

TEAM NON-RELOCATION AGREEMENT

BETWEEN THE

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM
PUBLIC FACILITIES DISTRICT**

AND

THE BASEBALL CLUB OF SEATTLE, LLLP

Dated: December 10, 2018

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TEAM NON-RELOCATION AGREEMENT

THIS TEAM NON-RELOCATION AGREEMENT (this “**Agreement**”) is entered into as of December __, 2018 and effective January 1, 2019 (the “**Effective Date**”) by and between **WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT**, a Washington municipal corporation and special purpose district (the “**PFD**”), and **THE BASEBALL CLUB OF SEATTLE, LLLP**, a Washington limited liability limited partnership (“**Club**”).

RECITALS:

A. Club owns and operates the Major League Baseball franchise currently known as the Seattle Mariners (the “**Team**”).

B. The PFD and Club entered into that certain “Ballpark Operations and Lease Agreement” in 1996, as amended by that certain first amendment dated January 22, 1997 and by that certain second amendment dated September 22, 1999 (as amended, the “**Initial Lease**”), pursuant to which the PFD leased the Leased Premises (including the Ballpark, as each term is defined in the Initial Lease) in the City of Seattle, Washington (the “**City**”), to Club and Club leased the Leased Premises from the PFD. The PFD, in cooperation with King County, Washington (the “**County**”) and the State of Washington (the “**State**”), invested approximately \$387 million in the original development of the Leased Premises.

C. Concurrently with the execution of this Agreement by Club and the PFD, the PFD and Club are entering into that certain Amended and Restated Ballpark Operations and Lease Agreement (the “**Amended Lease**”) pursuant to which the PFD is continuing to lease the Leased Premises (as defined in the Amended Lease), including the Ballpark, to Club and Club is continuing to lease the Leased Premises from the PFD.

D. The Parties acknowledge that execution of this Agreement is a condition to the County’s contribution of an approved portion of County lodging tax revenues to the PFD, as set forth in that certain Funding Agreement Between King County and the Washington State Major League Baseball Public Facilities District as authorized by King County Ordinance No. 18788 (the “**Funding Agreement**”). The Parties recognize that pursuant to the Amended Lease such contributions will be paid by the PFD out of the County Tax Revenues Fund for Eligible CapEx Work (as those terms are defined in the Amended Lease) that will benefit the Ballpark.

E. As consideration for the PFD’s (i) entering into the Amended Lease, but not the performance thereof, (ii) entering into the Funding Agreement, but not the performance thereof, and (iii) contribution of not less than \$11 million to the CapEx Fund (as defined in the Amended Lease), all of which the PFD has fully performed, Club agrees to use the Ballpark as the exclusive venue for Home Games and not relocate the Team during the Term of the Amended Lease, upon and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of their mutual promises herein contained, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Club and the PFD, each intending to be legally bound, do hereby agree as follows:

ARTICLE 1.

DEFINITIONS

As used in this Agreement, capitalized terms shall have the meanings indicated below unless a different meaning is expressed herein.

“**Agents**” means Club representatives acting, either directly or indirectly, with or without compensation of any kind, on behalf of or under the direction or control of Club.

“**Agreement**” has the meaning set forth in the Preamble.

“**Alternate Site Commitment**” has the meaning set forth in Section 2.2(b)(iii).

“**Alternate Site Condition**” means the existence of any of the following conditions, but only to the extent that such condition(s) are not the result of a Club Default (as defined in the Amended Lease) with the specific intent of avoiding its Non-Relocation Covenants.

- i. MLB determines, in a written directive, declaration or ruling addressed to Club (sent in good faith and not at the request of Club) and provided to the PFD, that the condition of the Ballpark is or may be such that MLB prohibits the playing of Home Games at the Ballpark; or
- ii. a Governmental Authority determines the use or occupancy of any material portion of the Ballpark is (a) not permitted under any Applicable Law, or (b) is unsafe for ordinary and customary usage; or
- iii. Force Majeure or Condemnation prevents the use or occupancy of any portion of the Ballpark that is reasonably necessary for the playing, exhibiting or viewing of Home Games.

“**Amended Lease**” has the meaning set forth in Recital C.

“**Applicable Law**” means all present and future laws, statutes, regulations, ordinances, resolutions and orders of any Governmental Authority applicable to the Leased Premises and the Parties.

“**Ballpark**” has the meaning set forth in Recital B.

“**BOC**” means the Office of the Commissioner of Baseball, an unincorporated association comprised of the Major League Clubs that are party to the Major League Constitution, and any successor organization thereto.

“**Business Day**” means any weekday except any weekday on which banks are not required or authorized by Applicable Law to be open in the State.

“**Championship Season**” has the meaning set forth in the Amended Lease.

“**City**” has the meaning set forth in Recital B.

“**Club**” has the meaning set forth in the Preamble.

“**Club Property**” means the Franchise and the Leasehold Estate.

“**Commissioner**” means the Commissioner of Baseball as elected under the Major League Constitution or, in the absence of a Commissioner, any Person succeeding to the powers and duties of the Commissioner pursuant to the Major League Constitution.

“**Condemnation**” has the meaning set forth in the Amended Lease.

“**Controlling Interest**” has the meaning set forth in the Amended Lease.

“**County**” has the meaning set forth in Recital B.

“**CPI Change**” has the meaning set forth in the Amended Lease.

“**Damage**” has the meaning set forth in the Amended Lease.

“**Effective Date**” has the meaning set forth in the Preamble.

“**Executive Council**” means the Executive Council of Major League Baseball that is governed by the Major League Constitution, and any successor body thereto.

“**Final Order**” has the meaning set forth in Section 4.2(a).

“**Force Majeure**” has the meaning set forth in the Amended Lease.

“**Franchise**” has the meaning set forth in the Amended Lease (and, for the avoidance of doubt, includes the right to use and exploit intellectual property associated with the Team).

“**Funding Agreement**” has the meaning set forth in Recital D.

“**Governmental Authority**” means any and all entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, regional, county, city or otherwise) whether now or hereafter in existence, but specifically excluding the PFD.

“**Home Games**” means all MLB Regular Season Games and MLB Playoff Games of the Team that under MLB Rules are designated as “home games” of the Team.

“**Indeterminate Condition**” has the meaning set forth in Section 2.2(b)(iv).

“**Lease Year**” has the meaning set forth in the Amended Lease.

“**Leased Premises**” has the meaning set forth in the Amended Lease.

“**Leasehold Estate**” has the meaning set forth in the Amended Lease.

“**Lien**” means any pledge, security interest, lien, hypothecation, charge or mortgage covering the whole of the Franchise and/or the Leasehold Estate.

“**Major League Baseball**” or “**MLB**” shall mean, depending on the context, any or all of (a) the BOC, each other MLB Entity and/or all boards and committees thereof, including, without limitation, the Executive Council and the Ownership Committee, and/or (b) the Major League Clubs acting collectively.

“Major League Baseball Club” or **“Major League Club”** means any professional baseball club that is entitled to the benefits, and bound by the terms, of the Major League Constitution.

“Major League Constitution” means the Major League Constitution adopted by the Major League Baseball Clubs (which amended and superseded the Major League Agreement dated January 1, 1975, the Agreement in re Major Leagues Central Fund dated as of December 8, 1983, as amended, and the respective constitutions of the former American and National Leagues of Professional Baseball Clubs) as the same may be amended, supplemented, or otherwise modified from time to time in the manner provided therein and all replacement or successor agreements that may in the future be entered into by the Major League Clubs.

“MLB Approval” shall mean, with respect to the Major League Clubs, the Commissioner, the BOC or any other MLB Entity, any approval, consent or no-objection letter required to be obtained from such Person(s) pursuant to the MLB Rules and Regulations (which may be conditioned or withheld in the sole and absolute discretion of such Person(s)).

“MLB Entity” means each of the BOC, Major League Baseball Properties, Inc., The MLB Network, LLC, MLB Advanced Media, L.P., Tickets.com, LLC and/or any of their respective present or future affiliates, assigns or successors.

“MLB Governing Documents” means the following documents as in effect from time to time and any amendments, supplements, or other modifications thereto and all replacement or successor documents thereto that may in the future be entered into: (a) the Major League Constitution; (b) the Basic Agreement between the Major League Baseball Clubs and the Major League Baseball Players Association; (c) the Professional Baseball Agreement between the BOC, on behalf of itself and the Major League Baseball Clubs, and the National Association of Professional Baseball Leagues; (d) the Major League Rules (and all attachments thereto); (e) the Interactive Media Rights Agreement, effective as of January 20, 2000, by and among the BOC, the various Major League Baseball Clubs, MLB Advanced Media, L.P. and various other MLB Entities; and (f) each agency agreement and operating guidelines among the Major League Clubs and any MLB Entity, including, without limitation, the Amended and Restated Agency Agreement, effective as of January 1, 2013, by and among Major League Baseball Properties, Inc., the various Major League Clubs and the BOC (and the Operating Guidelines related thereto).

“MLB Ownership Guidelines” means that certain “Memorandum re: Ownership Transfers – Amended and Restated Guidelines & Procedures” issued by the Commissioner on February 6, 2018, as the same may be amended, supplemented, or otherwise modified from time to time.

“MLB Playoff Games” means professional baseball games that are classified under MLB Rules as “wildcard,” “division series,” league championship series,” “world series” or other “postseason” games.

“MLB Playoff Home Games” means MLB Playoff Games that are Home Games.

“MLB Regular Season Games” means MLB games (excluding, for the avoidance of doubt, MLB Playoff Games) played by the Team during each Championship Season.

“MLB Regular Season Home Games” means MLB Regular Season Games that are Home Games.

“**MLB Rules**” means (a) MLB Governing Documents, (b) any present or future agreements or arrangements entered into by, or on behalf of, the BOC, any other MLB Entity or the Major League Baseball Clubs acting collectively, including, without limitation, agreements or arrangements entered into pursuant to the MLB Governing Documents, and (c) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or on behalf of, the Commissioner, the BOC or any other MLB Entity as in effect from time to time, including, without limitation, the MLB Ownership Guidelines and MLB Securitization Guidelines.

“**MLB Securitization Guidelines**” means, collectively, the “Memorandum re: Securitization of Major League Club Assets” issued by the BOC on November 9, 2005 and the “Memorandum re: Securitization of Major League Club Assets - Amended and Restated Guidelines & Procedures” issued by the BOC on November 1, 2016, in each case, as the same may be amended, supplemented, or otherwise modified from time to time.

“**Non-Relocation Covenants**” means the collective covenants and agreements made by Club under Sections 2.1(a) and (b), 2.2 and 2.3.

“**Non-Relocation Default**” means any Club breach of any of the Non-Relocation Covenants.

“**Opening Day**” means the day on which the first MLB game of each Championship Season is played.

“**Other Default**” means (i) any failure of Club to observe or perform in any respect any of the terms, covenants or agreements of this Agreement, other than a Non-Relocation Default, or (ii) any representation or warranty made by Club in this Agreement which shall have been false or inaccurate in any material respect when made, which failure or misrepresentation shall continue for a period of thirty (30) days after written notice to Club of it purported failure or misrepresentation, or, if the failure or misrepresentation is not reasonably susceptible of cure within such thirty (30) day period, Club fails to commence the cure within such period and thereafter to prosecute the cure diligently to completion.

“**Ownership Committee**” shall mean the Ownership Committee of Major League Baseball and any successor body thereto.

“**Party**” means either Club or the PFD, and “**Parties**” means Club and the PFD, collectively

“**Permitted Liens**” means those Liens shown on Schedule 5.1(d) and any modifications, extensions or renewals thereof.

“**Permitted Transfer**” means any Transfer made pursuant to and in compliance with Section 3.1 and Sections 3.2(b) and (c).

“**Person**” has the meaning set forth in the Amended Lease.

“**PFD**” has the meaning set forth in the Preamble.

“**Public Records Act**” means Chapter 42.56 RCW.

“**Sale of Club**” has the meaning set forth in the Amended Lease.

“**Seattle Area**” has the meaning set forth in the Amended Lease.

“**State**” has the meaning set forth in Recital A.

“**Team**” has the meaning set forth in Recital A.

“**Term**” means the period from the Effective Date until the date on which the term of the Amended Lease expires or is sooner terminated for any reason.

“**Transfer**” means any sale, transfer, assignment or other disposition of Club’s right, title, or interest in and to the Club Property; provided, that in the absence of a specific intent to use a Lien to effect a relocation of the Team and so long as made in accordance with MLB Rules, the making of a Lien is not deemed to be a Transfer, but any foreclosure or sale, transfer, assignment or other disposition in lieu of foreclosure in connection with a Lien would constitute a Transfer.

ARTICLE 2.

NON-RELOCATION AND COVENANT TO PLAY

2.1 Maintenance of the Franchise; State and City Ties.

(a) At all times during the Term, Club shall maintain its existence as an entity organized domestically under the laws of a state within the United States of America and shall not dissolve or liquidate without the prior written consent of the PFD; provided however, that a dissolution for tax purposes, in conjunction with a change in the form of legal entity of Club, will not constitute a dissolution or liquidation requiring PFD consent.

(b) At all times during the Term, Club shall hold, maintain, and defend the right of the Team to play baseball as a Major League Club. Without limiting the generality of the foregoing, Club shall not volunteer for contraction of the Team by MLB or vote in favor of its contraction. Notwithstanding anything in this Section 2.1(b) to the contrary, a contraction of the Team by MLB for which Club neither volunteers nor votes in favor will not constitute a violation of this Section 2.1(b) by Club.

(c) At all times during the Term, Club shall (i) maintain the Franchise in good standing in accordance with MLB Rules, and (ii) oppose the adoption of any MLB Rule that contradicts any of the terms of this Agreement.

(d) At all times during the Term except (i) during an Alternate Site Condition that requires an Alternate Site Commitment for a period of not less than twelve (12) months and then only for the duration of the Alternate Site Commitment; or (ii) within the last three (3) years of the Term, Club shall maintain its corporate headquarters and its principal place of business within the City or King County.

(e) At all times during the Term, Club shall cause the name “Seattle” or “Washington” to be included in the Team's name and Club shall not include any other geographic, city, county, state or country reference in the Team's name.

2.2 Covenant to Play.

(a) Subject to Sections 2.2(b) and (c) below, Club covenants and agrees that, during the Term, the Team will play its Home Games in the Ballpark, except that the Team may play at an alternate site:

(i) up to ten percent (10%) of its MLB Regular Season Home Games during any Championship Season;

(ii) those international exhibition and pre-season games required by MLB to be played in a location other than the Ballpark, notwithstanding their designation as a Home Game; and

(iii) any number of MLB Playoff Home Games (A) so long as the Team's opponent in any post-season series is scheduled to play an equal or greater number of its home games in such series outside of the city, municipality or similar local jurisdiction in which such opponent's MLB regular season home venue is located; and (B) only if required by MLB (in good faith and not at the request of Club), it being agreed, for the avoidance of doubt, that Club shall not have the right to elect or otherwise voluntarily decide to play any of its MLB Playoff Home Games at any alternate site under this Section 2.2(a)(iii).

(b) Notwithstanding the covenants in Section 2.2(a), if an Alternate Site Condition exists at any time during the Term, Club may commit to temporarily play the Team's Home Games at an alternate site, on the following terms and conditions:

(i) Promptly after Club first learns of such Alternate Site Condition, Club shall deliver written notice to the PFD identifying the Alternate Site Condition. If the Alternate Site Condition is caused by a Force Majeure, Damage, or Condemnation, the estimated number of days such Alternate Site Condition is expected to persist and the corresponding number of Home Games expected to be played at the alternate site shall be determined pursuant to the terms of the Amended Lease. Otherwise, Club shall deliver written notice to the PFD stating as soon as it can reasonably determine the estimated number of days such Alternate Site Condition is expected to persist and the corresponding number of Home Games expected to be played at the alternate site.

(ii) Club shall use commercially reasonable efforts, and the Parties will cooperate, to obtain an alternate site, that (A) is of reasonable size, quality and configuration; (B) is approved by MLB as a venue for playing Home Games; and (C) is within the City of Seattle or, failing that, within the Seattle Area, or, failing that, as close to the Seattle Area as is reasonably possible, or, failing that, within the State, or, failing that, as close to the State as reasonably possible. The PFD and Club acknowledge that any alternate site is subject to MLB Approval.

(iii) Club shall make available to the PFD for its review a copy of the agreement, contract or other commitment to be made by Club with respect to the Team's use of such alternate site (an "**Alternate Site Commitment**") prior to signing an Alternate Site Commitment; provided, however, that, in order to protect any confidential third-party information from disclosure pursuant to the Public Records Act, representatives of the PFD may be required by Club to review the documentation governing such Alternate Site Commitment at Club's offices during reasonable business hours without provision for such representatives to make or request copies of any such documentation.

(iv) The Team may play its Home Games at such alternate site during the period of time that such Alternate Site Condition exists. If, however, the circumstances giving rise to such Alternate Site Condition do not allow Club to reasonably determine when such Alternate Site Condition will end (an "**Indeterminate Condition**"), then Club may honor an Alternate Site Commitment reasonably made by Club with respect to such

Indeterminate Condition even if such Alternate Site Commitment extends beyond the expiration of such Indeterminate Condition; provided, that the Team recommences playing its Home Games at the Ballpark no later than twenty (20) days after such Indeterminate Condition ends unless one or all of the following circumstances apply:

(A) If an Indeterminate Condition exists prior to Opening Day of any Championship Season, and is reasonably expected by Club (based on the estimation of a general contractor having experience in the construction of public sports facilities) to exist up to sixty (60) days thereafter, then the associated Alternate Site Commitment may extend through the final Home Game prior to the “All-Star” break of such Championship Season; or

(B) If an Indeterminate Condition exists or is reasonably expected to exist as of or after the “All-Star” break of any Championship Season and is reasonably expected by Club (based on the estimation of a general contractor having experience in the construction of public sports facilities) to still exist sixty (60) days thereafter, then the associated Alternate Site Commitment may extend through the final Home Games.

(v) Club shall use its commercially reasonable efforts to mitigate and overcome any Alternate Site Condition (whether an Indeterminate Condition or otherwise) to the extent the applicable event or condition giving rise thereto is within the reasonable control of Club; provided, however, that nothing in this Section 2.2(b)(v) in any way is intended to change, nor changes, Club’s rights and obligations under the Amended Lease.

(c) Club shall not take or permit any action within the reasonable control of Club, enter into any contract or agreement, or make any request or application to MLB that could reasonably be expected to result in the Team’s playing any Home Games in a location other than the Ballpark, in violation of Sections 2.2(a) or (b) above, except within the last five (5) years of the Term and only for Home Games that would not be played until after the Term expires.

2.3 Non-Relocation.

Subject to Section 2.2, Club and its Agents shall not, without the PFD’s prior written consent, during the Term:

(a) (i) Relocate, attempt to relocate or authorize the relocation of the Team outside the boundaries of the City, (ii) change or move the home territory of the Team set forth under MLB Rules in any manner that would exclude the City, or (iii) take any action that could reasonably be expected to result in the occurrence of an event described in the foregoing clause (i) or (ii).

(b) (i) Enter into any contract that obligates the Team to play Home Games at any location other than the Ballpark or (ii) take any other action that causes or could reasonably be expected to cause the Team's right to play professional baseball in the Ballpark to be lost or materially impaired; provided, however, that the foregoing shall not prevent Club from (A) enforcing its rights, and the PFD's obligations, under the Amended Lease, and (B) taking any action with respect to any strike, lockout, or other labor dispute (provided Club is in compliance with Section 2.2(a)).

(c) Directly or indirectly solicit, enter into, or participate in any negotiations or discussions with, or apply for or seek approval from, third parties, including MLB, with respect to any agreement,

legislation, or financing that contemplates, or could reasonably be expected to result in, any action that would contravene or result in contravention of any Non-Relocation Covenant.

(d) The prohibitions set forth in Sections 2.3(a)-(c) above shall not apply to Club's and its Agent's actions, negotiations, discussions, applications, or agreements during the last five (5) Lease Years of the Term with respect to a proposed relocation, change or move that would not take effect during the Term.

ARTICLE 3.

TRANSFERS

3.1 Transfers and Liens of Franchise.

Subject to this Article 3, Club may, from time to time, make a Transfer or grant a Lien; provided, however, that any such Transfer or grant of a Lien shall be (A) conditioned on the Person who acquires the Team or holds any Lien being approved by MLB in accordance with MLB Rules as an owner of the Team or the holder of a Lien and (B) made or granted subject to the requirements and obligations of Club under this Agreement, including compliance in all respects with the Non-Relocation Covenants, so that any Person who acquires the Franchise (including, if applicable, MLB), by Transfer or pursuant to any foreclosure or other action against any such Lien, shall acquire and take the Club Property subject to all of the Non-Relocation Covenants and the other terms of this Agreement. Such Person shall thereafter be deemed to be "Club" for purposes of this Agreement. No Transfer (including, if applicable, to MLB) or grant of a Lien shall change, limit, release or otherwise affect the obligations of Club under this Agreement, except as provided in Section 3.3. Any Transfer made or Lien granted contrary to this Article 3 is void.

3.2 Notice of Proposed Transfer.

(a) Club shall give the PFD at least 15 days' prior written notice of any (i) Transfer and any Sale of Club, or (ii) upon becoming aware of any foreclosure or other enforcement of a Lien.

(b) In connection with any Transfer, the transferee must agree in writing, in form and substance reasonably acceptable to the PFD, to assume, in full and without qualification, Club's obligations under this Agreement, specifically including the Non-Relocation Covenants and any then-unperformed obligations of Club under this Agreement whether accrued or due before or after the effective date of such Transfer (with such agreement having been executed and delivered to the PFD simultaneously with, or prior to, such Transfer).

(c) Club shall not grant any Lien unless the documents and other instruments implementing the Lien expressly provide that (i) such Lien is subject to this Agreement, and the pledgee acknowledges the same in writing, and (ii) any Transfer (and any transferee) upon foreclosure or other enforcement of the Lien shall be subject to this Agreement and the transferee shall become Club as to the Club Property that is the subject of such Transfer. The Parties acknowledge and agree that this Section 3.2(c) shall not apply with respect to (x) the Permitted Liens; and (y) the MLB credit facility commonly referred to as the "MLB Support Loans".

3.3 Release of Transferor.

Following a Permitted Transfer, the transferor shall be relieved from all obligations arising under this Agreement after the date of such Permitted Transfer and the transferee shall be deemed to be Club hereunder.

ARTICLE 4.

DEFAULTS AND REMEDIES

4.1 Agreements and Acknowledgments; Equitable Relief.

Club and the PFD acknowledge and agree as follows:

(a) (i) Club's obligations under the Non-Relocation Covenants are unique, are the essence of the bargain and are essential consideration for this Agreement and the Amended Lease being entered into by the PFD in connection with the Ballpark; (ii) the Team is extraordinary and unique and under the organization of professional baseball by and through MLB, the Team may not be able to be replaced with another MLB team in the City, the Seattle Area or the State; (iii) the determination of damages caused by a Non-Relocation Default, the effects of which would be suffered by the PFD, the City, the Seattle Area and the State would be difficult, if not impossible, to ascertain; and (iv) having the Team play its Home Games in the Ballpark as provided herein provides a unique value to the PFD, the City, the Seattle Area and the State, including generating jobs, taxes, additional revenue sources, economic development and increased tourism. Therefore, the Parties acknowledge and agree that there exists no adequate and complete remedy at law to enforce this Agreement against Club, and that equitable relief by way of a decree of specific performance or an injunction (such as a prohibitory injunction barring the Team from relocating or playing its Home Games at any location other than the Ballpark in violation of this Agreement or a mandatory injunction requiring the Team to play its Home Games at the Ballpark in accordance with this Agreement) is the only appropriate remedy for the enforcement of this Agreement notwithstanding the provisions for liquidated damages set forth in this Agreement. Consistent with the Parties' intent that the equitable relief of this Section is the preferred relief for a Non-Relocation Default, the PFD hereby covenants that, in the event of a Non-Relocation Default, or the threat of a Non-Relocation Default, the PFD shall seek equitable relief as provided by this Section 4.1 before attempting to avail itself of the liquidated damages provisions set forth in Section 4.2 (provided that equitable relief is a remedy available and enforceable at the time of such Non-Relocation Default). Furthermore, based on the foregoing, Club and the PFD hereby agree as follows (and Club shall not assert or argue otherwise in any action or proceeding):

(x) Any Non-Relocation Default shall constitute irreparable harm to the PFD, the City, the Seattle Area and the State for which monetary damages or other remedies at law will not be an adequate remedy; and

(y) The PFD is entitled to obtain injunctive relief prohibiting action, directly or indirectly, by Club that causes or could reasonably be expected to cause a Non-Relocation Default, or mandating action that averts or will avert a Non-Relocation Default, or enforcing any covenant, duty, or obligation of Club hereunder through specific performance. The PFD is further entitled to seek declaratory relief with respect to any matter under this Agreement.

(b) That the rights of the PFD to equitable relief (including injunctive relief) as a result of a Non-Relocation Default, as set forth in this Section 4.1 and Section 4.3, shall not constitute a claim

pursuant to Section 101(5) of the United States Bankruptcy Code and shall not be subject to discharge or restraint of any nature in any bankruptcy, reorganization or insolvency proceeding involving Club, and that this Agreement is not an “executory contract” as contemplated by Section 365 of the United States Bankruptcy Code.

(c) That, in any proceeding seeking relief for a Non-Relocation Default, any requirement for the PFD to (i) post any bond or other security or collateral or (ii) make any further showing of irreparable harm, balance of harm, consideration of the public interest, or inadequacy of money damages, as a condition of any relief sought or granted is hereby waived, and Club shall not assert or argue otherwise or request the same.

(d) That Club waives any right it may have to object to or to raise any defense to any actual or requested award of the remedy of specific performance or other equitable relief in any action brought by or on behalf of the PFD in respect of a Non-Relocation Default in accordance herewith, except (i) alleged unclean hands of the plaintiff or laches in the commencement of the proceedings and (ii) the defense that there has in fact not been a Non-Relocation Default in accordance with the terms of this Agreement.

(e) That the obligations of Club under the Non-Relocation Covenants are absolute, irrevocable and unconditional, except as expressly provided herein, and shall not be released, discharged, limited or affected by any right of setoff or counterclaim that Club may have to the performance thereof.

(f) That the failure of the PFD to seek redress for violation of, or to insist upon the strict performance of, any provision of the Non-Relocation Covenants shall not prevent a subsequent act, which would have constituted a violation, from having the effect of a violation. No delay in the exercise of any remedy shall constitute a waiver of that remedy.

(g) Club understands and acknowledges that, by operation of the foregoing provisions, it is knowingly and intentionally relinquishing or limiting certain important rights and privileges to which it otherwise might be entitled, including the right to object to a grant of specific performance and injunctive relief, and that its relinquishment and limitation thereof is voluntary and fully informed.

4.2 **Liquidated Damages Remedy for Non-Relocation Default.**

(a) Club and the PFD acknowledge that in the event of a Non-Relocation Default for which the PFD is denied the equitable relief set forth in Section 4.1, the payment of liquidated damages therefor by Club is the next most appropriate remedy. Therefore, if a court of competent jurisdiction determines, in a final and non-appealable order, which shall include for the avoidance of doubt any order made final and non-appealable by the PFD and Club not appealing such order (a “**Final Order**”), that (i) Club has committed a Non-Relocation Default and (ii) the equitable relief described in Section 4.1 will not be granted, or is otherwise unavailable, to the PFD, Club, within forty-five (45) days of both conditions being satisfied, shall pay liquidated damages to the PFD in an amount equal to the applicable amount set forth on Exhibit A attached hereto. To the extent the PFD is required to refund or disgorge (as a result of the bankruptcy of Club or otherwise) any amount paid in connection with the payment of the liquidated damages hereunder, Club shall remain subject to the Non-Relocation Covenants until such amount required to be refunded or disgorged is paid in full.

(b) The PFD and Club acknowledge and agree that in determining the amount of liquidated damages hereunder (i) they have exercised care to make a reasonable forecast of direct damages under Applicable Law that may arise from a Non-Relocation Default, (ii) such reasonable forecast of direct damages is not an exact measure of damages given it would be infeasible to estimate such damages with

precision, including due to the intangible nature of some of such damages and the number of citizens and businesses that rely upon the presence of the Team in the City, the Seattle Area and the State and (iii) they have considered (A) the PFD's consideration for this Agreement as described in Recital D above; (B) the PFD's loss of revenue streams attributable to the Team's operations; (C) the reduction in value of the Ballpark arising from the absence of the Team; (D) the substantial economic benefit conferred upon the Team and Club; and (E) the detrimental effects of a Non-Relocation Default on the City, County, Seattle Area, and State, including the loss of (1) intangible civic, social, and quality of life benefits, (2) national and international exposure, and (3) revenues and other direct and indirect economic and fiscal benefits.

(c) In the event of a Final Order, then Club, for itself and its successors and assigns hereby waives any right, arising hereunder, at law, in equity or otherwise, to object to, or otherwise challenge the validity, amount, appropriateness or legitimacy of the liquidated damages set forth in Section 4.2(a) as the remedy for a Non-Relocation Default.

(d) If the PFD collects liquidated damages hereunder for a Non-Relocation Default, the PFD hereby waives the right to collect, and shall not seek to collect, any additional monetary or other damages from Club with respect to such Non-Relocation Default (whether under this Agreement or the Amended Lease, or any other agreement with Club to which the PFD is a party).

(e) Upon any Non-Relocation Default that results in the contraction, dissolution or relocation of the Team during the Term, Club shall transfer, to the extent it has the rights thereto (and shall use its commercially reasonable efforts to cause MLB to cooperate in the transfer of), the Team's heritage and records to the PFD, including the Team's name, logo, colors, history, playing records, trophies and memorabilia.

4.3 Other Remedies for Non-Relocation Default.

Upon a Non-Relocation Default, if the equitable relief provided for in Section 4.1 or the liquidated damages provided for in Section 4.2(a) are unavailable for any reason, the PFD shall be entitled to pursue all other legal and equitable remedies against Club, whether or not such other remedies are specifically set forth in this Agreement; provided, however, that any damages or money judgment obtained in any such legal or equitable proceedings shall not exceed the amount of liquidated damages that the PFD would have been entitled to receive pursuant to Section 4.2(a) but for such unavailability. All such other legal and equitable remedies are cumulative and may be exercised concurrently, successively or in any order.

4.4 Remedies for Other Defaults.

In the event of any Other Default, the PFD shall be entitled to pursue all other legal and equitable remedies against Club, whether or not such other remedies are specifically set forth in this Agreement; provided, however, that any damages or money judgment obtained in any such legal or equitable proceedings shall not exceed the amount of liquidated damages that the PFD would have been entitled to receive pursuant to Section 4.2(a) in connection with any Non-Relocation Default. All such other legal and equitable remedies are cumulative and may be exercised concurrently, successively or in any order.

ARTICLE 5.

REPRESENTATIONS

5.1 Representations and Warranties of Club.

Club hereby represents and warrants to the PFD that, as of the Effective Date:

(a) Club is a limited liability limited partnership duly organized and validly existing under the laws of the State of Washington. Club has all requisite authority to enter into this Agreement.

(b) The execution, delivery and performance by Club of this Agreement have been duly authorized by all necessary action, will not violate the organizational documents of Club and will not result in the breach of, or constitute a default under, any material agreement or any judgment or decree to which Club is a party or by which Club or its material assets are bound. This Agreement has been duly executed and delivered by Club and constitutes valid and binding obligations of Club.

(c) No suit is pending or, to the knowledge of Club, threatened against Club that could reasonably be expected to have a material adverse effect upon Club's performance under this Agreement.

(d) Club is the record and beneficial owner of the Team and the Club Property, in each case, free and clear of all Liens (except for those Liens set forth on Schedule 5.1(d)). The Team is a member in good standing of MLB and is in compliance with all MLB Rules that are relevant to the Non-Relocation Covenants and the Parties' other rights and obligations hereunder.

5.2 Representations and Warranties of the PFD.

The PFD hereby represents and warrants to Club that, as of the Effective Date:

(a) The PFD is a public facilities district that is a unit of government created under Chapter 36.100 RCW and King County Ordinance 12000. The PFD has all requisite power and authority to enter into this Agreement.

(b) The execution, delivery and performance by the PFD of this Agreement have been duly authorized by all necessary action, will not violate the organizational documents of the PFD and will not result in the breach of, or constitute a default under, any material agreement or any judgment or decree to which the PFD is a party or by which the PFD or its material assets are bound. This Agreement has been duly executed and delivered by the PFD and constitutes valid and binding obligations of the PFD.

(c) No suit is pending or, to the knowledge of the PFD, threatened against the PFD that could reasonably be expected to have a material adverse effect upon the PFD's performance under this Agreement.

ARTICLE 6.

MISCELLANEOUS

6.1 Entire Agreement.

This Agreement represents the entire agreement between the PFD and Club, and supersedes all prior negotiations, representations or agreements of the PFD and Club, written or oral, with respect to the subject matter of this Agreement (except the Amended Lease, where specifically incorporated by reference herein).

6.2 Amendments; Waiver.

No alteration, amendment or modification of this Agreement shall be valid unless executed by an instrument in writing by the Parties with the same formality as this Agreement. Notwithstanding anything herein to the contrary, this Agreement may not be amended, supplemented or otherwise modified, and no provision herein may be waived, unless all necessary MLB Approvals have been obtained in advance thereof. The failure of Club or the PFD to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Agreement or to exercise any election herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. No waiver by Club or the PFD of any covenant, agreement, term, provision or condition of this Agreement shall be deemed to have been made unless expressed in writing and signed by an appropriate official on behalf of the PFD or Club. The payment of sums due and payable hereunder, with knowledge of the breach of any covenant, agreement, term, provisions or condition herein contained, shall not be deemed a waiver of such breach. No payment by Club of a lesser amount than the sum due under this Agreement shall be deemed to be other than on account of the earliest stipulated payment, nor shall any endorsement or statement of any check or any letter accompanying any check or payment be deemed an accord and satisfaction or a modification of any obligations under this Agreement, or a limitation on the right of the PFD to recover the balance of such payment or pursue any other remedy provided in this Agreement.

6.3 Governing Law; Venue.

This Agreement is made, and shall be construed under, the laws of the State of Washington. Each Party agrees that the Superior Court for the State located in King County shall have the exclusive jurisdiction and venue for any dispute under this Agreement, and each Party hereby consents to jurisdiction in such court.

6.4 Severability.

If any article, section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent be invalid or unenforceable, the remainder of the article, section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining article, section, subsection, term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

6.5 Successors and Assigns.

The covenants, terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the PFD and Club and their respective successors and assigns.

6.6 Captions and Headings.

The captions and headings throughout this Agreement are for convenience and reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify amplify or add to the interpretation, construction or meaning of any provisions of this Agreement or the scope or intent thereof, nor in any way affect this Agreement.

6.7 Notices.

All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by electronic delivery. All notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight courier or mail as aforesaid and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, then the first attempted delivery shall be deemed to constitute delivery. Each Party shall be entitled to change its address for notices from time to time by delivering to the other Party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth following its name below:

PFD: Washington State Major League Baseball
Stadium Public Facilities District
110 Edgar Martinez Dr. S
Seattle, WA 98134
Attn: Executive Director
Telephone: (206) 664-3079

with a copy to: Pacifica Law Group
1191 Second Avenue, Suite 2000
Seattle, WA 98101-3404
Attn: Gerry Johnson
Telephone: (206) 245-1700

Club: The Baseball Club of Seattle, LLLP
1250 First Avenue S.
Seattle, WA 98134
Attn: President
Telephone: (206) 346-[_____]

with a copy to: Perkins Coie
1201 Third Avenue, 40th Floor
Seattle, WA 98101-3099
Attn: Serena Carlsen
Tel. No. (206) 359-8000

6.8 Counterparts.

This Agreement may be simultaneously executed in two or more counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

6.9 Disclosure of Records.

Each Party agrees to hold in confidence all information regarding the other Party and its business or operations, other than information which is required by law to be disclosed or which is or becomes publicly available or which is required to be disclosed by Club to MLB. The Parties agree to use any and all such confidential information only in accordance with the purposes and intent of this Agreement. This duty shall survive termination or expiration of this Agreement.

6.10 **Time.**

Times set forth in this Agreement for the performance of obligations shall be strictly construed, time being of the essence. In the event the date specified or computed under this Agreement for the performance, delivery, completion or observance of a covenant, agreement, obligation or notice by either Party or for the occurrence of any event provided for herein shall be a non-Business Day, then the date for such performance, delivery, completion, observance or occurrence shall automatically be extended to the next Business Day.

6.11 **Attorneys' Fees.**

If any action or proceeding, whether judicial or non-judicial, is commenced with respect to any claim or controversy arising from a breach of this Agreement or seeking the interpretation or enforcement of this Agreement, in addition to any and all other relief, the substantially prevailing party in such action or proceeding shall receive and be entitled to recover all costs and expenses, including reasonable attorneys' fees and costs, incurred by it on account of or related to such action or proceeding. As used herein, the term "substantially prevailing party" means the party that has obtained substantially the relief sought, whether by compromise, settlement or judgment.

6.12 Third-Party Beneficiaries. The Parties understand and agree that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the PFD, Club and MLB, or their successors or assigns, and nothing contained in this Agreement shall give or allow any such claim or right of action by any third person or entity (other than MLB) whatsoever on such Agreement; provided, however, the County shall be deemed a third party beneficiary of the Non-Relocation Covenants, entitled to enforce such Non-Relocation Covenants by suit for specific performance as its sole remedy, as provided in and subject to the terms and conditions of Section 4.1 above, so long as the County is then in compliance with its obligations under the Funding Agreement (in effect as of the Effective Date, as amended from time to time, provided such amendments do not adversely affect the availability of County Tax Revenues to Club for County Eligible CapEx Work or are not otherwise financially detrimental to Club). Except as otherwise set forth above, it is the express intention of the PFD and Club that any person or entity other than the PFD or Club or MLB, or their successors or assigns, receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

6.13 MLB Subordination. Notwithstanding any other provision of this Agreement, this Agreement and any rights or exclusivities granted by Club hereunder shall be in all respects subordinate to the MLB Rules. The issuance, entering into, amendment or implementation of any of the MLB Rules shall be at no cost or liability to any MLB Entity or to any individual or entity related thereto. The territory within which the PFD is granted rights is limited to, and nothing herein shall be construed as conferring on the PFD rights in areas outside of, the Home Television Territory of the Seattle Mariners, as established and amended from time to time. No rights, exclusivities or obligations involving the Internet or any interactive or online media (as defined by the applicable MLB Entities) are conferred by this Agreement, except as are specifically approved in writing by the applicable MLB Entities. Without in any way diminishing the subordination of this Agreement to the MLB Rules, Club agrees in any event that if compliance by it with the MLB Rules results in a failure by Club to fulfill its obligations under this Agreement, the PFD may enforce remedies for Club's failure to fulfill its obligations as provided in this Agreement.

[Remainder of page intentionally blank — Signature page follows]

IN WITNESS WHEREOF, the undersigned, thereunto duly authorized on behalf of each respective Party, have executed this Agreement as of the date first set forth above.

WASHINGTON STATE MAJOR LEAGUE
BASEBALL STADIUM PUBLIC FACILITIES
DISTRICT, a Washington municipal corporation

By: _____
Name: _____
Title: _____

THE BASEBALL CLUB OF SEATTLE, LLLP,
a Washington limited liability limited partnership

By: Baseball of Seattle, Inc.
Its Managing General Partner

By: _____
Name: _____
Title: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this ____ day of _____, 2018, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the municipal corporation, that _____ was authorized to executed said instrument and that the seal affixed, if any, is the corporate seal of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of
Washington, residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this ____ day of _____, 2018, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of Baseball of Seattle, Inc., the corporation acting as managing general partner of THE BASEBALL CLUB OF SEATTLE, LLLP, the limited liability limited partnership that executed the within and foregoing instrument, and acknowledge said instrument to be the free and voluntary act and deed of Baseball of Seattle, Inc. as managing general partner and of THE BASEBALL CLUB OF SEATTLE, LLLP for the uses and purposes therein mentioned, and on oath stated that _____ was duly elected, qualified and acting as said officer of the corporation and that _____ was authorized to execute the said instrument on behalf of Baseball of Seattle, Inc. and that the seal affixed, if any, is the corporate seal of the corporation, and that the corporation was authorized to execute said instrument on behalf of THE BASEBALL CLUB OF SEATTLE, LLLP.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of
Washington, residing at _____
My appointment expires: _____

Exhibit A
to
Team Non-Relocation Agreement

Non-Relocation Default Liquidated Damages

Date of Non-Relocation Default*	Liquidated Damages
Lease Year 1	\$504,960,811
Lease Year 2	\$490,695,311
Lease Year 3	\$476,001,846
Lease Year 4	\$460,867,577
Lease Year 5	\$445,279,280
Lease Year 6	\$429,223,334
Lease Year 7	\$412,685,710
Lease Year 8	\$395,651,957
Lease Year 9	\$378,107,191
Lease Year 10	\$360,036,082
Lease Year 11	\$341,422,841
Lease Year 12	\$322,251,201
Lease Year 13	\$302,504,413
Lease Year 14	\$282,165,221
Lease Year 15	\$261,215,854
Lease Year 16	\$239,638,005
Lease Year 17	\$217,412,821
Lease Year 18	\$200,000,000
Lease Year 19	\$200,000,000
Lease Year 20	\$200,000,000
Lease Year 21	\$200,000,000
Lease Year 22	\$200,000,000
Lease Year 23	\$200,000,000
Lease Year 24	\$200,000,000
Lease Year 25	\$200,000,000

Permitted Liens

Schedule 5.1(d)

[JP Morgan facility]