
PROJECT AGREEMENT

by and between

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY,
as the Sports Authority

and

HOUSTON McLANE COMPANY, INC.,
d/b/a Houston Astros Baseball Club,
as Houston McLane

The Ballpark at Union Station
Houston, Texas

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APPENDICES:

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PROJECT AGREEMENT

THIS PROJECT AGREEMENT (this "Project Agreement") is made and entered into effective as of the 17th day of June, 1998, by and between **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY** (the "Sports Authority"), a sports and community venue district created under Chapter 335 of the Texas Local Government Code, and **HOUSTON McLANE COMPANY, INC., d/b/a Houston Astros Baseball Club** ("Houston McLane"), a Texas corporation. The Sports Authority and Houston McLane collectively are referred to herein as the "Parties."

RECITALS

A. Pursuant to Chapter 335 of the Texas Local Government Code, on July 29, 1997, and July 30, 1997, respectively, the Commissioners Court of Harris County and the City Council of the City of Houston, Texas adopted concurrent orders, as amended, creating the Sports Authority.

B. On September 3, 1997, the Sports Authority recognized that the project known as The Ballpark at Union Station is an approved venue project (as set out in Chapter 335 of the Texas Local Government Code) located within the boundaries of the Sports Authority.

C. The project known as The Ballpark at Union Station includes the design, development, construction, and furnishing of the Stadium and the renovation and improvement of the existing Union Station Building on the Tracts by the Sports Authority and upon completion, the use and operation thereof by Houston McLane pursuant to the Stadium Lease.

D. The Sports Authority owns the Tracts or has the rights to possession thereof.

E. The Sports Authority and Houston McLane are executing and entering into this Project Agreement to set forth certain agreements of the Sports Authority and Houston McLane with respect to such matters, including the terms, conditions and provisions pursuant to which the Sports Authority shall design, develop, construct, and furnish the Stadium, and the renovation and improvement of the existing Union Station Building.

AGREEMENTS

For and in consideration of the respective covenants and agreements of the Parties herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are

hereby acknowledged by the Parties, the Sports Authority and Houston McLane do hereby agree as follows:

ARTICLE 1

GENERAL TERMS

Section 1.1 Definitions and Usage. Unless the context shall otherwise require, capitalized terms used in this Project Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Appendix A.

ARTICLE 2

REPRESENTATIVES OF THE PARTIES

Section 2.1 The Sports Authority Representative. On or before thirty (30) days after the Effective Date, the Sports Authority shall designate a committee of any three (3) individuals to be the Sports Authority Representative (the "Sports Authority Representative") and provide Houston McLane with written notice of the identity of the individuals so designated. The Sports Authority shall have the right, from time to time, to change any or all of the Persons who are the Sports Authority Representative by giving Houston McLane written notice thereof. With respect to any action, decision or determination which is to be taken or made by the Sports Authority under this Project Agreement, the Sports Authority Representative may take such action or make such decision or determination or shall notify Houston McLane in writing of the Person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such Person(s) for response or action. Actions, decisions or determinations by the Sports Authority Representative on behalf of the Sports Authority shall be done in his or her reasonable business judgment unless express standards or parameters therefor are included in this Project Agreement, in which case, actions taken by the Sports Authority Representative shall be in accordance with such express standards or parameters. Any consent, approval, decision or determination hereunder by the Sports Authority Representative shall be binding on the Sports Authority; provided, however, the Sports Authority Representative shall not have any right to modify, amend or terminate this Project Agreement.

Section 2.2 Houston McLane Representative. On or before thirty (30) days after the Effective Date, Houston McLane shall designate a committee of one or more individuals to serve as the Houston McLane Representative (the "Houston McLane Representative") and provide the Sports Authority with written notice of the individuals so designated. Houston McLane shall have

the right, from time to time, to change any or all of the individuals who are the Houston McLane Representative by giving the Sports Authority written notice thereof. With respect to any action, decision or determination to be taken or made by Houston McLane under this Project Agreement, the Houston McLane Representative may take such action or make such decision or determination or shall notify the Sports Authority in writing of the Person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such Person(s) for response or action. Actions, decisions or determinations by the Houston McLane Representative on behalf of Houston McLane shall be done in his or her reasonable business judgment unless express standards or parameters therefor are included in this Project Agreement, in which case, actions taken by the Houston McLane Representative shall be in accordance with such express standards or parameters. Any consent, approval, decision or determination hereunder by the Houston McLane Representative shall be binding on Houston McLane; provided, however, the Houston McLane Representative shall not have any right to modify, amend or terminate this Project Agreement.

ARTICLE 3

TERM

Section 3.1 Term. The term of this Project Agreement shall commence on the Effective Date and except as otherwise expressly provided herein shall expire on the Project Completion Date (the "Project Term").

ARTICLE 4

REPRESENTATIONS

Section 4.1 Representations Regarding Individual Capacity.

4.1.1 Power and Authority. Each individual executing and delivering this Project Agreement on behalf of a Party hereto hereby represents to the other Party hereto that such individual has all requisite power and authority to execute and deliver the same and to bind such Party hereunder. Each individual executing and delivering this Project Agreement on behalf of a Party hereto hereby represents to the other Party hereto that such individual has all requisite power and authority to execute and deliver the same and to bind such Party hereunder.

4.1.2 Houston McLane's Representations. As an inducement to the Sports Authority to enter into this Project Agreement, Houston McLane hereby represents and warrants to the Sports Authority, as of the Effective Date, as follows:

(a) Houston McLane is a corporation duly formed, validly existing and in good standing under the laws of the State of Texas, with all necessary corporate power and authority to carry on its present business, to enter into this Project Agreement and to consummate the transactions herein contemplated.

(b) Neither the execution and delivery of this Project Agreement by Houston McLane nor the performance by Houston McLane of its obligations hereunder will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any Governmental Authority, or court to which Houston McLane is subject or any provision of the charter or bylaws of Houston McLane or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest, or other agreement to which Houston McLane is a party or by which Houston McLane or its assets are bound.

(c) All proceedings required to be taken by or on behalf of Houston McLane to authorize Houston McLane to execute and deliver this Project Agreement and to perform the covenants, obligations and agreements of Houston McLane hereunder have been duly taken. No consent to the execution and delivery of this Project Agreement by Houston McLane or the performance by Houston McLane of its covenants, obligations and agreements hereunder is required from any partner, board of directors, shareholder, creditor, investor, judicial, legislative or administrative body, Governmental Authority or other Person, other than any such consent which already has been unconditionally given.

(d) This Project Agreement constitutes the valid and legally binding obligation of Houston McLane, enforceable in accordance with its terms and conditions, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws presently or hereafter in effect, affecting the enforcement of creditors' rights generally and by general principles of equity whether applied in a proceeding at law or in equity.

(e) To the best knowledge of Houston McLane, there is no action, suit, claim, proceeding, or investigation pending or currently threatened against Houston McLane that questions the validity of this Project Agreement or the transactions contemplated herein or that could individually or in the aggregate have a material adverse effect on the assets, condition, affairs, or properties of Houston McLane, financially or otherwise

4.1.3 Sports Authority's Representations. As an inducement to Houston McLane to enter into this Project Agreement, the Sports Authority represents and warrants to Houston McLane, as of the Effective Date, as follows:

(a) The Sports Authority is a sports and community venue district duly formed and validly existing under Chapter 335 of the Texas Local Government Code, with all necessary power and authority to enter into this Project Agreement and to consummate the transactions herein contemplated. The execution and delivery hereof and the performance by the Sports Authority of its obligations hereunder will not violate or constitute an event of default under any material terms or material provisions of any agreement, document, instrument, judgment, order or decree to which the Sports Authority is a party or by which the Sports Authority or its assets are bound.

(b) The Sports Authority has caused all governmental proceedings required to be taken by or on behalf of the Sports Authority to authorize the Sports Authority to execute and deliver this Project Agreement and to perform the covenants, obligations and agreements of the Sports Authority hereunder. No consent to the execution or delivery of this Project Agreement by the Sports Authority or the performance by the Sports Authority of its covenants, obligations and agreements hereunder is required from any board of directors, shareholder, creditor, investor, judicial, legislative or administrative body, Governmental Authority or other Person, other than any such consent which already has been unconditionally given.

(c) This Project Agreement constitutes the valid and legally binding obligation of the Sports Authority, enforceable in accordance with its terms and conditions, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws presently or hereafter in effect, affecting the enforcement of creditors' rights generally and by general principles of equity whether applied in a proceeding at law or in equity.

(d) To the best knowledge of the Sports Authority, there is no action, suit, claim, proceeding or investigation pending or currently threatened against the Sports Authority that questions the validity of this Project Agreement or the transactions contemplated herein or that could either individually or in the aggregate have a material adverse effect on the assets, conditions, affairs, or prospects of the Sports Authority, financially or otherwise.

Section 4.2 Survival of Representations. All of the Sports Authority's Representations and Houston McLane's Representations shall survive the execution of this Project Agreement and the Project Completion Date and shall not be merged into the Project Documents.

ARTICLE 5

HVAC/CHILLED WATER SERVICES AGREEMENT AND OTHER EQUIPMENT LEASES AND SERVICE CONTRACTS

Section 5.1 Equipment Lease and Service Contract Covenants. The Sports Authority has entered into the HVAC/Chilled Water Services Agreement, which agreement has been approved by Houston McLane and, as of the Effective Date, is the only Service Contract. The Sports Authority covenants and agrees that prior to entering into any Equipment Lease or other Service Contract, the Sports Authority shall (i) obtain Houston McLane's approval of any such Equipment Lease or Service Contract and any and all necessary or related Construction Contract Change Orders or other modifications or alterations of any other Project Submission Matters and (ii) enter into an amendment to the Stadium Lease approved by Houston McLane pursuant to which the Parties, among other things, (x) make appropriate adjustments, if any, in the amounts payable by Houston McLane under the Stadium Lease and Houston McLane's maintenance and repair obligations under the Stadium Lease, (y) set forth Houston McLane's obligations, if any, with respect to amounts payable under any such Equipment Lease or Service Contract and rights, if any, in any inducement fees paid thereunder, and (z) agree upon appropriate sublease provisions with respect to any Leased Components. With respect to each Equipment Lease and each Service Contract, the Sports Authority hereby warrants, represents, covenants and agrees that:

(a) There is not now, and will not be on the Stadium Lease Commencement Date, any default (excluding any defaults caused by Houston McLane, its agents, contractors, or Space Tenants) by any Person under any Equipment Lease or Service Contract (subject, in the case of the HVAC/Chilled Water Services Agreement, to the provisions of **Section 5.1(e)** below), or if there is such a default, the Sports Authority shall have entered into leases or

contracts, as the case may be, subject to Houston McLane's approval, with substitute or alternate providers of the same goods and services, whereby the goods and services to be provided thereunder (i) in the case of the contracts, the same shall be on equivalent terms (including, without limitation, the terms thereof and the costs and expenses to be paid thereunder by Houston McLane in accordance with the Stadium Lease) to those which would have been provided under the defaulted Equipment Lease or Service Contract, and (ii) in the case of the goods and services to be provided, the same shall be of the same quality, quantity, and utility as would have been provided under the defaulted Equipment Leases and Service Contracts had no default occurred thereunder;

(b) The Sports Authority will have paid all sums payable, and will have performed all obligations required to be performed, by the Sports Authority under the Equipment Leases and Service Contracts as of the Stadium Lease Commencement Date;

(c) The Sports Authority will deliver to Houston McLane a copy of all notices, including any notice of default, sent or received by the Sports Authority under any Equipment Lease or Service Contract within five (5) Business Days after sending or receiving such notice;

(d) Except for default thereunder by the other parties thereto, the Sports Authority will not terminate, cancel, or surrender any Equipment Lease or Service Contract (in no event, however, shall the Sports Authority terminate, cancel, or surrender the HVAC/Chilled Water Services Agreement without the prior consent of Houston McLane, which consent may be withheld in Houston McLane's sole discretion), and the Sports Authority will not (except as permitted by Section 17.3 below), without the prior consent of Houston McLane, transfer, assign, or sell (voluntarily or by operation of law or otherwise), or modify, change, supplement, alter or amend any Equipment Lease or Service Contract, either orally or in writing, or release or discharge any Person from its obligations thereunder. The provisions of this paragraph (d) are subject to the Sports Authority's obligation to enter into substitute contracts in the case of default as provided for in, and which comply with, Section 5.1(a) above.

(e) A default by any Person under any Equipment Lease or Service Contract (after expiration of the applicable grace or cure period provided therein) shall constitute a Sports Authority Default under this Project Agreement, subject to the provisions of Section 5.1(a) above; provided, however no default by Northwind Houston, L.P. under the HVAC/Chilled Water Services Agreement shall constitute a Sports Authority Default; and

(f) In the event the Sports Authority shall acquire any right, title or interest in any Leased Component, the Stadium Lease shall attach to and cover such Leased Component and such Leased Component, and the estate so acquired by the Sports Authority, shall be considered part of the Leased Premises with the same force and effect as though specifically leased and demised to Houston McLane as part of the Leased Premises.

Section 5.2 Houston McLane's Rights Under Equipment Leases and Service Contracts. The Sports Authority agrees that Houston McLane is a third-party beneficiary of the Equipment Leases and Service Contracts and as of the Stadium Lease Commencement Date the Sports Authority shall have conveyed, transferred and assigned to Houston McLane the nonexclusive right to enforce any and all of the respective obligations of any Person under the Equipment Leases and Service Contracts during the term of the Stadium Lease, including, but not limited to, any and all representations and warranties thereunder. Houston McLane shall have no obligation whatsoever to enforce any Equipment Lease or Service Contract prior to the Stadium Lease Commencement Date. The right of Houston McLane to enforce the respective obligations of any Person under any Equipment Lease or Service Contract is independent of and separate from the rights of the Sports Authority to enforce the same and shall in no manner limit or reduce the rights of the Sports Authority to enforce the same. The Sports Authority and Houston McLane agree to cooperate with one another in the enforcement of each Equipment Lease and Service Contract.

ARTICLE 6

PROJECT COSTS REIMBURSEMENT

As reimbursement for amounts paid by Houston McLane for architectural and related fees for services performed in the design of the Stadium Project Improvements prior to the Effective Date, the Sports Authority shall pay Houston McLane, so long as no Houston McLane Default has occurred and is continuing (if such Houston McLane Default is continuing as of the date such payment would otherwise be due but is subsequently cured and the Project Agreement has not been terminated due to the default of Houston McLane, such payment shall be made to Houston McLane upon such cure), an amount equal to Three Million Three Hundred Twenty-Three Thousand Eight Hundred Twenty-Eight and No/100 Dollars (\$3,323,828.00), such payment to be due and payable on or before the first to occur of (x) the date the first sale of tax exempt bonds is consummated in accordance with the Debt Plan or (y) October 1, 1998. Houston McLane agrees that the Sports Authority has no obligation to otherwise reimburse Houston McLane for amounts paid by Houston McLane for architectural and related fees for services performed in the design of the Stadium Project Improvements (except as expressly provided herein).

ARTICLE 7

SITE ACQUISITION; DEVELOPMENT WORK

Section 7.1 Acquisition The Sports Authority represents and warrants that as of the date hereof the Sports Authority owns good and indefeasible fee simple title to all of the Tracts (or has the right to exclusive use and possession thereof), and that, as of the Lease Commencement Date, it will deliver to Houston McLane possession of the Leased Premises as required by Section 2.2.1 of the Stadium Lease.

Section 7.2 Development Work. The Sports Authority represents and warrants to Houston McLane that the Sports Authority has caused Final Completion of the Development Work to have occurred with respect to each Tract, except for (i) continuing asbestos and lead paint abatement in the Union Station Building and (ii) the removal of below grade Existing Improvements and remediation (to the extent required by the Project Construction Contract or by applicable Governmental Rule) of Hazardous Materials existing on any Tract as of the date of delivery of exclusive possession of the same to the Project Contractor but not discovered as of the Effective Date (which, in each case, the Sports Authority covenants it shall cause to be removed and remediated, as the case may be, so as to avoid any delay in the progress of the Stadium Project Improvements Work).

ARTICLE 8

SCOPE OF DEVELOPMENT

Section 8.1 Stadium Project Improvements. The Sports Authority, at its cost except as otherwise provided in Article 12 below, shall use its diligent, good faith efforts to perform, or cause the performance of, all of the Stadium Project Improvements Work by at all times promptly and faithfully causing the work to be performed under the Construction Documents by the each Person thereto to be performed in accordance with the terms and provisions thereof and by keeping and performing all of the covenants and conditions contained in the Construction Documents to be kept and performed by the Sports Authority; provided, however (i) nothing in this sentence shall affect or impair Houston McLane's rights under Section 8.3 despite the Sports Authority's use of its diligent, good faith efforts, and (ii) the Sports Authority shall not be in breach of its obligations in this sentence if its failure to so perform is caused by the failure of Houston McLane, its agents, contractors, or Space Tenants to perform Houston McLane's obligations under this Project Agreement. The Sports Authority will not terminate or cancel without the approval of Houston McLane (except in the circumstance of a default pursuant to which the remedy of termination is

granted to the Sports Authority under such Construction Document). The Sports Authority will not waive, excuse, condone or in any way release or discharge any Person under any Construction Document of or from the material obligations, covenants, and agreements by such Person to be done and performed under any Construction Document. The Sports Authority will at all times continually enforce all obligations of all Persons under the Construction Documents and will promptly after the Sports Authority learns of the same notify Houston McLane of any default by any Person under any of the Construction Documents, and of the remedy or course of action sought by the Sports Authority in response to such default. With respect to the Stadium Project Improvements Work, the Sports Authority shall not do or permit other Persons to do any work on the Tracts, unless the Sports Authority or such other Persons shall have first procured and paid for all permits, licenses and authorizations then required by all applicable Governmental Authorities or Intellectual Property Rights for the work being performed. The Parties have agreed upon the Design Criteria. All modifications to the Design Criteria are subject to the approval of the Sports Authority and Houston McLane as more particularly described in Article 11 below. The Project Plans (including detailed plans and specifications) shall be developed and prepared by the Project Improvements Architect in cooperation with the Sports Authority and Houston McLane and submitted to Houston McLane and the Sports Authority for their approval in accordance with Article 11.

Section 8.2 Infrastructure Improvements. The Sports Authority shall use its good faith efforts to cause the Infrastructure Work to be performed in a good and workmanlike manner; provided, that the Sports Authority shall have no liability in the event the Infrastructure Improvements are not completed, nor shall such failure constitute a default hereunder or under the Stadium Lease.

Section 8.3 Completion Dates. The Sports Authority agrees to use its good faith diligent efforts to cause Substantial Completion of the Stadium Project Improvements Work to occur on or before March 31, 2000; provided, that the failure to achieve Substantial Completion of the Stadium Project Improvements by said March 31, 2000 shall not constitute a Sports Authority Default (nothing in this sentence shall, however, affect or impair the provisions of Section 16.1.1(h) below). Notwithstanding anything to the contrary contained in this Project Agreement or any other Project Document, in the event Substantial Completion of all of the Project Improvements Work does not occur on or before August 16, 2005 for any reason other than failure of Houston McLane to perform (or delay by Houston McLane in performing) any of its obligations under this Project Agreement or any delay caused by Houston McLane's agents, contractors, or Space Tenants (the Sports Authority agrees to give written notice to Houston McLane of any such delay within a reasonable time after learning of the same), Houston McLane shall have the option to terminate this Project Agreement and the other Project Documents by delivery of written notice thereof to the Sports Authority prior to October 1, 2005. Upon any such termination by Houston McLane the Parties shall

have no further rights, obligations or liabilities under this Project Agreement or the other Project Documents (except as otherwise set out in this Project Agreement or in the Project Documents. At the request of the Sports Authority, if Houston McLane agrees that Substantial Completion has been achieved, Houston McLane will deliver to the Sports Authority written evidence of Houston McLane's concurrence that Substantial Completion has been achieved.

Section 8.4 Liquidated Damages - Project Construction Contract and HVAC/Chilled Water Service Agreement. The Sports Authority shall diligently in good faith by appropriate proceedings attempt to collect the liquidated damages from the Project Contractor to which the Sports Authority may be entitled under the Project Construction Contract. Promptly upon receipt of the same or any portion thereof (whether through offset or otherwise), the Sports Authority shall pay such amounts to Houston McLane, less the amount of attorneys' fees incurred by the Sports Authority in so doing for which the Sports Authority has not been paid (whether through offset or otherwise) by the Project Contractor. Similarly, the Sports Authority shall diligently in good faith by appropriate proceedings attempt to collect all liquidated damages to which it may be entitled from time to time under the HVAC/Chilled Water Services Agreement and, promptly after receipt of the same or any part thereof, shall pay such amounts to Houston McLane less the amount of attorneys' fees incurred in so doing for which the provider under the HVAC/Chilled Water Services Agreement has not reimbursed the Sports Authority. Further, the Sports Authority agrees that Houston McLane is a third-party beneficiary of the obligation of the Project Contractor and the provider under the HVAC/Chilled Water Services Agreement to pay such liquidated damages under the Project Construction Contract and HVAC/Chilled Water Services Agreement, respectively, and hereby conveys, transfers and assigns to Houston McLane the nonexclusive right to enforce any and all obligations of (i) the Project Contractor to pay liquidated damages under the Project Construction Contract and (ii) the provider under the HVAC/Chilled Water Services Agreement to pay liquidated damages thereunder, respectively. Houston McLane shall have no obligation whatsoever to enforce the Project Construction Contract or the HVAC/Chilled Water Services Agreement. The Sports Authority hereby authorizes and instructs the Project Contractor and the provider under the HVAC/Chilled Water Services Agreement to pay all such liquidated damages directly to Houston McLane to the extent the same accrue during the term of this Project Agreement. To the extent any such liquidated damages payable by the Project Contractor under the Project Construction Contract are deducted from progress payments due the Project Contractor under the Project Construction Contract during the term of this Project Agreement, the Sports Authority shall, simultaneous with its deduction from the progress payments due the Project Contractor, pay such deducted amounts directly to Houston McLane. The Sports Authority covenants that the provisions of this Section 8.4 and the Sports Authority's obligations with respect to any such liquidated damages accruing prior to the date of termination hereof shall survive any expiration or earlier termination of this Project Agreement. Notwithstanding anything to the contrary contained in this Section 8.4, all liquidated

damages under the Project Construction Contract or the HVAC/Chilled Water Services Agreement accruing after the termination of this Project Agreement by Houston McLane shall be and remain the property of the Sports Authority and shall not be paid to Houston McLane.

Section 8.5 Hazardous Materials. The Sports Authority shall be responsible for performing or causing to be performed (to the extent required by the Project Construction Contract or applicable Governmental Rule), and for paying the cost of performing, (i) any and all corrective or remedial actions required by applicable Governmental Rules to be performed with respect to (x) any Environmental Event caused by the Sports Authority or any of its agents, contractors, or subcontractors or (y) any Hazardous Materials in the Leased Premises that are introduced to the Leased Premises prior to the commencement of the Primary Term excluding, however, Hazardous Materials introduced to the Leased Premises at any time by Houston McLane, its agents, contractors, employees, or Space Tenants, and (ii) unless the same have been introduced to the Tracts, the Union Station Building, or the Stadium Project Improvements by Houston McLane, its agents, contractors, employees, or Space Tenants, any and all "Environmental Remediation Work," as said term is used and defined in the Project Construction Contract (collectively, "Sports Authority Remedial Work"). All Sports Authority Remedial Work shall be completed by the Sports Authority in accordance with applicable Governmental Rule on or before the Stadium Lease Commencement Date or such earlier date as is required as part of the Development Work and so as not to delay or interfere with the Project Improvements Construction Schedule.

Section 8.6 Record Drawings and Other Documents. Upon Substantial Completion of the Stadium Project Improvements Work, the Sports Authority shall furnish to Houston McLane (i) one (1) copy of the marked drawings that the Project Contractor delivers to the Sports Authority under the Project Construction Contract, (ii) two (2) copies of the operating and maintenance data binders supplied by the Project Contractor under the Project Construction Contract, and (iii) all approvals, permits, authorizations, licenses, and certificates required by any Governmental Authority or Intellectual Property Rights with respect to any work which by the terms of this Project Agreement the Sports Authority is obligated to perform or cause to be performed (including, specifically but without limitation, certificates of compliance and occupancy) and excluding those permits, approvals and certificates which the Sports Authority is unable to obtain due to the acts or omissions of Houston McLane, its agents, contractors, or Space Tenants.

Section 8.7 Contract Requirements and Warranty Claims. The Sports Authority shall ensure that the Project Construction Contract, all subcontracts for the supply of equipment or systems to the Project Contractor for the Stadium Project Improvements or FF&E, all other material Construction Contracts, the Architect's Contract, and the HVAC/Chilled Water Services Agreement shall provide for the assignment of all warranties, maintenance agreements, and Intellectual Property

Rights thereunder to Houston McLane and give Houston McLane the independent right to enforce the same, and permit Houston McLane to use (but not own) any plans and specifications to which the Sports Authority is then entitled pursuant to any such contracts. The Sports Authority and Houston McLane shall cooperate with each other in prosecuting any and all warranty and similar claims under any and all contracts or other agreements with third parties for the design or construction of the Project Improvements Work, including, but not limited to any and all such claims under the Project Construction Contract and the HVAC/Chilled Water Services Agreement (each a "Warranty Claim"). All recoveries from any such Warranty Claim received prior to the Stadium Lease Commencement Date shall be applied by the Sports Authority to the cost and expense incurred in order to repair, restore, renew or replace any part of the Stadium Project Improvements to which such Warranty Claim relates, and then to the cost of collection. All recoveries from any such Warranty Claim received after the Stadium Lease Commencement Date shall be held and applied in accordance with Section 6.11 of the Stadium Lease.

Section 8.8 Mechanic's Liens and Claims. If any lien or claim of lien, whether choate or inchoate (collectively, any "Mechanic's Lien") shall be filed against the interest of the Sports Authority or Houston McLane in the Stadium Project Improvements or FF&E or against Houston McLane or any Property of Houston McLane by reason of any work, labor, services or materials supplied or claimed to have been supplied by or on behalf of the Sports Authority, or any of its agents or contractors, the Sports Authority shall, at its sole cost and expense, cause the same to be satisfied or discharged of record, or effectively prevent the enforcement or foreclosure thereof against the Tracts, FF&E, Stadium Project Improvements or any Property of Houston McLane by injunction, payment, deposit, bond, order of court or otherwise.

If any Mechanic's Lien is filed against the Stadium Project Improvements or FF&E, the Tracts or the Sports Authority by reason of any work, labor, services or materials supplied or claimed to have been supplied by or on behalf of Houston McLane in its prosecution of work to the Stadium Project Improvements, Houston McLane at its sole cost and expense, shall cause the same to be discharged of record, or effectively prevent, the enforcement or foreclosure thereof (nothing herein shall be deemed or interpreted as consent of the Sports Authority to the grant by Houston McLane of Mechanic's Liens in or to the Tracts, the Stadium Project Improvements, or the FF&E [other than with respect to, and then only extending to, the Concession Improvements]).

The provisions of this Section 8.8 shall survive the expiration or termination of this Project Agreement and the Sports Authority and Houston McLane shall each indemnify, defend and hold the other harmless from and against any and all such Mechanic's Liens (including, without limitation, all costs, expenses and liabilities, including reasonable attorneys' fees and costs, so incurred in connection with such Mechanic's Liens), for which such Party is responsible in

accordance with this Section 8.8, in accordance with the indemnification provisions set forth in Section 13.4.

Section 8.9 Access to the Project. Houston McLane and its agents, contractors, sublessees, licensees, and concessionaires shall have the right of access, for themselves and their authorized representatives, to the Tracts and the Stadium Project Improvements and all portions thereof for the following purposes, without charges or fees or the commencement of rent under the Stadium Lease, and at normal construction hours during the construction period, provided Houston McLane and all such agents, contractors, sublessees, licensees, and concessionaires (i) notify the Sports Authority Representative in advance of such proposed entry by any of Houston McLane's sublessees, licensees or concessionaires, (ii) do not hinder or interfere with the Project Improvements Work or the activities of the Sports Authority's contractors and coordinate such work with such activities of the Sport's Authority's contractors to minimize the risk of creating Cost Overruns, (iii) pay all costs of such work (including the costs of utilities if the Project Contractor so requires), (iv) take such reasonable protective precautions or measures as the Sports Authority or its contractors may reasonably request, given the stage of the Project Improvements Work at the time of such entry and (v) comply with and be subject to the provisions of the Project Construction Contract relating to the Sports Authority's rights to access including, without limitation, providing the insurance required by Section 6.1.4 of the Addendum to General Conditions which comprises a part of the Project Construction Contract (or, if the Project Contractor does not specify the same, then by providing such insurance as the Sports Authority may reasonably request):

- (a) Conducting inspections for purposes of determining compliance with this Project Agreement and any Construction Document;
- (b) Construction and installation of any Concession Improvements;
- (c) Construction and installation of any interior tenant finish work required pursuant to Space Leases, construction and installation of offices for Houston McLane in the Union Station Building, and equipping locker room and related facilities for the Franchise;
- (d) Use of Houston McLane's offices in the Union Station Building for ticket and suite sales, promotions, and other general office purposes; provided, however, in such case Houston McLane shall (i) accept the portion of the Project Improvements Work containing its offices in the Union Station Building, (ii) provide evidence of insurance covering the Union Station Building as is reasonably satisfactory to the Sports Authority, and (iii) shall otherwise use and occupy the same in compliance with and subject to all of the provisions of the Stadium Lease other than the requirement to pay Basic Rentals, the obligation to make

Tenant's Semi-Annual ARR Fund Deposits, or, unless the need therefor is caused by Houston McLane, its agents, contractors, or Space Tenants to perform Maintenance and Capital Repair Work [as such terms are defined in the Stadium Lease]);

(e) Beginning with the day which is reasonably estimated by the Parties to be the thirtieth (30th) day prior to the date of Substantial Completion, use of all other portions of the Union Station Building for the conduct of Houston McLane's business (including operation of retail facilities and restaurants); provided, however in exercising this right Houston McLane shall also comply with the provisions of clauses (i) through (iii) of Section 8.9(d) above as to the entirety of the Union Station Building;

(f) Installation of any additional fixtures or equipment not included in the FF&E;

(g) Tours of the Tracts and Stadium Project Improvements sponsored by Houston McLane; and

(h) The erection and maintenance of temporary billboards and signs during the construction period consistent with Houston McLane's naming rights and advertising rights under the Stadium Lease and License Agreement but in no event shall any permanent signage be permitted until the day which is one hundred twenty (120) days prior to the estimated date of Substantial Completion.

The Sports Authority agrees to use its diligent, good faith efforts to cause (but in no event shall the Sports Authority have any liability for the failure for any reason to cause) the Stadium Project Improvements to be completed to such a stage by March 1, 2000 so that the Playing Field and Stadium will be in a condition suitable for the Team to conduct practices. If the Sports Authority is able to cause such completion to occur, the Sports Authority will provide Houston McLane access to the Stadium and Playing Field for purposes of conducting Team practices which are not open to the general public, without charges or fees, provided Houston McLane (i) does not hinder or interfere with the Project Improvements Work or the activities of the Sports Authority's contractors, (ii) takes such reasonable protective precautions or measures as the Sports Authority or its contractors may reasonably request, given the stage of Project Improvements Work at the time of such entry, (iii) complies with the provisions of the Project Construction Contract relating to the Sports Authority's rights to access including, without limitation, providing the insurance required by Section 6.1.4 of the Addendum to General Conditions which comprises part of the Project Construction Contract and provides evidence of the insurance it is required to maintain under the Stadium Lease, and (iv) complies with and is subject to all of the provisions of the Stadium Lease other than the requirement to pay Basic Rentals or make Tenant's Semi-Annual ARR Fund Deposits. Any entry, access or

occupancy provided to Houston McLane pursuant to the terms of this Section 8.9 shall not be deemed to be acceptance of the Project Improvements Work (except as provided in Section 8.9(d) and (e) above) or commence the Lease Term.

Section 8.10 Construction Cooperation/Coordination. Without in any way limiting, waiving or releasing any of the obligations of the Sports Authority under this Project Agreement or any Governmental Rule, the Sports Authority agrees that at all times during the Project Improvements Work, the Sports Authority will do the following:

(a) Cause the Project Improvements Work to be conducted, and require all of its contractors, subcontractors and agents to conduct the Project Improvements Work, in cooperation with Houston McLane so that (i) Houston McLane will be kept apprised of all aspects of the Project Improvements Work and Project Submission Matters, and (ii) Houston McLane can coordinate the installation of any improvements, fixtures or equipment by Houston McLane or any of its sublessees, licensees or concessionaires;

(b) Deliver to Houston McLane a copy of all notices and correspondence (including schedule updates and monthly or other summaries provided by the parties performing under the Construction Documents), including, but not limited to, any notice of default, sent or received by the Sports Authority under any Construction Documents, HVAC/Chilled Water Services Agreement, Governmental Rule or Intellectual Property Right relating to the Project Improvements Work or the Leased Premises, unless directed otherwise by Houston McLane or any such notice or correspondence received by the Sports Authority shows that a copy has been delivered to Houston McLane;

(c) Instruct the Project Contractor, the Project Improvements Architect and all other contractors and consultants engaged by the Sports Authority with respect to the Project Improvements Work to provide Houston McLane with a duplicate copy of all notices, correspondence, reports, drawings or specifications, and other documentation delivered or received by either of them simultaneously with their delivery to the Sports Authority, including, but not limited to, advance notice of weekly progress meetings;

(d) Allow Houston McLane and its representatives to attend all meetings with any Persons or Governmental Authority relating to the Project Improvements Work, including, but not limited to, weekly progress meetings and design review meetings;

(e) Consult with Houston McLane before submitting any list under the Project Construction Contract of Persons in nomination for membership on the "Dispute Review

Board" (as said term is used and defined in the Project Construction Contract) and prior to the Sports Authority's selection of the "Contractor's Member" to serve on the "Dispute Review Board" (as said terms are used and defined in the Project Construction Contract); and

(f) Advise Houston McLane with respect to any Environmental Conditions known to the Sports Authority and all requirements imposed by, and negotiations with, any Governmental Authority concerning any such Environmental Condition or the issuance of a TNRCC Certificate of Completion.

Section 8.11 Operation, Maintenance and Repair Prior to Stadium Lease Commencement Date. The Sports Authority covenants and agrees that during all periods of time that the Sports Authority has the care, custody or control of the Stadium Project Improvements or any portion thereof, the Sports Authority will, except as otherwise permitted by the Stadium Lease, refrain from opening the facilities to the public or holding events at the facilities (other than tours of the Tracts and Stadium Project Improvements) or, except as may be necessary to cause the same to be in the condition required by the Stadium Lease, otherwise operating the facilities.

Section 8.12 Roof Maintenance Contract. Included as part of the Project Construction Contract is GMP Directive 110 dated October 17, 1997, as revised on December 10, 1997, which, among other things, grants the Sports Authority the option to purchase, at a fixed price, full maintenance by the Project Contractor of the Stadium's roof transport system for an extended period after the date of Substantial Completion (as said term is used and defined in the Project Construction Contract). The foregoing agreements of the Project Contractor to provide maintenance service for the Stadium's roof transport system, including any maintenance to be provided pursuant to any exercise by the Sports Authority of the foregoing option, is referred to in this Project Agreement as the "Roof Maintenance Contract". The Sports Authority covenants and agrees that, at the request of Houston McLane, the Sports Authority will timely exercise the foregoing option, subject to Houston McLane's paying to the Project Contractor the amount required for such extension.

ARTICLE 9

CONCESSION BUILD OUT

Houston McLane covenants and agrees that Houston McLane shall design, construct, and place in service the Concession Improvements, or cause the same to be designed, constructed, and placed in service, in accordance with applicable Governmental Rules and the provisions of Section 8.9 hereof applicable to early entry for construction of the Concession Improvements, all at Houston McLane's sole cost and expense. Houston McLane agrees that when complete the Concession

Improvements will be comparable to concession facilities contained in Comparable Facilities. Houston McLane agrees to enforce all contracts executed by it for the design, construction, and placement in service of the Concession Improvements.

ARTICLE 10

LANDLORD'S PREMISES

The Parties acknowledge that the Stadium Project Improvements Work includes the Landlord's Premises which shall have the meaning ascribed to it in the Stadium Lease and includes a spectator suite located in right-center field of the Stadium (between the scoreboard and the stage) with 36 seats, together with an adjacent conference room facility. Subject to the Sports Authority Allowance, the Sports Authority shall have right to take such actions under the Construction Documents as may be necessary to cause the Landlord's Premises to be completed, all without the need of consent or approval from Houston McLane (notwithstanding any contrary provisions of this Project Agreement).

ARTICLE 11

CERTAIN APPROVAL RIGHTS

Section 11.1 Sports Authority's Right to Make Changes. The Sports Authority shall have the right to issue or make changes to the Project Submission Matters, subject to the approval of Houston McLane. Notwithstanding the foregoing, Houston McLane and the Sports Authority agree that Houston McLane may, in its sole and absolute discretion, withhold its approval or consent to any Project Submission Matters and any proposed issuance thereof or changes or additions to, or modifications of, any Project Submission Matters that result in or are likely to result in (i) any Cost Overruns for which Houston McLane is responsible under the provisions of Article 12 below, (ii) any extensions of, or any inability to achieve, the schedules and deadlines contained in this Project Agreement, (iii) an increase in anticipated levels of Maintenance or Capital Repairs (as such terms are defined in the Stadium Lease) or in expenses to operate the Stadium in accordance with the Stadium Lease, (iv) a failure of the Stadium Project Improvements to conform to Major League Baseball Rules and Regulations, (v) any violation of applicable Governmental Rule or (vi) any change in the scope of the work described in the Design Criteria (unless, in respect to this subclause (vi) the need therefor is to cause the Design Criteria and Stadium Project Improvements to comply with any Governmental Rule).

Section 11.2 Houston McLane's Right to Make Changes. Houston McLane shall have the right to request the Sports Authority to issue or make changes to the Project Submission Matters, subject to the approval of the Sports Authority. Notwithstanding the foregoing, Houston McLane and the Sports Authority agree that the Sports Authority may, in its sole and absolute discretion, withhold its approval or consent to any Project Submission Matters and any proposed issuance thereof or changes or additions to, or modifications of, any Project Submission Matters that result in or are likely to result in (i) any Cost Overruns for which Houston McLane is responsible under the provisions of Article 12 below (unless Houston McLane makes adequate provisions for the payment thereof), (ii) any extensions of, or any inability to achieve, the schedules and deadlines contained in this Project Agreement, (iii) an increase in anticipated levels of Maintenance or Capital Repairs (as such terms are defined in the Stadium Lease) or in expenses to Houston McLane to operate the Stadium in accordance with the Stadium Lease, (iv) a failure of the Stadium Project Improvements to conform to Major League Baseball Rules and Regulations, (v) any violation of applicable Governmental Rule or (vi) any change in the in the scope of the work described in the Design Criteria (unless, in respect to this subclause (vi) the need therefor is to cause the Design Criteria and Stadium Project Improvements to comply with any Governmental Rule).

Section 11.3 Payment for Certain Design Changes. As provided in Sections 11.1 and 11.2 above, the issuance of or changes to Project Submission Matters is subject to the prior approval of the Parties. If a requested issuance of or change to a Project Submission Matter by a Party is not approved, the Party requesting the same may, upon written notice to the other Party hereto, nonetheless proceed with the same subject to the following conditions: (i) the Party making such election shall be solely responsible for all costs and expenses arising out of or related to such item and such Party shall pay, from its own funds and not as a part of costs and expenses for purposes of determining whether there are Cost Overruns or Project Savings, and (ii) the same is in substantial conformance with the Design Criteria as exists on the Effective Date. The right to make changes under this Section 11.3 shall not apply to the matters requiring approval and consent under clauses (i) through (vi) of Sections 11.1 and 11.2 above.

ARTICLE 12

COST OVERRUNS/PROJECT SAVINGS

Section 12.1 Cost Overruns. The term "Base Amount" as used herein means and refers to the sum of \$250,000,000. The term "Cost Overruns" as used in this Project Agreement shall mean the amount by which the total costs and expenses required to be paid under the Construction Documents by the Sports Authority exceeds the Base Amount; provided, that, Cost Overruns shall not include such excess to the extent such excess arises out of or is attributable to any of the

following: (i) default by the Sports Authority under any of the Construction Documents (unless the same is caused by Houston McLane, its agents, contractors, or Space Tenants), or interest or late charges paid by the Sports Authority on sums not paid when due thereunder (not caused by the failure of Houston McLane to perform its obligations under this Project Agreement), (ii) the costs to the Sports Authority to acquire the Tracts, the costs to perform the Development Work, or the failure of the Sports Authority to deliver the Tracts to the Project Contractor in the condition required by the Project Construction Contract including, without limitation, costs to remediate or perform the Sports Authority Remedial Work, (iii) costs incurred in the design or improvement of the Landlord's Premises (as defined in the Stadium Lease) in excess of the Sports Authority Allowance, or (iv) changes to be paid for by the Sports Authority under Section 11.3 above.

Section 12.2 Project Savings. The term "Project Savings" means and refers to the aggregate of the following: (i) the amount by which the Project Contract GMP of \$229,500,000 is reduced due to Construction Contract Change Orders (less the amount of increases in the amounts to be paid under the Project Construction Contract due to additive Construction Contract Change Orders), (ii) amounts which revert to the Sports Authority in accordance with the provisions of Section 5.2.1 of the Project Construction Contract, (iii) the Sports Authority's 50% share of savings as described in said Section 5.2.1 of the Project Construction Contract, (iv) any savings in the amount of reimbursables paid to the Project Improvements Architect below the \$1,275,000 estimate therefor, and (v) any savings in the amount of the \$16,576,500 fee to be paid to the Project Improvements Architect under the Architect's Contract. Should any Project Savings be reasonably anticipated to be achieved, the Sports Authority agrees to consider including (but shall have no obligation to include), at the request of Houston McLane, in the Stadium Project Improvements certain additional elements as may be requested by Houston McLane and paying for the same from Project Savings. All Project Savings shall be the property of the Sports Authority, subject to the provisions of Section 12.3 below. Notwithstanding anything to the contrary contained herein, all inducement fees under all contracts entered into by the Sports Authority shall be the sole property of the Sports Authority excluding, however, those which may be paid to Houston McLane under Section 5.1 above.

Section 12.3 Payment of Cost Overruns. Houston McLane shall pay for the Cost Overruns in accordance with the procedure set forth in this Section 12.3. If subsequent to payments of Cost Overruns by Houston McLane Project Savings are realized, the same shall first be paid to Houston McLane until Houston McLane has recovered the amount paid by it for all prior Cost Overruns (for purposes of this Section 12.3 "Cost Overruns" does not include amounts paid by Houston McLane under Section 11.3).

Houston McLane shall commence paying for Cost Overruns within fifteen (15) days after the receipt of a request from the Sports Authority when accompanied by a certificate signed by a Responsible Officer of the Sports Authority certifying that the Sports Authority has actually paid \$250,000,000 (with no deduction for retainage) under the Construction Documents (excluding, however, any amounts so paid which are excluded from the definition of Cost Overruns in clauses (i) through (iv) in Section 12.1 above). Houston McLane will continue to pay for Cost Overruns thereafter, including retainage withheld (including the retainage which would have been withheld but for the agreements of the Sports Authority herein to fund up to said \$250,000,000) by the Sports Authority (as and when due) and not theretofore paid as part of said \$250,000,000.

Section 12.4 Cooperation; Dispute Resolution.

12.4.1 Cooperation. It is neither the intent nor desire of either the Sports Authority or Houston McLane to incur Cost Overruns. The Sports Authority and Houston McLane agree to cooperate with one another in taking actions as are reasonably necessary to minimize the risks of Cost Overruns. Further, notwithstanding the provisions of Article 11, in the event Cost Overruns appear reasonably likely to occur, the Sports Authority and Houston McLane will prepare and submit to the Project Contractor proposed Construction Contract Change Orders effecting value engineering so as to eliminate, to the maximum extent practicable, Cost Overruns; provided, that, the Sports Authority shall have no obligation to approve or consent to such proposed Construction Contract Change Orders if the effect thereof is to materially reduce the overall quality or appearance of the Stadium Project Improvements Work from that reflected in the Design Criteria.

12.4.2 Construction Contract Change Orders, Additional Services under the Architect's Contract, Use of Contingency and Dispute Resolution. The Sports Authority and Houston McLane agree that if either has a dispute with the Project Contractor in respect to or arising out of any proposed Construction Contract Change Order (including, without limitation, whether the Project Contractor is entitled thereto or the contents thereof), proposed use by the Project Contractor of the Contingency, or issuance of or modification to a Project Submission Matter, the Sports Authority will initiate, and permit Houston McLane to participate in, the Dispute Resolution Procedures (as defined in the Project Construction Contract). Similarly, in the event either the Sports Authority or Houston McLane has a dispute with the Project Improvements Architect in respect to or arising out of any request for reimbursable expenses to be paid thereunder or in respect to any claim for additional services under the Architect's Contract, the Sports Authority will initiate, and permit Houston McLane to participate in, the resolution of the same in accordance with the Architect's Contract (whether by alternate dispute resolution or otherwise). The Sports

Authority and Houston McLane agree that for purposes of this Project Agreement the resolution under the Project Construction Contract Dispute Resolution Procedures of any such disputes and the resolution of any such disputes under the Architect's Contract in accordance with its terms shall be binding upon both the Sports Authority and Houston McLane for purposes of this Project Agreement.

Section 12.5 Additional Houston McLane Rights Relating to Certain Events. Without limiting the rights of Houston McLane under Section 11.1, Houston McLane shall have the right, subject to the prior approval of the Sports Authority, to do the following: (i) in the case of default by the Project Contractor under the Project Construction Contract and a termination thereof, to select a replacement contractor for the Project Contractor and to negotiate the terms and provisions of the contract with such replacement contractor, (ii) in the case of default by the Project Improvements Architect under the Architect's Contract and termination thereof, to select a replacement architect for the Project Improvements Architect and to negotiate the terms and provisions of the contract with such replacement architect, (iii) to pursue, settle, or compromise any claim for breach by any party providing services, goods, labor, or materials under any of the Construction Documents, and (iv) to pursue, or compromise any claim against any insurer, re-insurer, or surety providing insurance or surety services in connection with the Construction Documents including, without limitation, the insurers providing the builder's risk and other insurance required under the Project Construction Contract and the Architect's Contract and the surety providing the payment and performance bonds under the Project Construction Contract. Any and all recoveries under any of the foregoing shall be applied first to the actual out-of-pocket costs incurred in pursuing, settling, or compromising such claim, and then to the costs of designing and constructing the Stadium Project Improvements.

ARTICLE 13

INSURANCE AND INDEMNITY MATTERS

Section 13.1 Policies Required.

13.1.1 Policies Required For Project Improvements Work. Prior to the commencement of any Project Improvements Work and at all times during the performance of such Project Improvements Work and for so long after the completion thereof that (i) the Project Contractor has not been paid in full with respect to the Project Improvements Work or (ii) the Project Contractor has any repair or warranty obligations with respect to the Project Improvements Work, the Sports Authority shall, at its sole cost and expense, obtain, keep and maintain or cause to be obtained, kept and maintained, the insurance required to be maintained by the Project Contractor (in

the form and amounts and issued by issuers required by and specified in) the Project Construction Contract, and with respect to the HVAC/Chilled Water Services Agreement, the insurance required to be maintained by thereunder. Furthermore, the Sports Authority shall, with respect to the Development Work, cause to be maintained insurance of types and amounts which are prudent for public entities considering the nature and extent of such work.

13.1.2 Property Insurance Policy. Commencing as and when the Sports Authority acquires such care, control or custody over any portion of the Tracts and Stadium Project Improvements such that the insurance policies required under Section 13.1.1 are inadequate to protect the insurable interests therein of the Sports Authority, any Facility Mortgagee, and Houston McLane and at all times until the Stadium Lease Commencement Date, the Sports Authority shall, at its sole cost and expense, obtain, keep and maintain a hazard and casualty insurance policy (the "Property Insurance Policy") providing for coverage of the Leased Premises and Stadium Project Improvements against loss or damage due to Insured Casualty Risks and such other perils covered by the broadest form of extended coverage insurance generally available on commercially reasonable terms from time to time with respect to improvements in Houston, Harris County, Texas, similar to the Leased Premises and Stadium Project Improvements, and affording coverage for, among other things, demolition and debris removal and losses from any malicious act of any employee or agent of an insured, naming the Sports Authority as the insured, any Facility Mortgagee, and Houston McLane as loss payees, as their respective interests may appear, for a sum at least equal to one hundred percent (100%) of the insurable replacement cost of the Leased Premises and Stadium Project Improvements and all FF&E, and with any deductible not exceeding One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) per loss unless not available on commercially reasonable terms in which circumstance the lowest deductible in excess of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) available on commercially reasonable terms shall be obtained, but in all events the deductible shall not exceed Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00). The provisions of this Section 13.1.2 are subject to Houston McLane's obligations under Section 8.9 above.

13.1.3 Additional Policies Required During the Project Term. Commencing on the Effective Date (unless otherwise provided below), and at all times during the Project Term the Sports Authority shall, at its sole cost and expense, obtain, keep and maintain or cause to be obtained, kept and maintained, the following insurance policies:

(a) **Commercial General Liability Policy.** A commercial general liability insurance policy ("GL Policy"), written on an occurrence basis and limited to the Project Improvements Work, the Leased Premises and the Stadium Project Improvements (or if not so limited, having a general aggregate limit that shall be specific to the Leased Premises and

the Stadium Project Improvements), naming the Sports Authority as the named insured and any Facility Mortgagee and Houston McLane as additional insureds, affording protection against liability arising out of personal injury, bodily injury and death and/or property damage occurring, in, upon or about the Leased Premises or the Stadium Project Improvements or resulting from, or in connection with, the Project Improvements Work or the use, operation or occupancy of the Leased Premises or the Stadium Project Improvements and containing provisions for severability of interests. The GL Policy shall be in such amount and such policy limits so that (i) the coverage and limits are adequate to maintain the Excess/Umbrella Policy without gaps in coverage between the GL Policy and the Excess/Umbrella Policy and (ii) the minimum policy limits set forth in the Insurance Plan Additional Requirements are satisfied. The GL Policy additionally shall comply with all other requirements applicable to it set forth in the Insurance Plan Additional Requirements.

(b) Workers' Compensation Policy. A workers' compensation insurance policy and any and all other statutory forms of insurance now or hereafter prescribed by applicable law, providing statutory coverage under the laws of the State of Texas for all Persons employed by the Sports Authority in connection with the Project Improvements Work, the Leased Premises and the Stadium Project Improvements and employers liability insurance policy (collectively, the "Workers' Compensation Policy") affording protection of not less than One Million and No/100 Dollars (\$1,000,000.00) for bodily injury by accident (each accident), not less than One Million and No/100 Dollars (\$1,000,000.00) for bodily injury by disease (each employee) and not less than One Million and No/100 Dollars (\$1,000,000.00) bodily injury by disease (policy limit). The Workers' Compensation Policy additionally shall comply with all other requirements applicable to it set forth in the Insurance Plan Additional Requirements.

(c) Excess/Umbrella Policy. An excess or umbrella liability insurance policy ("Excess/Umbrella Policy"), written on an occurrence basis, in an amount not less than Five Million and No/100 Dollars (\$5,000,000.00) per occurrence and in the aggregate for personal injury, bodily injury and death and/or property damage liability combined, such policy to be written on an excess basis above the coverages required hereinabove (specifically listing such underlying policies) and following the form of such underlying policies.

Section 13.2 Failure of the Sports Authority to Maintain. If at any time and for any reason the Sports Authority fails to provide, maintain, keep in force and effect, or deliver to Houston McLane proof of, any of the insurance required under Section 13.1 and such failure continues for ten (10) days after notice thereof from Houston McLane to the Sports Authority, Houston McLane may, but shall have no obligation to, procure single interest insurance for such risks covering

Houston McLane (or, if no more expensive, the insurance required by this Project Agreement), and the Sports Authority shall, within ten (10) days following Houston McLane's demand and notice, pay and reimburse Houston McLane therefor.

Section 13.3 Additional Policy Requirements.

13.3.1 Insurers; Certificate and Other Requirements.

(a) All insurance policies required to be procured by the Sports Authority under Section 13.1 shall be effected under valid policies issued by insurers which have an Alfred M. Best Company, Inc. rating of "A-" or better and a financial size category of not less than "X" (or, if Alfred M. Best Company, Inc. no longer uses such rating system, then the equivalent or most similar ratings under the rating system then in effect, or if Alfred M. Best Company, Inc. is no longer the most widely accepted rater of the financial stability of insurance companies providing coverage such as that required by this Project Agreement, then the equivalent or most similar rating under the rating system then in effect of the most widely accepted rater of the financial stability of such insurance companies at the time).

(b) Each and every policy required to be carried hereunder shall provide for waivers of subrogation by endorsement or other means which waivers of subrogation shall be effective as to any Party.

(c) Each and every insurance policy required to be carried hereunder by or on behalf of the Sports Authority shall provide (and any certificate evidencing the existence of each such insurance policy shall certify) that such insurance policy shall not be canceled, non-renewed or coverage thereunder materially reduced unless Houston McLane shall have received written notice of cancellation, non-renewal or material reduction in coverage and that Houston McLane shall receive not less than ninety (90) days notice of such cancellation, non-renewal or material reduction in coverage, in each such case (except for notice of cancellation due to non-payment of premiums), such written notice to be sent to Houston McLane not less than ninety (90) days (or the maximum period of days permitted under applicable law, if less than ninety (90) days) prior to the effective date of such cancellation, non-renewal or material reduction in coverage, as applicable. In the event any insurance policy is to be canceled due to non-payment of premiums, the requirements of the preceding sentence shall apply except that the written notice shall be sent to Houston McLane on the earliest possible date but in no event less than ten (10) days prior to the effective date of such cancellation.

13.3.2 Delivery of Evidence of Insurance. With respect to each and every one of the insurance policies required to be obtained, kept or maintained under the terms of this Project Agreement, on or before the date on which each such policy is required to be first obtained and at least fifteen (15) days before the expiration of any policy required hereunder previously obtained, the Sports Authority shall deliver to Houston McLane evidence showing that such insurance is in full force and effect. Such evidence shall include certificates of insurance issued by a Responsible Officer of the issuer of such policies, or in the alternative, a Responsible Officer of an agent authorized to bind the named issuer, setting forth the name of the issuing company, the coverage, limits, deductibles, endorsements, term and termination provisions thereon. By no later than (i) thirty (30) days after the effective date of any insurance policy required under this Project Agreement, the Sports Authority shall provide Houston McLane with reasonable evidence that premiums have either been paid or are payable in installments and (ii) one hundred twenty (120) days after the effective date of any insurance policy required under this Project Agreement, the Sports Authority shall provide Houston McLane with a copy of such insurance policy.

13.3.3 Waiver of Right of Recovery. To the extent permitted by law, and without affecting the insurance coverage required to be maintained hereunder, Houston McLane and the Sports Authority each waive all rights of recovery, claim, action or cause of action against the other for any (a) damage to Property, (b) damage to the Project Improvements Work or any part thereof or (c) to the extent that such damage (i) is covered (and only to the extent of such coverage without regard to deductibles) by insurance actually carried by either Houston McLane or the Sports Authority or (ii) would be insured against under the terms of any insurance required to be carried under this Project Agreement by the Party holding or asserting such right of recovery, claim, or cause of action. This provision is intended to (i) restrict each Party (if and to the extent permitted by law) to recovery against insurance carriers to the extent of such coverage and to waive (to the extent of such coverage), for the benefit of each Party, rights and/or claims which might give rise to a right of subrogation in any insurance carrier and (ii) give each Party the benefit of the foregoing notwithstanding any failure by the other Party to maintain the insurance required under this Project Agreement. The provisions of this Section 13.3.3 are not intended to limit the claims of Houston McLane or the Sports Authority to the face amount or coverage of the insurance policies herein provided for or to evidence the waiver by either Party of any claim for damages in excess of the face amount or coverage of any of such insurance policies. Neither the issuance of any insurance policy required under, or the minimum limits specified in, Section 13.1 with respect to the Sports Authority's insurance coverage shall be deemed to limit or restrict in any way the Sports Authority's liability arising under or out of this Project Agreement.

Section 13.4 Indemnification.

13.4.1 Houston McLane's Agreement to Indemnify. Houston McLane shall, except as provided in Section 13.4.2, defend, protect, indemnify and hold the Sports Authority and its officers, directors, employees, and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage to property (including loss of use) resulting from, arising out of or in connection with (i) the use or occupancy of the Leased Premises during the term hereof, or (ii) the negligence or willful act of Houston McLane or Houston McLane's contractors, employees, officers, directors, agents, Space Tenants, or invitees.

13.4.2 Houston McLane's Exclusions. Notwithstanding the provisions of Section 13.4.1, Houston McLane shall not be liable for any liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with:

- (a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent of the negligence or willful act of the Sports Authority, its employees, officers, directors, contractors, agents or invitees;
- (b) The Sports Authority's violation of any of its obligations under this Project Agreement or any applicable Governmental Rules or deed restriction or insurance policy, now or hereafter in effect and applicable to the Sports Authority;
- (c) The existence of any Hazardous Materials in, on or under the Leased Premises prior to the Commencement Date, but the foregoing shall not apply to any Hazardous Materials that are introduced to the Leased Premises by Houston McLane, or any of its employees, officers, directors, contractors, agents or invitees; or
- (d) Any Environmental Event caused by the Sports Authority or any of its employees, officers, directors, contractors, agents, Space Tenants, or invitees.

13.4.3 Sports Authority's Agreement to Indemnify. The Sports Authority shall, except as provided in Section 13.4.4, defend, protect, indemnify and hold Houston McLane and its officers, directors, employees, and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage

to property (including loss of use) resulting from, arising out of or in connection with (i) the construction of the Stadium Project Improvements, or (ii) the negligence or willful act of the Sports Authority or the Sports Authority's contractors, employees, officers, directors, agents or invitees.

13.4.4 Sports Authority's Exclusions. Notwithstanding the provisions of Section 13.4.3, the Sports Authority shall not be liable for any liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with:

(a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent of the negligence or willful act of Houston McLane, its employees, officers, directors, contractors, agents, Space Tenants, or invitees;

(b) Houston McLane's violation of any its obligations under this Project Agreement or any applicable Governmental Rules or deed restriction or insurance policy, now or hereafter in effect and applicable to Houston McLane;

(c) Any Hazardous Materials that are introduced to the Leased Premises by Houston McLane, its agents or contractors, but the foregoing shall not apply to any Hazardous Materials that are introduced to the Leased Premises by the Sports Authority, or any of its employees, officers, directors, contractors, agents or invitees; or

(d) Any Environmental Event caused by Houston McLane or any of its employees, officers, directors, contractors, agents, Space Tenants, or invitees.

13.5 No Third Party Beneficiary. The provisions of this Article 13 are solely for the benefit of the Sports Authority and Houston McLane and are not intended to create or grant any rights, contractual or otherwise, to any other Person.

13.6 Conduct of Claims. The conduct of any claims under this Article 13 shall be made in accordance with the provisions of Section 9.7.6 of the Stadium Lease.

ARTICLE 14

CASUALTY DAMAGE

Section 14.1 Damage or Destruction. If, at any time prior to the Stadium Lease Commencement Date, there is any Casualty to the Stadium Project Improvements Work or any part thereof, then the Sports Authority shall use all reasonable efforts to promptly secure the area of damage or destruction to safeguard against injury to Persons or Property and, promptly thereafter, remediate any hazard and restore the Project Improvements to a safe condition whether by repair or by demolition, removal of debris and screening from public view. The Sports Authority shall, to the extent allowed by law, promptly commence and thereafter proceed with reasonable diligence (subject to the provisions of Section 12.5 with respect to Houston McLane's adjusting the insurance loss) to repair, restore, replace or rebuild the Stadium Project Improvements as nearly as practicable to a condition substantially equivalent to that existing immediately prior to such damage or destruction, in accordance with the applicable provisions of Article 8 and other applicable provisions of this Project Agreement. Such repair, restoration, replacement or rebuilding, including temporary repairs for the protection of Persons or other Property pending the completion of any such work, remediation of hazards and restoration of the Stadium Project Improvements to a safe condition or any demolition and debris removal required are sometimes referred to in this Project Agreement as the "Casualty Repair Work".

Section 14.2 Insurance Proceeds.

14.2.1 Requirements for Disbursement. Insurance proceeds paid pursuant to the policies of insurance required under Article 13 for loss of or damage to the Stadium Project Improvements Work (herein sometimes referred to as the "Insurance Proceeds") shall be held by the Sports Authority in trust for the purposes of paying the cost of the Casualty Repair Work and shall be applied by the Sports Authority to such Casualty Repair Work in accordance with the terms of Section 14.1.

ARTICLE 15

CONDEMNATION

Section 15.1 Condemnation.

15.1.1 Condemnation of Substantially All of the Tracts and the Project Improvements. If, at any time prior to the Stadium Lease Commencement Date, title to the whole or Substantially All of the Tracts and the Stadium Project Improvements shall be taken in Condemnation Actions or by any right of eminent domain (or conveyed in lieu of any such proceeding), other than for a temporary use or occupancy that is for one (1) year or less in the aggregate, this Project Agreement and all other Project Documents shall terminate and expire on the date of such taking (or conveyance), except as provided in Section 15.3. All sums, amounts or other compensation for the Tracts and the Stadium Project Improvements paid or payable to Houston McLane or the Sports Authority (herein referred to as the "Condemnation Award") shall be paid and distributed in accordance with the Condemnation Award. The obligations and agreements of the parties under this Article 15 shall survive any such termination of this Project Agreement.

15.1.2 Definitions of Substantially All of the Tracts and the Project Improvements and Condemnation Proceedings. For purposes of this Article 15, "Substantially All of the Tracts and the Project Improvements" shall be deemed to have been taken if, by reason of the taking of title to the Tracts and the Project Improvements or any portion thereof by Condemnation Actions, an Untenantable Condition (as such term is defined in the Stadium Lease) exists, or is reasonably expected to exist, for longer than twelve (12) months after the Stadium Lease Commencement Date. For purposes of this Project Agreement, the term "Condemnation Actions" shall include a taking by any Governmental Authority (or other Person with power of eminent domain) by exercise of any right of eminent domain or by appropriation and an acquisition by any Governmental Authority (or other Person with power of eminent domain) through a private purchase in lieu thereof.

Section 15.2 Condemnation of Part. In the event of a Condemnation Action affecting less than the whole or Substantially All of the Tracts and the Project Improvements, the Project Term shall not be reduced or affected in any way, and the following provisions shall apply:

15.2.1 Payment of Condemnation Award. The Condemnation Award (including all compensation for the damages, if any, to the parts of the Tracts and the Project Improvements not so taken, that is, damages to the remainder, but excluding the value of Houston McLane's separate Property [including the Concession Improvements] taken or damaged and any damage to, or

relocation costs, of Houston McLane's business) shall be paid in the following order of priority: (i) payment of all costs and expenses of any Condemnation Repair Work, and (ii) paying any remainder of the Condemnation Award to the Sports Authority. Any portion of the Condemnation Award payable to Houston McLane (including amounts Houston McLane is entitled to receive pursuant to Section 15.3 for the value of Houston McLane's separate Property (including Concession Improvements) taken or damaged or for any damage to, or relocation costs, of Houston McLane's business) shall be paid to Houston McLane.

15.2.2 Restoration of the Tracts and Project Improvements. Following a condemnation of less than Substantially All of the Tracts and Stadium Project Improvements, the Sports Authority shall, with reasonable diligence, commence and thereafter proceed to repair, alter and restore the remaining part of the Stadium Project Improvements to substantially their former condition to the extent the same may be feasible and so as to constitute a complete baseball complex usable for its intended purposes to the extent practicable and permitted by applicable Governmental Rules. Such repairs, alterations or restoration, including temporary repairs, for the protection of Persons or other Property pending the completion of any part thereof, are sometimes referred to in this Article 15 as the "Condemnation Repair Work". The Sports Authority shall be obligated to make payment, disbursement, reimbursement or contribution toward the costs of Condemnation Repair Work that exceed the amount of the Condemnation Award.

Section 15.3 Condemnation Proceedings. The Sports Authority and Houston McLane each shall have the right, at its own expense, to appear in any Condemnation Action and to participate in any and all hearings, trials and appeals therein. Notwithstanding anything to the contrary contained in this Project Agreement, Houston McLane shall have the right to claim, prove and receive in the Condemnation Action any award allowed for Houston McLane's separate Property (which shall be deemed to include the Concession Improvements) or damage to or relocation costs of Houston McLane's business.

Section 15.4 Notice of Condemnation. In the event Houston McLane or the Sports Authority shall receive notice of any proposed or pending Condemnation Action affecting the Project Improvements Work or Tracts, the Party receiving such notice shall promptly notify the other Party hereto.

Section 15.5 Condemnation by the Sports Authority. The provisions of this Article 15 for the allocation of any Condemnation Awards are not intended to be, and shall not be construed or interpreted as, any limitation on or liquidation of any claims or damages (as to either amount or type of damages) of Houston McLane against the Sports Authority in the event of a condemnation

by the Sports Authority of any portion or all of the Stadium Project Improvements, FF&E or Leasehold Estate.

ARTICLE 16

DEFAULTS AND REMEDIES

Section 16.1 Events of Default.

16.1.1 Sports Authority Default. The occurrence of any of the following shall be an "Event of Default" by the Sports Authority or a "Sports Authority Default":

(a) The failure of the Sports Authority to pay any of its monetary obligations under Article 6, Article 14 or Article 15 of this Project Agreement when due and payable under this Project Agreement if such failure continues for fifteen (15) Business Days after Houston McLane gives notice to the Sports Authority that such amount was not paid when due;

(b) The failure of the Sports Authority to keep, observe or perform any of the terms, covenants or agreements contained in Article 11 or Article 12 of this Project Agreement on the Sports Authority's part to be kept, performed or observed, if such failure is not remedied by the Sports Authority within twenty (20) days after notice from Houston McLane of such failure;

(c) The failure of the Sports Authority to perform an Insurance Covenant if such failure is not remedied within thirty (30) days after Houston McLane gives notice to the Sports Authority of such failure;

(d) Any Non-Appropriation shall occur;

(e) If any "Sports Authority Default" (as said term is defined and used in the Stadium Lease) shall have occurred under the Stadium Lease and remain uncured after the lapse of the applicable notice and cure period provided for under the terms of the Stadium Lease;

(f) If any "Sports Authority Default" (as said term is defined and used in the Non-Relocation Agreement) shall have occurred under the Non-Relocation Agreement and

remain uncured after the lapse of the applicable notice and cure period provided for under the terms of the Non-Relocation Agreement;

(g) Any material representation or warranty confirmed or made in this Project Agreement by the Sports Authority shall be found to have been incorrect in any material respect when made or deemed to have been made;

(h) Abandonment of the Project by the Sports Authority (the Sports Authority shall be deemed to have abandoned the Project if there is any suspension of the Stadium Project Improvements Work by the Sports Authority for longer than ninety (90) consecutive days or one hundred twenty (120) days in any three hundred sixty-five (365) day period for any reason other than Force Majeure, events of Casualty, delays attributable to Condemnation Actions, or delays caused by Houston McLane or its agents, contractors, or Space Tenants) or any termination, in whole or in part, of the Project Construction Contract or any of the work thereunder by the Sports Authority without the consent of Houston McLane unless pursuant to a right of termination based upon the existence of an event of default under such Project Construction Contract;

(i) The failure of the Sports Authority to keep, observe or perform any of the terms, covenants or agreements contained in this Project Agreement on the Sports Authority's part to be kept, performed or observed (other than those referred to in clauses (a), (b), (c), (d), (e), (f), (g), or (h) above) if: (i) such failure is not remedied by the Sports Authority within thirty (30) days after notice from Houston McLane of such default or (ii) in the case of any such default which cannot with due diligence and good faith be cured within thirty (30) days, the Sports Authority fails to commence to cure such default within thirty (30) days after notice from Houston McLane of such default or fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which the Sports Authority is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith; provided further, however, that if such default is not cured within ninety (90) days after notice from Houston McLane of such default (notwithstanding the Sports Authority's diligent prosecution of curative efforts), then such failure shall constitute an Event of Default by the Sports Authority under this Project Agreement; or

16.1.2 Houston McLane Default. The occurrence of the following shall be an "Event of Default" by Houston McLane or a "Houston McLane Default":

(a) The failure of Houston McLane to pay any of its monetary obligations to the Sports Authority under this Project Agreement when due and payable if such failure continues for ten (10) days after the Sports Authority gives notice to Houston McLane that such amount was not paid when due;

(b) The failure of the Houston McLane to keep, observe or perform any of the terms, covenants or agreements contained in this Project Agreement on Houston McLane's part to be kept, performed or observed, if such failure is not remedied by Houston McLane within ten (10) days after the Sports Authority gives notice to Houston McLane of such default;

(c) Any material representation or warranty confirmed or made in this Project Agreement by Houston McLane shall be found to have been incorrect in any material respect when made or deemed to have been made;

(d) The failure by Houston McLane to provide any insurance required to be provided by it or its contractors if such failure is not remedied within thirty (30) days after the Sports Authority gives Houston McLane notice of such failure;

(e) If any "Tenant Default" (as said term is defined and used in the Stadium Lease) shall have occurred under the Stadium Lease and remain uncured after the lapse of the applicable notice and cure period provided under the terms of the Stadium Lease;

(f) If any "Houston McLane Default" (as said term is defined and used in the Non-Relocation Agreement) shall have occurred under the Non-Relocation Agreement and remain uncured after the lapse of the applicable notice and cure period provided for under the terms of the Non-Relocation Agreement;

(g) The failure of Houston McLane to substantially perform or substantially observe any of the obligations, covenants or agreements to be performed or observed by Houston McLane under this Project Agreement (other than those referred to in clauses (a), (b), (c), (d) or (e) above) within thirty (30) days after notice from the Sports Authority of such failure; provided, however, that if such performance or observance cannot reasonably be accomplished within such thirty (30) day period, then no Event of Default by Houston McLane shall occur unless Houston McLane fails to commence such performance or

observance within such thirty (30) day period and fails to diligently prosecute such performance or observance to conclusion thereafter; provided further, however, that if such performance or observance has not been accomplished within ninety (90) days after notice from the Sports Authority to Houston McLane of such failure (notwithstanding Houston McLane's diligent prosecution of its curative efforts), then such failure shall constitute an Event of Default by Houston McLane hereunder; or

(h) The (i) filing by Tenant of a voluntary petition in bankruptcy; or (ii) adjudication of Tenant as a bankrupt; or (iii) the filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of Tenant under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing Tenant causes such proceeding to be stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Tenant or its Property.

Section 16.2 Houston McLane's Remedies. Upon the occurrence of any Sports Authority Default, Houston McLane may, at its sole discretion, have the option to pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided in this Project Agreement:

(a) Houston McLane may terminate this Project Agreement, the Stadium Lease, the License Agreement, and the Non-Relocation Agreement, as provided in Section 16.4; and

(b) Houston McLane may exercise any and all other remedies available to Houston McLane at law or in equity, but subject to any limitations thereon set forth in this Project Agreement.

(c) Houston McLane's rights to damages under this Project Agreement shall be limited to the aggregate of the following: (i) the Project Costs Reimbursement Amounts (if not previously paid to Houston McLane), (ii) actual costs and expenses paid and liabilities (both accrued and to accrue) under the License Agreement and each agreement entered into by Houston McLane for the design, construction, installation, and finance of the Concession Improvements and, to the extent the same are not removable from the Stadium without material injury to the same or the Stadium, Houston McLane's trade fixtures and equipment installed in the Stadium and all costs to remove the same (such costs and expenses under the License Agreement and Concession Improvements contracts shall include inducement fees paid to Houston McLane thereunder or therefor only to the extent Houston McLane has actually received the same but has refunded the same), (iii) project costs paid or incurred by

Houston McLane to third parties after the Effective Date and (iv) reasonable attorneys' fees paid or incurred in the enforcement of this Project Agreement.

(d) Notwithstanding anything to the contrary contained herein (including Section 16.4 below), Houston McLane's sole remedy for the failure of the Sports Authority to pay the sum due by the Sports Authority under Article 6 above as and when due shall be to bring suit against the Sports Authority therefor, together with interest thereon from the date due until paid or recovered at the Default Rate, and to exercise its rights under Section 20.29 below. Houston McLane shall have the right to recover the same by offset against Basic Rentals (which right of offset shall survive the expiration of this Project Agreement).

Section 16.3 The Sports Authority's Remedies. Upon the occurrence of any Houston McLane Default, the Sports Authority may, at its sole discretion, have the option to pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided in this Project Agreement:

(a) The Sports Authority may terminate this Project Agreement, Stadium Lease, and the License Agreement, as provided in Section 16.4; and

(b) The Sports Authority may exercise any and all other remedies available to the Sports Authority at law or in equity, but subject to any limitations thereon set forth in this Project Agreement.

Section 16.4 Termination. Upon the occurrence of a Sports Authority Default as described in Section 16.1.1 or a Houston McLane Default as described in Section 16.1.2, the non-defaulting Party, in addition to its other remedies at law or in equity but subject to the limitations on damages set forth in Section 16.2 above, shall have the right to give to the defaulting Party notice (a "Final Notice") of the non-defaulting Party's intention to terminate this Project Agreement, the Stadium Lease, and the Non-Relocation Agreement, after the expiration of a period of thirty (30) days from the date such Final Notice is delivered unless the Event of Default is cured, and upon expiration of such thirty (30) day period, if the Event of Default is not cured, this Project Agreement, the Stadium Lease, and the Non-Relocation Agreement, shall terminate without liability to the non-defaulting Party. If, however, within such thirty (30) day period the defaulting Party cures such Event of Default, then this Project Agreement, the Stadium Lease, and the Non-Relocation Agreement shall not terminate by reason of such Final Notice. Notwithstanding the foregoing, in the event there is an Action or Proceeding pending or commences between the Parties with respect to the particular Event of Default covered by such Final Notice, the foregoing thirty (30) day period

shall be tolled until a final non-appealable judgement or award, as the case may be, is entered with respect to such Action or Proceeding. In the event of a termination of this Project Agreement, the Stadium Lease, and the Non-Relocation Agreement by either Party under this Section 16.4, then notwithstanding anything to the contrary set forth in this Project Agreement, the Stadium Lease or the Non-Relocation Agreement (except for the provisions herein and therein that expressly are to survive termination hereof or thereof), all obligations of the Parties hereunder and under the Stadium Lease, the Non-Relocation Agreement, and the other Project Documents or otherwise relating to this Project Agreement automatically shall terminate also, without liability to the other Party except as otherwise provided for in Sections 16.2 and Sections 16.3 above.

Section 16.5 Cumulative Remedies. Subject to the provisions of Section 16.6, each right or remedy of Houston McLane and the Sports Authority provided for in this Project Agreement shall be cumulative of and shall be in addition to every other right or remedy of Houston McLane or the Sports Authority provided for in this Project Agreement or any other Project Document, and the exercise or the beginning of the exercise by Houston McLane or the Sports Authority of any one or more of the rights or remedies provided for in this Project Agreement shall not preclude the simultaneous or later exercise by Houston McLane or the Sports Authority of any or all other rights or remedies provided for in this Project Agreement or any other Project Document or hereafter existing at law or in equity, by statute or otherwise.

Section 16.6 No Indirect Damages. IN NO EVENT SHALL HOUSTON MCLANE OR THE SPORTS AUTHORITY BE LIABLE UNDER ANY PROVISION OF THIS PROJECT AGREEMENT OR OTHERWISE FOR LOST PROFITS, INCLUDING LOST OR PROSPECTIVE PROFITS, OR FOR ANY OTHER SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, IN CONTRACT, TORT OR OTHERWISE, WHETHER OR NOT CAUSED BY OR RESULTING FROM THE SOLE OR CONCURRENT NEGLIGENCE OF HOUSTON MCLANE OR THE SPORTS AUTHORITY OR ANY OF THEIR AFFILIATES OR RELATED PARTIES. WITHOUT LIMITING THE FOREGOING, THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS OF HOUSTON MCLANE OR THE SPORTS AUTHORITY ARISING OUT OF THIRD PARTY CLAIMS AGAINST HOUSTON MCLANE OR THE SPORTS AUTHORITY FOR ANY OF THE FOREGOING.

Section 16.7 Declaratory or Injunctive Relief. In addition to the remedies set forth in this Article 16, the Parties shall be entitled, in any circumstances they may deem appropriate, to seek injunctive relief prohibiting (rather than mandating) action by the other Party for any Event of Default of the other Party or declaratory relief with respect to any matter under this Project Agreement.

Section 16.8 Interest on Overdue Obligations and Post-Judgment Interest. If any sum due hereunder is not paid by the due date thereof, the Party hereto owing such obligation to the other Party shall pay to the other Party interest thereon at the Default Rate concurrently with the payment of the amount, such interest to begin to accrue as of the date such amount was due. Any payment of such interest at the Default Rate pursuant to this Stadium Lease shall not excuse or cure any default hereunder. The amount of any judgment or arbitration award obtained by one Party against the other Party in any Action or Proceeding arising out of a default by such other Party under this Stadium Lease shall bear interest thereafter until paid at the Default Rate. All payments shall first be applied to the payment of accrued but unpaid interest.

Section 16.9 Effect of Termination. If Houston McLane or the Sports Authority elects to terminate this Project Agreement as provided herein (whether such termination occurs pursuant to this Article 16 or any other provision hereof), this Project Agreement shall, on the effective date of such termination, terminate with respect to all future rights and obligations of performance hereunder by the Parties (except for the rights and obligations herein that expressly are to survive termination hereof). Except as otherwise provided herein, termination of this Project Agreement shall not alter the then existing claims, if any, of either Party for breaches of this Project Agreement occurring prior to such termination and the obligations of the Parties hereto with respect thereto shall survive termination.

Section 16.10 Waiver of Consumer Rights. THE SPORTS AUTHORITY AND Houston McLane HAVE ASSESSED THEIR RESPECTIVE RIGHTS, LIABILITIES AND OBLIGATIONS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT, SECTION 17.41 *ET SEQ.*, BUSINESS & COMMERCE CODE (THE "DTPA"). THE PARTIES AGREE THAT THE DTPA NOT APPLY TO EITHER SPORTS AUTHORITY OR HOUSTON MCLANE SINCE NEITHER QUALIFY AS A "CONSUMER" UNDER SECTION 17.45(4) OF THE DTPA. HOWEVER, IN THE EVENT THE DTPA IS DEEMED TO BE APPLICABLE BY A COURT OF COMPETENT JURISDICTION, THE SPORTS AUTHORITY AND HOUSTON MCLANE HEREBY WAIVE THEIR RIGHTS UNDER THE DTPA, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH ATTORNEYS OF THEIR OWN SELECTION, THE SPORTS AUTHORITY AND HOUSTON MCLANE CONSENT TO THIS WAIVER. THE PARTIES AGREE THAT THIS SECTION 16.10 CONSTITUTES A CONSPICUOUS LEGEND.

ARTICLE 17

ASSIGNMENT

Section 17.1 Assignments of Houston McLane's Interest. Except as otherwise permitted by this Article 17, Houston McLane may not (and Houston McLane agrees that it will not), voluntarily, involuntarily, by operation of law or otherwise, sell, assign or transfer its rights under this Project Agreement (each, a "Transfer") except in accordance with, and subject to a concurrent Transfer of the Stadium Lease in accordance with and subject to the conditions on Transfer set forth therein, without first obtaining the consent of the Sports Authority, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 17.2 Release of Houston McLane. No Transfer shall relieve Houston McLane from any of its obligations under this Project Agreement except and to the extent Houston McLane is released under the Stadium Lease in connection with such Transfer.

Section 17.3 Transfers by the Sports Authority. Except with respect to Facility Mortgages permitted pursuant to the terms of Article 18, the Sports Authority shall not (and the Sports Authority agrees that it will not) voluntarily, involuntarily, by operation of law or otherwise, sell, assign or otherwise transfer this Project Agreement or any other Project Document or any of its rights, obligations or duties under this Project Agreement or any other Project Document (a "Sports Authority Transfer") except in accordance with, and subject to a concurrent Sports Authority Transfer of the Stadium Lease in accordance with and subject to the conditions on Sports Authority Transfer set forth therein, without first obtaining the consent of Houston McLane, which consent shall not be unreasonably withheld, delayed or conditioned.

ARTICLE 18

FACILITY MORTGAGES; FEE MORTGAGES

Section 18.1 Facility Mortgages. The Sports Authority may grant Liens against or with respect to its interest in the Tracts to secure a Project Financing and no other Debt, provided, however that (i) any and all such Liens (including but not limited to, Facility Mortgages) placed or suffered by the Sports Authority covering the Sports Authority's interest in the Tracts shall be expressly subject and subordinate in any and all respects to the Stadium Lease, all of the obligations of the Sports Authority under this Project Agreement, and all of the rights, titles, interests, and estates of Houston McLane (and those claiming by, through and under Houston McLane) created or arising under the Stadium Lease and (ii) any judicial or non-judicial foreclosure sales under any

such Liens and any conveyances in lieu of foreclosure under any such Liens shall constitute a Sports Authority Transfer that is subject to the terms and conditions of Section 17.3. Notwithstanding the foregoing, the Sports Authority covenants and agrees that contemporaneously with granting any Liens against or with respect to its interest in the Tracts to secure a Project Financing, the Sports Authority will cause any Facility Mortgagee to enter in to a recordable non-disturbance agreement in form and substance reasonably acceptable to Houston McLane containing non-disturbance provision reasonably acceptable to Houston McLane protecting Houston McLane's rights under the Stadium Lease, this Project Agreement and the other Project Documents (a "Facility Mortgage Non-Disturbance Agreement"). Any such Facility Mortgage Non-Disturbance Agreement shall include, but need not be limited to, an agreement by the Facility Mortgagee that (i) the rights of Houston McLane under the Stadium Lease and this Project Agreement and all terms and conditions of this Project Agreement, shall not be affected or disturbed by the Facility Mortgagee in the exercise of any of its rights under the Facility Mortgage, (ii) if any judicial or non-judicial foreclosure sale occurs under the Facility Mortgage or any conveyance in lieu of foreclosure occurs under the Facility Mortgage, the Stadium Lease and this Project Agreement shall continue in effect and shall not be terminated and the purchaser of the Tracts shall become bound to Houston McLane to perform all of the Sports Authority's obligations under the Stadium Lease and this Project Agreement, and (iii) any judicial or non-judicial foreclosure sales under any such Facility Mortgage and any conveyances in lieu of foreclosure under any such Facility Mortgage shall constitute a Sports Authority Transfer that is subject to the terms and conditions of Section 17.3. Houston McLane acknowledges that it has been informed that the rentals payable pursuant to the Stadium Lease may be pledged by the Sports Authority as more fully provided for in the Stadium Lease.

ARTICLE 19

DISPUTE RESOLUTION

Section 19.1 Settlement By Mutual Agreement. In the event any dispute, controversy or claim between or among the Parties arises under this Project Agreement or any other Project Document or any right, duty or obligation arising therefrom or the relationship of the Parties thereunder (a "Dispute or Controversy"), including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of this Project Agreement or any Project Document, the Parties shall first attempt in good faith to settle and resolve such Dispute or Controversy by mutual agreement in accordance with the terms of this Section 19.1. In the event a Dispute or Controversy arises, either Party shall have the right to notify the other that it has elected to implement the procedures set forth in this Section 19.1. Within fifteen (15) days after delivery of any such notice by one Party to the other regarding

a Dispute or Controversy, the Sports Authority Representative and Houston McLane Representative shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should a mutual resolution and settlement not be obtained within fifteen (15) days after the meeting of the Sports Authority Representative and Houston McLane Representative for such purpose, or such longer period as the Parties may mutually agree upon, then either Party may by notice to the other Party submit the Dispute or Controversy to arbitration in accordance with the provisions of Section 19.2 and Appendix C. Upon the receipt of notice of referral to arbitration hereunder, the receiving Party shall be compelled to arbitrate the Dispute or Controversy in accordance with the terms of this Article 19 and Appendix C without regard to the justiciable character or executory nature of such Dispute or Controversy.

Section 19.2 Arbitration. Each Party hereby agrees that any Dispute or Controversy which is not resolved pursuant to the provisions of Section 19.1 shall be submitted to binding arbitration hereunder and shall be resolved exclusively and finally through such binding arbitration. This Article 19 and Appendix C a written agreement by the Parties to submit to arbitration any Dispute or Controversy arising after the Effective Date within the meaning of Section 171.001 of the Texas Civil Practice and Remedies Code.

Section 19.3 Intervention; Consolidation. Each Party hereby agrees that Houston McLane is likely to have a justiciable interest in a dispute, controversy or claim between or among the parties to the Architect's Contract, the Project Construction Contract, and other material Construction Contracts (whether connected with or related in any way to such contract or any right, duty or obligation arising therefrom or the relationship of the parties thereunder) (each, a "Related Third Party Dispute or Controversy") that is due to the same transaction or occurrence that may give or has given rise to a Dispute or Controversy of the Parties and which has a common question of law or fact therewith. The Sports Authority hereby agrees, and covenants to use its best efforts to cause the Project Contractor, the Project Improvements Architect and the other parties to any material Construction Contract to also agree, that (i) Houston McLane may, but shall have no obligation to, participate and/or intervene in legal or arbitration proceedings initiated by the Sports Authority or any other party to the Architect's Contract, Project Construction Contract or any other material Construction Contract for resolution of such Related Third Party Dispute or Controversy, and (ii) if arbitration proceedings regarding a Dispute or Controversy have been initiated hereunder, the subject matter of which is related by common questions of law or fact to any such Related Third Party Dispute or Controversy, all such legal or arbitration proceedings may, at Houston McLane's option, be consolidated for resolution in accordance with Appendix C. The Sports Authority agrees that it shall promptly notify Houston McLane of any pending Action or Proceeding between it and the Project Contractor, the Project Improvements Architect or the other parties to any material

Construction Contract and include in any such notice a reasonably detailed description of the circumstances giving rise to the Related Third Party Dispute or Controversy.

Section 19.4 Emergency Relief. In the event that a Dispute or Controversy requires emergency relief before the matter may be resolved under the Arbitration Procedures, notwithstanding that any court of competent jurisdiction may enter an order providing for injunctive or other form of ancillary relief, the Parties expressly agree that the Arbitration Procedures will still govern the resolution of the Dispute or Controversy.

ARTICLE 20

GENERAL PROVISIONS

Section 20.1 Relationship of the Parties. The relationship of Houston McLane and the Sports Authority under this Project Agreement and the other Project Documents is that of independent parties, each acting in its own best interests, and notwithstanding anything in this Project Agreement or the other Project Documents to the contrary, no partnership, joint venture or other or additional business relationship is established or intended hereby between Houston McLane and the Sports Authority.

Section 20.2 Covenants Running with the Estates in Land. The Parties covenant and agree that all of the conditions, covenants, agreements, rights, privileges, obligations, duties, specifications and recitals contained in this Project Agreement, except as otherwise expressly stated herein, shall be construed as covenants running with title to the Tracts and Stadium Project Improvements, which shall extend to, inure to the benefit of and bind, Houston McLane and the Sports Authority, and their permitted successors and assigns, to the same extent as if such successors and assigns were named as original parties to this Project Agreement, such that this Project Agreement shall always bind the owner and holder of any fee or leasehold interest in or to the Tracts, the Stadium Project Improvements or any portion thereof, and shall bind predecessors thereof except as otherwise expressly provided herein.

Section 20.3 Certificates Regarding Project Documents. Each Party agrees, at any time and from time to time upon not less than thirty (30) days prior written notice from the other Party, to execute, acknowledge and deliver to such other Party, or to any Person designated by the other Party, a statement certifying that this Project Agreement and the other Project Documents are unmodified and in full force and effect (or, if there have been modifications, that the Project

Agreement and the other Project Documents are in full force and effect as modified and stating the modifications), and stating whether or not, to the knowledge of the Party making the statement, the other Party is in default hereunder or thereunder in keeping, observing or performing any of the terms, covenants or conditions contained in this Project Agreement and the other Project Documents to be kept, observed or performed by the other Party (or whether there is a Potential Houston McLane Default or a potential Sports Authority Default) and, if in default, specifying each such default of which the Party making the statement is aware, it being intended that any such statement delivered pursuant to this Section 20.3 shall be relied upon by the other Party or any Person designated by such other Party.

Section 20.4 Waiver of Immunity. Each of the Parties unconditionally and irrevocably:

(a) Agrees that the execution, delivery and performance by it of this Project Agreement and the Project Documents constitute private, proprietary, and commercial acts rather than public or governmental acts;

(b) Agrees that should any Actions or Proceedings be brought against it or its assets in relation to this Project Agreement or the Project Documents or any transaction contemplated thereunder, no immunity (sovereign or otherwise) from such Actions or Proceedings (which shall be deemed to include, without limitation, suit, attachment prior to judgment, other attachment, the obtaining of judgment execution or other enforcement) shall be claimed by or on behalf of itself or with respect to its assets;

(c) Waives any such right of immunity (sovereign or otherwise) which it or its assets now has or may acquire in the future; and

(d) Consents to the enforcement to any arbitral award or judgment against it in any such proceedings and to the giving of any relief or the issue of any process in connection with any such proceedings.

Section 20.5 Non-Appropriation.

20.5.1 Current Expenses. The obligations of the Sports Authority for payment and other monetary obligations under this Project Agreement are each subject to an Appropriation and, accordingly, (i) shall constitute a current expense of the Sports Authority in the Fiscal Year to which an obligation applies and (ii) shall not constitute an indebtedness of the Sports Authority within the meaning of any applicable Governmental Rule. Nothing herein shall constitute a pledge by the Sports Authority of any funds, other than funds designated pursuant to lawful Appropriations from

time to time to pay any money or satisfy any other monetary obligation under any provision of this Project Agreement.

20.5.2 Notice of Request for Appropriation. Prior to any meeting of the Board of Directors of the Sport Authority during which the Board of Directors will consider an Appropriation, the Sports Authority shall provide Houston McLane with a copy of the request for the proposed Appropriation; provided, however, that no provision of this Project Agreement, including this Section 20.5.2, shall be construed to be an obligation of the Sports Authority to obtain an Appropriation, or to obligate the Sports Authority in any way which would result in the obligations of this Project Agreement constituting debt on the part of the Sports Authority in violation of any applicable Governmental Rules.

20.5.3 Result of Non-Appropriation. If a Non-Appropriation occurs in response to a request for a proposed Appropriation, the Sports Authority shall provide Houston McLane with written notice of such Non-Appropriation on or before the twentieth (20th) day after the Non-Appropriation. Any Non-Appropriation shall constitute a Sports Authority Default under Section 16.1.1, and Houston McLane shall have the rights and remedies afforded to it under Article 16.

Section 20.6 Houston McLane's Contractors, Agents, and Employees. Notwithstanding any contrary provision hereof, in no event shall the phrases "Houston McLane, its contractors or agents," "Houston McLane, its contractors, agents, or employees," or any derivation thereof mean or include the Project Improvements Architect, the Project Contractor or any other Person while such Person is performing services or providing materials under the Construction Documents.

Section 20.7 Approvals and Consents; Standards for Review.

20.7.1 Review and Approvals or Consent Rights. The provisions of this Section 20.7 shall be applicable with respect to all instances in which it is provided under this Project Agreement that the Sports Authority or Houston McLane exercises Review and Approval or Consent Rights; provided, however, that if the provisions of this Section 20.7 specifying time periods for exercise of Review and Approval or Consent Rights shall conflict with other express provisions of this Project Agreement providing for time periods for exercise of designated Review and Approval or Consent Rights, then the provisions of such other provisions of this Project Agreement shall control. As used herein, the term "Review and Approval or Consent Rights" shall include, without limiting the generality of that term, all instances in which one Party (the "Submitting Party") is permitted or required to submit to the other Party or to the representative of that other Party any document, notice or determination of the Submitting Party and with respect to which the other Party or its representative (the "Reviewing Party") has a right or duty hereunder to review, comment,

consent, approve, disapprove, dispute or challenge the submission or determination of the Submitting Party. Unless this Project Agreement specifically provides that the Review and Approval or Consent Rights may be exercised in the sole and absolute discretion (or a similar standard) of the Reviewing Party, in connection with exercising its Review and Approval or Consents rights under any provision of this Project Agreement and whether or not specifically provided in any such provision, the Reviewing Party covenants and agrees to act in good faith, with due diligence, and in a commercially reasonable manner with regard to each and all of such Review and Approval or Consent Rights and to not unreasonably withhold, condition or delay its approval of or consent to any submission.

20.7.2 Standard for Review. The Submitting Party shall use reasonable efforts to cause any matter submitted to the Reviewing Party by the Submitting Party and with respect to which the Reviewing Party has Review and Approval or Consent Rights under this Project Agreement to be submitted under cover of a request which (i) contains the heading or caption "TIME SENSITIVE - REQUEST FOR REVIEW/APPROVAL OR CONSENT" (or similar phrase), (ii) states the date of submission to the Reviewing Party by the Submitting Party (which date shall be presumed to be the Business Day following the date of dispatch by the Submitting Party if properly addressed and sent by same day messenger service or by Federal Express or other reliable overnight courier service for delivery on the morning of the next Business Day), (iii) states the date by which a response is required under the terms of this Project Agreement, (iv) identifies the provision of this Project Agreement pursuant to which such Review and Approval or Consent is sought, and (v) identifies (by document or drawing title, identifying number and revision date, or other clear descriptor) all enclosures to such request with respect to which Review and Approval or consent is then being sought. The Reviewing Party shall review the same and shall promptly (but in any event within any applicable time period specified in this Project Agreement) give the Submitting Party notice of the Reviewing Party's comments resulting from such review and, if the matter is one that requires approval or consent pursuant to the terms of this Project Agreement, such approval, consent or disapproval, setting forth in detail the Reviewing Party's reasons for any disapproval. Unless otherwise provided herein, the Reviewing Party's right to disapprove any matter submitted to it for approval or consent and to which this Section 20.7 applies shall be limited to the elements thereof: (x) which do not conform substantially to approvals or consents previously given with respect to the same matter; or (y) which are new elements not previously presented; or (z) which propose or depict matters that are or the result of which would be a violation of or inconsistent with the provisions of this Project Agreement or applicable Governmental Rules.

20.7.3 Deemed Approval or Consent. If no response from the Reviewing Party is delivered to the Submitting Party within thirty (30) days after the submission of a particular matter and to which this Section 20.7 applies, or within fifteen (15) days of any re-submission thereof as

hereinafter provided, such matters shall be deemed approved or consented to, as applicable, by the Reviewing Party; provided, however, that any matter with respect to which a period for approval, consent, disapproval, dispute or challenge of less than thirty (30) days upon the initial submission thereof is provided for in this Project Agreement, or with respect to which a period of less than fifteen (15) days is provided for upon the resubmission thereof in accordance with this Section 20.7, shall be deemed to have been approved by the Reviewing Party pursuant to this Section 20.7 if the Reviewing Party shall have failed to respond to the Submitting Party with respect to such matter within the shorter period for review and response provided elsewhere in this Project Agreement.

20.7.4 Resubmissions. If the Reviewing Party disapproves of a submission or any other matter to which this Section 20.7 applies within the applicable time period, the Submitting Party shall have the right, within thirty (30) days after the Submitting Party receives notice of such disapproval, to resubmit such matter to the Reviewing Party, altered to satisfy the Reviewing Party's basis for disapproval (all subsequent resubmissions with respect to such matter must be made within fifteen (15) days of the date the Submitting Party receives notice of disapproval of the prior resubmission). The applicable Submitting Party shall use reasonable efforts to cause any such resubmission to expressly state that it is a resubmission, to identify the original submission and any prior resubmissions, and not include the matter for resubmission with an original submission unless the matter previously disapproved is expressly identified thereon. Any resubmission made pursuant to this Section 20.7.4 shall be subject to Review and approval or consent by the Reviewing Party in accordance with the procedures described in this Section 20.7 for an original submission (except that the time period for reviews and response by the Reviewing Party shall be fifteen (15) days rather than thirty (30) days), until such matter shall be approved or consented to, or deemed approved or consented to, by the Reviewing Party.

20.7.5 Disputes. The Sports Authority and Houston McLane agree to attempt in good faith to resolve expeditiously any disputes concerning the approval of or consent to any matter submitted to either Party for approval or consent hereunder, but if any such dispute is not resolved between the Parties, such dispute shall be resolved in accordance with the provisions contained in Article 19.

20.7.6 Duties, Obligations and Responsibilities Not Affected. Approval or consent by the Reviewing Party of or to a matter submitted to such Party by the Submitting Party shall neither, unless specifically otherwise provided, (i) relieve the Submitting Party of its duties, obligations or responsibilities under this Project Agreement with respect to the matter so submitted, nor (ii) shift the duties, obligations or responsibilities of the Submitting Party with respect to the submitted matter to the Reviewing Party.

Section 20.8 No Implied Approval or Consent. Whenever used in this Project Agreement, "approval", "approve", "approved", "consent" or "consented" means (i) with respect to any item or matter for which the approval or consent of Sports Authority or the Sports Authority Representative is required under the terms of this Project Agreement, the specific approval of or consent to such item or matter by Sports Authority or the Sports Authority Representative, as the case may be, pursuant to a written instrument executed by Sports Authority or the Sports Authority Representative, as the case may be, delivered to Houston McLane, and shall not include any implied or imputed approval or consent and (ii) with respect to any item or matter for which the approval or consent of Houston McLane or the Houston McLane Representative is required under the terms of the Project Agreement, the specific approval of or consent to such item or matter by the Houston McLane or the Houston McLane Representative, as the case may be, pursuant to a written instrument executed by the Houston McLane or the Houston McLane Representative, as the case may be, and delivered to Sports Authority, and shall not include any implied or imputed approval or consent.

Section 20.9 Effective Date. The effective date (the "Effective Date") of this Project Agreement shall be the first date on which this Project Agreement has been executed by each of the Parties hereto.

Section 20.10 Incorporation of Appendices, Schedules and Exhibits. All Appendices, Schedules and Exhibits attached to this Project Agreement are incorporated herein by this reference in their entirety and made a part hereof for all purposes.

Section 20.11 Non-Relocation Agreement. The Sports Authority and Houston McLane each hereby acknowledge and agree that they have entered into the Non-Relocation Agreement.

Section 20.12 Existing LOIs & MOU. The Existing LOIs and MOU are hereby merged into, and are superseded in their entirety by, the Project Documents.

Section 20.13 Accounting Terms and Determinations. Unless otherwise specified in the Project Documents, all accounting terms used in the Project Documents shall be interpreted, all determinations with respect to accounting matters thereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished hereunder shall be prepared, in accordance with GAAP.

Section 20.14 Definitions. Except as otherwise expressly provided in the Project Agreement, capitalized terms used in the Project Agreement and all appendices, schedules and exhibits thereto shall have the respective meanings given in Appendix A to the Project Agreement.

Section 20.15 Survival. Except as otherwise expressly provided in the Project Agreement or in any other Project Document, the representations, warranties, covenants and agreements of the Parties contained or provided for in such instruments and the Parties' obligations under any and all thereof shall survive the execution and delivery of such instruments.

Section 20.16 Liabilities. No Party to the Project Agreement shall have any obligation or duty to the other Party hereto or any other Person with respect to the transactions contemplated thereby except the obligations or duties expressly set forth in the Project Agreement or in any other documents or agreements entered into in connection therewith (to the extent not superseded in accordance with Section 20.18 below).

Section 20.17 Notices. Unless otherwise specifically provided in this Project Agreement, all notices, consents, directions, approvals, instructions, requests and other communications given to a Party under this Project Agreement shall be given in writing to such Party at the address set forth in Appendix C to this Project Agreement at such other address as such Party shall designate by written notice to the other Party to this Project Agreement may be (i) sent by registered or certified U.S. Mail with return receipt requested, (ii) delivered personally (including delivery by private courier services) or (iii) sent by telecopy (with a copy of such notice sent by private courier service for overnight delivery or by registered or certified mail) to the Party entitled thereto. Such notices shall be deemed to be duly given or made (i) three (3) Business Days after posting if mailed as provided, (ii) when delivered by hand unless such day is not a Business Day, in which case such delivery shall be deemed to be made as of the next succeeding Business Day or (iii) in the case of telecopy (with a copy of such notice sent by private courier service for overnight delivery or by registered or certified mail), when sent, so long as it was received during normal Business Hours of the receiving Party on a Business Day and otherwise such delivery shall be deemed to be made as of the next succeeding Business Day. Each Party hereto shall have the right at any time and from time to time to specify additional Parties ("Additional Addressees") to whom notice thereunder must be given, by delivering to the other Party five (5) days notice thereof setting forth a single address for each such Additional Addressee; provided, however, that no Party hereto shall have the right to designate more than two (2) such Additional Addressees.

Section 20.18 Severability. If any term or provision of the Project Agreement, or the application thereof to any Person or circumstances, shall to any extent be invalid or unenforceable in any jurisdiction, as to such jurisdiction, the remainder of the Project Agreement, or the application of such term or provision to the Persons or circumstances other than those as to which such term or provision is held invalid or unenforceable in such jurisdiction, shall not be affected thereby, and each term and provision of the Project Agreement shall be valid and enforceable to the fullest extent permitted by applicable law and any such invalidity or unenforceability in any jurisdiction shall not

invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Parties to the Project Agreement hereby waive any provision of law that renders any provision thereof prohibited or unenforceable in any respect.

Section 20.19 Entire Agreement; Amendment and Waiver. The Project Agreement, together with the other applicable Project Documents, constitutes the entire agreement of the Parties thereto with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter, including, but not limited to, the Existing LOIs and MOU. Neither this Project Agreement nor any of the terms hereof, including this **Section 20.19** may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing signed by the Party against which the enforcement of the termination, amendment, supplement, waiver or modification shall be sought.

Section 20.20 Table of Contents; Headings. The table of contents, if any, and headings, if any, of the various articles, sections and other subdivisions of the Project Agreement are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

Section 20.21 Parties in Interest; Limitation on Rights of Others. The terms of the Project Agreement shall be binding upon, and inure to the benefit of, the Parties and their permitted successors and assigns. Nothing in the Project Agreement, whether express or implied, shall be construed to give any Person (other than the Parties and their permitted successors and assigns and as expressly provided therein) any legal or equitable right, remedy or claim under or in respect of such instrument or any covenants, conditions or provisions contained therein or any standing or authority to enforce the terms and provisions of such instrument. Notwithstanding the foregoing, the City and the County shall be entitled to enforce the obligations of Houston McLane under this Project Agreement in the event a Houston McLane Default occurs and remains uncured.

Section 20.22 Method of Payment. All amounts required to be paid by any Party to the other Party or any Person, either under the Project Agreement or under any other Project Document, shall be paid in such freely transferable coin or currency of the United States as at the time of payment shall be legal tender for the payment of public and private debts, by wire transfer, or other acceptable method of payment, of immediately available federal funds to the account set forth in **Appendix C** to the Project Agreement or to such other account located in the United States as such Party may specify by notice to the other Parties. If any payment under this Project Agreement is required to be made on a day other than a Business Day, the date of payment shall be extended to the next Business Day.

Section 20.23 Rules as to Usage The terms defined below have the meanings set forth below for all purposes, and such meanings are equally applicable to both the singular and plural forms of the terms defined.

20.22.1 "Include", "includes" and "including" shall be deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import.

20.22.2 "Writing", "written" and comparable terms refer to printing, typing, lithography and other means of reproducing in a visible form.

20.22.3 Any agreement, instrument or Governmental Rule defined or referred to below or in any agreement or instrument that is governed by this Appendix means such agreement or instrument or Governmental Rule as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of Governmental Rules) by succession of comparable successor Governmental Rules and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein.

20.22.4 References to a Person are also to its permitted successors and assigns.

20.22.5 Any term defined below by reference to any agreement, instrument or Governmental Rule has such meaning whether or not such agreement, instrument or Governmental Rule is in effect.

20.22.6 "Hereof", "herein", "hereunder" and comparable terms refer to the entire agreement or instrument in which such terms are used and not to any particular article, section or other subdivision thereof or attachment thereto. References in an instrument to "Article", "Section", "Subsection" or another subdivision or to an attachment are, unless the context otherwise requires, to an article, section, subsection or subdivision of or an attachment to such agreement or instrument. All references to schedules, exhibits or appendices in any agreement or instrument that is governed by this Appendix are to schedules, exhibits or appendices attached to such instrument or agreement.

20.22.7 Pronouns, whenever used in any agreement or instrument that is governed by this Appendix and of whatever gender, shall include natural persons, corporations, limited liability companies, partnerships, and associations of every kind and character.

20.22.8 References to any gender include, unless the context otherwise requires, references to all genders.

20.22.9 The word "or" will have the inclusive meaning represented by the phrase "and/or."

20.22.10 The phrase "and/or" when used in a conjunctive phrase, shall mean any one or more of the Persons specified in or the existence or occurrence of any one or more of the events, conditions or circumstances set forth in that phrase; provided, however, that, when used to describe the obligation of one or more Persons to do any act, it shall mean that the obligation is the obligation of each of the Persons but that it may be satisfied by performance by any one or more of them.

20.22.11 "Shall" and "will" have equal force and effect.

20.22.12 Unless otherwise specified, all references to a specific time of day in any agreement or instrument that is governed by this Appendix shall be based upon Central Standard Time or Central Daylight Savings Time, as applicable on the date in question in Houston, Texas.

20.22.13 References to "\$" or to "dollars" shall mean the lawful currency of the United States of America.

Section 20.24 Counterparts. The Project Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Project Agreement. All signatures need not be on the same counterpart.

Section 20.25 Governing Law. THE PROJECT AGREEMENT, AND THE ACTIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (EXCLUDING PRINCIPLES OF CONFLICT OF LAWS).

Section 20.26 Court Proceedings. Subject to the agreement of the Parties contained in the Project Documents regarding arbitration and other alternative procedures for dispute resolution, any suit, action or proceeding against any Party to such instrument arising out of or relating to the Project Agreement or any other Project Document, any transaction contemplated thereby or any judgment entered by any court in respect of any thereof may be brought in any federal or state court located

in the City of Houston, Texas, and each Party hereby submits to the nonexclusive jurisdiction of such courts for the purpose of any such suit, action or proceeding. To the extent that service of process by mail is permitted by applicable law, each Party irrevocably consents to the service of process in any such suit, action or proceeding in such courts by the mailing of such process by registered or certified mail, postage prepaid, at its address for notice provided for above. Subject to the agreement of the Parties contained in the Project Documents regarding arbitration and other alternative procedures for dispute resolution, each Party irrevocably agrees not to assert any objection that it may ever have to the laying of venue of any such suit, action or proceeding in any federal or state court located in the City of Houston, Texas, and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Subject to the agreement of the Parties contained in the Project Documents regarding arbitration and other alternative procedures for dispute resolution, each Party agrees not to bring any action, suit or proceeding against the other Party arising out of or relating to the Project Agreement or any other Project Document or any transaction contemplated thereby except in a federal or state court located in the City of Houston, Texas.

Section 20.27 Time. Times set forth in such instrument for the performance of obligations shall be strictly construed, time being of the essence of such instrument. All provisions in such instrument which specify or provide a method to compute a number of days for the performance, delivery, completion or observance by a Party hereto of any action, covenant, agreement, obligation or notice thereunder shall mean and refer to days, unless otherwise expressly provided. However, in the event the date specified or computed under such instrument for the performance, delivery, completion or observance of a covenant, agreement, obligation or notice by either Party, hereto or for the occurrence of any event provided for therein, shall be a Saturday, Sunday or Legal Holiday, then the date for such performance, delivery, completion, observance or occurrence shall automatically be extended to the next calendar day that is not a Saturday, Sunday or Legal Holiday. Furthermore, except as provided in Section 8.3 of this Project Agreement with respect to the August 16, 2005 deadline for Substantial Completion of all of the Project Improvements Work and the deadline contained in Article 6 of this Project Agreement, any deadline or obligation imposed on a Party under this Project Agreement may be adjusted as appropriate to reflect the delay in achievement thereof resulting from events of Force Majeure. Each Party agrees, however, to make all reasonable efforts to prevent and reduce to a minimum and mitigate the effects of such events.

Section 20.28 Interpretation and Reliance. No presumption will apply in favor of any Party in the interpretation of the Project Agreement or any other Project Document or in the resolution of any ambiguity of any provision thereof.

Section 20.29 Attorneys' Fees. If Party defaults in the performance of any covenants, obligations or agreements of such party contained herein and the other Party places the enforcement of such instrument, or any part thereof, or the exercise of any other remedy therein provided for such default, in the hands of an attorney who files suit or institutes an action or proceeding upon the same (either by direct action or counterclaim), the non-prevailing Party shall pay to the prevailing Party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of the Project Agreement into any judgment on such instrument.

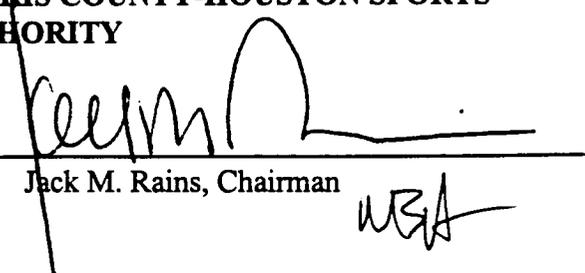
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IN WITNESS WHEREOF, this Project Agreement has been executed by the Sports Authority on June 17, 1998.

**HARRIS COUNTY-HOUSTON SPORTS
AUTHORITY**

By: _____

Jack M. Rains, Chairman

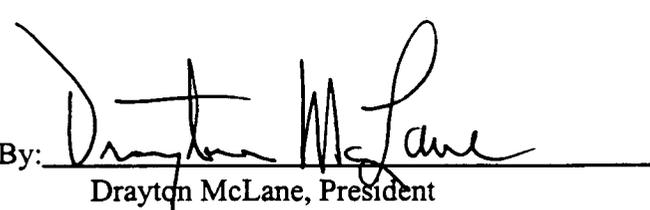
Handwritten signature of Jack M. Rains, Chairman, and initials WSA.

IN WITNESS WHEREOF, this Project Agreement has been executed by Houston McLane on June 17, 1998.

**HOUSTON McLANE COMPANY, INC.,
d/b/a Houston Astros Baseball Club**

By: _____

Drayton McLane, President

Handwritten signature of Drayton McLane, President.

APPENDIX A
TO
PROJECT AGREEMENT

GLOSSARY OF DEFINED TERMS

Glossary of Defined Terms

"Actions or Proceedings" means any lawsuit, proceeding, arbitration or other alternative dispute resolution process, Governmental Authority investigation, hearing, audit, appeal, administrative proceeding or judicial proceeding.

"American League" shall mean The American League of Professional Baseball Clubs, a not-for-profit association having its chief executive office currently located at 350 Park Avenue, New York, New York, and any successor thereto.

"Appropriation" means, with respect to any payment obligation or other monetary obligation of the Sports Authority that may from time to time exist or arise under this Project Agreement during a Fiscal Year, (i) the setting aside by the Board of Directors of the Sports Authority of an adequate amount of funds for the particular use of making or satisfying the payment or other monetary obligation, or (ii) the adoption by the Board of Directors of the Sports Authority of a budget for the Sports Authority that includes an adequate amount of funds necessary to make or satisfy the payment or other monetary obligation.

"Arbitration Procedures" shall mean the arbitration procedures set forth in Appendix C to the Project Agreement.

"Architect's Contract" means the services contract approved by Houston McLane between the Sports Authority and the Project Improvements Architect for, among other things, the design of the Stadium Project Improvements, the preparation of the Project Plans, and construction administration services, as the same may be amended, supplemented, modified, renewed, extended or replaced from time to time in accordance with the Project Agreement. The Parties acknowledge that on the Effective Date, the Architect's Contract approved by Houston McLane is the Agreement

dated as of December __ , 1997 between the Sports Authority, as Owner, and Hellmuth, Obata & Kassabaum, Inc., as Architect.

"Business Day" shall mean a day of the year that is not a Saturday, Sunday, Legal Holiday or a day on which commercial banks are not required or authorized to close in Houston, Texas .

"Business Hours" means 9:00 a.m. through 5:00 p.m. on Business Days.

"Casualty" shall mean damage, destruction or other property casualty resulting from any fire, storm, lightening, hurricane, earthquake, tornado, flood or other natural disaster, Environmental Event, any civil disturbance, vandalism or criminal act, or any Force Majeure or other sudden, unexpected or unusual cause.

"Casualty Repair Work" shall have the meaning given to it in Section 14.1 of the Project Agreement.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

"City" shall mean the City of Houston, Texas, a Texas municipal corporation and Home Rule City.

"Comparable Facilities" shall mean baseball stadiums in which Major League Baseball Games are played and that are (i) comparable in size to the Stadium, (ii) of similar age (*i.e.*, completed within five (5) years before or after the Substantial Completion Date) to that of the Stadium, and (iii) located in the United States or Canada. Notwithstanding the foregoing, in all circumstances, references and uses in which the subject matter under the Stadium Lease in any way relates to or is affected by whether or not the Stadium is air conditioned, open air or has a retractable roof, the term "Comparable Facilities" shall mean and refer to any such Major League Baseball stadium that is air conditioned and has a retractable roof.

"Component" means any item that is incorporated into the Stadium Project Improvements, or any portion thereof, including, by way of illustration and not limitation, any aspect of the HVAC Systems and all other ancillary systems included in the Stadium Project Improvements, the structure and all structural members, concrete, controls, instrumentation, engines and motors, dynamos, cabling, wheels, transformers, capacitors, load centers, fuses, circuit breakers, gears, bearings, valves, pipes, joints, covers, seats, electronic and mechanical parts, subcomponents, and other equipment.

"Concession Improvements" means the interior improvements and build out for concession operations in the areas designated for such in the Project Plans, but only to the extent such interior improvements and build out is not included in the Project Plans and Houston McLane determines that such interior improvements and build out for concession operations is reasonably necessary for its use and operation of the Stadium or as otherwise required by the Project Agreement. Concession Improvements do not include any improvements or build out in any part of the Union Station Building.

"Condemnation Action" shall have the meaning given to it in Section 15.1.2 of the Project Agreement.

"Condemnation Award" shall have the meaning given to it in Section 15.1.1 of the Project Agreement.

"Condemnation Repair Work" shall have the meaning given to it in Section 15.2.2 of the Project Agreement.

"Construction Contracts" means the contract or contracts between the Sports Authority and its construction contractors for the Project Improvements Work, including (i) the Project Construction Contract and (ii) if and to the extent that such work is not covered under the Project Construction Contract, all other contracts and purchase orders relating to the Project Improvements Work.

"Construction Contract Change Orders" shall mean any change orders or construction change directives under the Project Construction Contract.

"Construction Documents" means any and all contracts, documents or other instruments entered into by or on behalf of the Sports Authority for the performance of the Stadium Project Improvements Work, including, but not limited to, the Construction Contracts, the Architect's Contract, and the Materials and Testing Agreements, but excluding the Project Documents.

"Cost Overruns" shall have the meaning given to it in Section 12.1 of the Project Agreement.

"County" means Harris County, Texas, a body corporate and politic under the laws of the State of Texas.

"Debt" means for any Person without duplication:

- (i) indebtedness of such Person for borrowed money;
- (ii) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (iii) obligations of such Person to pay the deferred purchase price of Property or services;
- (iv) obligations of such Person as lessee under Capital Leases;
- (v) obligations of such Person under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligation of another Person of the kinds referred to in clauses (i) through (iv) above; and
- (vi) indebtedness or obligations of others of the kinds referred to in clauses (i) through (v) secured by any Lien on or in respect of any Property of such Person.

"Debt Plan" means the Sports Authority's debt plan for financing all of the project costs and setting forth in reasonable detail, among other things, anticipated structure, amounts, payment terms, prepayment obligations, maturities, potential funding sources and ranges of spreads or interest rates for various components of the Public Debt and Project Financing, together with ten (10) years of projected revenues and expenses, debt service and coverage ratios for each portion of the Public Debt and Project Financing and a description of any debt service and other reserves relating to the Public Debt and Project Financing.

"Default Rate" means the lesser of (a) one percent (1%) per month, or (b) the maximum rate of interest permitted to be charged by applicable law.

"Design Criteria" means the Initial Drawings and Specifications, including GMP Directives, dated December 15, 1997 and described in Schedule 3 attached to the Project Construction Contract in effect on the Effective Date.

"Development Work" means the following described work to be performed in accordance with the Project Agreement, the Project Improvements Construction Schedule, and all applicable Governmental Rules:

(i) The demolition and removal of all Existing Improvements and resulting debris located upon the Tracts required to be removed pursuant to the Project Construction Contract unless waived by the Project Contractor without fee or charge;

(ii) All corrective or remedial actions with respect to any Hazardous Materials that were introduced to the Tracts, the Union Station Building or the Existing Improvements prior to the time the Sports Authority delivered exclusive possession thereof to the Project Contractor such that the Sports Authority will be entitled to a Certificate of Completion from the Texas Natural Resource Conservation Commission under the Texas Voluntary Cleanup Program by no later than the Stadium Lease Commencement Date;

(iii) The abatement and removal of all asbestos, asbestos-containing materials and lead-based paint from the Union Station Building and Existing Improvements, all in accordance with applicable Governmental Rules;

(iv) All on-site archeological work necessary to comply with the Texas Antiquities Code and obtain all permits required from the Texas Historical Commission for all archeological work and any excavation on or in connection with the Tracts;

(v) The abandonment and disconnection or the relocation and removal of all public and private utility lines crossing the Tracts or any portion thereof;

(vi) The issuance of all necessary exemption certificates from the Texas Comptroller of Public Accounts such that all procurements by the Project Contractor under the Project Construction Contract are exempt from sales and use tax; and

(vii) The closing and delivery of possession to the Project Contractor of one-half of Congress Avenue and Texas Avenue, each between Crawford Street and Hamilton Street.

"Dispute or Controversy" shall have the meaning given to it in Section 19.1 of the Project Agreement.

"DTPA" shall have the meaning given to it in Section 16.10 of the Project Agreement.

"Effective Date" shall have the meaning given to it in Section 20.9 of the Project Agreement.

"Environmental Condition" shall mean any Environmental Event that occurs, and any Recognized Environmental Condition that exists, prior to the time the Sports Authority delivers exclusive possession of the Tracts to Houston McLane under the Stadium Lease, but excluding any Environmental Event or Recognized Environmental Condition that is caused by Houston McLane's, or any of its agents' or contractors' use or operation of the Tracts prior to the time the Sports Authority delivers exclusive possession of the Tracts to Houston McLane.

"Environmental Event" means (i) the spill, discharge, leakage, pumpage, drainage, pourage, interment, emission, emptying, injecting, escaping, dumping, disposing, migration or other release or any kind of Hazardous Materials which may cause a threat or actual injury to human health, the environment, plant or animal life, (ii) the occurrence of any Actions or Proceedings pursuant to any Environmental Laws arising out of any of the foregoing, and (iii) any claims, demands, actions, causes of actions, remedial and/or abatement response, remedial investigations, feasibility studies, environmental studies, damages, judgments or settlements arising out of an Environmental Event.

"Environmental Laws" means any and all federal, state and local statutes, laws (including common law tort law, common law nuisance law and common law in general), regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment, or to handling, storage, emissions, discharges, releases or threatened emissions, discharges or releases of Hazardous Materials into the environment, including ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment or disposal of any Hazardous Materials, including, but not limited to, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, the Federal Solid Waste Disposal Act (including, but not limited to, the Resource Conservation and Recovery Act of 1976), CERCLA, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide and Rodenticide Act and the Emergency Planning and Community Right-to-Know Act, and any other federal, state or local laws, ordinances, rules, regulations and publications and similar restrictions now or hereafter existing relating to any of the foregoing.

"Environmental Proceeding" means:

- (i) Any notice of any investigation, response action, spill, proceeding, whether executive, administrative or judicial, or litigation or litigation threatened in writing relating to Environmental Laws or other environmental matters concerning Property insofar as such investigation, response action, spill, litigation, litigation threatened in writing or proceeding relates to such Property; or

(ii) Receipt of any notice from any Person of: (a) any violation or alleged violation of any Environmental Law relating to a Property or any part thereof or any activity at the time conducted on any Property, or (b) the commencement of any clean-up, abatement or control pursuant to or in accordance with any Environmental Law of any Hazardous Materials on or about any such property or any part thereof or (c) any violation of any Governmental Rules or harm to Person or Property in each case with respect to worker safety at or in connection with such Property or any part thereof.

"Environmental Release" means a "release" as said term is defined under CERCLA.

"Event of Default" shall have the meaning given to it in Sections 16.1.1 and 16.1.2 of the Project Agreement.

"Equipment Lease" means any lease of any Component of the Facility.

"Excess/Umbrella Policy" shall have the meaning given to it in Section 13.1.3(c) of the Project Agreement.

"Existing Improvements" means the improvements and structures located on, within, below or above the Tracts, excluding the Union Station Building, as of December 15, 1997.

"Existing LOIs & MOU" shall mean the letter agreement between the City, the County, Houston McLane and Sports Facilities, L.P. dated September 14, 1996, as modified and restated in part by that certain letter agreement dated January 7, 1997, and as further amended by certain of the affected parties pursuant to a letter agreement dated July 15, 1997, and as assumed by the Sports Authority, and the Memorandum of Agreement dated November 5, 1997 between Houston McLane and the Sports Authority.

"FF&E" shall mean the furniture, fixtures, equipment, furnishings, machinery, spare parts, extra materials and all other personal property to be installed, affixed, attached or supplied to the Stadium Project Improvements pursuant to the Project Plans.

"Facility Mortgage" means a Mortgage covering and encumbering the Sports Authority's rights, titles and interests in the Tracts (but not the Leasehold Estate) that secures a Project Financing and no other Debt and is otherwise permitted by, and is made in accordance with and subject to, the provisions of the Project Agreement and the Stadium Lease.

"Facility Mortgagee" means the Project Financing Holder who is the Mortgagee named in any Mortgage that is a Facility Mortgage, the beneficiary named in any deed of trust that is a Facility Mortgage or the holder of any lien or security interest named in any other security instrument that is a Facility Mortgage.

"Facility Mortgage Non-Disturbance Agreement" shall have the meaning given to it in **Section 18.1** of the Project Agreement.

"Final Completion" means, when used with respect to the work to be performed under the Project Construction Contract, "final completion" as defined in the Project Construction Contract, and with respect to the balance of the Project Improvements Work or any component of the balance of the Project Improvements Work (such as the Development Work), the final completion of all aspects of such work and improvements in accordance with all Governmental Rules and in accordance with the requirements for the same contained in the Project Agreement and Construction Documents, including, but not limited to, the completion of the punch-list type items referred to in the definition of the term "Substantial Completion". Substantial Completion of such work and improvements is a prerequisites to Final Completion of the same.

"Final Notice" shall have the meaning given to it in **Section 16.4** of the Project Agreement.

"Fiscal Year" means the twelve (12) month period from time to time established by the Sports Authority as its fiscal year, which is currently the twelve (12) month period from January 1 through December 31 of each calendar year.

"Force Majeure" means the occurrence of any of the following, for the period of time, if any, that the performance of a Party's material obligations under this Project Agreement is actually, materially, and reasonably delayed or prevented thereby: acts of God, lock-outs, acts of the public enemy, the confiscation or seizure by any government or public authority (excluding the Sports Authority), insurrections, wars or war-like action (whether actual and pending or expected), arrests or other restraints of government (civil or military) blockades, embargoes, strikes, labor unrest or disputes, unavailability of labor or materials, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, wash-outs, explosions, any delays occasioned by arbitration actions and proceedings under the Arbitration Procedures specified in the Project Agreement, civil disturbance or disobedience, riot, sabotage, terrorism, threats of sabotage or terrorism or any other cause, whether of the kind herein enumerated or otherwise, that is not within the reasonable anticipation or control of the Party claiming the right to delay performance on account of such occurrence and which, in any event, is not a result of the intentional act, negligence or willful misconduct of the Party claiming the right to delay performance on account of such occurrence. As to the Sports

Authority, actions of the Sports Authority shall not be considered actions of a Governmental Authority for purposes of Force Majeure. Notwithstanding the foregoing, with respect to the obligations of the Sports Authority under the Project Agreement to be performed by the Project Contractor under the Project Construction Contract, the term Force Majeure, as used in the Project Agreement, shall also include an "Event of Force Majeure", as said term is defined and used in the Project Construction Contract. Further, in no event shall the term Force Majeure include any economic hardship.

"Franchise" shall mean the franchise for the Team issued by the National League.

"GAAP" shall mean generally accepted accounting principles, applied on a consistent basis, as set forth in Opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board and/or their respective successors and which are applicable in the circumstances as of the date in question. Accounting principles are applied on a "consistent basis" when the accounting principles observed in a current period are comparable in all material respects to those accounting principles applied in a preceding period.

"GL Policy" shall have the meaning given to it in Section 13.1.3(a) of the Project Agreement.

"Governmental Authority" means any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof), 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. For purposes of the use of this term, the Sports Authority shall not be considered a Governmental Authority.

"Governmental Rule" means 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.

"Houston McLane" means Houston McLane Company, Inc., d/b/a Houston Astros Baseball Club, a Texas corporation.

"Houston McLane Default" shall have the meaning given to it in Section 16.1.2 of the Project Agreement.

"Houston McLane Representative" shall have the meaning given to it in Section 2.2 of the Project Agreement.

"Houston McLane's Representations" shall mean the representations made by Houston McLane in Section 4.2 of the Project Agreement.

"HVAC/Chilled Water Services Agreement" means that certain Chilled Water Services Agreement dated June 9, 1998 by and between the Sports Authority and Northwind Houston, L.P., a Delaware limited partnership, and the guaranty thereof by Houston Industries, Inc.

"HVAC Systems" means heating, ventilation, air conditioning, refrigeration systems, machinery and equipment.

"Hazardous Materials" means (i) any substance, emission or material including, but not limited to, asbestos, now or hereafter defined as, listed as or specified in a Governmental Rule as a "regulated substance", "hazardous substance", "toxic substance", "pesticide", "hazardous waste", "hazardous material" or any similar or like classification or categorization under any Environmental Law including by reason of ignitability, corrosivity, reactivity, carcinogenicity or reproductive or other toxicity of any kind, (ii) any products or substances containing petroleum, asbestos, or polychlorinated biphenyls or (iii) any substance, emission or material determined to be hazardous or harmful or included within the term "Hazardous Materials," as such term is used or defined in the Project Construction Contract.

"Infrastructure Work" means certain street improvements, sidewalks, sanitary sewer connections and transit facilities.

"Insurance Covenant" means all of the covenants and agreements of the Sports Authority with respect to insurance policies and coverages to be maintained by the Sports Authority pursuant to and in accordance with Article 13 of the Project Agreement.

"Insurance Plan Additional Requirements" means, in addition to the insurance policies and coverage requirements set forth in Article 13, the insurance policies and coverage requirements set forth in Appendix D of the Project Agreement.

"Insurance Proceeds" shall have the meaning given to it in Section 14.2.1 of the Project Agreement.

"Insured Casualty Risks" means physical loss or damage from fire, lightning, windstorm, hail, flooding, earth movement (including, but not limited to, earthquake, landslide, subsidence and volcanic eruption), collapse, water damage, leakage from fire protection equipment or sprinkler systems, explosion, smoke, aircraft (including objects falling therefrom), motor vehicles, riot, riot attending a strike, civil commotion, sabotage, terrorism, vandalism, malicious mischief, theft, civil or military authority and all other peril (including resultant loss or damage arising from faulty materials, workmanship or design), except to the extent insurance against such perils is from time to time not available on commercially reasonable terms in Houston, Texas.

"Intellectual Property Rights" means any licenses, permits, franchises, trade secrets, intellectual property rights, trademarks, patents, copyrights, or agreements with respect to the usage of any product, process, method, substance, material or technology necessary for the use, operation, maintenance and enjoyment of the Stadium Project Improvements or FF&E.

"Leased Component" shall mean any Component or other Property, whether on-site or off-site, that is covered by an Equipment Lease.

"Leased Premises" shall have the meaning given to it in the Stadium Lease.

"Leasehold Estate" shall have the meaning given to it in the Stadium Lease.

"Lease Term" shall have the meaning given to it in the Stadium Lease.

"Legal Holiday" means the day, other than a Saturday or Sunday, on which the City's or County's administrative offices are closed for business.

"License Agreement" means that certain License Agreement dated of even date with the Project Agreement between the Sports Authority and Houston McLane.

"Lien" means, with respect to any Property, any mortgage, lien, pledge, charge or security interest and with respect to the Tracts, the Stadium Project Improvements, and the FF&E, the term "Lien" shall also include liens for taxes or assessments, builder, mechanic, warehouseman, materialman, contractor, workman, repair or carrier lien or other similar liens, including, but not limited to, Mechanic's Liens and claims.

"Major League Baseball" shall mean collectively, the National League, the American League and each Member Team.

"Major League Baseball Game" shall mean any pre-season, regular season, post-season, World Series or other professional baseball game played under Major League Baseball Rules and Regulations in which any Member Team is a participant.

"Major League Baseball Rules and Regulations" shall mean the constitution, bylaws, rules, regulations and practices of Major League Baseball in effect at the time in question.

"Materials and Testing Agreements" shall mean the contracts entered into by the Sports Authority, with the approval of Houston McLane, for the purposes of conducting inspections and tests of the materials used in, and construction of, the Stadium Project Improvements. As of the Effective Date, the only Materials and Testing Agreement is an instrument styled "Agreement By and Between Harris County-Houston Sports Authority and HBC Engineering, Inc." dated March 24, 1998, as amended by Amendment No. One to Agreement with HBC Engineering, Inc. dated March 27, 1998, which agreement is hereby approved by Houston McLane.

"Mechanic's Lien" shall have the meaning given to it in Section 8.8 of the Project Agreement.

"Member Team" shall mean any member team of the National League or the American League.

"Mortgage" means a mortgage, a deed of trust, a security agreement or any other type of security instrument pursuant to which a Lien is granted to secure Debt. The term "Mortgagee" shall be deemed to include the trustee and beneficiary under, and the party secured by, any such Mortgage.

"National League" shall mean The National League of Professional Baseball Clubs, a not-for-profit association having its chief executive office currently located at 350 Park Avenue, New York, New York (of which the Team is now a member) and any successor thereto.

"Non-Appropriation" means and shall be deemed to have occurred with respect to any payment obligation or other monetary obligation of the Sports Authority under the Project Agreement, if the Board of Directors of the Sports Authority fails to make an Appropriation within sufficient time to avoid a Sports Authority Default.

"Non-Relocation Agreement" means the Non-Relocation Agreement dated as of the Effective Date (as defined therein) by and between the Sports Authority and Houston McLane, as the same may be amended, supplemented, modified, renewed or extended from time to time in accordance therewith.

"Parties" shall have the meaning given to it in the first paragraph of the Project Agreement.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, limited liability company, unincorporated organization, Governmental Authority or any other form of entity.

"Playing Field" shall mean the area, within the Stadium, designed for the playing of baseball games, including the infield grass, the outfield grass, the infield skinned area, the ground lying to the foul side of the foul lines of the playing field, the warning track, the sod farms, the dugouts and the bull pens.

"Potential Houston McLane Default" means either (i) any then existing uncured breach by Houston McLane which, but for the passage of time (with or without notice thereof from the Sports Authority, if applicable), would constitute a Houston McLane Default hereunder, a Licensee Default under the License Agreement, a Tenant Default under the Stadium Lease, or a Houston McLane Default under the Non-Relocation Agreement, or (ii) the then existence of any of the following: the making by Houston McLane of any general assignment for the benefit of creditors until such assignment is rescinded; the filing by Houston McLane or against Houston McLane of a petition or proceeding to have Houston McLane adjudged a bankrupt or of a petition or proceeding for reorganization or arrangement under any law relating to bankruptcy until the same is dismissed; the appointment of a trustee or receiver to take possession of substantially all of Houston McLane's assets located at the Tracts or of Houston McLane's interest in the Project Documents, until possession is restored to Houston McLane; or the attachment, execution or other judicial seizure of substantially all of Houston McLane's assets located at the Tracts or of Houston McLane's interest in the Project Documents, until such seizure is discharged.

"Primary Term" shall have the meaning assigned to it in the Stadium Lease.

"Principal Project Documents" shall mean the Project Agreement, the Stadium Lease, and the Non-Relocation Agreement, the License Agreement and the HVAC/Chilled Water Services Agreement, as the same may be amended, supplemented, modified, renewed, or extended from time to time in accordance with the Project Agreement.

"Project" means the undertaking of the Sports Authority to design, develop, construct, furnish and finance the Stadium Project Improvements, all as required pursuant to the terms of the Project Agreement.

"Project Agreement" means the Project Agreement dated as of the Effective Date among the Sports Authority and Houston McLane, as the same may be amended, supplemented, modified, renewed or extended from time to time in accordance with the Project Agreement.

"Project Budget" shall mean the total project budget, as from time to time amended, for all costs under the Construction Documents, broken down in reasonable detail by "hard" and "soft" cost categories, including, but not limited to, separate line items for debt service requirements (net of earned interest on invested funds), the amount payable under each of the Construction Documents, allowances, contingencies, and pre-opening expenses. The Project Budget, if any, is subject to the approval of Houston McLane.

"Project Completion Date" means the later of (i) the date of Final Completion of all of the Project Improvements Work in accordance with all of the requirements of this Project Agreement, and (ii) the Stadium Lease Commencement Date.

"Project Construction Contract" means the construction contract approved by Houston McLane between the Sports Authority and the Project Contractor for the construction of the Stadium Project Improvements, as the same may be amended, supplemented, modified, renewed, extended or replaced from time to time in accordance with the Project Agreement. The Parties acknowledge that on the Effective Date, the Project Construction Contract approved by Houston McLane is the Standard Form of Agreement Between Owner and Construction Manager dated December 15, 1997 between the Sports Authority, as Owner, and Brown & Root Building Company, a division of Brown & Root, Inc., a Delaware corporation, as Construction Manager, as amended by Amendment No. 1 and Amendment No. 2 attached thereto.

"Project Contract GMP" means the "Guaranteed Maximum Price" or "GMP" as such terms are used and defined in the Project Construction Contract.

"Project Contractor" means Brown & Root Building Company, a division of Brown & Root, Inc., a Delaware corporation, or such other contractor as may be approved by the Sports Authority and Houston McLane.

"Project Documents" means the Principal Project Documents and all other documents, instruments, and agreements entered into between the Sports Authority and Houston McLane during the Project Term pursuant to the Project Agreement or in connection therewith, as the same may be amended, supplemented, modified, renewed or extended from time to time in accordance with the Project Agreement.

"Project Financing" means one or more loans and/or debt issues, together with all modifications, renewals, supplements, substitutions and replacements thereof, the proceeds of which are used to finance or refinance the project costs for which the Sports Authority is responsible under the Project Agreement remaining after taking into account the proceeds of the Public Debt.

"Project Financing Holder" means any holder, or trustee or agent for holders, of any component of the Project Financing.

"Project Improvements Architect" means Hellmuth, Obata & Kassabaum, Inc., a corporation, or such other design professional as may be approved by the Parties.

"Project Improvements Construction Schedule" means a schedule of critical dates relating to the Project Improvements Work (which dates may be described or set forth as intervals of time from or after the completion or occurrence of the preceding task or event), which Project Improvements Construction Schedule shall contain, but shall not be limited to, the dates for (i) ordering and delivering of critical delivery items, such as construction components or items requiring long lead time for purchase or manufacture, or items which by their nature affect the basic structure or systems of the Stadium Project Improvements, (ii) completion of the Project Plans in detail sufficient for satisfaction of all Governmental Rules (including issuance of necessary building permits), (iii) issuance of all building permits and satisfaction of all Governmental Rules prerequisites to commencement of the Stadium Project Improvements Work, (iv) commencement and completion of any of the Stadium Project Improvements Work, (v) delivery of the Tracts, and (vi) all material elements of pre-opening services. The Sports Authority's current Project Improvements Construction Schedule for the Stadium Project Improvements has been approved by Houston McLane and is set forth in Schedule 1 to the Project Construction Contract.

"Project Improvements Work" means the Development Work and the Stadium Project Improvements Work.

"Project Plans" means individually and collectively, the concept drawings, schematic drawings, design development drawings and detailed working drawings and specifications for the Stadium Project Improvements and FF&E prepared by the Project Improvements Architect in the form approved by Houston McLane and the Sports Authority. The Project Plans shall include the "Final Drawings and Specifications," as such term is used and defined in the Project Construction Contract, and such "Final Drawings and Specifications" and any designation thereof under the Project Construction Contract shall also be subject to the approval of Houston McLane.

"Project Savings" shall have the meaning given to it in Section 12.2 of the Project Agreement.

"Project Submission Matters" means each and all of the following and any amendments or changes to, or modifications of them, and in the case of contracts or agreements, entering into the same or the termination or cancellation thereof:

- (a) The Project Budget;
- (b) The Project Improvements Construction Schedule;
- (c) The Project Plans, the Design Criteria, and design packages;
- (d) The Project Construction Contract, Architect's Contract, the Materials and Testing Agreements, or any of the other Construction Documents, or the termination or cancellation thereof;
- (e) The issuance of Construction Contract Change Orders;
- (f) Any of the following under the Construction Documents:
 - (i) Changes in scope or systems;
 - (ii) Changes in quantity, kind, brand, manufacturer or quality of materials, finishes or equipment;
 - (iii) Changes in schedule;
 - (iv) The Project Contractor's use of Contingency (as defined in Section 6.1.10 of the Project Construction Contract), and (to the extent the Sports Authority has approval thereof) the payment of reimbursable expenses under the Architect's Contract, and the request for additional services under the Architect's Contract;
 - (v) Selection of, and/or changes in, allowance items;
 - (vi) Changes in overall appearance or amenities;
 - (vii) Changes in the Roof Maintenance Contract or the Persons constructing or designing the Stadium's retractable roof;

(viii) Issuance of any order for changes in the work under the Project Construction Contract or Construction Change Directives (as defined in the Project Construction Contract);

(ix) Adding new or additional Construction Documents; and

(x) Policies of insurance and surety bonds required under the Construction Documents.

(g) Equipment Leases; and

(h) Service Contracts.

"Project Term" shall have the meaning given to it in Section 3.1 of the Project Agreement.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Property Insurance Policy" shall have the meaning given to it in Section 13.1.2 of the Project Agreement.

"Public Debt" shall mean the taxable and tax-exempt notes, bonds, or other indebtedness incurred or to be incurred from time to time prior to or on or about the Substantial Completion Date to finance the project costs and any refinancings or refundings of such notes, bonds or indebtedness. Public Debt is not secured by a Lien on the Leased Premises.

"Recognized Environmental Condition" shall mean the presence of any Hazardous Materials at, on, in or under the Tracts or the improvements located thereon.

"Regular Arbitration" shall have the meaning given to it in Section 1.1 of Appendix C to the Project Agreement.

"Related Third Party Dispute or Controversy" shall have the meaning given to it in Section 19.3 of the Project Agreement.

"Rental" shall have the meaning given to it in the Stadium Lease.

"Responsible Officer" means, with respect to the subject matter of any certificate, representation or warranty of any Person contained in the Project Documents, a vice president or higher corporate officer of such Person (or, in the case of the Sports Authority, a member of the Sports Authority's Board of Directors, and, in the case of a partnership, an individual who is a general partner of such Person or such an officer of a general partner of such Person) who, in the normal performance of his operational responsibility, would have knowledge of such matter and the requirements with respect thereto.

"Review and Approval or Consent Rights" shall have the meaning given to it in Section 20.7.1 of the Project Agreement.

"Reviewing Party" shall have the meaning given to it in Section 20.7.1 of the Project Agreement.

"Roof Maintenance Contract" shall have the meaning given to it in Section 8.12 of the Project Agreement.

"Service Contract" means the HVAC/Chilled Water Services Contract and any other contract (other than the Construction Contracts) entered into in accordance with this Project Agreement providing for the provision of services essential to, or materially affecting, the operation of Components of the Project.

"Space Lease" shall have the meaning given to it in the Stadium Lease.

"Space Tenant" shall have the meaning given to it in the Stadium Lease.

"Sports Authority" means Harris County - Houston Sports Authority, a sports and community venue district created under Chapter 335 of the Texas Local Government Code.

"Sports Authority Allowance" means an allowance to the Sports Authority for the design, construction, and furnishing of the Landlord's Premises (including modifications to appurtenant elements of the Stadium) in an amount not to exceed the amount of \$350,000, such allowance to be part of the project costs paid under the Construction Documents.

"Sports Authority Default" shall have the meaning given to it in Section 16.1.1 of the Project Agreement.

"Sports Authority Delay" means any delay by the Sports Authority in achieving any of the deadlines for performance of obligations under the Project Agreement.

"Sports Authority Remedial Work" shall have the meaning given to it in Section 8.5 of the Project Agreement.

"Sports Authority Representative" shall have the meaning given to it in Section 2.1 of the Project Agreement.

"Sports Authority's Representations" shall have the representations made by the Sports Authority in Section 4.1 of the Project Agreement.

"Sports Authority Transfer" shall have the meaning given to it in Section 17.3 of the Project Agreement.

"Stadium" means (i) the 42,000-seat, convertible roof, natural grass baseball park currently known as "The Ballpark at Union Station" which is being constructed by the Sports Authority in downtown Houston, Texas in accordance with the Project Agreement, (ii) the three (3) surface level parking lots located on the portions of the Tracts described on Exhibits A-2, A-3 and A-4 to the Stadium Lease containing parking spaces to serve the Stadium and Union Station Building, such surface level parking lots to be designed and constructed in accordance with the Project Agreement, and (iii) all other improvements to be constructed by the Sports Authority on the Tracts under the terms of the Project Agreement, but excluding the Union Stadium Building.

"Stadium Lease" means the Stadium Lease dated as of the Effective Date between the Sports Authority, as lessor, and Houston McLane, as lessee, and covering the Tracts and Stadium Project Improvements, as the same may be amended, supplemented, modified, renewed or extended from time to time with the consent of Houston McLane and the Sports Authority.

"Stadium Lease Commencement Date" means the "Commencement Date," as such term is defined in the Stadium Lease.

"Stadium Project Improvements" means the Stadium and the renovation of the Union Station Building, all improvements appurtenant thereto or comprising a part of any of the same and all appurtenances and amenities relating to any of the same, all as described more fully in the Project Construction Contract, the Design Criteria, and the Project Plans.

"Stadium Project Improvements Work" means the design, development, construction, and furnishing of the Stadium Project Improvements at and within the Tracts in accordance with the Project Agreement.

"Submitting Party" shall have the meaning given to it in Section 20.7.1 of the Project Agreement.

"Substantial Completion" means, when used with respect to the work described in the Project Construction Contract, "Substantial Completion" as defined in the Project Construction Contract plus the issuance of the TNRCC Certificate of Completion, and with respect to the balance of the Project Improvements Work or any component of the balance of the Project Improvements Work, the substantial completion of all aspects of such work and improvements in accordance with all Governmental Rules and substantially in accordance with the requirements for the same contained in the Project Agreement such that, subject only to minor punch-list type items, (i) all such work and improvements and systems are complete and, regardless of such punch-list type items, all of improvements are ready for use and occupancy for their intended purposes and are fully operational, (ii) all permits, licenses, inspections and certifications required by Governmental Rule or Intellectual Property Rights for the use and occupancy of the Tracts in accordance with the Stadium Lease have been issued or successfully passed, as the case may be, and are in full force and effect (excluding liquor license permits and permits related to the Concession Improvements), and (iii) the Project Contractor shall have cleaned the Tracts and the Stadium in accordance with its obligations to do so under the Project Construction Contract. It shall also be a requirement of Substantial Completion that (i) a Responsible Officer of the Sports Authority shall complete and deliver to Houston McLane an unqualified certificate certifying to Houston McLane that Substantial Completion of the Project Improvements Work has occurred, and (ii) the Sports Authority and the Project Architect shall have issued to the Project Contractor written evidence of their concurrence that Substantial Completion has occurred under the Project Construction Contract, and the Sports Authority shall have delivered to Houston McLane a copy thereof, together with a copy of Certificate of Substantial Completion (as defined in the Project Construction Contract) signed by the Project Improvements Architect and the Project Contractor.

"Substantial Completion Date" shall mean the date on which Substantial Completion of all of the Project Improvements Work occurs.

"Substantially All of the Tracts and the Project Improvements" shall have the meaning given to it in Section 15.1.2 of the Project Agreement.

"TNRCC Certificate of Completion" shall mean a certificate of completion issued by the Texas Natural Resource Conservation Commission under the Voluntary Cleanup Program that determines that any Environmental Condition has been adequately addressed to attain Texas Natural Resource Conservation Commission Risk Reduction Standard Number 2 or 1 and that any future owner, operator or lessee (including Houston McLane) shall enjoy the protections from liability and all other benefits under the Texas Voluntary Cleanup Program.

"Team" shall mean the Major League Baseball team owned by the Team Entity pursuant to the rights granted to it as a National League franchisee under the Franchise, currently named the Houston Astros Baseball Club.

"Team Entity" shall mean the Person that from time to time owns the Franchise, which Person is now Houston McLane.

"Texas General Arbitration Act" shall have the meaning given to it in Section 1.1(b) of Appendix C to the Project Agreement.

"Tracts" the real property described on Exhibits A-1, A-2, A-3 and A-4 attached to the Project Agreement.

"Transfer" shall have the meaning given to it in Section 17.1 of the Project Agreement.

"Union Station Building" means the existing six (6) story building located on the Tracts at the corner of Texas Avenue and Crawford Street known as the Union Station Building (but excluding the attached train shed), as such structure is to be altered and renovated in accordance with the terms and provisions of the Project Agreement.

"Warranty Claim" shall have the meaning given to it in Section 8.7 of the Project Agreement.

"Workers' Compensation Policy" shall have the meaning given to it in Section 13.1.3(b) of the Project Agreement.

"XCU" shall have the meaning given to it in Section 1(a)(i) of Appendix D of the Project Agreement.

**APPENDIX B
TO
PROJECT AGREEMENT**

**ADDRESSES FOR PAYMENTS AND NOTICES/
DESCRIPTION OF ACCOUNTS**

A. SPORTS AUTHORITY: HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

- (1) Sports Authority's Account: All payments to the Sports Authority shall be made by wire transfer of immediately available federal funds to the following account (the "Sports Authority's Account"):

_____, _____
Account of: Harris County-Houston Sports Authority
Account Number: _____
ABA Number: _____
Attention: _____

with sufficient information to identify the source and application of such funds.

- (2) Notices: All notices to the Sports Authority shall be sent to:

Harris County-Houston Sports Authority
1200 Post Oak Blvd., Suite 416
Houston, Texas 77056
Attention: Chairman
Facsimile Number: 713/355-2457

with copies of all notices to the Sports Authority being sent to:

City of Houston, Texas
Office of City Attorney
900 Bagby, 7th Floor
Houston, Texas 77002
Attention: City Attorney
Facsimile Number: 713/247-1017

and

Harris County, Texas
Office of the County Attorney
1019 Congress, 15th Floor
Houston, Texas 77002
Attention: County Attorney
Facsimile Number: 713/755-8924

B. Houston McLane: HOUSTON McLANE COMPANY, INC.

- (1) Houston McLane's Account: All payments to Houston McLane shall be made by wire transfer of immediately available federal funds to the following account (the "Houston McLane's Account"): _____

_____, _____
Account of: Houston McLane Company, Inc.
Account Number: _____
ABA Number: _____
Attention: _____

with sufficient information to identify the source and application of such funds.

(2) Notices: All notices to Houston McLane shall be sent to:

Houston McLane Company, Inc.
c/o McLane Group, L.P.
4001 Industrial Blvd.
Temple, Texas 76503
Attention: Drayton McLane
Facsimile Number: 254-770-6101

with copies of notices to Houston McLane being sent to:

Houston McLane Company, Inc.
8400 Kirby, Gate 5
Houston, Texas 77054
Attention: Robert S. McClaren
Facsimile Number: (713) 799-9794

and

Bracewell & Patterson, L.L.P.
2900 South Tower Pennzoil Place
711 Louisiana Street
Houston, Texas 77002-2781
Attention: Mr. John L. Keffer
Facsimile Number: 713-221-1212

APPENDIX C
TO
PROJECT AGREEMENT

ARBITRATION PROCEDURES

Section 1. Arbitration.

1.1. Regular Arbitration. Binding arbitration shall be conducted in accordance with the following procedures ("Regular Arbitration"):

(a) The Party seeking arbitration hereunder shall request such arbitration in writing, which writing shall be delivered to the opposing Party and include a clear statement of the matter(s) in dispute. If a legal proceeding relating to the matter(s) in dispute has previously been filed in a court of competent jurisdiction (other than a proceeding for injunctive or ancillary relief) then such notice of election under this paragraph shall be delivered within ninety (90) days of the date the electing Party receives service of process in such legal proceeding. Except to the extent provided in this Appendix C, the arbitration shall be conducted in accordance with the commercial rules of the American Arbitration Association by a single arbitrator to be appointed upon the mutual agreement of the Parties within twenty (20) days of the date the written request for arbitration was delivered to the opposing Party. In order to facilitate any such appointment, the Party seeking arbitration shall submit a brief description (no longer than two (2) pages) of the Dispute or Controversy to the opposing Party. In the event the Parties are unable to agree on a single arbitrator within the twenty (20) day period, then the arbitrator shall be appointed by the then-serving administrative judge of the civil trial division of Harris County, Texas or any successor thereto within the next ten (10) day period. The Party seeking arbitration shall make the Parties' request for appointment of an arbitrator and furnish a copy of the aforesaid description of the Dispute or Controversy to said judge. Each Party may, but shall not be required to, submit to said judge a list of up to three (3) qualified individuals as candidates for appointment as the arbitrator whose schedules permit their service as arbitrator within the time periods set forth herein. The arbitrator appointed by the judge need not be from such lists.

(b) Within thirty (30) days of the date the arbitrator is appointed, the arbitrator shall notify the Parties in writing of the date of the arbitration hearing, which

hearing date shall be not less than one-hundred twenty (120) days from the date of the arbitrator's appointment. The arbitration hearing shall be held in Houston, Texas. Except as otherwise provided herein, the proceedings shall be conducted in accordance with the procedures of the Texas General Arbitration Act, TEX. CIV. PRAC. & REMEDIES CODE §§ 171.001 *et seq.* (the "Texas General Arbitration Act"). Depositions may be taken and other discovery may be made in accordance with the Texas Rules of Civil Procedure, provided that (i) depositions and other discovery shall be completed within ninety (90) days of the appointment of the arbitrator, (ii) there shall be no evidence by affidavit allowed, and (iii) each Party shall disclose a list of all documentary evidence to be used and a list of all witnesses and experts to be called by the Party in the arbitration hearing at least twenty (20) days prior to the arbitration hearing. The arbitrator shall issue a final ruling within thirty (30) days after the arbitration hearing. Any decision of the arbitrator shall state the basis of the award and shall include both findings of fact and conclusions of law. Any award rendered pursuant to the foregoing, which may include an award or decree of specific performance hereunder, shall be final and binding on, and nonappealable by, the Parties and judgment thereon may be entered or enforcement thereof sought by either Party in a court of competent jurisdiction. The foregoing deadlines shall be tolled during the period that no arbitrator is serving until a replacement is appointed in accordance with this Appendix C.

(c) Notwithstanding the foregoing, nothing contained herein shall be deemed to give the arbitrator appointed hereunder any authority, power or right to alter, change, amend, modify, waive, add to or delete from any of the provisions of the Project Agreement.

Section 2. Further Qualifications of Arbitrators: Conduct. All arbitrators shall be and remain at all times wholly impartial and, upon written request by either Party, shall provide the Parties with a statement that they can and shall decide any Dispute or Controversy, referred to them impartially. No arbitrator shall be employed by either Party, the City or the County, or have any material financial dependence upon a Party, the City or the County, nor shall any arbitrator have any material financial interest in the Dispute or Controversy.

Section 3. Applicable Law and Arbitration Act. The agreement to arbitrate set forth in this Appendix shall be enforceable in either federal or state court. The enforcement of such agreement and all procedural aspects thereof, including the construction and interpretation of this agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability and the rules (except as otherwise expressly provided herein) governing the conduct of the arbitration, shall be governed by and construed pursuant to the Texas General Arbitration Act. In deciding the substance of any such Dispute or Controversy, the arbitrator shall apply the

substantive laws of the State of Texas. The arbitrator shall have authority, power and right to award damages and provide for other remedies as are available at law or in equity in accordance with the laws of the State of Texas, except that the arbitrator shall have no authority to award incidental or punitive damages under any circumstances (whether they be exemplary damages, treble damages or any other penalty or punitive type of damages) regardless of whether such damages may be available under the laws of the State of Texas. The Parties hereby waive their right, if any, to recover punitive damages in connection with any arbitrated Dispute or Controversy.

Section 4. Consolidation. If the Parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then the Parties hereby agree that all such proceedings may be consolidated into a single arbitral proceeding.

Section 5. Pendency of Dispute; Interim Measures. The existence of any Dispute or Controversy eligible for referral or referred to arbitration hereunder, or the pendency of the dispute settlement or resolution procedures set forth herein, shall not in and of themselves relieve or excuse either Party from its ongoing duties and obligations under the Project Agreement or any right, duty or obligation arising therefrom; provided, however, that during the pendency of arbitration proceedings and prior to a final award, upon written request by a Party, the arbitrator may issue interim measures for preservation or protection of the status quo.

Section 6. Complete Defense. The Parties agree that compliance by a Party with the provisions of this Appendix shall be a complete defense to any suit, action or proceeding instituted in any federal or state court, or before any administrative tribunal by the other Party with respect to any Dispute or Controversy which is subject to arbitration as set forth herein, other than a suit or action alleging non-compliance with a final and binding arbitration award rendered hereunder.

APPENDIX D
TO
PROJECT AGREEMENT

INSURANCE PLAN ADDITIONAL REQUIREMENTS

1. **GL Policy**

a. As obtainable on commercially reasonable terms, the following endorsements:

- i. Premises and operations coverage with no exclusions for explosion, collapse and underground property damage ("XCU")
- ii. Owners' and contractors' protective coverage
- iii. Blanket contractual liability coverage with the personal injury exclusion deleted
- iv. Personal injury and advertising injury, with the contractual exclusion deleted
- v. Host/liquor legal liability
- vi. Broad form property damage coverage
- vii. Incidental medical malpractice liability
- viii. Cross liability endorsement
- ix. Hoists and elevators or escalators, if exposure exists

b. Minimum limits:

\$2,000,000	Each Occurrence
2,000,000	Personal and Advertising Injury
5,000,000	Completed Operations Aggregate
5,000,000	General Aggregate/all insureds
50,000	Fire Legal Liability

These limits may be provided by a combination of the GL Policy and the Umbrella/Excess Policy.

c. Deductible or self-insured retention not to exceed:

\$250,000 any one accident for bodily injury, death and property damage

2. Workers' Compensation Policy (statutory workers' compensation coverage and employers liability)

- a. Extensions of coverage:
 - i. Other States endorsement
 - ii. Voluntary compensation, if exposure exists
 - iii. United States Longshoreman's and Harbor Worker's Act, if exposure exists
 - iv. Jones Act, if exposure exists
 - v. Thirty (30) day notice of cancellation, non-renewal or material change in coverage
 - vi. Amendment of notice of occurrence
- b. Specific waiver of subrogation in favor of Houston McLane.
- c. Deductible or self-insured retention not to exceed: \$250,000 any one accident for bodily injury, death or property damage.

EXHIBIT A-1
TO
PROJECT AGREEMENT

DESCRIPTION OF UNION STATION TRACT

Being 18.4595 acres (804,098 square feet) of land consisting of portions of Jackson Street, Chenevert Street, Preston Avenue and Prairie Avenue, all of Blocks 102, 103, 104, 116, 117, 118, 162, 163, and Lots 6 thru 12, Block 164, South Side Buffalo Bayou (S.S.B.B.), an unrecorded subdivision located in the John Austin Survey, Abstract No. 1, the James Wells Survey, Abstract No. 832, and the John Holman Survey, Abstract No. 323, Harris County, Texas, 18.4595 acres of land being more particularly described as follows:

COMMENCING at a 3/4 inch iron rod (City of Houston Reference Rod No. 20) found for the centerline intersection of Crawford Street (80 feet wide) and Capitol Avenue (80 feet wide), from which point a 3/4 inch iron rod (City of Houston Reference Rod No. 4) found marking the intersection of the City of Houston Reference Line along Franklin Avenue, bears North 35 degrees 00 minutes 00 seconds East, 1,695.06 feet;

THENCE North 35 degrees 00 minutes 00 seconds East, along the centerline of said Crawford Street, a distance of 391.64 feet to a point in the northeast line of Texas Avenue (100 feet wide);

THENCE South 55 degrees 00 minutes 40 seconds East, a distance of 40.00 feet to a Brass Disk set for the most westerly corner of said Block 102 and POINT OF BEGINNING of the herein described tract;

THENCE North 35 degrees 00 minutes 00 seconds East, along the southeast line of said Crawford Street, a distance of 920.02 feet to a Brass Disk set in the southwest line of Congress Avenue (80 feet wide) for the most northerly corner of said Block 104 and most northerly corner of the herein described tract;

THENCE South 55 degrees 00 minutes 40 seconds East, along the southwest line of said Congress Avenue, a distance of 810.02 feet to a Brass Disk set for the most easterly corner of said Lot 11, Block 164, and most easterly corner of the herein described tract;

THENCE South 34 degrees 59 minutes 47 seconds West, along the southeast line of Lots 11 and 12, at a distance of 252.50 feet passing the northeast line of said Preston Avenue, a total distance of 332.50 feet to a Brass Disk set in the southwest line of said Preston Avenue for the most easterly corner of Lot 11, Block 163, S.S.B.B.;

THENCE South 55 degrees 00 minutes 40 seconds East, along the southwest line of said Preston Avenue, a distance of 100.15 feet to a Brass Disk set in the northwest line of Hamilton Street for the most easterly corner of said Block 163;

THENCE South 34 degrees 59 minutes 47 seconds West, along the northwest line of said Hamilton Street, a distance of 587.52 feet to a Brass Disk set in the northeast line of said Texas Avenue for the most southerly corner of said Block 162 and most southerly corner of the herein described tract;

THENCE North 55 degrees 00 minutes 40 seconds West, along the northeast line of said Texas Avenue, a distance of 910.22 feet to the POINT OF BEGINNING and containing 18.4595 acres or 804,098 square feet of land.

EXHIBIT A-2
TO
PROJECT AGREEMENT

DESCRIPTION OF FIRST PARKING AREA

Being 3.3726 acres (146,908 square feet) of land consisting of a portion of Prairie Avenue and all of Blocks 172 and 173, South Side Buffalo Bayou (S.S.B.B.), an unrecorded subdivision located in the John Austin Survey, Abstract No. 1, the James Wells Survey, Abstract No. 832, and the John Holman Survey, Abstract No. 323, Harris County, Texas, said 3.3726 acres of land being more particularly described as follows:

COMMENCING at a 3/4 inch iron rod (City of Houston Reference Rod No. 20) found for the centerline intersection of Crawford Street (80 feet wide) and Capitol Avenue (80 feet wide), from which point a 3/4 inch iron rod (City of Houston Reference Rod No. 4) found marking the intersection of the City of Houston Reference Line along Franklin Avenue, bears North 35 degrees 00 minutes 00 seconds East, 1,695.06 feet;

THENCE North 35 degrees 00 minutes 00 seconds East, along the centerline of said Crawford Street, a distance of 391.64 feet to a point in the northeast line of Texas Avenue (100 feet wide);

THENCE South 55 degrees 00 minutes 40 seconds East, along the northeast line of said Texas Avenue, a distance of 1030.22 feet to a Brass Disk set in the southeast line of Hamilton Street (80 feet wide) for the most westerly corner of said Block 173 and POINT OF BEGINNING of the herein described tract;

THENCE North 34 degrees 59 minutes 47 seconds East, along the southeast line of said Hamilton Street, a distance of 587.52 feet to a Brass Disk set in the southwest line of Preston Avenue (80 feet wide) for the most northerly corner of said Block 172 and most northerly corner of the herein described tract;

THENCE South 55 degrees 00 minutes 40 seconds East, along the southwest line of said Preston Avenue, a distance of 250.03 feet to a Brass Disk set in the northwest line of Chartres Street (80 feet wide) for the most easterly corner of said Block 172 and most easterly corner of the herein described tract;

THENCE South 34 degrees 59 minutes 37 seconds West, along the northwest line of said Chartres Street, a distance of 587.52 feet to a Brass Disk set in the northeast line of said Texas Avenue for the most southerly corner of said Block 173 and the most southerly corner of the herein described tract;

THENCE North 55 degrees 00 minutes 40 seconds West, along the northeast line of said Texas Avenue, a distance of 250.06 feet to the POINT OF BEGINNING and containing 3.3726 acres or 146,908 square feet of land.

EXHIBIT A-3
TO
PROJECT AGREEMENT

DESCRIPTION OF SECOND PARKING AREA

Being 3.3730 acres (146,928 square feet) of land consisting of a portion of Prairie Avenue and all of Blocks 184 and 185, South Side Buffalo Bayou (S.S.B.B.), an unrecorded subdivision located in the John Austin Survey, Abstract No. 1, the James Wells Survey, Abstract No. 832, and the John Holman Survey, Abstract No. 323, Harris County, Texas; said 3.3730 acres of land being more particularly described as follows:

COMMENCING at a 3/4 inch iron rod (city of Houston Reference Rod No. 20) found for the centerline intersection of Crawford Street (80 feet wide) and Capitol Avenue (80 feet wide), from which point a 3/4 inch iron rod (City of Houston Reference Rod No. 4) found marking the intersection of the City of Houston Reference Line along Franklin Avenue, bears North 35 degrees 00 minutes 00 seconds East, 1,695.06 feet;

THENCE North 35 degrees 00 minutes 00 seconds East, along the centerline of said Crawford Street, a distance of 391.64 feet to a point in the northeast line of Texas Avenue (100 feet wide);

THENCE South 55 degrees 00 minutes 40 seconds East, along the northeast line of said Texas Avenue, a distance of 1,360.28 feet to a Brass Disk set in the southeast line of Chartres Street (80 feet wide) for the most westerly corner of said Block 184 and POINT OF BEGINNING of the herein described tract;

THENCE North 34 degrees 59 minutes 37 seconds East, along the southeast line of said Chartres Street, a distance of 587.52 feet to a Brass Disk set in the southwest line of Preston Avenue (80 feet wide) for the most northerly corner of said Block 185 and most northerly corner of the herein described tract;

THENCE South 55 degrees 00 minutes 40 seconds East, along the southwest line of said Preston Avenue, a distance of 250.06 feet to a Brass Disk set in the northwest line of St. Emanuel Street (80 feet wide) for the most easterly corner of said Block 185 and most easterly corner of the herein described tract;

THENCE South 34 degrees 59 minutes 20 seconds West, along the northwest line of said St. Emanuel Street, a distance of 587.52 feet to a Brass Disk set in the northeast line of said Texas Avenue for the most southerly corner of said Block 184 and the most southerly corner of the herein described tract;

THENCE North 55 degrees 00 minutes 40 seconds West, along the northeast line of said Texas Avenue, a distance of 250.11 feet to the POINT OF BEGINNING and containing 3.3730 acres of 146,928 square feet of land.

**EXHIBIT A-4
TO
PROJECT AGREEMENT**

DESCRIPTION OF THIRD PARKING AREA

Being 7.8227 acres (340,758 square feet) of land consisting of a portion of Prairie Avenue and Hutchins Street, all of Blocks 194, 195, 206, and 207, South Side Buffalo Bayou (S.S.B.B.), an unrecorded subdivision located in the John Austin Survey, Abstract No. 1, the James Wells Survey, Abstract No. 832, and the John Holman Survey, Abstract No. 323, Harris County, Texas, said 7.8227 acres of land being more particularly described as follows:

COMMENCING at a 3/4 inch iron rod (City of Houston Reference Rod No. 20) found for the centerline intersection of Crawford Street (80 feet wide) and Capitol Avenue (80 feet wide), from which point a 3/4 inch iron rod (City of Houston Reference Rod No. 4) found marking the intersection of the City of Houston Reference Line along Franklin Avenue, bears North 35 degrees 00 minutes 00 seconds East, 1,695.06 feet;

THENCE North 35 degrees 00 minutes 00 seconds East, along the centerline of said Crawford Street, a distance of 391.64 feet to a point in the northeast line of Texas Avenue (100 feet wide);

THENCE South 55 degrees 00 minutes 40 seconds East, along the northeast line of said Texas Avenue, a distance of 1,690.39 feet to a Brass Disk set in the southeast line of St. Emanuel Street (80 feet wide) for the most westerly corner of said Block 195 and POINT OF BEGINNING of the herein described tract;

THENCE North 34 degrees 59 minutes 20 seconds East, along the southeast line of said St. Emanuel Street, a distance of 587.52 feet to a Brass Disk set in the southwest line of Preston Avenue (80 feet wide) for the most northerly corner of said Block 194 and most northerly corner of the herein described tract;

THENCE South 55 degrees 00 minutes 40 seconds East, along the southwest line of said Preston Avenue, a distance of 580.03 feet to a Brass Disk set in the northwest line of Bastrop Street (80 feet wide) for the most easterly corner of said Block 207 and most easterly corner of the herein described tract;

THENCE South 34 degrees 59 minutes 45 seconds West, along the northwest line of said Bastrop Street, a distance of 587.52 feet to a Brass Disk set in the northeast line of said Texas Avenue for the most southerly corner of said Block 206 and the most southerly corner of the herein described tract;

THENCE North 55 degrees 00 minutes 40 seconds West, along the northeast line of said Texas Avenue, a distance of 579.96 feet to the POINT OF BEGINNING and containing 7.8227 acres of 340,758 square feet of land.