complied with the New York Labor Law or other applicable laws, rules, regulations, orders and zoning and building codes, all in connection with the acquisition, construction, improvement, equipping, furnishing, and operation of the Stadium, the subleasing of the Primary Site and the leasing of the Stadium by the Agency to Ballpark LLC and the sub-subleasing of the Stadium Site and subleasing of the Stadium by Ballpark LLC to the Partnership.

We are licensed to practice law under the laws of the State of New York. The opinions herein expressed are, to the extent not otherwise excluded herein, limited to the laws of the State of New York and the federal laws of the United States of America.

The opinions expressed in this letter are based upon the law in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such law be changed by legislative action, judicial decision or otherwise.

Very truly yours,

APPENDIX P — FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated August 22, 2006 (the "*Disclosure Agreement*") is executed by and among the New York City Industrial Development Agency (the "*Issuer*"), Queens Ballpark Company, L.L.C. (the "*Company*") and The Bank of New York, a New York banking corporation organized and existing under the laws of the State of New York, in the capacity of Dissemination Agent (the "*Dissemination Agent*"), in connection with the issuance of the aggregate principal amount of $547,355,000 PILOT Bonds (Queens Baseball Stadium Project), Series 2006 (the "*Bonds*"). The Bonds are being issued and secured under and pursuant to the provisions of (i) Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as it may be amended from time to time (collectively, the "*Act*"), (ii) the PILOT Bonds Master Indenture of Trust (the "*Master Indenture*") dated as of August 1, 2006 between the Issuer and The Bank of New York, as PILOT Bonds Trustee (the "*Trustee*"), (iii) the First Supplemental Indenture of Trust dated as of August 1, 2006 between the Issuer and the Trustee (the "*Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*") and (iv) a resolution of the Issuer duly adopted on July 11, 2006, among other things, approving the Indenture and authorizing the issuance of the Bonds.

The proceeds of the Bonds are being used by the Issuer to pay, *inter alia*, a portion of the costs of design, development, acquisition, construction and equipping of a professional baseball stadium and related facilities initially to be used by the New York Mets professional baseball team (the "*Project*"). The Dissemination Agent, the Company and the Issuer covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Dissemination Agent, the Issuer and the Company for the benefit of the Beneficial Owners of the Bonds to assist the Underwriter(s) in complying with the Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the "*SEC*") under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "*Rule*"). Each of the Issuer and the Company is an "Obligated Person" under the Rule, and that, except as specifically set forth herein with respect to such party, the Issuer, the Company and the Dissemination Agent have undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and have no liability to any person, including any Beneficial Owner of the Bonds, with respect to any such reports, notices or disclosures or the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Master Glossary of Terms of the New York City Industrial Development Agency PILOT Revenue Bonds, Lease Revenue Bonds and Installment

Purchase Bonds (Queens Baseball Stadium Project), dated as of August 1, 2006 (the "*Master Glossary*") which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report requested to be provided by the Issuer or the Company, as the case may be, pursuant to, and as described in, this Disclosure Agreement.

"*Beneficial Owner*" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for Federal income tax purposes.

"*Central Post Office*" shall mean, in accordance with the SEC Interpretative Letter dated September 7, 2004 (the "*Interpretative Letter*") regarding www.DisclosureUSA.org Texas MAC's Central Post Office, Disclosure USA, an internet based filing system where issuers of tax-exempt bonds and other filers on behalf of such issuers can upload for immediate transmission to the Repositories information and notices required to be filed with Repositories pursuant to continuing disclosure undertakings designed to assist underwriters in complying with the Rule.

"*Certifying Financial Officer*" shall mean (A) (i) the senior financial officer of the Issuer, or (ii) any other person authorized to sign certificates under this Disclosure Agreement on behalf of the Issuer in place of the senior financial officer and who is so authorized by virtue of a resolution of the members of the Issuer (a certified copy of which has been delivered by the Issuer to the Dissemination Agent) or (B) (i) the General Counsel of the Company, or (ii) any other person authorized to sign certificates under this Disclosure Agreement on behalf of the Company in place of the General Counsel and who is so authorized by virtue of a resolution of the members of the Company (a certified copy of which has been delivered by the Company to the Dissemination Agent).

"*Disclosure Representative*" shall mean the Certifying Financial Officer of the Issuer or the Company, as the case may be, or such other person as the Issuer or the Company, as the case may be, shall designate in writing to the Dissemination Agent from time to time for the purposes of this Disclosure Agreement.

"*Dissemination Agent*" shall mean The Bank of New York, as Trustee under the Indenture, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"*Listed Events*" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"*National Repository*" shall mean any Nationally Recognized Municipal Securities Information Repository designated by the Securities and Exchange Commission for

the purposes of the Rule. Currently, the following entities have been designated National Repositories by the Securities and Exchange Commission:

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
http://www.bloomberg.com/markets/rates/municontacts.html
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
http://www.dpcdata.com
Email: nrmsir@dpcdata.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, NY 10038
Phone: 212-771-6999; 800-689-8466
Fax: 212-771-7390
http://www.ftid.com
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.
55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.jjkenny.com/jjkenny/pser_descrip_data_rep.html
Email: nrmsir_repository@sandp.com

The National Repositories are available on the Internet at: www.sec.gov/info/municipal/nrmsir.htm to ensure the addresses are always up to date.

"*Repository*" or "*Repositories*" shall mean each National Repository and each State Repository, if any.

"*State*" shall mean the State of New York and its successors and/or assigns to its duties and functions.

"*State Repository*" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission.

"*Underwriter(s)*" shall mean the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall provide or cause to be provided to the Dissemination Agent not later than one hundred twenty (120) days after the end of each fiscal year, an Annual Report which is consistent with the requirements of Section 4. The Issuer shall provide a written certification with the Annual Report furnished to the Dissemination Agent and the Trustee to the effect that such report constitutes the Annual Report required to be furnished by the Issuer hereunder. The Dissemination Agent and Trustee may conclusively rely upon such certification of the Issuer.

The Company shall provide or cause to be provided to the Dissemination Agent not later than one hundred twenty (120) days after the end of each fiscal year, an Annual Report which is consistent with the requirements of Section 4. The Company shall provide a written certification with the Annual Report furnished to the Dissemination Agent and the Trustee to the effect that such report constitutes the Annual Report required to be furnished by the Company hereunder. The Dissemination Agent and Trustee may conclusively rely upon such certification of the Company.

(b) If by October 10 (of each respective year) with respect to the Issuer, or May 10 (of each respective year) with respect to the Company, the Dissemination Agent has not received a copy of the Annual Report required to be provided by the Issuer or the Company, as the case may be, the Dissemination Agent shall contact the Issuer or the Company, as appropriate, in writing regarding the forwarding of the same.

(c) Not later than October 15 (of each respective year) with respect to the Issuer, or May 15 (of each respective year) with respect to the Company, the Dissemination Agent shall forward to each Repository a copy of the Annual Report of the Issuer and the Annual Report of the Company received by the Dissemination Agent pursuant to subsection (a) hereof.

(d) Whether or not the notice in Section 5(c) hereof is given, if either the Issuer or the Company does not provide, or cause to be provided, its respective Annual Report by the applicable date required in subsection (b) above such that the Dissemination Agent cannot forward such Annual Report to the Repository in accordance with subsection (c) above, the Dissemination Agent shall send a notice of such event to each Repository in substantially the form attached hereto as Exhibit A, with copies to the Issuer, the Company and the Trustee (if the Dissemination Agent is not the Trustee).

(e) The Dissemination Agent shall:

(i) determine prior to the date for providing each Annual Report, the name and address of each National Repository and each State Repository, if any;

and

(ii) file a report with the Issuer, the Company and (if the Dissemination Agent is not the Trustee) with the Trustee, certifying that such Annual Report has been provided to the Repositories pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

(f) If the fiscal year of the Issuer or the Company changes, the Issuer or the Company, as the case may be, shall give written notice of such change in the manner provided in Section 5 hereof.

SECTION 4. Content of Annual Reports. The Annual Report with respect to the Company shall contain or incorporate by reference the audited financial statements of the Company. The audited financial statements are to be prepared in accordance with GAAP. The audited financial statements may be incorporated by reference from other documents, including official statements of debt issue with respect to which the Company is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Annual Report with respect to the Issuer shall consist of (i) a certification with respect to Actual Taxes on the Primary Site, the Stadium and North Site Parking Facilities and (ii) in the event the Issuer enters into a swap or other similar arrangement with respect to the Bonds, an updated "Plan of Finance — Debt Service Requirements" section of the Official Statement as required by the Rule.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds, as applicable:

1. Principal and interest payment delinquencies;

2. Nonpayment related defaults;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions or events affecting the tax exempt status of the security;

7. Modifications to rights of security holders;

8. Bond calls, other than mandatory, scheduled sinking fund redemptions, not otherwise contingent upon the occurrence of an event, the terms of which are set forth in the final Official Statement of the Issuer circulated in connection with the issuance of the Bonds and notice of which is provided to the Owners of the Bonds pursuant to the Indenture;

9. Defeasances of the Bonds or any portion thereof;

10. The release, substitution or sale of property securing repayment of the Bonds; and

11. Ratings changes.

(b) Whenever the Dissemination Agent, where the Dissemination Agent is also the Trustee, obtains actual knowledge of the occurrence of any of the Listed Events as such event relates to the Project, the Dissemination Agent shall, within one business day thereof, contact the Disclosure Representative in order to notify the Company and the Issuer of such event and inform the Disclosure Representative of the event.

(c) Whenever the Company or the Issuer has knowledge of the occurrence of any of the Listed Events, the Company or the Issuer shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence of such Listed Event and the Dissemination Agent shall report the occurrence of such Listed Event pursuant to subsection (d) hereof.

(d) Upon being instructed in writing by the Company or the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Repositories, with a copy to the Issuer, the Company and the Trustee (if the Trustee is not the Dissemination Agent). Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) hereof need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Bondholders of the affected Bonds pursuant to the Indenture.

SECTION 6. Termination of Reporting Obligation. The Issuer's and the Company's respective obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. The Issuer and the Company shall each file a notice of the termination of its reporting obligations pursuant to the provisions hereof with the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent), which notice shall be filed with the Repositories.

SECTION 7. Compliance with the Rule. Each of the Issuer and the Company certifies, with respect to itself only and not the other, that it has not failed to comply with previous undertakings to provide secondary market disclosure pursuant to the Rule.

SECTION 8. Dissemination Agent; Compensation. The Issuer and the Company hereby appoint The Bank of New York, a New York banking corporation organized and existing under the laws of the State of New York, as Dissemination Agent. The Company shall compensate the Dissemination Agent for the performance of its obligations hereunder an annual fee of _____dollars ($____) payable annually on the anniversary of this Disclosure Agreement. The Dissemination Agent may resign its duties under this Disclosure Agreement upon sixty (60) days' prior written notice to the Trustee, the Issuer and the Company.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Dissemination Agent, the Company and the Issuer may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver (supported by an opinion of counsel expert in Federal securities laws acceptable to both the Issuer and the Company to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof) is (a) made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer or the Company, or type of business conducted; (b) the undertaking, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment or waiver does not materially impair the interests of holders, as determined either by parties unaffiliated with the Issuer or the Company, or by approving vote of the Beneficial Owners of the Bonds pursuant to the terms of the Indenture at the time of the amendment (supported by an opinion of counsel expert in Federal securities laws acceptable to the Issuer to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof). The Company shall give notice of such amendment or waiver to this Disclosure Agreement to the Dissemination Agent, which notice shall be filed in accordance with the provisions of Section 5 hereof. Notwithstanding the above, the addition of or a change in the Dissemination Agent shall not be construed to be an amendment under the provisions hereof.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Company shall describe such amendment in its next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Company or the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as a Listed Event under Section 5 hereof, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form)

between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent either the Issuer or the Company from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If either the Issuer or the Company chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, then they shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer or the Company to comply with any provision of this Disclosure Agreement, the Trustee or the Dissemination Agent (if also the Trustee) may, upon receipt of Notice in the form attached hereto as Exhibit A hereto or upon notification of the same by the Issuer, the Company or the Dissemination Agent, or any Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Company and the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of either the Issuer or the Company to comply with this Disclosure Agreement shall be an action to compel specific performance.

SECTION 12. Duties, Immunities and Liabilities of the Dissemination Agent, the Company and the Issuer. The Dissemination Agent, the Company and the Issuer shall each have only such duties as are specifically set forth in this Disclosure Agreement with respect to such party. All provisions of Article IX of the Master Indenture shall be construed as extending to and including all of the rights, duties and obligations imposed upon the Dissemination Agent under this Disclosure Agreement as fully and for all purposes as if said Article IX were contained in this Disclosure Agreement. To the extent permitted by law, the Issuer and the Company further release the Dissemination Agent from any liability for the disclosure of any information required by the Rule and this Disclosure Agreement. The obligations of the Issuer and the Company under this Section shall survive resignation or removal of the Dissemination Agent.

SECTION 13. Filing with Central Post Office. Notwithstanding anything in this Disclosure Agreement to the contrary, the Issuer and the

Company may satisfy their respective obligations hereunder to file any notice, document or information with a National Repository or State Repository by filing the same with any agent, including any "Central Post Office" or similar entity, assuming or charged with responsibility for accepting notices, documents or information for transmission to such National Repository or State Repository, to the extent permitted or required by the SEC. For this purpose, permission shall be deemed to have been granted by the SEC if and to the extent the agent, central post office or similar entity has received a "no-action" letter from the SEC, which has not been revoked, to the effect that enforcement action would not be recommended on account of using such agent, central post office or similar entity and not such National Repository or State Repository, as the source of information in determining compliance with the Rule.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Company, the Dissemination Agent, the Underwriter(s), and the Beneficial Owners of the Bonds, including Bondholders, and shall create no rights in any other person or entity.

SECTION 15. Notices. All notices and submissions required hereunder shall be given to the following, or their successors, by facsimile transmission (with written confirmation of receipt), followed by hard copy sent by certified or registered mail, personal delivery or recognized overnight delivery:

(a) To the Issuer:

New York City Industrial Development Issuer
110 William Street
New York, New York 10038
Telecopier: (212) 312-3912
Attention: General Counsel, with a copy to the Executive Director at the same address

(b) To the Company

Queens Ballpark Company, L.L.C.
123-01 Roosevelt Avenue
Flushing, New York 11368
Telecopier: (718) 335-8036
Attention: General Counsel

With a copy to:

Fulbright & Jaworski L.L.P.
666 Fifth Avenue, 24th Floor
New York, New York 10103
Telecopier: (212) 318-3400
Attention: Joel H. Moser

(c) To the Dissemination Agent from time to time with respect to the Bonds:

The Bank of New York
101 Barclay Street
New York, New York 10286
Facsimile: (212) 815-5595
Attention: Deirdre M. Lewis, Vice President

With a copy to:

Dorsey & Whitney LLP
250 Park Avenue
New York, New York 10271
Telecopier: (212) 953-7201
Attention: David J. Fernández

Each party shall give notice from time to time to the other parties, in the manner specified herein, of any change of the identity or address of anyone listed herein.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in any number of counterparts which shall be executed by an Authorized Representative of the Issuer, the Company and the Dissemination Agent, as applicable, and all of which together shall be regarded for all purposes as one original and shall constitute and be but one and the same.

SECTION 17. Severability. If any one or more of the covenants or agreements in this Disclosure Agreement to be performed on the part of the Issuer and the Dissemination Agent should be contrary to law, then such covenant or covenants, agreement or agreements, shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Disclosure Agreement.

SECTION 18. Governing Law. This Disclosure Agreement shall be construed in accordance with and governed by the Laws of the United States of America and the State of New York.

IN WITNESS WHEREOF, the Issuer, the Company and the Dissemination Agent have caused this Disclosure Agreement to be executed in their respective names and capacities all as the date shown above.

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Name:
Title:

QUEENS BALLPARK COMPANY, L.L.C.

By: _____
Name:
Title:

THE BANK OF NEW YORK, AS DISSEMINATION AGENT

By: _____
Name: Deirdre M. Lewis
Title: Vice President

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person:	[Issuer][Company]
Name of Issuer:	New York City Industrial Development Agency
Name of Bond Issue:	$547,355,000 PILOT Bonds (Queens Baseball Stadium Project), Series 2006 Dated August [ ], 2006 (CUSIP No. [ ])
Name of "Company":	Queens Ballpark Company, L.L.C.
Date of Issuance:	August [ ], 2006

NOTICE IS HEREBY GIVEN that the above designated [Issuer][Company] has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Agreement dated August 22, 2006 among the Issuer, the Company and the Dissemination Agent.

DATED: _____

DISSEMINATION AGENT
(on behalf of the Issuer and the Company)

cc: the Issuer
the Trustee
the Company

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