Executive Summary
Ballpark Lease Agreement*
Minnesota Ballpark Authority and Twins Ballpark, LLC

Purpose of Document:

To provide for the management, operation, maintenance and use of the Ballpark upon completion.

Legal Basis:

To further the terms of Minnesota Laws 2006, Chapter 257 ("Act"), which requires that the Minnesota Ballpark Authority enter into a long-term lease or use agreement with the Twins.

Overall.

At all times during the Term, one hundred percent of the ownership interests in the Tenant and all Affiliates of the Tenant shall be owned by the Team, and the Team shall control the Tenant and all Affiliates of the Tenant. At all times during the Term, the Tenant shall be a party, and shall cause the Team to be party, to a sublease (the "Sublease") of the Agreement, such that the Team shall have the ability to fully and completely comply with and perform the Use Agreement and all of the Team's obligations under the Agreement. The Team is jointly and severally liable for the performance of all obligations and for all liabilities of the Tenant.

Article 1. **Defined Terms**.

Terms which are used throughout the Agreement are defined in this Article.

Article 2. **Term**.

Per this Article, the Authority leases to the Tenant and the Tenant leases the Ballpark from the Authority for the Term, which includes the Initial Term (30 years) and two potential Renewal Terms of 10 years each.

Article 3. **Financial Matters**.

Under this Article, the Fixed Rent due under the Agreement is $600,000 per year, due on November 1st (subject to CPI increases), and the Additional Rent is $300,000 per year (not subject to CPI increases). The Tenant shall also annually provide to the Authority standard financial documentation which includes prior, current and projected maintenance costs; information on CapEx Work and the CapEx Reserve Fund; property used or installed in the Ballpark by the Tenant in the last year; an affordable seating plan created by the Tenant in the

* This executive summary is for background purposes only. It is not a legally binding document, and it is not intended to be used, nor may it properly be used, to ascertain or represent the legal intent of any of the respective parties with respect to the agreement it summarizes.

last year; and a summary of amounts and recipients of charitable and in-kind contributions made by the Tenant during the last year relating to youth and amateur sports. Upon termination of the Agreement, the Tenant shall provide financial projections and copies of all contracts and agreements entered into by the Tenant relating to operation of any portion of the Ballpark. The Authority may review the Tenant's annual audited and six month unaudited financial statements and shall have access to all records the Authority deems necessary to determine compliance with the Act and to conform to the Agreement and the Use Agreement.

Article 4. Use and Ownership of the Ballpark.

This Article requires that as of the Commencement Date, the Tenant shall insure that the Ballpark is fit for its intended use and purpose. The Authority shall own the Ballpark. The Authority shall have the exclusive control of the Authority Office and Authority Suite per the Ballpark Final Design. Subject to the Authority's right to have an office, conduct events and occupy areas within the Ballpark, the Tenant shall have the right to use, occupy and operate the Ballpark for any lawful purpose, but shall not allow any activity to occur that will damage the Ballpark, its reputation or the reputation of the Authority or the County. The Tenant shall have the benefit of all warranties relating to construction, fixtures, machinery and equipment installed in the Ballpark.

Article 5. Assignment, Subletting, Surrender.

Per this Article, the parties must consent to any assignment, transfer or sublet of rights and obligations under the Agreement by the other Party unless otherwise provided for in the Agreement. The Tenant may assign its leasehold interest to a purchaser of the Franchise which has been approved by MLB, and may assign or sublet to its Affiliates. The Tenant may mortgage this Agreement and/or leasehold interest in the Ballpark or assign revenues from the Ballpark as security for financing provided to the Tenant. The Tenant may only remove Authority-owned items or Tenant-owned items constituting part of the Ballpark if such is necessary for Maintenance and then such items' cost shall be credited to Authority. The Tenant shall remove all of the items owned by the Tenant within the Ballpark upon expiration or termination of the Agreement and deliver the Ballpark to the Authority. If the Tenant abandons or vacates the Ballpark prior to end of the Term and any items remain, they are deemed abandoned.

Article 6. Operations.

As set forth in this Article, the Tenant is responsible for the operation, direction, management and supervision of the Ballpark and its staff subject to the Agreement (which includes obtaining Permits and contracts for Utilities). All home and post season games shall be played at the Ballpark unless otherwise allowed by the Agreement. The Tenant must submit an annual maintenance plan to Authority each year which must be followed per approval by the Authority. The Authority and City shall enter into an agreement regarding transportation management and traffic control for the Ballpark per the Development Agreement. The Tenant

shall use best efforts to hire women and minorities for management of the Ballpark. The Tenant shall provide assistance for youth activity and youth and amateur sports in Hennepin County. The Tenant shall receive and retain all revenues from the Ballpark except for Authority Events as noted in the Agreement. The Tenant shall have the right to Naming and Advertising Rights, using the likeness of Ballpark in Broadcast Rights and name, identity or image of the Ballpark for public purposes. The Tenant shall be responsible for marketing, leasing, operating, maintaining and performing Maintenance to specified Authority areas and paying the costs of utilities for the same. For all Events, the Tenant shall sell and have the exclusive right to licenses for the use of club seats, to sell charter seats and memberships to the Ballpark for the use of seats, from Concession Rights, and to manage Concession Operations (Concessionaires must comply with Minnesota Statutes § 340A.909). The Tenant's Concession agreements shall service all Authority Events on the same terms as MLB Events. The Tenant is responsible for costs of Concession Operations and construction, acquisition, installation, preparation, operation, maintenance and repair of concession areas, fixtures, equipment, furnishings and utilities. The Authority shall own and the Tenant shall maintain the 6th Street Bridge/Plaza/Connector.

Article 7. Operations Covenants.

Under this Article, the Tenant shall not vote or enter into any agreement opposing this Agreement. The Tenant must maintain its existence as an entity under Delaware law and cannot dissolve, liquidate or change the form of existence without consent of the Authority. The Tenant must maintain and not relocate its headquarters in Hennepin County.

Article 8. Repairs, Maintenance and Alterations.

Per this Article, the Tenant shall maintain the Ballpark in a first-class condition and comply with all laws and MLB rules and regulations. The Tenant shall submit annual reports to the Authority regarding capital expenditures which shall be reviewed by the Authority. The Tenant shall hire an engineer to prepare plans regarding capital expenditures once the same are approved by the Authority. The Tenant shall perform the capital expenditures pursuant to the plans. If the Tenant does not make all Emergency Repairs, the Authority shall do so and will be reimbursed by the Tenant if such repairs do not qualify as capital expenditures. The Tenant shall hire a Consulting Engineer to inspect the Ballpark annually for any maintenance required to be completed with a report given to the Tenant and the Authority. The Tenant shall resolve such maintenance issues and administer a preventative maintenance program for such work. The Tenant shall cause a capital component inspection and report of the same with regard to the Ballpark during the term by an engineer. The Tenant shall make alterations which are necessary for safety operations, but cannot affect the structural integrity of the Ballpark, materially reduce the seating capacity, or materially increase the cost of retrofitting the Ballpark to meet MLB regulations. The Tenant shall keep the Ballpark and Appurtenant Area free from liens in connection with the construction and work done thereto and keep and hold the Authority harmless. Prior to work commencement, all necessary government permits and certificates for commencement and performance of such work and evidence of necessary insurance must be supplied to the other party.

Article 9. Indemnification.

In this Article, the Team, Tenant and the Authority shall indemnify, defend, hold harmless and pay the non-defaulting party for any damages arising out of breaches and Claims under this Agreement.

Article 10. Insurance.

This Article requires that the Tenant maintain "all-risk" property insurance, commercial general liability insurance, workers compensation insurance, automobile liability insurance and liquor liability insurance naming the Authority and the County as additional insureds. If the Tenant fails or refuses to maintain required insurance, the Authority shall give the Tenant notice and, if the Tenant fails to do so, obtain or perform any insurance requirement. Neither Party shall be liable to the other or any insurance company for loss or damage to property or loss of income if covered by insurance. The Tenant shall repair any damage to the Ballpark resulting from fire or other casualty to condition prior to such event. The Burlington Northern Santa Fe ("BNSF") Agreement shall be incorporated into this Agreement by an amendment and become a Related Agreement.

Article 11. Eminent Domain.

Per this Article, the Agreement shall terminate upon the taking of a material part of the Ballpark. The Authority shall restore the Ballpark upon termination of a temporary taking and, if the Ballpark is untenantable, the Tenant may make arrangements for an alternative site.

Article 12. Environmental Matters.

Under this Article, each party shall indemnify and hold the other harmless against claims or damages affecting the party arising from breach of representations and/or warranties, any violation of Environmental Permits or laws, Response Actions performed or the presence of any Regulated Substance or complaints pertaining to contamination caused by such party. The Team and the Tenant shall maintain all Required Environmental Permits and Reports, not permit Contamination unless authorized by governmental authorities and comply with Environmental laws. If any of the above are violated and the Team or the Tenant has actual knowledge, the Authority must be immediately notified.

Article 13. Default and Remedies.

Per this Article, an event of Default occurs upon: (i) either party's violation of the Agreement that continues for 30 days after written notice from the other party, subject to extension as required under the circumstances; (ii) any proceedings involving bankruptcy/insolvency of the Team or the Tenant which is not dismissed in 90 days; or (iii) an incorrect material representation or warranty by either Party. If an Event of Default occurs, the remedies of injunctive relief or specific performance are set forth and the parties waive the right to claim as a defense adequate compensation in damages in an action at law. The County and State are also entitled to such remedies against the Team, the Tenant and/or the MLB. The Tenant cannot terminate the Agreement due to an Authority Event of Default. The Tenant must

notify the Authority at least 90 days prior to any action, including any action imposed on the Tenant by MLB, that would cause a breach or default under this Agreement. Finally, the Tenant grants a security interest to the Authority in the Ballpark Personalty, including the Tenant's Ballpark Property, and the CapEx Fund, to secure payment and performance of the Tenant's obligations. Authority may terminate all Related Agreements if this Agreement is terminated due to an Event of Default by the Tenant.

Article 14. Representations and Warranties.

Under this Article, both parties and the Team represent and warrant that they have full legal authority to enter into the Agreement, there are no conflicts, title encumbrances, violations of laws or litigation with respect to either and that the Team and both parties will provide legal opinions stating the same.

Article 15. Miscellaneous.

This Article contains various miscellaneous provisions, including that the Agreement shall not be recorded but upon request, a memorandum shall be created (which may be record); that the Parties shall execute all necessary documents to comply with terms of the Agreement; that both parties to the Agreement shall act in good faith; and that the parties intend that the Agreement and all provisions thereof conform to the Act.