Economic Development Authority of the City of Richmond
Special Called Meeting Notice – June 8, 2023

WHAT: The City of Richmond's Economic Development Authority will hold a **Special Called Meeting.**

WHEN: Thursday, June 8, 2023, at 3:00 P.M.

WHERE: Main Street Station, 1500 East Main Street, 3rd Floor Conference Room

CONTACT: Carla Childs at (804) 646-7438 or carla.childs@rva.gov

For more information about The City of Richmond's Economic Development Authority (EDA),
Visit: http://www.richmondeda.com

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND
BOARD MEETING JUNE 8, 2023
SPECIAL CALLED BOARD MEETING AGENDA

I. Call to Order
   A. Public Meeting Disclosure

II. Public Comment (Maximum of Three Minutes Per Person)

III. New Business
   A. Resort Casino Escrow Agreement
   B. Richmond Riverfront Performing Arts Venue Amphitheater, LLC Performance Grant Agreement

IV. Adjournment

RESORT CASINO HOST COMMUNITY AGREEMENT

EXHIBIT E
ESCROW AGREEMENT
(Page 56)

RESORT CASINO HOST COMMUNITY AGREEMENT

THIS RESORT CASINO HOST COMMUNITY AGREEMENT (this "Agreement" or this "Host Community Agreement") is entered into as of the day of , 2023, by and between the City of Richmond, Virginia, a municipal corporation ("City") and political subdivision of the Commonwealth of Virginia, and RVA Entertainment Holdings, LLC, a Delaware limited liability company ("Owner"), collectively referred to in this Agreement as the "Parties" or individually, a "Party".

RECITALS

WHEREAS, the Virginia General Assembly has authorized the operation of a resort casino in the City pursuant to the provisions of Title 58.1, Chapter 41 of the Code of Virginia (the "Act");

WHEREAS, the City solicited from qualified applicants expressions of interest in being designated as a "preferred casino gaming operator" for the purpose of developing and operating a proposed "casino gaming establishment," all as contemplated by the Act;

WHEREAS, in response to such solicitation, the City reviewed a number of proposals and considered such proposals pursuant to the Act;

WHEREAS, after giving substantial weight to the standards and criteria set forth in the Act, the proposal put forward by Owner was determined by the City to be in the best interests of the City and its residents;

WHEREAS, the City seeks the development of a resort casino project with a minimum capital investment of $562,534,705 ("the Project" as further described herein), and the Owner seeks to design, finance, construct, operate and maintain the Project, with no financial obligation from the City;

WHEREAS, by Resolution No. 2021-R034, adopted June 14, 2021, the City Council of the City (the "City Council") selected Owner as the City's preferred casino gaming operator and authorized petitioning the Circuit Court of the City (the "Circuit Court") for a referendum to be held on the question of whether casino gaming should be permitted at a casino gaming establishment located at 2001 Walmsley Boulevard and 4700 Trenton Avenue in the City;

WHEREAS, the City and the Owner entered into a host community agreement dated July 29, 2021 (the "Previous Agreement") in accordance with certain conditions contained in Resolution No. 2021-R034;

WHEREAS, by letter dated July 20, 2021 the Virginia Lottery Board certified approval for the City to proceed to the local referendum required by Virginia Code §58.1-4123 and by order entered August 4, 2021 the Circuit Court ordered that such referendum be placed on the ballot at the general election to be held on Tuesday, November 2, 2021;

WHEREAS, the referendum placed on the ballot at the general election held on Tuesday, November 2, 2021 failed to pass;

WHEREAS, by its terms the Previous Agreement terminated upon the failure of the referendum to pass;

WHEREAS, by Resolution No. 2022-R003, adopted January 24, 2022, the City Council again selected Owner as the City's preferred casino gaming operator and authorized petitioning the Circuit Court for a referendum to be held in November 2022 on the question of whether casino gaming should be permitted at a casino gaming establishment located at 2001 Walmsley Boulevard and 4700 Trenton Avenue in the City;

WHEREAS, notwithstanding the provisions of the Act, the Virginia state budget approved by the Virginia General Assembly and signed into law by the Governor in June 2022 included a provision precluding the City from holding a referendum on the question of casino gaming in the city of Richmond "until November 2023" and no such referendum was held in 2022;

WHEREAS, in accordance with Resolution No. 2023-_____, adopted _____, 2023, by the City Council, the City again selected the Owner as its preferred casino gaming and resolved that if the City receives certification by the Board (as defined below) pursuant to section 58.1-4107 of the Act and the City and the Owner have executed this Agreement, the City will petition the Circuit Court asking that a Referendum (as defined below) again be held pursuant to section 58.1-4123 and 24.2-684 of the Act; and

WHEREAS, the agreements, commitments and obligations in this Agreement were a material inducement to the City selecting Owner as the City's "preferred casino gaming operator" and a material inducement to Owner to continue to pursue such selection.

NOW, THEREFORE, in consideration of the covenants and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Owner agree as follows:

Article I.
PRELIMINARY PROVISIONS

Section 1.02 Purpose. The purpose of this Host Community Agreement is to set forth the terms and conditions governing the Parties' obligations, responsibilities and rights with respect to the successful and timely delivery of the Project and its operation.

Section 1.03 Order of Precedence. Except as otherwise expressly provided in this Section 1.03, if there is any conflict, ambiguity or inconsistency among the provisions of the Host Community Agreement and any City ordinances, the order of precedence will be as follows, from highest to lowest:

(c) the City ordinances adopted by the City Council on [•], 2023 approving the execution and delivery of this Host Community Agreement;

(d) any amendments to this Host Community Agreement;

(e) the provisions of the main body of this Host Community Agreement;

(f) the Exhibits to this Host Community Agreement; and

(g) the Escrow Agreement.

Section 1.04 Definitions. The following defined terms shall have the meaning as set forth below in this Agreement:

"Act" means Title 58.1, Chapter 41 and Section 24.2-684 of the Code of Virginia, and includes the Act as amended from time to time, together with all rules and regulations issued by the Board in connection therewith or promulgated thereunder.

"Affiliate" means a Person that directly, or indirectly through one or more intermediaries, Controls or is

Controlled by, or is under common Control with, another Person. Affiliates of Owner shall include, without limitation, Manager, RVA Entertainment Investors, LLC, RVA Holdings Group, LLC, UONE RVA Entertainment Holdings, LLC, Richmond VA Management, LLC and Urban One, Inc. and Churchill Downs, Inc.

"Agreement" means this Host Community Agreement.

"Board" means the Virginia Lottery Board, or its successors, and its staff and director.

"Business Day(s)" means that day that is neither a Saturday, a Sunday nor a day observed as a legal holiday by the City, the State, or the United States government (and for any transaction involving cash any day that is not a holiday generally recognized by national banks).

"Calendar Month" means the applicable calendar month within the twelve (12) months of a Calendar Year.

"Calendar Year" means January 1 through December 31 of any given calendar year.

"Capital Investment" means all expenditures by or on behalf of the Owner with respect to development of the Project, which expenditures include the purchase price of the Property, payments to the City upon passage and certification of the results of the Referendum and upon closing upon Financing, and the hard and soft costs associated with the Project, including the construction costs, financing costs directly incurred in developing the Project, and other costs, reasonably conforming to the categories and amounts as set forth on the Development Cost Schedule at Exhibit F.

"Casino" means the casino described in Section 2.04(d) and includes any portion of the Project at Final Completion wherein gaming is conducted on the Site by Owner pursuant to this Agreement, including all buildings, improvements, equipment, and facilities used or maintained in connection with and in support of such gaming.

"Casino Gaming Operations" means any gaming operations (including sports wagering) permitted under the Act and offered or conducted at the Site in connection with or related to the Project; provided, however, notwithstanding anything herein to the contrary, Casino Gaming Operations (including sports wagering) do not include any mobile wagering that could otherwise be conducted irrespective of location.

"Casino License" means the license issued by the Board to operate the Casino or the Gaming Facility, as applicable, and all other related Gaming Approvals necessary to engage in Casino Gaming Operations.

"Chief Administrative Officer" or "CAO" means the Chief Administrative Officer of the City.

"City" means the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia.

"City Code" means the Code of the City, as that Code may be amended or recodified at any time.

"City Default" is defined in Section 11.04.

"City Sports Wagering Payment" is defined in Section 9.04.

"Community Benefits" means those requirements contained in Article VIII.

"Community Support Agreement" means the Community Support Agreement between the City, the Owner and the Manager dated as of the date of this Agreement.

"Condemnation" means a taking (or deed-in-lieu thereof) of all or any part of the Project by eminent domain, condemnation, compulsory acquisition or any similar proceeding by a competent authority for a public or quasi-public use or purpose.

"Control(s)" or "Controlled" means the actual possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, as such terms are used by and interpreted under federal securities laws, rules and regulations.

"Day(s)" or "day(s)" means a calendar day; provided that if any period of Days referred to in this Agreement shall end on a Day that is not a Business Day, then the expiration of such period shall be automatically extended until the end of the first succeeding Business Day.

"Direct or Indirect Interest" means an interest in an entity held directly or an interest held indirectly through interests in one or more intermediary entities connected through a chain of ownership to the entity in question, taking into account the dilutive effect of the interests of others in such intermediary entities.

"Effective Date" is defined in Section 16.01.

"Escrow Agent" means Truist Bank.

"Escrow Agreement" means the Escrow Agreement by and among the City, the Owner and the Escrow Agent.

"Final Completion" means for the Project, the completion of the Work, as evidenced by the entitlement to or receipt of a certificate of occupancy (preliminary or permanent) issued by the appropriate Governmental Authority for all components to which a certificate of occupancy would apply, and that one hundred percent (100%) of the parking area and structure, hotel, Casino, the venue, the conference center, the retail floor space and restaurant floor space are open to the public for their intended use (in the case of the retail and restaurant floor spaces, when components are completed as shells and available for leasing). Final Completion shall not refer to completion of work necessary for the Gaming Facility unless explicitly set forth in the applicable provision.

"Final Completion Date" means the date on which Final Completion shall have occurred and which date shall be no later than three (3) years after the date the Gaming Facility opens for business to the public (but in no event later than five (5) years and six (6) months following the Referendum Passage).

"Financing" means each of the Gaming Facility Financing and the Permanent Facility Financing.

"Force Majeure" means the following events or circumstances, to the extent that they delay or otherwise adversely affect the performance beyond the reasonable control (i) of Owner, or any of its agents and contractors, of their duties and obligations under this Agreement, or (ii) of City, or any of its agent and contractors, of their duties and obligations under this Agreement:

(1) Strikes, lockouts, labor disputes, inability to procure materials, failure or material interruption of utilities, labor shortages or explosions;

(2) Changes in Governmental Requirements by any Governmental Authority, first effective after the date of this Agreement;

(3) Acts of God, including but not limited to tornadoes, hurricanes, floods, sinkholes, fires and other casualties, landslides, earthquakes, order of or a formal recommendation of or other official recognition by civil authorities with respect to epidemics, pandemics, quarantine and pestilence, or abnormal inclement weather;

(4) Acts of a public enemy, acts of war, terrorism (domestic or foreign), effects of nuclear radiation, blockades, insurrections, riots, civil disturbances, or national or international calamities;

(5) Concealed and unknown conditions of an unusual nature that are encountered below ground or in an existing structure;

(6) Any temporary restraining order, preliminary injunction or permanent injunction, or mandamus or similar order, unless based in whole or in part on the actions or failure to act of Owner;

(7) Causes beyond the reasonable control of the Party seeking the benefits of this definition; or

(8) In the case of the City, an event of default on the part of Owner, and in the case of Owner, an event of default on the part of the City.

"Foreclosing Lender" is defined in Section 10.05 of this Agreement.

"Gaming Approvals" means any license, permit, finding of suitability, approval, order, decree or other action of a Gaming Authority required with respect to the Project by the terms of this Agreement.

"Gaming Authorities" means the Virginia Lottery Board and all other agencies, authorities and instrumentalities of the City, State, or the United States, or any subdivision thereof, having jurisdiction over the gaming or related activities at the Project, including their respective successors.

"Gaming Facility" is defined in Section 2.03.

"Gaming Facility Financing" means the act, process or an instance of obtaining funds for the Gaming Facility, whether secured or unsecured, including but not limited to (i) issuing securities; (ii) drawing upon any existing or new credit facility; or (iii) contributions to capital by any Person.

"Gaming Laws" means all laws (including the Act), including any rules, regulations, judgments, injunctions, orders, decrees or other restrictions of any Gaming Authority, applicable to the gaming industry or the manufacture, sale, lease, distribution or operation of gaming devices or equipment, the design, operation or distribution of internet gaming services or products, online gaming products and services, the ownership or operation of current or contemplated casinos, sports wagering, online gaming or any other gaming activities and operations, each to the extent applicable to the Parties.

"Good Industry Practice" means standards, practices, methods and procedures conforming to the Law and the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced Person engaged in a similar type of undertaking under the same or similar circumstances in the same jurisdiction.

"Governmental Approval" means any right, license, registration, Permit, certification, approval, consent, finding of suitability, waiver, approval, authorization or order of a Governmental Authority.

"Governmental Authority" or "Governmental Authorities" means any federal, state, county or municipal governmental authority, including all executive, legislative, judicial and administrative departments and bodies thereof (including any Gaming Authority) having jurisdiction over the Project.

"Governmental Requirements" means all laws (including the Gaming Laws), ordinances, statutes, executive orders, rules, zoning requirements and agreements of any Governmental Authority that are applicable to the acquisition, remediation, renovation, demolition, development, construction and operation of the Project including all required Permits, approvals or findings of suitability, and any rules, guidelines or restrictions enacted or imposed by Governmental Authorities, but only to the extent that such laws, ordinances, statutes, executive orders, zoning requirements, agreements, Permits, approvals, rules, guidelines and restrictions are valid and binding on Owner and Owner would be required to comply with the same without regard to this Agreement.

"Indemnified Parties" or "Indemnified Party" means the City and all of its agents, employees, officers, volunteers, contractors, legal representatives, successors and assigns, and each of them.

"Infrastructure Improvements" is defined in Exhibit B ("Infrastructure Conditions").

"Key Professional Project Participant" is defined in Section 4.05.

"Law" or "Laws" means any one or more present and future laws, ordinances, rules, regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the Parties, the Property or any portion thereof, or the Project, or any portion thereof, including, without limitation, hazardous materials laws, whether or not in the present contemplation of the Parties, and including, without limitation, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions.

"Local Richmond Restaurant" means an independent restaurant business located in Richmond, VA that is not associated with or part of any corporate brand, chain or franchise, is local to the City, and is owned, managed and operated locally with sole independent decision making authority over all restaurant operations.

"Loan Default" means a matured event of default or default or event or condition which, with respect to Owner without further action, notice or passage of time, would entitle a Mortgagee to exercise the right to foreclose upon, acquire, possess or obtain the appointment of a receiver or other similar trustee or officer over all or a part of Owner's interest in the Project, and which event or default or default is not subject to a waiver or forbearance agreement from the Mortgagee.

"Loss" or "Losses" when used with reference to any indemnity means, with respect to any Person, any and all claims, demands, losses, liabilities, damages, liens, obligations, interest, injuries, penalties, fines, lawsuits, and other proceedings, judgments and awards and costs and expenses, (including, without limitation, reasonable attorneys' fees, costs of litigation, and reasonable consultants' fees and costs) that may be directly incurred by such Person.

"Luxury Hotel and First Class Resort Casino Standards" means the standard of quality , construction and operations established and maintained at the Terre Haute Casino Resort and the Rivers Casino in Des Plaines, Illinois with respect to first class resort casino standards and AAA Four Diamond standards of quality and construction and amenities (other than a requirement for a fine dining restaurant being within the hotel) with respect to luxury hotel standards, provided that after Final Completion of the Project, Owner may modify such standard from time to time based on performance of the Project or competition in the market, so long as (a) such

modification does not materially reduce such standard, and (b) such modification does not conflict with the Development Cost Schedule.

“Manager” means Richmond VA Management, LLC, a Delaware limited liability company.

“Management Agreement” means the Second Amended and Restated Management Agreement between the Owner and the Manager, or any successor agreement for the management or operation of the Project.

“Major Condemnation” means a Condemnation either (i) of the entire Project, or (ii) of a portion of the Project if, as a result of the Condemnation, it would be imprudent or commercially unreasonable to continue to operate the Project even after making all reasonable repairs and restorations.

“Material Adverse Effect” is defined in Section 2.05(a).

“Milestone Schedule” means the schedule for the development of the Project attached hereto as Exhibit C.

“Minimum Payment” is defined in Section 9.04(a)(i).

“Minor Condemnation” means a Condemnation that is not a Major Condemnation.

“Mortgage” means a mortgage or deed of trust on all or any part of Owner's interest in the Project.

“Mortgagee” means the holder from time to time of a mortgage or deed of trust on all or any part of Owner's interest in the Project.

“Nominee” is defined in Section 10.05(a) of this Agreement.

“Onsite Sports Wagering” is defined in Section 9.04(c).

“Owner” is RVA Entertainment Holdings, LLC.

“Owner Default” is defined in Section 11.01.

“Party” or “Parties” is defined in the preamble to this Agreement.

“Permanent Facility” means the portion of the Project not constituting the Gaming Facility.

"Permanent Facility Financing” means the act, process or an instance of obtaining funds for the Permanent Facility, whether secured or unsecured, including but not limited to (i) issuing securities; (ii) drawing upon any existing or new credit facility; or (iii) contributions to capital by any Person.

“Permits” means all licenses, findings of suitability, permits, approvals, consents and authorizations that Owner or its Affiliates is required to obtain from any Governmental Authority, including but not limited to the City, to perform and carry out its obligations under this Agreement including permits and licenses necessary to demolish, build, open, operate and occupy the Project.

“Person” means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

“Project” means a resort casino hotel project with a minimum Capital Investment of $562,534,705 designed,

constructed, financed, operated, and maintained in accordance with this Agreement. "Project" (a) includes the Infrastructure Improvements, the Casino, the hotel, the venue, the conference center and all buildings, parking areas, structures, recreational or entertainment facilities, restaurants or other dining facilities, bars and lounges, retail stores and other amenities that are connected with, or operated in such an integral manner as to form a part of the same operation whether on the same tract of land or otherwise, and (b) is comprised of the Gaming Facility and Permanent Facility.

"Project Reporting Manager" is defined in Section 4.05.

"Property" is defined in Section 2.01 herein.

"Referendum" means the casino gaming referendum to be held in the City pursuant to the Act on such date in Calendar Year 2023 as ordered by the Circuit Court pursuant to Section 24.2-682 of the Code of Virginia.

"Referendum Passage" means the successful passage and certification of the results of the Referendum.

"Referendum Payment" is defined in Section 9.02 herein.

"Regulatory Approval" means any authorization, approval or permit required or granted by any governmental organization having jurisdiction over the Property, the Project or the Work including, but not limited to, the City, the Board and the State.

"Representatives" means a Person's respective members, managers, officers or directors.

"Resort Casino Gaming Revenue" is defined in Section 9.04(a)(i).

"Site" means the Property.

"State" means the Commonwealth of Virginia.

"Sports Betting Operator" means the third-party operator of sports wagering at the Casino.

"Substantial Completion" means for the Project, the completion of the Work (not including the hotel and food and beverage venues in the hotel and those other amenities that are designed to reside in the hotel portion of the Project), as evidenced by the entitlement to or receipt of a certificate of occupancy (preliminary or final) issued by the appropriate Governmental Authority for all components to which a certificate of occupancy would apply (not including the hotel and food and beverage venues in the hotel and those other amenities that are designed to reside in the hotel portion of the Project), and that one hundred percent (100%) of the parking area and structure, Casino, the venue, the conference center, the retail floor space and restaurant floor space not residing in the hotel portion of the Project are open to the public for their intended use (in the case of the retail and restaurant floor spaces, when components are completed as shells and available for leasing).

"TIA" is defined in Section 5.02(c).

"Transfer" means (i) any sale (including agreements to sell on an installment basis), assignment, transfer, alienation, merger, consolidation, reorganization, liquidation, or any other disposition by operation of law or otherwise or (ii) the issuance of new or additional equity interests in the ownership of Owner, either of which results in Urban One, Inc. and/or Alfred C. Liggins, III ceasing to own (directly or indirectly) forty percent (40%) of the voting equity interests of the Owner; provided, however, in no event shall any transfer of equity interests in RVA Entertainment Investors, LLC between UOne RVA Entertainment Holdings, LLC, RVA and RVA

Holdings Group, LLC be a "Transfer" for purposes of this definition.

"Work" means collectively, the development, planning, financing, funding, demolition, design, acquisition, installation, construction, draining, dredging, excavation, grading, completion, management, renovation, major repair, operation, ordinary repair, maintenance and similar activities and any other services be performed by Owner in connection with delivering the Project.

Article II.
PROJECT DESCRIPTION; DEVELOPMENT AND OPERATION STANDARDS

Section 2.01 Conditions Precedent; Project Site.

(a) Referendum. Owner's obligations under this Agreement, including but not limited to the obligation to make any payments to the City, are conditioned upon a majority of those voting in the Referendum voting in the affirmative for the development and operation of a casino resort at the Property by the Owner. For the avoidance of doubt, with the exception of any obligations which expressly survive termination or expiration of this Agreement, this Agreement shall be void and of no force and/or effect if a majority of those voting do not approve the Referendum. City's obligations under and the effectiveness of this Agreement are expressly conditioned upon receipt of the following agreements being executed prior to or contemporaneously with this Agreement: (i) the Escrow Agreement, (ii) the Management Agreement, and (iii) the Community Support Agreement among the City, the Manager and the Owner, all in form and substance reasonably satisfactory to the City and Owner.

(b) Location. The Project will be located on the real property known as the former "Philip Morris Operations Center", located at 2001 Walmsley Boulevard in the City and identified as Parcel Number S0090310019 in the 2022 records of the City Assessor (approximately 36.99 acres) and 4700 Trenton Avenue in the City and identified as Parcel Number S0090387001in the 2022 records of the City Assessor (approximately 60.1 acres), all as generally shown on Exhibit A (the "Property").

Section 2.02 Operating Standard. The Project shall be constructed, and when complete, maintained and operated by Owner according to the Luxury Hotel and First Class Resort Casino Standard. So long as Casino Gaming Operations would be permitted by law to operate at the Project (assuming the existence of a valid Casino License), the primary business to be operated at the Project shall be Casino Gaming Operations. Owner agrees to make such additional capital expenditures it determines are reasonably necessary each year to maintain the Project at Luxury Hotel and First Class Resort Casino Standards. In the event that the City believes that Owner is not complying with the Luxury Hotel and First Class Resort Standard, it shall notify Owner in writing, including the factual basis of its belief. In such event, Owner and City shall promptly meet to discuss such issues in good faith. If the City and Owner fail to reach an agreement regarding whether Owner is complying with the Luxury Hotel and First Class Resort Casino Standard, or fail to agree upon a plan for complying with such standards, then such dispute shall be resolved by arbitration pursuant to Exhibit I ("Arbitration"). In no event shall any such dispute constitute a basis to terminate the interests of Owner under this Agreement unless and until a final determination ("Final Determination") of the dispute is rendered pursuant to the Arbitration and only if Owner fails, after notice and expiration of the applicable cure period, to perform its obligations in accordance with such Final Determination and the terms of this Agreement. Provided, however, in the event that the Final Determination is contested by legal proceeding, the time in which Owner must cure any such default shall not commence until a final, non-appealable determination has been made with respect to such legal proceeding.

Section 2.03 Phases.

(a) Phase I. Owner shall finance and construct the Casino described in Section 2.04(d) (the "Gaming Facility") prior to the completion of the Project in accordance with the Milestone Schedule attached as Exhibit C hereto (subject in all respects to Force Majeure).

(b) Phase II. After completion of Phase I, Owner shall finance and construct the remainder of the Project in accordance with the Milestone Schedule attached as Exhibit C hereto (subject in all respects to Force Majeure).

Section 2.04 Final Project.

(a) Resort Casino Hotel Development. Owner shall design, construct, finance, operate and maintain on the Property a luxury resort casino hotel development with approximately 1,061,000 square feet under roof (with a minimum of 1,007,950 square feet) (or, alternatively, Owner shall cause the same to occur) in accordance with the Milestone Schedule attached as Exhibit C hereto (subject in all respects to Force Majeure), the Luxury Hotel and First Class Resort Casino Standard in accordance with and subject to the terms of this Agreement and applicable Law.

(b) Capital Investment. Owner shall make a minimum Capital Investment of $562,534,705 (subject to the contingencies in Exhibit F). Owner shall provide to City evidence of all hard and soft costs expended on the Project.

(c) Obligations. Owner shall perform the Work (or, alternatively, Owner shall cause the same to occur) necessary to develop and complete the Project in accordance with the Milestone Schedule (subject in all respects to Force Majeure), this Agreement, the Infrastructure Conditions, as applicable, and applicable Law.

(d) Uses and Minimum Square Footages. Owner shall develop the Project, branded as "ONE Casino + Resort" (or such other brand determined by Owner after consultation with City) and, in connection therewith, develop and operate the following uses and square footage associated with each, subject to the provisions below:

(i) Hotel. A luxury class hotel with a minimum of 250 rooms, a minimum of twelve (12) stories tall, resort size swimming pool, spa and fitness center. The hotel, with the convention and spa area shall be approximately 265,000 square feet (minimum of 251,750 square feet). The location of a possible additional hotel tower shall be identified for possible future development, as determined by Owner in its sole discretion so long as the location is on the Property and does not adversely affect the size of the "green space and park" described below.

(ii) Casino. A casino ("Casino") with approximately 90,000 square feet (with a minimum of 85,500 square feet) of casino gaming space; poker room; high limit gaming area; onsite sportsbook to be operated by the Sports Betting Operator; with win percentages posted in the Casino. The total of the gaming floor and support areas shall be approximately 117,000 square feet (minimum of 111,150 square feet).

(iii) Conference Center / Entertainment Venue. A conference center of approximately 70,000 square feet (with a minimum of 66,500 square feet) of flexible meeting, convention and event space, which can, in part, be used as an entertainment venue of approximately 3,000 person capacity (with a minimum of 2,850 person capacity). Live Nation (or such other company determined by Owner after

consultation with City) will provide major act booking for the Entertainment Venue and will conduct a study to determine if the size of the entertainment venue should be larger.

(iv) Food and Beverage. Space for a minimum of 15 food and beverage offerings (approximately 84,000 square feet (including support areas); minimum of 79,800 square feet (including support areas)) pursuant to a food and beverage plan which shall provide for at least four non-food hall "sit down" establishments. Owner shall ensure that a minimum of 50% of all non-"sit down" establishments ("50% Non-Sit Down Threshold") will be operated by Local Richmond Restaurants at the opening of the Project; provided, however, that any failure of Owner, after using commercially reasonable best efforts, to meet the 50% Non-Sit Down Threshold as of opening of the Project shall not constitute a breach of this Agreement. In connection with the opening of the Project, Owner shall further ensure that at least three Local Richmond Restaurants will have a right of first refusal for three of the "sit down" establishments. In connection with the opening of the Project, Owner shall complete the tenant build out of the food and beverage space for the Local Richmond Restaurants at no cost to said providers (excluding any operational equipment and wares and any decorative installations, signage and branding) and provide the leased space at no cost during the first four months of operation following the opening of the Project. At any time (and from time to time) after the first anniversary of the Final Completion Date of the Project, Owner may reduce the number of "sit down" and/or non-"sit down" establishments (each, a "Closed Restaurant") in its sole business judgment; provided, however, that in the event Owner determines to reopen a Closed Restaurant, Owner will provide a right of first refusal to Local Richmond Restaurants (if Local Richmond Restaurants comprise fifty percent (50%) or less of all "sit down" or non-"sit down" establishments at such time) for at least thirty (30) days. Square footage associated with any Closed Restaurant may be reconfigured by Owner for other commercial uses.

(v) Parking Structure and Surface Parking. Parking for the Project shall be no less than required by City regulations (on the date of this Agreement), shall include approximately 1,200 spaces in a parking structure on the Site (approximately 525,000 square feet and a minimum of 498,750 square feet; minimum of 1,000 structured parking spaces) and surface parking of approximately 910,000 square feet. Owner shall not charge Project patrons or guests for parking at the Project, with the exception of any paid valet parking service.

(vi) Green Space and Park. Approximately 55-acres of green space and park shall be developed and maintained by Owner at its sole cost on the Site for the Project. The green space and park shall be an amenity for the Project and accessible by the public. The parties agree that such total amount of green space and park shall be maintained by Owner and is not subject to redevelopment.

(vii) Studio and Production Space. Radio production studio space and approximately 15,000 square feet (a minimum of 14,250 square feet) of television and film production studio space in the Project; provided, that after the sixth anniversary of the Final Completion Date of the Project, Owner may reevaluate the configuration and usage of the associated space to reflect then current commercial demand; provided, however, that in no event will any reconfiguration or modification of use change the obligations of Owner in Section 12.05.

(e) Architectural Review, Design Standards and Elements.

(i) Owner shall construct the Project (which will include the elements described in this Article II) as new construction consistent with the Luxury Hotel and First Class Resort Casino Standards, the Act and all other Governmental Requirements and in compliance with this Agreement.

(ii) Owner shall conduct a design charrette, and City staff shall be entitled to participate in such design

charrette with Owner. The City shall have the right to consultation and architectural review of the Project prior to Owner submitting a plan of development and building plans for the Site and Project for review and approval through the City's regular planning and development approval process. Notwithstanding the foregoing or anything in this Agreement to the contrary but subject to applicable Law, as between the City and Owner, Owner shall maintain all control of the Project, including all authority over all design and construction of the Project.

(iii) The Project shall include art valued in the aggregate minimum amount of $500,000. Artists from Richmond (35% of the total $500,000 spend on local artists) and Virginia (65% of the total $500,000 spend on local artists) will be commissioned to create art. Art created by such artists will be utilized or displayed (together with art created by other artists in Owner's sole discretion) throughout the facility, including on rotating art walls that will act as exhibit space to local artists.

(iv) Owner shall design and construct all the buildings within the Project to LEED Silver standards and shall use pervious pavement where appropriate. For the avoidance of doubt, the requirement in this subsection 2.04(e)(iv) shall not prohibit smoking at the Project.

(v) Owner shall attempt to reduce the heat island effect by planting shade trees along sidewalks and in other outdoor landscaping and use other appropriate methods to reduce urban heat such as the use of pervious pavement where possible.

(f) Gas Service. Owner acknowledges City's desire that Owner use the City's Richmond Gas Works gas utility enterprise supplied natural gas ("Natural Gas") to serve various utility needs within the buildings at the Property, including without limitation, space heating, hot water, commercial dryers, cooking and other appliances. Additionally, Owner shall use Natural Gas where reasonable elsewhere in the Project, and shall, if commercially reasonable in Owner's business judgment, use Natural Gas when requested by a tenant; provided that in each instance where Owner or a tenant uses Natural Gas it shall be supplied by Richmond Gas Works.

(g) Stormwater Detention.

(i) 10-year Storm Peak Flow Rate Control. Owner shall utilize stormwater management and green infrastructure practices to maintain detention of the peak discharge from the 10-year Storm, which is 24-hour, 10-year frequency storm event, for the Property. More specifically, Owner shall maintain detention of the post-development peak discharge rate for the 10-year Storm for the Property at a level that is equal to or less than the pre-development peak discharge rate for the 10-year Storm for the Property.

(ii) Sanitary Sewer Peak Flow Rate Control. In addition to accounting for the 10-year Storm on the Property, Owner shall reduce peak stormwater flows by the amount of the projected sanitary sewer flows that will be generated on the Property by the Project calculated pursuant to Sections 2.2.3.B and 2.2.4.C of the City of Richmond, Department of Public Utilities, Sanitary Sewer System Design Guidelines, Standards Specifications and Details, revised: December 1, 2010, as such sections may be amended or modified. Owner shall provide to the City the sanitary sewer flow projections, in accordance with the provisions of Exhibit B (Infrastructure Conditions), along with plans to detain the volume of stormwater equal to such projected sanitary sewer flows.

(iii) Stormwater Practices. Owner shall install and maintain on the Property, at Owner's expense, stormwater management and green infrastructure practices to achieve Owner's stormwater detention and reduction obligations under this Section 2.04(g). Owner shall comply with all applicable

stormwater laws and obtain all legally required stormwater Permits and Governmental Approvals.

(iv) Stormwater Detention Prerequisite to Sewer Tie-ins. The City's Director of Public Utilities shall review and approve or reject the sanitary sewer flow projections and all stormwater detention plans provided by Owner, to determine whether such flow projections and stormwater detention plans comply with this Section 2.04(g) and applicable City codes and ordinances, and to require maintenance agreements and sureties for stormwater detention facilities, before any corresponding sewer tie-in is performed to serve the Project.

Section 2.05 Operational Matters.

(a) Legal Compliance. Owner shall use its commercially reasonable best efforts to obtain those Permits and Governmental Approvals required to commence operations and operate its business. Owner shall preserve, renew and keep in full force and effect the Permits and Governmental Approvals required to operate its business in compliance with applicable Governmental Requirements (whether now in effect or hereafter enacted), except as would not have a Material Adverse Effect (as defined below) on the business operation of the Casino (or the Project) taken as a whole. For the avoidance of doubt, any failure to preserve, renew and keep in full force and effect such Permits and Governmental Approvals and act in compliance with same that could be reasonably expected to result in a suspension of business operations or suspension of or revocation of Owner's Casino License would have a material adverse effect on the business operation of the Casino (or the Project) taken as a whole (a "Material Adverse Effect").

Owner shall, and shall cause its Affiliates and Representatives and the Manager to, use their respective commercially reasonable best efforts to cooperate with the other Parties hereto to (i) as promptly as reasonably practicable, take, or cause to be taken, appropriate action, and do, or cause to be done, those things reasonably necessary under applicable Governmental Requirements to comply with the obligations set forth in (and consummate the transactions contemplated by) this Agreement, (ii) obtain from any Governmental Authorities any Permits and Governmental Approvals required to be obtained by Owner or any of its respective Affiliates or Representatives or the Manager, as applicable, in the case of clauses (i) or (ii), in connection with the authorization, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and (ii) make all necessary filings, as applicable, and thereafter make any other required submissions with respect to this Agreement, as required in order to obtain all applicable approvals of Governmental Authorities. The Owner shall, and shall cause its respective Representatives and Affiliates and the Manager, to (x) file all required applications and documents in connection with obtaining the required Governmental Approvals (including under the Act and other applicable Gaming Laws), (y) act diligently to pursue the Governmental Approvals and (z) cooperate with other Parties in connection with the making of all filings referenced in the preceding sentence. Owner shall and shall cause its applicable Affiliate and Representatives and the Manager to use their commercially reasonable best efforts to schedule and attend any hearings or meetings with Governmental Authorities to obtain the Governmental Approvals. The Parties will keep each other reasonably advised of the receipt of comments or requests from Governmental Authorities that could reasonably be expected to result in the material delay or denial of any Permits necessary for the opening of the Project or the continued business operations of the Casino and Project, except as would not constitute a Material Adverse Effect.

(b) Public Safety. The Owner shall provide access to a security room for the Richmond Police Department to respond to incidents as they occur and to process arrestees and conduct investigations as they occur. The Owner and Manager shall provide real time access to exterior video cameras on the Property. When additional security or law enforcement is required, the Owner shall give strong preference to the use of

off-duty Richmond Police Department personnel (pending availability and subject to applicable Gaming Laws) in accordance with the Richmond Police Department's standard agreements. The Project shall have location identifiers on external doors, light poles, surface lots, structured parking, and other appropriate locations on the property. Each telephone on the Property will transmit a unique caller ID telephone number and name/location.

(c) Tourism. The Owner shall collaborate with the City to provide an appropriately sized space (e.g., a kiosk or desk) in the Project hotel lobby or other appropriate facility location mutually agreed upon by the Parties for a Richmond Region Tourism Information Desk and representative.

(d) Point & Reward Program. Owner shall implement a "point & reward program" with respect to the Project that will allow patrons to redeem points for food, beverage, merchandise, and admission to businesses and organizations in the City. The Owner will not charge a set-up fee for businesses and organizations in the City to participate in such program, but operational costs would be recoverable by Owner on a reasonable basis consistent with similar programs in other cities.

Article III.
REAL ESTATE

Section 3.01 Zoning and Land Use Approvals. Owner will be solely responsible for obtaining any special use permit, rezoning, or zoning modification that may be required in order to permit Owner to proceed with the Project. Owner shall diligently pursue any special use permit, rezoning, or other regulatory approval necessary to increase the signage height or building height beyond the height currently permitted by applicable zoning regulations. Nothing in this Agreement is to be deemed an agreement by City to provide any Regulatory Approval of any kind. City agrees to cooperate in good faith with Owner's efforts to satisfy the obligations of Owner set forth in Section 3.01. City will assign a project expeditor to ensure that various City departments respond to submittals made by the Owner in connection with the construction and development of the Project in a timely manner.

Article IV.
DEVELOPMENT OF PROJECT

Section 4.01 General Obligations.

(a) General. Owner shall be solely responsible for performing (or, alternatively, Owner shall cause to be performed any portion of) all Work necessary to design, build, and where applicable, finance, operate and maintain the Project in accordance with the Milestone Schedule (subject in all respects to Force Majeure), Good Industry Practice, applicable Law, and any other requirements in this Host Community Agreement.

(b) Cost and Expense. Owner shall satisfy its obligations under this Agreement at its sole cost and expense, without any legal, moral or financial recourse to City except for the right to enforce the provisions of this Agreement. Owner shall provide evidence of equity and debt financing for the Project reasonably satisfactory to the City. The equity component for the Project shall be a minimum of $140,035,000 (inclusive of all investors). The City shall not provide any abatements, exemptions, subsidies, incentives, rebates, financing, financial waivers, or any other type of funding or tax relief for the Project during the life of the Project.

(c) Milestone Schedule. Owner shall perform (or, alternatively, Owner shall cause to be performed) the

Work and deliver the Project in accordance with the Milestone Schedule (subject in all respects to Force Majeure).

(d) City Regulatory Approvals. Owner acknowledges and agrees that the status, rights and obligations of City, in its proprietary capacity under this Agreement, are separate and independent from the status, functions, powers, rights and obligations of City and that nothing in this Agreement shall be deemed to limit, influence or restrict City in the exercise of its governmental regulatory powers and authority with respect to Owner, the Project or otherwise, or to render City obligated or liable under this Agreement for any acts or omissions of the City in connection with the exercise of its independent governmental regulatory powers and authority.

Without limiting the preceding sentence, Owner acknowledges that this Agreement does not limit Owner's responsibility to obtain all Regulatory Approvals (and pay all related processing and development fees and satisfy all related conditions of approval) for such uses, including, but not limited to, zoning and building code permits and regulations. Owner understands that the entry by City into this Agreement shall not be deemed to imply that Owner will be able to obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Project or the Property or from the City itself. By entering into this Agreement, City is in no way modifying Owner's obligations to cause the Property to be used and occupied in accordance with all applicable Laws, as provided herein. Nothing herein shall be deemed to limit the rights and obligations of Owner or City under any Law as pertaining to the Project.

Section 4.02 Approval of Other Agencies; Conditions. City and Owner acknowledge that the Project, and Owner's contemplated uses and activities on the Property may require that Regulatory Approvals be obtained from governmental agencies with jurisdiction over the Property. Owner shall be solely responsible for obtaining all such Regulatory Approvals as further provided in this Section. In any instance where City will be required to act as a co- permittee, and in instances where modifications are sought from any other governmental agencies in connection with Owner's obligations regarding any hazardous materials release, or where Owner proposes any construction that requires City's input or approval, Owner shall not apply for any Regulatory Approvals (other than a building permit from the City) without first obtaining the input or approval of City, which input or approval (except as otherwise expressly provided herein) will not be unreasonably withheld, conditioned or delayed. Owner shall not agree to the imposition of conditions or restrictions in connection with its efforts to obtain a Regulatory Approval from any regulatory agency, if City is required to be a co- permittee under such Regulatory Approval or the conditions or restrictions could create any obligations on the part of City whether on or off the Property, unless in each instance City has previously approved such conditions in writing in City's sole and absolute discretion. Except as otherwise expressly set forth herein, no such approval by City shall limit Owner's obligation to pay all the costs of complying with such conditions under this Section. All costs associated with applying for and obtaining any necessary Regulatory Approval shall be borne by Owner. The consent of City (which shall not be unreasonably withheld, conditioned, or delayed), shall be required with respect to Owner's exercise of any right to appeal or contest in any manner permitted by law any condition imposed upon any such Regulatory Approval with respect to such co-permittee arrangement. Owner shall pay and discharge any fines, penalties or corrective actions imposed as a result of the failure of Owner to comply with the terms and conditions of any Regulatory Approval, and City shall have no liability for such fines and penalties. Without limiting the indemnification provisions in this Agreement, the Owner shall indemnify the Indemnified Parties from and against any and all such fines and penalties (to the extent such Indemnified Party or City actually incurs a monetary loss), together with reasonable attorneys' fees and costs, for which any Indemnified Party or City becomes actually liable in connection with Owner's failure to comply with any Regulatory Approval.

Section 4.03 Utilities.

(a) Owner shall cause the performance of all Work involving the utility infrastructure to comply with the requirements contained in Exhibit B to this Host Community Agreement.

(b) City shall not be required, under this Agreement, to provide any utility services to the Property. Owner shall be responsible for contracting with, and obtaining, all necessary utility and other services as may be necessary and appropriate to the uses to which the Property is put. Owner will pay or cause to be paid as the same become due all deposits, charges, meter installation fees, connection fees and other costs for all public or private utility services at any time rendered to the Project or any part of the Property and will do all other things required for the maintenance and continuance of all such services. Owner agrees, with respect to any public utility services provided to the Property by the City outside of this Agreement, that no act or omission of the City in its capacity as a provider of public utility services shall abrogate, diminish or otherwise affect the respective rights, obligations and liabilities of Owner and City under this Agreement, or entitle Owner to terminate this Agreement or to claim any abatement or diminution of amounts otherwise due and payable under this Agreement. Further, Owner covenants not to raise as a defense to its obligations under this Agreement, or assert as a counterclaim or cross claim in any litigation between Owner and City relating to this Agreement, any losses arising from or in connection with City's provision of (or failure to provide) public utility services.

Section 4.04 Project Reporting Manager. During the performance of the Work for the Project, Owner shall ensure that any third-party project manager retained to manage and develop the Project (a "Project Reporting Manager") shall provide reports to the City and the Owner on a quarterly basis regarding whether the Work is on track with the Milestone Schedule. The Project Reporting Manager shall promptly report any material issues or problems, to the extent such issues or problems materially impact the Milestone Schedule, to City and Owner. In no event shall City be responsible or incur any liability whatsoever related to the report made by, or actions taken by, the Project Reporting Manager.

Section 4.05 Key Professional Project Participants. Owner acknowledges that Owner's commitment to engage certain key entities with whom Owner will contract for the construction, construction management, or operation of the Project is a material consideration to City in entering into this Agreement (the "Key Professional Project Participants"). Owner shall not terminate or replace a contractor expressly identified on Exhibit D without City's prior written approval (which approval shall not be unreasonably withheld, conditioned or delayed) unless any such Key Professional Project Participant is in default allowing for such termination or replacement under the Key Professional Project Participant's contract with Owner or unless any such Key Professional Project Participant fails to obtain or maintain any license, permit, registration, certification or finding of suitability or qualification from the Board. In the event such a default is alleged to have occurred, City will have the right to review promptly (and in no event more than ten (10) Days following written notice from Owner) Owner's contract with such Key Professional Project Participant in order to confirm the occurrence of such default. Nothing herein shall be deemed to limit in any manner the Owner's right to replace any Key Professional Project Participant that dies, becomes disabled, voluntarily terminates its relationship with Owner and/or otherwise terminates its relationship with Owner due to circumstances beyond the control of Owner or for cause.

Article V.
INFRASTRUCTURE WORK; AREA BEAUTIFICATION

Section 5.01 Infrastructure Work. Owner shall ensure that the performance of all Work involving the Infrastructure Improvements complies and is performed in accordance with the requirements contained in Exhibit B (Infrastructure Conditions). To the extent of any discrepancy or inconsistency between the main body of this Agreement and Exhibit B (Infrastructure Conditions), Exhibit B will prevail.

Section 5.02 Responsibility for Infrastructure.

(a) The Owner is solely responsible for all costs to design, construct and maintain onsite and offsite public and private infrastructure required for the Project. All public infrastructure, to include but not be limited to traffic calming, streetscape, landscape, signage, and lighting, must be designed and constructed in conformance with the City Code and all applicable Laws.

(b) At the request of the City and with sufficient time to provide for the commencement of operation of the Project, the Owner shall convey at no cost to the City the property interest on the Site as is necessary to extend the road and infrastructure improvements of Walmsley Boulevard to Richmond Highway. Costs associated with said extension shall not be considered necessary infrastructure for purposes of this Agreement and, hence, shall not be borne by Owner, unless the extension is required by the TIA (as defined below).

(c) The Owner shall confer with the City and the City Transportation Engineer on the scope of work to complete a Traffic Impact Analysis ("TIA") for the Project. The Owner shall use its commercially reasonable best efforts to submit to the City by no later than January 15, 2024 a complete TIA in accordance with the agreed upon scope of work. The TIA shall be performed by a licensed traffic engineer knowledgeable of all applicable Laws, standards and regulations and with the professional experience and qualifications necessary to complete the TIA.

Section 5.03 Area Beautification. In addition to and separate from the Infrastructure Improvements, the Owner and the City shall mutually agree on physical improvements to enhance the appearance in the public right of way of Walmsley Boulevard adjacent to the Project and within a quarter mile of the intersection of Walmsley Boulevard and Commerce Road and equally share the cost of such improvements (provided such improvements are not required for the Project in accordance with the results of the submitted TIA and the City appropriates funds for such purpose). Notwithstanding anything herein to the contrary, the Owner shall not be obligated to fund or create any such area beautification improvements if the City does not appropriate its share of the funding.

Article VI.
INDEMNITY

Section 6.01 Indemnification of the City. Owner agrees to indemnify and hold harmless the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any such Indemnified Party, to the extent arising out of, caused by or resulting from (a) any affirmative act or omission by Owner or its agents, contractors or affiliates in Owner's development, construction, ownership, possession, use, condition, occupancy, or abandonment of the Project; (b) any material breach of any warranty or the inaccuracy of any representation made by Owner; (c) the release of any hazardous or toxic substance, by Owner or anyone performing work on behalf of such entity at the Project, to the environment arising or resulting from any work or things whatsoever done in or at the Project, or in or at off-site improvements or facilities used and controlled by or constructed and controlled by Owner or any of its contractors or sub-contractors in connection with the Project; and (d) any material breach or failure by Owner to perform any of its covenants or obligations under the Agreement that remains uncured by Owner following written notice and expiration of the applicable cure period.

Section 6.02 Limitation. Notwithstanding anything contained in this Agreement to the contrary, (i) neither Owner nor any of its contractors or sub-contractors shall be obligated to indemnify or hold harmless any Indemnified Party to the extent such Indemnified Party's damages arise from such Indemnitee's sole gross negligence, willful misconduct or fraud and (ii) Owner's obligations under Section 6.01 above will not be deemed to provide the City with a right of reimbursement for fees and expenses in connection with the City's

Resort Casino RFQ/P process up to and including passage and certification of the results of the Referendum other than as expressly provided above or in the Agreement or the Escrow Agreement.

Section 6.03 Notice of a Claim. If any action, suit or proceeding is brought against any Indemnified Party by reason of any occurrence for which Owner is obliged to indemnify such Indemnified Party, such Indemnified Party will promptly provide written notice to Owner of such action, suit or proceeding. Owner may, and upon the request of such Indemnified Party shall, at Owner's sole expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by Owner and subject to the reasonable written approval by such Indemnified Party.

Section 6.04 Obligation to Defend. Owner specifically acknowledges that it has an independent obligation to promptly defend the Indemnified Parties from any claim that is actually or potentially within the scope of the indemnity provision of Section 6.01 or any other indemnification provision of this Agreement, even if such allegation is or may be groundless, fraudulent or false, and such obligation arises at the time such claim is tendered to Owner by an Indemnified Party and continues at all times thereafter. All of the Owner's indemnification obligations in this Agreement are conditioned upon the Indemnified Party: (i) promptly delivering the written notice provided for in Section 6.03; (ii) cooperating with Owner in the defense of any such claim or liability and any related settlement negotiations; and (iii) not compromising or settling any claim or liability without prior written consent of Owner.

Section 6.05 Control of Defense. Except as otherwise provided in this Agreement, Owner shall be entitled to control the defense, compromise or settlement of any such matter through counsel of Owner's own choice; provided, however, in all cases in which any Indemnified Party has been named as a defendant, City shall be entitled to (i) approve counsel (such approval not to be unreasonably withheld, conditioned, or delayed) and (ii) participate in such defense, compromise or settlement at its own expense. No compromise or settlement by Owner under this section may require City to alter any policy or practice of City as a result thereof. If Owner shall fail, however, in City's reasonable judgment, within a reasonable time (but not less than 15 Days following notice from City alleging such failure) to take reasonable and appropriate action to defend, compromise, or settle such suit or claim, City shall have the right promptly to use counsel of its selection, in its sole discretion and at Owner's expense, to carry out such defense, compromise or settlement, which reasonable expense shall be due and payable to City thirty (30) Days after receipt by Owner of an invoice therefor. The Indemnified Parties shall cooperate with Owner in the defense of any matters for which Owner is required to indemnify the Indemnified Parties pursuant to this Article VI.

Section 6.06 Release of Claims Against the Indemnified Parties. Owner, as a material part of the consideration of this Agreement, hereby waives and releases any and all claims against the Indemnified Parties from any Losses, including damages to goods, wares, goodwill, merchandise, equipment or business opportunities and by Persons in, upon or about the Property or the Project for any cause with respect to the development, construction, use, condition, operation or occupancy of the Project arising at any time, including, without limitation, all claims arising from the joint or concurrent negligence of City or the other Indemnified Parties, but excluding all claims arising from the sole gross negligence, willful misconduct or fraud of City or the other Indemnified Parties. For the avoidance of doubt, the release contained in this Section 6.06 shall not include (a) claims with respect to real property interests or assessments related thereto generally applicable to owners of real property (i.e., condemnations, property tax appeals, etc.) and (b) claims with respect to the Owner's enforcement of the City's obligations under this Agreement and the terms and conditions hereof.

Section 6.07 Other Obligations. The indemnification obligations set forth in this Article VI and elsewhere in this Agreement are in addition to, and in no way shall be construed to limit or replace, any other obligations or liabilities that Owner may have to City in this Agreement, at common law or otherwise.

Article VII.
INSURANCE

Section 7.01 Insurance Generally. Throughout the term of this Agreement, Owner shall provide and maintain in full force and effect insurance coverage in such amounts and types of coverage as are commercially reasonable for the applicable stage of construction, development or operation of the Project and in any event as required by Law and typical for Luxury Hotel and First Class Resort Casino Standards. In any instance where work is to be performed by Owner on City infrastructure or where work requires a permit to be issued by the City, the entity doing such work shall name the City, its officers, employees and consultants as additional insureds for the coverage appropriate to such activity being performed and provide the City with an appropriate ACORD certificate. The carrying by Owner of the insurance required shall not be interpreted as relieving Owner of any obligations Owner may have under this Agreement (other than obligations related to insurance). Notwithstanding anything in this Section to the contrary, City acknowledges and agrees that Owner shall be deemed to have satisfied its obligation to maintain the insurance required in this Article VII if Owner causes its contractors and subcontractors, where appropriate, to provide and maintain such insurance for the benefit of Owner and, to the extent required by this Article VII.

Section 7.02 Costs and Premiums. Owner shall pay all premiums and other costs of such insurance, and City shall not be responsible therefor.

Section 7.03 Contractor's and Subcontractors' Insurance. Owner shall not allow any contractor or subcontractor to perform any of the Work until the contractor or subcontractor has obtained the same types of insurance required of Owner under this Host Community Agreement in an appropriate amount determined by Owner and until Owner has approved such contractor's or subcontractor's insurance coverage. The furnishing of insurance by a contractor or subcontractor shall not create any contractual relationship between the City and the contractor or subcontractor.

Article VIII.
COMMUNITY BENEFITS

Section 8.01 Generally. Owner acknowledges and agrees that the performance by Owner of the requirements of this Article VIII constitutes an important, material, and substantial inducement to City to enter into this Host Community Agreement.

Section 8.02 Assurances and Indemnity. City and Owner each acknowledge that Owner is voluntarily agreeing to provide the Community Benefits. Owner warrants that it or its agents, or contractors, will independently analyze the legal basis for its, or their, selected means and methods of performance and implementation of each Community Benefit to ensure that it, or they, do not engage in any conduct inconsistent with local, state, or federal law in such means and methods of performance and implementation. City shall in no way or in any manner attempt to influence or otherwise control Owner's performance with respect to (or administration of) any Community Benefit it has voluntarily agreed to under this Agreement. Subject to all the provisions of this Article VIII, in addition to the requirements of Article VI, Owner shall indemnify, hold harmless, and defend the Indemnified Parties from and against any claims and liabilities to the extent arising out of, caused by, or resulting from the performance and implementation of Owner's obligations with respect to the workforce and contracting goals for the Project, whether by Owner, its agents, or its contractors. Subject to all the provisions of this Article VIII, Owner releases City, its officers, employees, agents and volunteers from and against any and all losses, liabilities, claims, damages, costs, and expenses (including, but not limited to, court costs and attorneys' fees) that Owner may suffer, pay, or incur caused by, resulting from, or arising out of the performance and implementation of Owner's obligations with respect to the Project's workforce and contracting

goals, whether by Owner, its agents or contractors.

Section 8.03 Minority Business Enterprise, and Emerging Small Business Participation.

(a) Definitions. As used in this Section, the following capitalized terms shall have the meanings set forth below:

"Emerging Small Business" means a Person certified by the Office of Minority Business Development as meeting the definition of "emerging small business" in section 21-4 of the Code of the City of Richmond or any successor ordinance.

"Minority Business Enterprise" or "MBE" means a Person registered by the Office of Minority Business Development as meeting the definition of "minority business enterprise" in section 21-4 of the Code of the City of Richmond or any successor ordinance.

"Office of Minority Business Development" means the City's Office of Minority Business Development or its successor agency.

(b) In consultation with the City's Office of Minority Business Development, the Owner will make a good faith effort to identify Emerging Small Businesses and Minority Business Enterprises that perform commercially useful functions towards the construction of the Project in order to meet a 40% MBE participation goal through the procurement of goods and services required for the construction of the Project.

(c) In consultation with the City's Office of Minority Business Development, the Owner will make a good faith effort to identify Emerging Small Businesses and Minority Business Enterprises that perform commercially useful functions towards the operation of the Project in order to meet a 40% MBE participation goal through the procurement of goods and services required for the operation of the Project following the issuance of the certificate of occupancy for the Project.

(d) Owner shall submit a MBE plan for the City's approval no later than January 31, 2024 and such plan shall include processes and procedures for the implementation of the plan and measurement of goals as typically required by the Office of Minority Business Development. Examples of such typical processes and procedures are set forth on Exhibit G.

(e) Owner's MBE/ESB Coordinator. The Owner shall designate an MBE/ESB Coordinator and notify the City of the person's name, title and employer's name and State Corporation Commission registration number. If, in Owner's sole discretion, such person cannot at any time fulfill his/her obligations as MBE/ESB Coordinator, then within 14 Days after such time, Owner shall furnish City with the new person's name, title and employer's name and State Corporation Commission registration number. The MBE/ESB Coordinator shall be employed or contracted by Owner to be responsible for ensuring that all Purchasers make the requisite good faith efforts to achieve the Goal.

Section 8.04 Jobs and Training. Owner shall work in good faith to create training and outreach programs within the City of Richmond to identify opportunities to secure the job skills needed for both the construction and post-construction phases of the Project, and to employ individuals having such job skills. Owner shall require Owner's contractors also to undertake all the obligations and activities required of Owner in this Section 8.04. All opportunities for employment in connection with the development of the Project shall be communicated to the City's Office of Community Wealth Building to coordinate recruitment efforts with the Office of Community Wealth Building. As a part of Owner's undertakings pursuant to this Section 8.04, Owner will use its

commercially reasonable best efforts in the commercially ordinary timing for hiring in the Project to (i) conduct job fairs and information sessions in each City Council District of the City with respect to the staffing needs of the Project, (ii) recruit city residents first for job placement by conducting an outreach program that targets neighborhoods with the highest concentrations of poverty, (iii) work with willing workforce development teams and training providers (including the Community College Workforce Alliance) to conduct a comprehensive training program, (iv) target city residents for employment opportunities, (v) create ongoing hiring opportunities to benefit students in public schools of the school division administered by the School Board of the City ("Richmond Public Schools") through recruitment, training and internship programs, (vi) conduct construction and trades job fairs and information sessions in coordination with Richmond Redevelopment and Housing Authority ("RRHA") and (vii) place job advertisements with multiple media outlets, including all local newspapers with a print circulation in the city of Richmond. Notwithstanding anything herein to the contrary, Owner shall have no liability or responsibility of any kind for any statements, acts or omissions of the City's Office of Community Wealth Building, the Community College Workforce Alliance, Richmond Public Schools or the RRHA.

Section 8.05 Employment Goals. To the extent permitted by Law and without establishing preferences for Virginia residents over non-Virginia residents, Owner shall make commercially reasonable best efforts for its construction contractors and subcontractors to set a goal to achieve the following targets regarding hiring, such that city residents comprise the following, provided that all such residents meet all of the knowledge, skills (including all required licenses) and eligibility requirements for the available position:

(a) 100% of construction laborers not previously employed by the contractor or subcontractor but hired to construct the Project.

(b) 60% of the contractor's or subcontractor's existing construction laborers employed in the construction of the Project.

(c) 50% of skilled construction trades workers not previously employed by the contractor or subcontractor but hired to work on the construction of the Project.

(d) 15% of the contractor's or subcontractor's existing skilled construction trades workers not previously employed by the contractor or subcontractor but hired to work on the construction of the Project.

Section 8.06 Union Personnel. To the extent permitted by law, Owner shall cause its general contractor to use non-skilled and skilled union personnel for a minimum of 40% of the Project's construction man-hours.

Section 8.07 Prevailing Wage. To the extent permitted by law, and regardless of the existence of a labor agreement, the Owner shall cause all construction management companies, contractors, and subcontractors to pay to each laborer, workman and mechanic employed on the Project at a minimum the local prevailing wage rate for the City as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C.S. Section 276a et seq., as amended, and no less than $15 per hour for construction jobs for the Project. This provision shall include all unskilled and skilled construction workers for the Project.

Section 8.08 Employees.

(a) Minimum Number of Employees. The Owner shall use its commercially reasonable best efforts to meet direct hiring job goals of a minimum of 1,300 employees (minimum 953 full-time jobs (i.e., working at least 35 hours per week) and 347 part time jobs) at the Project upon Final Completion, and thereafter to provide meaningful Project employment opportunities necessary to sustain prudent business operations in accordance with revenues. The employment totals do not include the approximately 200 employees

of onsite third party companies operating a business at the Project. In the event of a partial or total shutdown of the Project as a result of an event of Force Majeure, Owner shall not be required to meet the commitments contained in this subsection for any such period in which a partial or total shutdown of the Project occurs.

(b) Resort Casino Jobs for Richmonders. To the extent permitted by law and without establishing preferences for Virginia residents over non-Virginia residents, the Owner shall use its commercially reasonable efforts to target Richmond residents for Project employment opportunities pursuant to a Workforce Development Plan, which shall be submitted to the City for approval, with a goal of at least 60% of total employment by Richmond residents provided that such residents meet all of the knowledge, skills and eligibility requirements (including any required licenses) for any such available position. Owner shall hire a workforce development coordinator pursuant to the Workforce Development Plan, partner with the Office of Community Wealth Building, community colleges, and local universities on workforce development programs and career opportunities. The Owner shall submit the Workforce Development Plan for the City's approval no later than January 31, 2024 and conduct information sessions and job fairs in coordination with RRHA and in each of the City Council Districts. Notwithstanding anything herein to the contrary, Owner shall have no liability or responsibility of any kind for any statements, acts or omissions of the City's Office of Community Wealth Building, the Community College Workforce Alliance, Richmond Public Schools or the RRHA.

(c) Resort Casino Minimum Employee Wages /Average Annual Wages /Benefits. The Owner shall ensure that tipped and non-tipped positions will pay an average annual compensation package of $55,000 (inclusive of wages, tip income, bonuses, benefits, and all payroll and related expenses). All tipped and non-tipped positions will pay no less than $15 per hour (inclusive of tips). For tipped personnel, the Owner shall enter into a Gaming Industry Tax Compliance Agreement with the Internal Revenue Service to establish hourly tip declaration rates (the "Tip Rate"). The calculation for determining whether the $15 per hour minimum has been met shall be to add the base wage rate plus the Tip Rate.

(d) A benefits package will be made available to eligible employees that includes health, dental, and vision insurance coverage and a 401(k) program.

Article IX.
TAXABILITY OF PROJECT; PAYMENTS TO CITY

Section 9.01 Payment. The Property, the Project, the improvements and any portions thereof or interests therein will be and remain subject to real estate taxation of general applicability at the then-current tax rates without any exemptions, credits, or other provisions that would reduce the amount of real estate taxes due and paid to the City. The Owner shall pay any and all, currently applicable or in the future, fees and taxes of general applicability as they are assessed or due, including those imposed on revenue, property, usage, and operations, and further including the collection and payment of all applicable sales, use and occupancy taxes and any other taxes (or tax increases such as millage increases) of general applicability to the ownership or operation of businesses in the City.

Section 9.02 In-Lieu Payments. If for any reason the Property, the Project, the improvements or any portions thereof are not subject to real estate taxation Owner shall pay to City annually an amount equal to the real estate taxes of general applicability that would be required to be paid if the Property, the Project, the improvements or any portions thereof were subject to such real estate taxation of general applicability at the then-current tax rates without any exemptions, credits, or other provisions that would reduce the amount of real estate taxes due and paid to the City.

Section 9.03 Payments to City Following Passage and Certification of Results of Referendum and Completion of Project Financing. The Owner shall pay to the City $25,500,000 (the "Referendum Payment") to be paid within thirty (30) Days after the entry of the court order reflecting the Referendum Passage pursuant to the Act. The payment shall be made pursuant to the terms of the Escrow Agreement. Within five (5) Business Days following closing of the Gaming Facility Financing, Owner shall pay to the City $1,000,000.

Section 9.04 Ongoing Annual Payments to City. Owner shall remit to the City certain payments (in addition to any other taxes or other payments owed by law) as follows:

(a) Annual Payments -- Gaming Facility.

(i) Subject to Force Majeure, if the Owner opens the Gaming Facility to the public for business on or before the date that is twenty-four (24) months following Referendum Passage, Owner shall pay to the City an ongoing Annual Payment equal to (a) from the first day of the month in which the Owner opens the Gaming Facility to the public for business through the following 11 months (for a total of 12 months), 1.875% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, (b) beginning on the first day of the thirteenth month following the opening of the Gaming Facility and until the end of the applicable Calendar Year, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) $5,000,000 (adjusted every five (5) years for the Consumer Price Index increase) (the "Minimum Payment"), with such Minimum Payment being prorated by the number of months remaining in that year for the purpose of calculating the payment due for that year, and (c) for each Calendar Year thereafter, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) the Minimum Payment, with such Minimum Payment being prorated by the number of months remaining in that year for the purpose of calculating the payment due for that year. "Resort Casino Gaming Revenue" is defined as the "adjusted gross receipts" (as defined in the Code of Virginia Section 58.1-4100 as from time to time may be amended).

(ii) Subject to Force Majeure, if the Owner opens the Gaming Facility to the public after the date that is twenty-four (24) months following Referendum Passage, Owner shall pay to the City an ongoing Annual Payment equal to (a) beginning on the first day of the month following the opening of the Gaming Facility to the public and until the end of the Calendar Year in which such opening occurs, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) the Minimum Payment, with such Minimum Payment being prorated by the number of months remaining in that Calendar Year for the purpose of calculating the payment due for that Calendar Year; (b) for each Calendar Year thereafter until Final Completion of the Project, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment or (y) the Minimum Payment, with such Minimum Payment being prorated by the number of months remaining in that Calendar Year for the purpose of calculating the payment due for that Calendar Year.

(b) Annual Payments – Project.

(i) Subject to Force Majeure, if the Owner achieves Final Completion of the Project on or before the date that is thirty (30) months following the date the Gaming Facility opens to the public for business, Owner shall pay to the City an ongoing Annual Payment equal to (a) from the first day of the month in which Final Completion of the Project is achieved through the following 11 months (for a total of 12 months), 1.875% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment; (b) beginning on the first day of the thirteenth month following Final Completion of the Project and until the end of the applicable Calendar Year, the greater of (x) 3.0% of the Resort

Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) the Minimum Payment, with such Minimum Payment being prorated by the number of months remaining in that Calendar Year for the purpose of calculating the payment due for that Calendar Year; (c) for each Calendar Year thereafter, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) the Minimum Payment.

(ii) Subject to Force Majeure, if the Owner achieves Final Completion of the Project after the date that is thirty (30) months following the date the Gaming Facility opens to the public for business, Owner shall pay to the City an ongoing Annual Payment equal to (a) beginning on the first day of the month following Final Completion of the Project and until the end of the Calendar Year in which such Final Completion occurs, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment, or (y) the Minimum Payment, with such Minimum Payment being prorated by the number of months remaining in that Calendar Year for the purpose of calculating the payment due for that Calendar Year; (b) for each Calendar Year thereafter, the greater of (x) 3.0% of the Resort Casino Gaming Revenue plus the full amount of the City Sports Wagering Payment or (y) the Minimum Payment.

(c) Calculation of City Sports Wagering Payment. Owner shall make a payment to the City on or before January 15 of each year, for the prior Calendar Year, based on the Owner's share of revenue from onsite "bricks and mortar" sports betting activity at the Gaming Facility or Project, as applicable (e.g., wagers placed at betting windows and kiosks but in any event not from any mobile wagering irrespective of location) ("Onsite Sports Wagering") for the prior Calendar Year or portion thereof, if the Gaming Facility or Project, as applicable, is not open for the full Calendar Year. The payment shall be calculated as a percentage equivalent to the applicable statutory effective rate for non-sports betting gaming revenue distributed to the City on adjusted gross receipts plus an additional 3 percentage points multiplied by Owner's revenue share actually received from the Sports Betting Operator for Onsite Sports Wagering (the "City Sports Wagering Payment"). For example, if the City's applicable statutory effective rate for non-sports betting gaming revenue (based on adjusted gross receipts) for a subject Calendar Year is 6.3% then Owner would add an additional revenue share of 3%, for a total 9.3%, and the City would receive 9.3% of the Owner's share of Onsite Sports Wagering revenue actually received by Owner from the Sports Betting Operator.

(d) Payment Dates. All payments are due to the City on the same dates payments are due to the Commonwealth of Virginia, except for (i) any Minimum Payment which shall be due on or before January 15 of each Calendar Year, and (ii) the City Sports Wagering Payment which shall be due on January 15 of each Calendar Year.

Section 9.05 Expenses. Within thirty (30) days of the entry of the court order pursuant to the Act reflecting the successful passage and certification of the results of the Referendum, the Owner shall reimburse the City or the City's Economic Development Authority for attorney's fees and consultant expenses in connection with the City's Resort Casino RFQ/P process up to and including successful passage and certification of the results of the Referendum in a total amount that does not exceed $500,000. The payments shall be made pursuant to the terms of the Escrow Agreement. The Owner shall be responsible for its attorney's fees and other consulting expenses.

Article X.
REPORTS AND AUDIT RIGHTS

Section 10.01 Reporting During Construction and Operation. The Owner will provide (or cause to be

provided) quarterly progress reports to the City's Department of Economic Development by no later than the 15th day of January, April, July, and October of each calendar year beginning July 15, 2024 Reporting shall include but not be limited to: construction milestones; MBE participation; union hours; construction spend (hard costs and soft costs); gaming tax reports that are provided to the Commonwealth of Virginia and the Board; calculations of payments made to the City for Ongoing Annual Payments pursuant to the Section 9.04 and the City Sports Wagering Payment (such calculations certified by the Owner's chief financial officer or officer with the equivalent position); hotel occupancy; employment during the construction and operation of the Project; and other mutually agreed upon information. The Owner acknowledges and agrees that these reporting requirements are in addition to, and do not replace, any reports required by the Commonwealth of Virginia, the Board, and the City.

Section 10.02 Audit Rights. The City shall have the right, at reasonable times and upon reasonable prior notification, to conduct audits of the financial records and other reasonable records of the Owner with respect to the Project or performance by the Owner under this Agreement.

Section 10.03 Required Reporting; Notice to City. As soon as practicable after obtaining actual knowledge or notice thereof, Owner shall deliver to City, together with copies of all relevant documentation with respect thereto, if any:

(c) Receipt of written notice of any Loan Default under any Financing or Mortgage related to the Project, unless such Loan Default is subject to a waiver or forbearance granted by the lender.

(d) Receipt of notice of all summons, citations, directives, complaints, notices of violation or deficiency, and other communications from any Governmental Authority other than City, asserting a material violation of Governmental Requirements applicable to the Project.

(e) Receipt of notice of any pending or, to the knowledge of Owner, threatened action, suit, arbitration or other proceeding or investigation by any Governmental Authority or any other Person (i) challenging this Agreement or seeking damages in connection with the transactions contemplated by this Agreement or (ii) seeking to restrain or prohibit the consummation of any action under this Agreement.

(f) Receipt of notice by Owner from the Board which asserts a violation of the Act or other Gaming Laws that could reasonably be expected to result in the suspension of revocation of the Gaming License for the Project.

(g) Any damage or destruction to the Project which in the judgment of Owner may require a closure or shutdown of Casino operations of more than three (3) continuous days.

Section 10.04 Affirmative Covenants of Owner.

(a) Damage or Destruction. In the event of damage to or destruction of improvements at the Project or any part thereof by fire, casualty or otherwise, Owner, at its sole expense and whether or not the insurance proceeds, if any, shall be sufficient therefor (i) shall promptly repair, restore, replace and rebuild the improvements, as nearly as possible to the same condition that existed prior to such damage or destruction using materials of an equal or superior quality to those existing in the improvements prior to such casualty, or (ii) if such repair, restoration, replacement or rebuild under clause (i) would be commercially unreasonable or if in the reasonable commercial discretion of Owner alternative Project improvements would be anticipated to create equal to or greater economic benefit to the Parties than such prior Project improvements, Owner shall use its commercially reasonable business judgment to develop a program of new Project improvements and will promptly repair, restore, replace or rebuild in

a manner to repurpose such damaged or destroyed improvements for such new Project improvements, which shall be explained to the City in writing. Owner shall obtain a permanent certificate of occupancy as soon as practicable after the completion of any such restoration.

(b) Condemnation. If a Major Condemnation occurs, this Agreement shall terminate, and no Party to this Agreement shall have any claims, rights, obligations, or liabilities towards any other party arising after termination, other than as provided for herein. If a Minor Condemnation occurs or the use or occupancy of the Project or any part thereof is temporarily requisitioned by a civil or military Governmental Authority, then (a) this Agreement shall continue in full force and effect; and (b) Owner (i) shall promptly perform all restoration required in order to repair any physical damage to the Project caused by the Condemnation, and to restore the Project, to the extent reasonably practicable, to its condition immediately before the Condemnation, or (ii) if such repair under clause (i) would be commercially unreasonable or if, in the reasonable commercial discretion of Owner, an alternative purpose would be anticipated to create greater economic benefit to the Parties than the prior use of such condemned portion, Owner shall promptly repair, restore, replace or rebuild the damage to the Project caused by the Condemnation in a manner to repurpose the affected areas of the Project for such an alternative purpose which shall be explained to the City in writing. Owner shall obtain a permanent certificate of occupancy as soon as practicable after the completion of any such work.

(c) Temporary Reduction in Minimum Payment. During any Calendar Year in which Casino operations are suspended for a period of thirty (30) days or more because (i) Owner is repairing, restoring, replacing or rebuilding Casino improvements pursuant to Section 10.04(c), or (ii) the use or occupancy of the Casino is temporarily requisitioned by a civil or military Governmental Authority or (iii) a Minor Condemnation of the Casino has occurred and Owner is performing repairs or restoration necessitated by such Minor Condemnation of the Casino pursuant to 0, then the Minimum Payment for such Calendar Year shall be ratably reduced for the period of time such conditions or activities described in sections (i) or (ii) or (iii) hereof are continuing. For example, if Casino operations are suspended due to such conditions or activities described herein and Owner is repairing, restoring, replacing or rebuilding improvements for a period of 60 days, then the Minimum Payment shall be reduced by an amount equal to: 60/365 multiplied by the Minimum Payment.

(d) Management Agreement. The parties to any agreement delegating authority in whole or in part for the construction, development or operation of the Project including the Management Agreement and the Community Support Agreement shall agree that any such agreement shall be subject to this Agreement and the party exercising such delegated authority (a "Delegate") to comply with the requirements of the Agreement with respect to the exercise of Owner's authority delegated to it pursuant to any such agreement. Notwithstanding anything to the contrary, no Delegate shall be deemed to be a party to the Host Community Agreement in any respect, and in no event shall a Delegate be a guarantor of the Owner's compliance with the requirements of this Agreement. The City shall have the right to approve any such agreement or the amendment or assignment of such agreement by the Owner to a new owner or the appointment by Owner of a new manager or the assignment of the Management Agreement to a new manager , subject to and in accordance with the other terms and conditions set forth in this Agreement; provided, however, that the City's approval or consent with respect to amendments to the Management Agreement shall not be unreasonably withheld, conditioned or delayed and such amendments shall be deemed approved if the City has not acted within ten (10) Days of submission to the City. The right of City to approve such amendments shall be limited to those provisions set forth in Exhibit H.

Section 10.05 Foreclosure.

(a) The City consents to the assignment of the Owner's right, title and interest in this Agreement to a lender or group of lenders providing financing for the Project (the "Mortgagee") and agrees to promptly deliver to Mortgagee copies of all notices with respect to default, suspension or termination (including any Mandatory Sale) delivered pursuant to this Agreement. The City agrees that if Mortgagee notifies the City in writing that Mortgagee has elected to exercise its rights and remedies pursuant to its financing arrangements with the Owner with respect to the foreclosure or sale of the Project, then Mortgagee or any other purchaser, successor, assignee or designee of (as the case may be, in each case, a "Subsequent Transferee") shall be substituted for Owner under this Agreement and the City shall recognize the Subsequent Transferee as its counterparty under this Agreement and continue to perform its obligations under this Agreement in favor of this Subsequent Transferee; provided, however, that such Subsequent Transferee has elected in writing to assume all of the rights and obligations under this Agreement and has obtained any required Gaming Approvals prior to such assumption. In furtherance of the foregoing, and notwithstanding anything to the contrary, if a Subsequent Transferee is diligently pursuing required Gaming Approvals then any cure periods set forth in 10.5(b) for Defaults which cannot be cured unless and until the Subsequent Transferee has obtained the Gaming Approvals, shall be extended by the period of time necessary to obtain such Gaming Approvals; provided that it is understood and agreed that Gaming Approvals shall not be required to cure payment Defaults, insurance obligation Defaults or certain maintenance and repair obligation Defaults (with respect to areas of the Project not regulated by the Gaming Laws) and as such the cure periods set forth in Section 10.05(b) shall not be extended for such Defaults during the time the Subsequent Transferee is obtaining Gaming Approvals.

(b) In the event of a default or breach by the Owner in the performance of any of its obligations under this Agreement that would entitle the City to terminate this Agreement, the City shall not terminate this Agreement until it first gives written notice of such Default to Mortgagee and affords Mortgagee (a) a period of ten (10) days from receipt of such notice to cure such Default if such Default is the failure to pay amounts to the City which are due and payable under this Agreement or (b) with respect to any other Default, a reasonable opportunity, but no more than ninety (90) days from receipt of such notice, to cure such non-payment Default. Notwithstanding anything to the contrary herein, if the Default is peculiar to the Owner and not curable by Mortgagee (which it is agreed that no payment Default shall be deemed peculiar to Owner), then, notwithstanding any right that the City may have to terminate this Agreement, the City shall not terminate this Agreement if the Mortgagee shall assume all of the rights and obligations of the Owner under this Agreement within thirty (30) days from receipt of notice of the applicable Default and thereafter immediately commence to cure the applicable Default and diligently pursue such cure to completion (but in no event more than sixty (60) days after Mortgagee assumes this Agreement); provided that if such Default is not reasonably susceptible of cure and is not material to the practical realization of the City's rights under this Host Community Agreement, in the City's sole discretion, the City agrees that such Default shall be waived by the City. If possession of the Project is necessary to cure such breach or Default (which it is agreed that curing a payment Default, insurance obligation Default or certain maintenance and repair obligation Defaults (with respect to areas of the Project not regulated by the Gaming Laws) shall not require possession of the Project), and Mortgagee or a Subsequent Transferee commences foreclosure proceedings or any other proceedings necessary to take possession of the Project, then Mortgagee or Subsequent Transferee will be allowed a reasonable period to complete such proceedings , so long as such Mortgagee or Subsequent Transferee commences such proceedings within ninety (90) days of receipt of the applicable Default notice and thereafter diligently pursues such proceedings to completion within the shortest timeframe permitted by applicable law. After taking possession of the Project, Mortgagee or Subsequent Transferee shall immediately commence curing such breach or Default promptly after having possession of the Project and thereafter diligently pursue such cure to completion after obtaining possession of the Project (but in no event shall such breach or Default remain uncured for more than sixty (60) days after Mortgagee or Subsequent Transferee obtains possession of the Project). If Mortgagee or Subsequent Transferee is prohibited by a

court order in any bankruptcy or insolvency proceedings of the Owner from curing the Default or from commencing or prosecuting such proceedings, any of the foregoing time periods shall be extended by the period of such prohibition.

(c) If as the result of a Loan Default, the Mortgagee commences to foreclose upon or otherwise acquire all or part of Owner's interest in the Project, the Mortgagee (or the Nominee of the Mortgagee) or Subsequent Transferee (the "Foreclosing Lender"), and Mortgagee, the Subsequent Transferee or Foreclosing Lender has cured all breaches and Defaults of this Agreement within the timeframes provided in Section 10.05(b), the City shall not be entitled to terminate this Agreement unless the Foreclosing Lender fails to (i) expressly accept and agree to assume all of the terms, covenants and provisions of this Agreement contained to be observed and performed by Owner and become bound to comply therewith and (ii) immediately commence curing any non-payment breaches or Defaults of this Agreement that could not be cured without possession of the Project promptly after foreclosing upon the Project and thereafter diligently pursue such cure to completion (but in no event shall any such breaches or Defaults remain uncured for more than sixty (60) days after Foreclosing Lender forecloses upon the Project). As used in this Agreement, the word "Nominee" shall mean a Person who is designated by Mortgagee to act in place of the Mortgagee solely for the purpose of holding title to the Project and performing the obligations of Owner hereunder.

(d) In connection with the Financing for the Project, City agrees to reasonably cooperate with lenders, including consideration of reasonable requests for amendments to this Agreement regarding this Section 10.05 and the rights of a Mortgagee under this Agreement, and provide estoppel certificates and related documents that are reasonable and customary for transactions of such type as the Financing.

Article XI.
EVENTS OF DEFAULT

Section 11.01 Owner Default. The occurrence of any of the following events set forth in this Section 11.01 shall constitute an "Owner Default" under this Agreement:

(a) Subject to Force Majeure, Owner fails to materially perform or comply with any commitment, agreement, covenant, term or condition (other than those specifically described in any other subsection of this Section 11.01) contained in this Agreement and Owner fails to cure any such default within thirty (30) Days after receipt of written notice of the default; provided that, if such failure cannot be cured within such thirty (30) Day period (provided that the Parties agree that an obligation which can be satisfied solely by the payment of money can be cured within such thirty (30) Day period) and Owner is diligently and in good faith pursuing a cure, the Owner shall have such additional time as may be necessary to complete the cure, not to exceed ninety (90) Days;

(b) any court of competent jurisdiction enters an order, judgment, or decree approving a petition seeking reorganization of Owner or all or a substantial part of the assets of Owner or any guarantor of Owner or appointing a receiver, sequestrator, trustee or liquidator of Owner, or any guarantor of Owner or any of their property and such order, judgment or decree continues unstayed and in effect for at least ninety (90) consecutive Days;

(c) Owner (i) makes a general assignment for the benefit of creditors, (ii) is adjudicated as either bankrupt or insolvent, (iii) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, (iv) either (a) takes advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation Law or (b) files an answer

admitting the material allegations of a petition filed against Owner in any proceedings under such a Law or (v) any guarantor of Owner takes action for the purposes of effecting any item identified in item (iv);

(d) a writ of execution is levied on the Property that is not released within sixty (60) Days, or a receiver, trustee, or custodian is appointed to take custody of all or any material part of the property of Owner in connection with the Project, which appointment is not dismissed within sixty (60) Days;

(e) Owner suffers or permits an assignment of this Agreement or the Management Agreement, a conveyance of the Property or Project to occur in violation of Article XII or any other provision of this Agreement or the entry into of, or an assignment of, the Management Agreement in violation of this Agreement;

(f) If the Owner does not achieve Final Completion of the Project by the Final Completion Date (subject to Force Majeure);

(g) If Owner fails to obtain the required Casino License (including all Gaming Approvals) by the opening of the Gaming Facility or the Final Completion Date, as applicable, the Board issues a final, non-appealable determination that Owner is unsuitable to hold such Casino License, or such Casino License is revoked by a final, non-appealable order or Owner fails to renew such Casino License or such Casino License is suspended in each case for a period of ninety (90) days or longer;

(h) If Owner makes a voluntary decision to cease operation of the Casino or the hotel for a period of ninety (90) consecutive days or more (other than due to Force Majeure, or for a valid business reason, renovation, or restoration necessitated by fire, casualty, Minor Condemnation or Major Condemnation); or

(i) If Owner fails to make any payments when due and payable to the City as required by this Agreement that is not cured within thirty (30) Days.

Section 11.02 City Remedies Upon Owner Default. Upon the occurrence and during the continuance of an Owner Default, the City will have the right to avail itself of all rights and remedies at law, in equity, or under this Agreement, including, but not limited to, (i) institution and prosecution of proceedings for reformation of this Agreement; (ii) institution and prosecution of proceedings: (a) to enforce in whole or in part the specific performance of this Agreement; or (b) to enjoin or restrain Owner from commencing or continuing any Owner Default; and to cause Owner to correct any Owner Default or threatened Owner Default; (iii) institution and prosecution of proceedings for actual (but not consequential) damages caused by an Owner Default; and (iv) in the event of an Owner Default under Section 11.01(f), (g) or (h) (a "Significant Event of Default"), but in all cases subject to Section 10.05(d), a Mandatory Sale pursuant to Section 11.03. All of City's rights and remedies will be cumulative, and the exercise by City of any one or more of such remedies will not preclude the exercise by it, at the same or different times, of any other such remedies for the same Owner Default.

Section 11.03 Mandatory Sale. If a Significant Event of Default shall occur, but in all cases subject to Section 10.05(b)-(d), the following procedures shall be applicable and shall constitute a Mandatory Sale:

(a) Following both the occurrence of a Significant Event of Default that is continuing and has not been cured within ninety (90) Days following written notice to Owner of such Significant Event of Default and expiration of the cure period available to a lender pursuant to Section 10.05(b)-(d) (and up to an additional ninety (90) Days as approved by the City, provided the Owner is exercising commercially reasonable best efforts to cure such Significant Event of Default (such approval not being unreasonably withheld)) (a "Matured Significant Event of Default"), the City may, on written notice to Owner delivered within ninety (90) Days following the expiration of the ninety (90) Day cure period following

the Significant Event of Default becoming a Matured Significant Event of Default (the "Mandatory Sale Notice"), institute the procedures set forth in this Section 11.03; provided, however, the City's remedy of Mandatory Sale shall not be available with respect to that Matured Significant Event of Default if: (i) the City fails to deliver such Mandatory Sale Notice to Owner within such ninety (90) Day period (the City shall be deemed to have waived the Mandatory Sale remedy with respect to that Matured Significant Event of Default), or (ii) notwithstanding the expiration of the applicable cure period, Owner has cured the Matured Significant Event of Default prior to the delivery of such Mandatory Sale Notice.

(b) Following receipt of a timely and proper Mandatory Sale Notice, Owner shall commence good faith efforts to dispose of the Project in a manner consistent with this Agreement. In effecting any such disposition, Owner (or any agent or conservator) shall be entitled to seek to maximize Owner's own economic return, subject to consultation with the City. During the period in which Owner is endeavoring to effect the disposition of the Project in a Mandatory Sale (the "Sale Period"), Owner shall (if legally permitted to do so) continue to operate the Project pursuant to and in accordance with this Agreement.

(c) The Project may be operated during the Sale Period by a conservator qualified under the Act on the occurrence and for the duration of any of the following events: (i) Owner's Casino License is suspended or revoked by a final, non-appealable order or Owner fails to renew its Casino License; (ii) at the election of City upon written notice to Owner, if the disposition of the Project has not been completed within two (2) years following delivery of a timely Mandatory Sale Notice; (iii) at the election of City upon written notice to Owner, upon the occurrence of a further Matured Significant Event of Default other than the original Matured Significant Event of Default giving rise to the Mandatory Sale Notice.

(d) Prior to completion of the disposition of the Project pursuant to a Mandatory Sale, Owner and City may mutually agree to terminate the disposition process, in which event the Mandatory Sale Notice shall be deemed to have been withdrawn and to be of no force or effect.

Section 11.04 City Default. City's failure to materially perform any material covenant, condition or obligation under this Agreement, which failure causes a material delay, loss or impairment of the Owner's rights under this Agreement, and the continuation of such failure for thirty (30) Days after the Owner provides written notice thereof to the City will be considered a "City Default" provided that, if such failure cannot be cured within such thirty (30) Day period and the City is diligently and in good faith pursuing a cure, the City shall have such additional time as may be necessary to complete the cure, not to exceed one hundred eighty (180) Days.

Section 11.05 Owner Remedies in the Event of Default by the City. Upon the occurrence and during the continuance of a City Default under this Agreement, Owner will have the right to avail itself of all rights and remedies at law, in equity, or under this Agreement, including, but not limited to, (i) institution and prosecution of proceedings for reformation of this Agreement; (ii) institution and prosecution of proceedings: (a) to enforce in whole or in part the specific performance of this Agreement, (b) to enjoin or restrain City from commencing or continuing any City Default, and (c) to cause City to correct any City Default or threatened City Default; and (iii) institution and prosecution of proceedings for actual (but not consequential) damages caused by a City Default. All of Owner's rights and remedies will be cumulative, and the exercise by City of any one or more of such remedies will not preclude the exercise by it, at the same or different times, of any other such remedies for the same City Default.

Article XII.
ADDITIONAL OWNER COMMITMENTS

Section 12.01 Support for Local Community Organizations. The Owner commits to fulfill the

obligations to community, non-profit, and government organizations as stated in the "Community ONE" section of its City of Richmond Resort Casino Proposal at a minimum amount of $16,000,000 over the first ten years of the Project, $6,000,000 of which will be designated to support research initiatives and the missions of the City's Office of Community Wealth Building and Richmond Public schools.

Section 12.02 Problem Gambling. The Owner shall spend up to $200,000 ($100,000 minimum) annually to fund mental health professionals and resources to prevent and treat problem gambling in the City. This funding is in addition to any requirements regarding problem gambling required of the Owner under applicable Laws.

Section 12.03 Transit Mobility Solutions. The Owner shall provide a minimum of $325,000 annually for transit mobility solutions to support travel of its employees to and from work. This may include, inter alia, rideshare, carpool/vanpool, shuttle service, bus passes and other appropriate means as determined by Owner in its reasonable discretion.

Section 12.04 Prohibition on On-Site Payroll Check Cashing Services. The Owner shall not provide or permit onsite payroll check cashing services at the Project.

Section 12.05 Richmond Advertising and Production Spend. The Owner through its affiliates shall provide the City with $25,000,000 in advertising to promote any City initiative (e.g., public service announcements, tourism, education) as the City shall deem acceptable. The funds will be allocated as $1,000,000 in paid radio advertising plus an additional $1,500,000 in added value in radio, television and digital media assets, promotions and special events for a total value of $2,500,000 per year for a period of ten (10) years following the opening of the Gaming Facility by Owner. The Owner through its affiliates shall spend $50,000,000 in the City to produce television, movie, and audio/visual content during the 120-month period following the opening of the Gaming Facility by Owner.

Article XIII.
TRANSFER AND ASSIGNMENT RESTRICTIONS

Section 13.01 Limitations on Transfer or Assignment of Agreement, the Project and Interest in Property.

(a) By the Owner. The Owner shall not, whether by operation of law or otherwise, Transfer this Agreement, the Project or the Property (excluding any: (i) sale of the real estate to a real estate investment trust, leased fee arrangement, other sale and leaseback arrangement or other similar financing transaction, but subject to (a) receipt of any necessary Gaming Approvals and (b) City's review and approval of transaction documentation for the limited purpose of ensuring that Owner remains liable for any and all Owner obligations and responsibilities under this Agreement (provided, however, that such approval shall not be unreasonably withheld, conditioned, or delayed), and (ii) any leases in the ordinary course of business to tenants for restaurants, shops and other third party venues), or the Management Agreement, without providing sixty (60) days advance notice to the City of the proposed Transfer, and such Transfer shall not be consummated without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In the event of such approved Transfer, Owner (and in case of any subsequent transfers thereof, the then transferor), subject to such transferee accepting and assuming this Agreement and its terms and conditions and agreeing to be bound by the provisions hereof, automatically shall be relieved and released, from and after the date of such assignment or transfer, of all liability with regard to the performance of any covenants or obligations contained in this Agreement thereafter to be performed on the part of Owner (or such transferor, as the case may be), but not from liability incurred by Owner (or such transferor, as the case may be) on account

of covenants or obligations to be performed by Owner (or such transferor, as the case may be) hereunder before the date of such assignment or transfer.

(b) By the City. The City may freely transfer or assign any or all of its interest in this Agreement to any government entity or political subdivision of the Commonwealth without the prior consent of the Owner. In the event of any permitted assignment or other permitted transfer of City's interest in and to this Agreement, City (and in case of any subsequent transfers thereof, the then transferor), subject to the provisions hereof, automatically shall be relieved and released, from and after the date of such assignment or transfer, of all liability with regard to the performance of any covenants or obligations contained in this Agreement thereafter to be performed on the part of City (or such transferor, as the case may be), but not from liability incurred by City (or such transferor, as the case may be) on account of covenants or obligations to be performed by City (or such transferor, as the case may be) hereunder before the date of such assignment or transfer; provided, however, that City (or such subsequent transferor) also automatically shall be relieved and released from liability on account of covenants and obligations to be performed hereunder before the date of such assignment or transfer if and to the extent City (or such subsequent transferor) has transferred to the transferee any funds in City possession (or in the possession of such subsequent transferor) in which City (or such subsequent transferor) has an interest, in trust, for application to such liability, and such transferee has assumed all liability for all such funds so received by such transferee from City (or such subsequent transferor).

Section 13.02 Restrictions on Transfer of Ownership Interests of Owner or Manager. Owner agrees that any issued and outstanding equity interests in Owner (including equity interests issued to Manager), Manager (and any successor manager), and in UONE RVA Entertainment Holdings, LLC, RVA Entertainment Investors, LLC, and RVA Holdings Group, LLC (collectively, the "Restricted Entities") shall be "Restricted Securities" as set forth in this Agreement. Such Restricted Securities shall not be Transferred to a third party without providing sixty (60) days advance notice to the City of the proposed Transfer, and such Transfer shall not be consummated unless and until the City has consented to such Transfer or Owner shall be in default under this Agreement; provided, that the City shall not unreasonably withhold, condition, or delay its consent to such Transfer; provided, further, that no consent shall be required from the City for any single Transfer (not coordinated with other Transfers) involving ten percent (10%) or less of the voting securities of RVA Entertainment Investors, LLC on a fully- diluted basis. Owner shall make all Restricted Entities and holders of Restricted Securities aware of the restrictions on Transfer set forth in this Agreement, and if any Restricted Securities are issued in certificate form such certificates shall bear a legend identifying such securities as Restricted Securities. In addition, any Transfer of the equity of Owner, or a Transfer of Manager's equity in Owner or a Transfer of equity in Manager or any equity in a Restricted Entity shall be conditioned upon receipt of any necessary Gaming Approval from the Board, and an acknowledgement by the transferee of the obligations set forth in this Agreement, and an agreement to be bound by the terms hereof.

Section 13.03 Qualification on Limitations on Transfers. Notwithstanding the foregoing, no provision of this Agreement shall impose or be construed as imposing any limitation on any Transfer of any ownership interest in Urban One, Inc. or CDIHC, LLC ("CDIHC") or any entity that owns a Direct or Indirect Interest in Urban One, Inc. or CDIHC or with regard to any of the foregoing entities, a successor by merger, consolidation, sale of assets or otherwise, to all or a substantial portion of the assets or business.

Section 13.04 General.

(a) All transferees of Restricted Securities shall hold their interests subject to the restrictions of this Article.

(b) Owner agrees to include in the Management Agreement and any other management agreement for the Project a transfer restriction provision substantially similar to the transfer restriction set forth in this

Article and to cause the Manager (or successor manager) to acknowledge that City is a third-party beneficiary of such provision and place a legend referencing these restrictions on its ownership certificates, if any.

(c) This Article XII shall be in all cases subject to rights of Subsequent Transferees set forth in Section 10.05.

Article XIV.
REPRESENTATIONS AND WARRANTIES

Section 14.01 Representations and Warranties of the Owner. As a material inducement to City to enter into this Agreement and the transactions and agreements contemplated hereby, Owner represents and warrants to City that as of the date on which Owner executes this Host Community Agreement:

(a) Valid Existence and Good Standing. Owner is a limited liability company duly organized and validly existing under the laws of the State of Delaware and duly authorized and registered to transact business in the Commonwealth of Virginia. Owner has the requisite power and authority to own its property and conduct its business as presently conducted.

(b) Authority to Execute and Perform Contract Documents. Owner has the requisite power and authority to execute and deliver this Host Community Agreement and to carry out and perform all of the terms and covenants of the Host Community Agreement and the agreements contemplated hereby to be performed by Owner.

(c) No Limitation on Ability to Perform. Neither Owner's articles of formation, operating agreement, bylaws or other governing documents nor any applicable Law prohibits the Owner's entry into this Host Community Agreement or its performance hereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of this Host Community Agreement by Owner, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. Except as may otherwise have been disclosed to City in writing, and there are no undischarged judgments pending against Owner, and Owner has not received notice of the filing of any pending suit or proceedings against Owner before any court, governmental agency or arbitrator that might materially adversely affect the enforceability of this Host Community Agreement or the business, operations, assets or condition of Owner.

(d) Valid Execution. The execution and delivery of this Host Community Agreement, and the performance by the Owner thereunder have been duly and validly authorized. When executed and delivered by City and the Owner, this Host Community Agreement will be a legal, valid and binding obligation of Owner.

(e) Defaults. The execution, delivery and performance of this Host Community Agreement (i) do not and will not violate or result in a violation of, contravene, or conflict with or constitute a default by Owner under (A) any agreement, document, or instrument to which Owner is a party or by which Owner is bound, (B) any Law applicable to Owner or its business, or (C) the articles of formation, operating agreement, bylaws, or other governing documents of Owner; and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Owner, except as contemplated hereby.

(f) Financial Matters. Except to the extent disclosed to City in writing, to Owner's knowledge, (i) Owner is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Owner has not filed a petition for relief under any chapter of the United States

Bankruptcy Code, (iii) there has been no event that has materially adversely affected Owner's ability to meet its obligations hereunder or that has occurred that will constitute an event of default by Owner under this Host Community Agreement; and (iv) no involuntary petition naming Owner as debtor has been filed under any chapter of the United States Bankruptcy Code.

(g) Gaming Matters. Owner and, to the knowledge of the Owner, Manager and their Representatives and Affiliates are in good standing with the Gaming Authorities in each of the jurisdictions in which they or any of their respective Affiliates owns or operates gaming facilities. To the knowledge of the Owner, there are no facts that, if known to the Board, would (i) be reasonably likely to result in the denial, restriction, limitation, termination, suspension or revocation of a gaming license, approval, consent or waiver, (ii) result in a negative outcome to any finding of suitability proceedings or other approval proceedings necessary for the transactions contemplated under this Agreement and the licensing of the Project or (ii) be reasonably likely to negatively impact, or cause a delay under, any suitability or other approval proceeding required by the Board to consummate the transactions contemplated hereby and the licensing of the Project.

The representations and warranties above shall survive the expiration or any earlier termination of this Host Community Agreement.

Section 14.02 Representations and Warranties of the City. As a material inducement to Owner to enter into this Host Community Agreement and the transactions and agreements contemplated hereby, the City represents and warrants to the Owner that, as of the date on which the City executes this Host Community Agreement:

(a) Valid Existence. City is a duly created and validly existing municipal corporation and political subdivision of the Commonwealth of Virginia.

(b) Authority to Execute and Perform Contract Documents. City has all requisite right, power, and authority to enter into this Host Community Agreement and has taken all necessary or appropriate actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, this Host Community Agreement by City. This Host Community Agreement is a legal, valid and binding obligation of City, enforceable against it in accordance with its terms.

Section 14.03 No Liability for Other Party's Action or Knowledge. Notwithstanding any provision of this Article XIV or any other provision this Agreement to the contrary, neither Party shall have any liability for any breach of the representations or warranties set forth in this Article XIV) caused by or resulting from (i) any act or omission of the other Party or (b) any fact, circumstance or matter known by the other Party on or before the Effective Date. As used in this Section 14.03, "known by" means actual knowledge, and not imputed or constructive knowledge, without any requirement of inquiry or investigation by the Party to which such knowledge is attributed.

Section 14.04 Additional Owner Representation and Warranties. Owner represents and warrants to City that:

(a) its contractors for the Project will be sophisticated, qualified and experienced contractors capable of performing the Work required to be performed with respect to the Project and independently assessing all available documents and any other information provided by City with respect to the Project; and

(b) Owner and each of its contractors for the Project has evaluated or will evaluate, in accordance with Good

Industry Practice, the required Work to be performed with respect to the Project and the constraints affecting the Work, including the Property and surrounding locations (based on the available documents and a visible inspection of the Property and surrounding locations), applicable Laws, applicable standards and the conditions of the Regulatory Approvals in effect.

Article XV.
LIMITATION ON LIABILITY

Section 15.01 Consequential Loss Waiver. As a material part of the consideration for this Agreement, and notwithstanding any provision herein to the contrary, neither City nor Owner shall be liable for, and each Party hereby waives any claims against the other for, any consequential or punitive damages incurred by either Party and arising out of any default by the other Party hereunder.

Section 15.02 Exceptions to Waiver. The foregoing limitation will not, however, in any manner:

(a) limit Owner's liability for any type of damage arising out of Owner's obligation to indemnify, protect, defend and hold each Indemnified Parties harmless under this Agreement;

(b) limit any losses arising out of fraud, gross negligence, criminal conduct, intentional misconduct, recklessness or bad faith on the part of the relevant Party; or

(c) limit the amounts expressly provided to be payable by either Party pursuant to this Agreement.

Section 15.03 No City Liability.

Except to the extent of the gross negligence or willful misconduct of City and subject to the Owner's indemnification obligations, the City shall not be liable or responsible in any way for:

(a) any Loss or damage whatsoever to any property belonging to Owner or to its representatives or to any other person who may be in or upon the Property; or

(b) any Loss, damage or injury, whether direct or indirect, to persons or property resulting from any failure, however caused, in the supply of utilities, services or facilities provided or repairs made to the Project under any of the provisions of this Agreement or otherwise.

Article XVI.
MISCELLANEOUS PROVISIONS

Section 16.01 Duration. This Host Community Agreement will be in full force and effect following the City Council's approval of this Agreement and the execution of this Agreement by both Parties (the "Effective Date") and shall terminate or expire only as provided herein; provided, however, that the Agreement shall terminate if upon certification of the results of the Referendum, the Referendum failed to pass.

Section 16.02 Oppose Adverse Litigation. Owner and City shall take, or cause to be taken, all actions reasonably necessary to (i) defend any lawsuits or other legal proceedings challenging this Agreement or the consummation of the transactions contemplated by this Agreement, (ii) prevent the entry by any Governmental Authority of any decree, injunction or other order challenging this Agreement or the consummation of the transactions contemplated by this Agreement, (iii) appeal as promptly as practicable any such decree, injunction or other order and; (iv) have any such decree, injunction or other order vacated or reversed.

Section 16.03 Renegotiation in Event of Additional Casino in City. The Parties may amend the Agreement in the event there is a material change in the marketplace that alters any of the fundamental assumptions made in negotiating and executing this Agreement or any provision hereof.

Section 16.04 Survival. The following provisions of this Agreement shall survive following any early termination of this Agreement: Article VI; and Section 14.01, Article XV, Section 16.08, Section 16.09, Section 16.10, Section 16.11, Section 16.12, Section 16.13, Section 16.14, Section 16.15, Section 16.16, and Section 16.17.

Section 16.05 Availability of Funds for the City's Performance. All payments and other performances by City under this Agreement are subject to annual appropriations by the City Council. It is understood and agreed between the parties that City will be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Agreement. Under no circumstances shall the City's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

Section 16.06 Captions. This Host Community Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation or meaning of this Host Community Agreement or in any way define, limit, extend or describe the scope or intent of any provisions of this Host Community Agreement.

Section 16.07 Counterparts. This Host Community Agreement may be executed by the parties hereto 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 Host Community Agreement.

Section 16.08 Entire Agreement. This Host Community Agreement, including the Exhibits attached hereto, contain the entire understanding between the City and the Owner with respect to the Work to be performed by the Owner with respect to the Project and supersedes any prior understandings and written or oral agreements between them respecting such subject matter.

Section 16.09 Governing Law and Forum Choice. All issues and questions concerning the construction, enforcement, interpretation and validity of this Host Community Agreement, or the rights and obligations of the City or the Owner in connection with this Host Community Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Host Community Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event or any litigation or other proceeding arising from this Host Community Agreement.

Section 16.10 Modifications. This Host Community Agreement may be amended, modified and supplemented only by the written consent of the City and the Owner preceded by all formalities required as prerequisites to the signature by each party of this Host Community Agreement.

Section 16.11 No Agency, Joint Venture, or Other Relationship. Neither the execution of this Host Community Agreement nor the performance of any act or acts pursuant to the provisions of this Host Community Agreement shall be deemed to have the effect of creating between the City and the Owner, or any of them, any

relationship of principal and agent, partnership, or relationship other than the relationship established by this Host Community Agreement.

Section 16.12 No Individual Liability. No director, officer, employee or agent of the City or director, officer, employee, interest holder, Affiliate or agent of the Owner shall be personally or otherwise liable to another party hereto or any successor in interest in the event of any default or breach under this Host Community Agreement or on any obligation incurred under the terms of this Host Community Agreement.

Section 16.13 No Third-Party Beneficiaries. Notwithstanding any other provision of this Host Community Agreement, the City and the Owner hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Host Community Agreement; (ii) the provisions of this Host Community Agreement are not intended to be for the benefit of any individual or entity other than the City and the Owner; (iii) no individual or entity shall obtain any right to make any claim against the City and the Owner under the provisions of this Host Community Agreement; and (iv) no provision of this Host Community Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this Section 16.13, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, subvendors, assignees, licensors and sublicensors, regardless of whether such individual or entity is named in this Host Community Agreement.

Section 16.14 No Waiver. The failure of the City or the Owner to insist upon the strict performance of any provision of this Host Community Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Host Community Agreement at any time. The waiver of any breach of this Host Community Agreement shall not constitute a waiver of a subsequent breach.

Section 16.15 Severability. Each clause, paragraph and provision of this Host Community Agreement is entirely independent and severable from every other clause, paragraph and provision. If any judicial authority or state or federal regulatory agency or authority determines that any portion of this Host Community Agreement is invalid or unenforceable or unlawful, such determination will affect only the specific portion determined to be invalid or unenforceable or unlawful and will not affect any other portion of this Host Community Agreement which will remain and continue in full force and effect. In all other respects, all provisions of this Host Community Agreement will be interpreted in a manner which favors their validity and enforceability and which gives effect to the substantive intent of the parties.

Section 16.16 Effect of Force Majeure. If the ability of Owner, or its agents and contractors to perform all or any part of their obligations under this Agreement is affected by an event of Force Majeure, Owner shall promptly (i) notify the City in writing of such event of Force Majeure, (ii) supply the City with available information about the event of Force Majeure and its cause, and (iii) exercise commercially reasonable best efforts to eliminate the disabling effects of such event of Force Majeure. Only the obligations of Owner which are incapable of performance (excluding the payments pursuant to Section 9.04(a) hereof that are subject to Force Majeure) because of the event of Force Majeure shall be suspended and only during the continuance of the event of Force Majeure.

Section 16.17 Notices. All notices, offers, consents or other communications required or permitted to be given pursuant to this Host Community Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Department of Economic Development
Attention: Director
1500 East Main Street, Suite 400
Richmond, Virginia 23219

with a copy to:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, 14th Floor
Richmond, Virginia 23219

and

City Attorney
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

B To the Owner:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc. 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910
Attention: General Counsel

and

RVA Entertainment Holdings, LLC
c/o Churchill Downs Incorporated
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Attention: EVP, General Counsel

with a copy to:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc. 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910
Attention: Chief Administrative Officer
and

Robert L. Ruben Partner
Duane Morris LLP
100 International Drive, Suite 700
Baltimore, MD 21202-5184

Each party may change any of its address information given above by giving notice in writing stating its new address to the other parties.

Section 16.18 Interpretation

(a) In this Agreement:

(i) headings are for convenience only and do not affect interpretation;

(ii) unless otherwise stated, a reference to any agreement, instrument or other document is to that agreement, instrument or other document as amended or supplemented from time to time;

(iii) a reference to this Agreement or any other agreement includes all exhibits, schedules, forms, appendices, addenda, attachments or other documents attached to or otherwise expressly incorporated in this Agreement or any other agreement (as applicable);

(iv) reference to an Article, Section, subsection, clause, Exhibit, schedule, form or appendix is to the Article, Section, subsection, clause, Exhibit, schedule, form or appendix in or attached to this Agreement, unless expressly provided otherwise;

(v) a reference to a Person includes a Person's permitted successors and assigns;

(vi) a reference to a singular word includes the plural and vice versa (as the context may require);

(vii) the words "including," "includes" and "include" mean "including, without limitation," "includes, without limitation" and "include, without limitation," respectively;

(viii) an obligation to do something "promptly" means an obligation to do so as soon as the circumstances permit, avoiding any delay; and

(ix) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to and including."

(b) This Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Agreement or some provision of it or because that Party relies on a provision of this Agreement to protect itself.

(c) The Parties acknowledge and agree that:

(i) each Party is an experienced and sophisticated party and has been given the opportunity to independently review this Agreement with legal counsel;

(ii) each Party has the requisite experience and sophistication to understand, interpret and agree to the language of the provisions of this Agreement; and

(iii) in the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement will not be interpreted or construed against the Party preparing it.

Section 16.19 Signatures. This Agreement is signed when a party's signature is delivered by facsimile, email, or other electronic medium. These signatures must be treated in all respects as having the same force and effect as original signatures.

Section 16.20 Authorization to Act. The Chief Administrative Officer or a designee thereof is authorized

to act on behalf of the City under this Agreement.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the City and the Owner have executed this Host Community Agreement as of the day and year written first above.

CITY OF RICHMOND, VIRGINIA,
a municipal corporation and political subdivision of
the Commonwealth of Virginia

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

Deputy City Attorney

RVA ENTERTAINMENT HOLDINGS, LLC,
a Delaware limited liability company

By:_____

Title:_____

Exhibit A

Parcel Map

#

EXHIBIT B -- INFRASTRUCTURE CONDITIONS

1. Preliminary Provisions.

1.1. Purpose. Pursuant to the Agreement, these Infrastructure Conditions govern the performance of all Work involving the Infrastructure Improvements.

1.2. Definitions. Capitalized terms used, but not defined in these Infrastructure Conditions have the meanings ascribed to them by the Agreement unless the context clearly indicates that another meaning is intended.

1.2.1. Charter. *"Charter"* means the Charter of the City of Richmond, Virginia, as amended, and all future amendments thereto.

1.2.2. City Code. *"City Code"* means the Code of the City of Richmond, Virginia, as amended, and all future amendments thereto, with all references to the 2015 codification thereof stated in these Infrastructure Conditions deemed to refer to the corresponding section number in the most recent codification thereof.

1.2.3. Director. *"Director"* means the City's Director of the Department of Public Works (DPW) or the written designee thereof.

1.2.4. DPU. *"DPU"* means the City's Department of Public Utilities.

1.2.5. Final Plans. *"Final Plans"* means all plans and specifications necessary to perform all Work on the Infrastructure Improvements, including but not limited to all construction drawings, in a form and condition that such plans and specifications are 100 percent complete.

1.2.6. Infrastructure Improvements. *"Infrastructure Improvements"* means all on-site and off- site public and private infrastructure improvements required to facilitate the development and operation of the Project, which infrastructure improvements shall include but are not limited to: water, sewer, storm water, gas, and electric (streetlight) utility improvements, utility installations, utility relocations, utility abandonments, traffic signals, street signs, curb and gutter, sidewalks, crosswalks, decorative pavement, pavement markings, other improvements designed to facilitate pedestrian and vehicular movements, bus shelters for GRTC bus stops, landscaping, street lighting, street trees and tree wells, and other pedestrian amenities including trash receptacles, benches, and planters, in accordance with all applicable City and Virginia Department of Transportation (VDOT) standards and guidelines.

1.2.7. Landscaping. "*Landscaping*" means the landscaping elements of the Infrastructure Improvements.

1.2.8. Preliminary Plans. *"Preliminary Plans"* means plans and specifications that are approximately 30 percent complete.

1.2.9. Sixty-Percent Plans. *"Sixty-Percent Plans"* means plans and specifications that are approximately 60 percent complete.

1.2.10. Traffic Impact Analysis. "*Traffic Impact Analysis*" means the transportation engineering analysis and traffic study required by the Traffic Engineer of the City's Department of Public Works to produce the Final Plans.

1.2.11. Utility Infrastructure and Capacity Analysis. *"Utility Infrastructure and Capacity Analysis"* means the utility engineering assessments and capacity modeling studies required by the Director of the City's Department of Public Utilities to produce the Final Plans. Without limitation, the Utility Infrastructure and Capacity Analysis may include assessments of all water, sewer, and gas lines on the Property, modeling studies for water and sewer capacity to serve to the Project, and stormwater discharge calculations for the Project.

1.2.12. VDOT. *"VDOT"* means the Virginia Department of Transportation.

1.2.13. Warranty Period. "*Warranty Period*" means a period of two-years following the City's acceptance of the Infrastructure Improvements pursuant to Section 5.1 of these Infrastructure Conditions for Landscaping, and a period of one-year following the City's acceptance of the Infrastructure Improvements pursuant to Section 5.1 for all other Infrastructure Improvements.

2. Process for Infrastructure Improvements.

2.1. Generally. The Owner shall construct (or, alternatively, the Owner shall cause the same to occur), at Owner's sole cost and expense, the Infrastructure Improvements, in accordance with plans submitted to and approved by the Director pursuant to Sections 2 and 3.

2.2. Plans.

A. The Owner represents and warrants that the Preliminary and Final Plans will be designed by a licensed professional engineer or Class B surveyor retained by the Owner ("Owner's Engineer") and that said plans will conform to the standards referenced in these Infrastructure Conditions and to generally accepted engineering practices, except where a specific written exemption has been granted by the Director.

B. Pursuant to Section 5.02(c) of the Agreement, the Owner shall, at Owner's sole expense, complete the Traffic Impact Analysis and provide a copy to the City. The Owner shall incorporate the Traffic Impact Analysis into its Plans and construct the applicable Infrastructure Improvements in accordance with the Traffic Impact Analysis. The Owner shall submit Preliminary Plans for the Infrastructure Improvements, and ensure that the Preliminary Plans, at the time of submission to

the Director, meet all City requirements for Preliminary Plans under the City's then-existing policies. The Preliminary Plans shall be approved only after such a determination is made by the Director.

C. Subsequent to the approval of the Preliminary Plans and prior to the submission of the Final Plans, the Owner shall submit the Sixty-Percent Plans for the Infrastructure Improvements. Prior to the submission of the Sixty-Percent Plans, the Owner shall, at Owner's sole expense, complete the Utility Infrastructure and Capacity Analysis. Owner shall ensure that the Sixty-Percent Plans, at the time of submission to the Director, meet all City requirements for Sixty-Percent Plans under the City's then-existing policies. The Sixty-Percent Plans shall be approved only after such a determination is made by the Director.

D. Subsequent to submission of its Plan of Development and prior to applying for a building permit, the Owner shall submit Final Plans to the Director for review and approval. The Owner acknowledges and agrees that approval of its Plan of Development will not ensure approval of the Final Plans. The Owner shall ensure that the Final Plans submitted to the Director meet all requirements under the City's then-existing policies for Final Plans, including those necessary for obtaining a Work in Streets permit, if applicable.

3. Construction Requirements.

3.1. Insurance. The Owner shall not commence or permit to be commenced any Work on the Infrastructure Improvements until first meeting all insurance requirements of Article VII of the Agreement and, for the issuance of any Work in Streets Permit, to the requirements of Section 24-62 of City Code.

3.2. Indemnification. These Infrastructure Conditions, and Owner's performance of them, are subject to the indemnity provisions of Article VI of the Agreement and, as a condition to the issuance of any Work in Street Permit required to complete the Infrastructure Improvements, to the provisions of Section 24-62(4) of City Code.

3.3. Permits. The Owner shall not commence or permit to be commenced any Work on the Infrastructure Improvements until the Owner has obtained, and paid all required fees for, all Regulatory Approvals with respect to such Work, including, but not limited to, a Work in Streets Permit when applicable.

3.4. Testing and Monitoring.

3.4.1. The Owner shall provide and pay all costs related to the design, engineering and critical inspections with respect to the Infrastructure Improvements. The Owner shall provide all necessary certifications on the subject construction component of the Owner's construction.

3.4.2. The Owner shall provide and pay the cost of all professional engineering and testing

services with respect to the Infrastructure Improvements such as: geotechnical engineering, environmental engineering analysis, critical structure engineering inspections (including, but not limited to: retaining walls, abutments, caissons, piles, piers, footings, etc.), daily construction inspection and the various material science testing services, to adequately monitor the ongoing site construction. This includes such items as the daily testing of soils and soil placement, monitoring cuts and cut slopes, testing engineered fills, checking line and grade, testing pipe materials and structures prior to their delivery, monitoring storm inlet and sewer manhole placements and other utility structure installations, certifying structural fills and building pads, conducting proof roll tests on subgrades, testing stone placements, testing concrete, testing asphalt, testing steel, foundation inspections, inspecting reinforcement bar placement and form work, etc.

3.5. Construction Reports. All required construction inspection requirements shall follow the applicable standards of the City's Department of Public Works, the City's Department of Public Utilities (DPU), Virginia Department of Transportation Materials Division standards and guidelines, those guidelines set by other utilities, and any other standards as may be deemed necessary by the Director in the Director's reasonable discretion.

3.6. Construction Meetings and Schedule. The Owner shall schedule and coordinate a pre-construction conference for the Infrastructure Improvements and shall schedule and attend regular progress meetings with the City. The Owner shall give notice to the City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the City.

3.7. Inspections.

A. The City may, at any time, inspect the Infrastructure Improvements or any portion thereof, protections, and stormwater management to ensure compliance with the Final Plans, erosion and sedimentation control plans, and all applicable specifications and standards.

B. All applicable permits must be paid for and approved prior to start of Work. Where applicable, contracts to extend water mains, wastewater mains, and gas mains shall be executed, separate and apart from these Infrastructure Conditions, prior to the issuance of any permits for construction of such extensions.

C. DPW does not intend to charge the Owner for costs related to general visit inspections, typical design review and routine surveying performed by DPW.

D. The City may, in its sole discretion, request that sewer improvements be verified by television (T.V.) inspection. The Owner shall be responsible for all costs associated with any T.V. inspection. The Owner must submit recordings of such inspections for the City's approval prior to any pavement application.

3.8. Manner of Construction. All Infrastructure Improvements, erosion and sedimentation

controls, and stormwater management features shall be constructed in a sound professional manner, in accordance to the Final Plans. The Owner shall provide adequate materials and supervision of all Work. All Infrastructure Improvements shall be constructed in compliance with the current standards and specifications of the VDOT for all materials, workmanship, seasonal limitations and construction procedures; except where specifically superseded by the Final Plans, or current standards and specifications adopted by DPW and DPU. The installation of gas, water, sanitary sewer, storm sewer and street light infrastructure shall be done in compliance with the applicable DPU standards and specifications, latest revisions, which shall be provided in advance and in writing to the Owner upon request.

3.9. Street Standards. All Infrastructure Improvements and any other construction or Work performed in the public right of way by the Owner, its agents or assigns, pursuant to these Infrastructure Conditions and the Final Plans shall fully comply with all applicable design parameters and construction standards as provided in the DPW Better Streets Manual, DPW standards manual, DPW Geotechnical Guidelines, DPW Constructions Notes, DPW Pavement Design Guidelines, all applicable VDOT requirements, including but not limited to the VDOT Road and Bridge Specifications and all standards and guidelines of the VDOT Materials Division, and any additional guidelines and standards established by the City, latest revisions, which shall be provided in advance and in writing to the Owner upon request.

3.10. Requirements upon Final Completion. Upon 100 percent completion of the Work on the Infrastructure Improvements, the Owner shall furnish the City with all required documents relating to the Infrastructure Improvements identified in the City's standards applicable to the Infrastructure Improvements:

A. Upon 100 percent completion of the Infrastructure Improvements, the Owner shall submit the following to the Director, who shall review each within ten (10) Business Days of receipt thereof and notify the Owner of any deficiencies, to the extent applicable to Infrastructure Improvements:

1. The final inspection log books.

2. Material testing reports and a fully and properly completed Virginia Department of Transportation Source of Materials Form C-25.

3. A construction inspection report certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

B. Upon the 100 percent completion of the Infrastructure Improvements, the Owner shall, by its engineer, submit the following to the Director, to the extent applicable to the Infrastructure Improvements:

1. Two complete paper copies of the full as-built plan set of the completed Infrastructure Improvements.

2. Intentionally omitted.

3. A digital file, the format of which shall be AutoCAD DWG or DXF format, containing all of the following information, each in a separate layer:

   a. Existing right-of-way conditions.
   b. The storm sewer system.
   c. Water and waste water systems.
   d. All easements.
   e. Full as-built plan set of the completed Infrastructure Improvements.

The as-built drawings must include notations, modifications to the drawings, and supplemental drawings to accurately reflect actual construction of all improvements. Both the digital file and the report must be labeled with the plan name, plan number, and the engineering firm. All AutoCAD files must be referenced directly to the Virginia State Plane Coordinate system, South Zone, in the NAD83 Datum.

3.11. Certificates of Occupancy. The Owner acknowledges that, to the extent consistent with City Code, a certificate of occupancy will not be issued until all underground utilities are installed and field approved with respect to the Project, and the applicable capacity, connection, and inspection charges and fees are paid, and not until the base pavement for the streets are installed and field approved within the Project.

4. Surety, Warranty, Default.

4.1 Requirement for Surety. At the time it submits its Plan of Development, the Owner shall prepare and submit to the City an estimate of costs for all Infrastructure Improvements. Owner shall provide any additional information relating to its estimate of costs as may be requested by the City. Based upon such estimate of costs and any such additional information, the City will determine the amount of security necessary for the construction of the Infrastructure Improvements. The Owner shall then furnish to the City a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney in such amount.

4.2 Warranties. The Owner hereby warrants that (i) the Infrastructure Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans and all City and state standards applicable to the Infrastructure Improvements, (ii) there are no unsatisfied liens on any part of the Infrastructure Improvements, (iii) the Infrastructure Improvements will be free of defects during the Warranty Period, and (iv) the Owner shall repair, at its sole cost and any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, Owner shall furnish to City evidence, satisfactory to City in City's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to City, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.

4.3 **Default**. The Owner must construct the Infrastructure Improvements in accordance with all requirements of these Infrastructure Conditions. If the Owner fails to meet or honor the agreed upon conditions stated in these Infrastructure Conditions, or any amendments hereto, the Director may declare the Owner in default with the terms of these Infrastructure Conditions. The Director shall advise the Owner of such default in writing. If the Owner fails to rectify such default within 30 days, the Director may take such actions deemed necessary to complete the Infrastructure Improvements, provided that during the Warranty Period Owner may have such addition period of time (not to exceed 90 days) to rectify such default if Owner promptly commences to correct such defect and diligently pursues the same to completion. In such case, the surety amount posted to cover the Infrastructure Improvements, along with all reasonable administrative and legal expenses actually incurred by the City in enforcing these Infrastructure Conditions, shall be forfeited. If upon completion of the work it is found that the City's actual cost to complete the Infrastructure Improvements exceeds the estimated cost secured by the set bonding amounts, the Owner shall pay such deficit to the City upon demand, within 30 days.

4.4 **Release of Surety**. After a warranty inspection by the Director at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Owner provided pursuant to these Infrastructure Conditions will occur upon the Director's issuance to the Owner of a letter indicating that such performance bond, letter of credit, or other financial security is released. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Infrastructure Improvements, no defects remain that the Owner is required to correct.

5. Certification and Acceptance.

5.1. Certification. Certification that Owner has completed the Infrastructure Improvements will occur upon the Director's issuance to the Owner of a letter indicating that the City certifies Owner's satisfactory completion of the Infrastructure Improvements; however, the Director will continue to monitor the Infrastructure Improvements in accordance with the standards set forth in the VDOT Inspection Manual (as amended, as of the time of such monitoring), during the Warranty Period. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Infrastructure Improvements, the Infrastructure Improvements are complete and the Director has received all required documents relating to the Infrastructure Improvements.

5.2. Acceptance. Upon certification of the Infrastructure Improvements by the Director in accordance with Subsection 5.1, all public infrastructure improvements that are components thereof shall be deemed accepted by the City. To the extent necessary in order to effectuate the City's acceptance thereof (as determined by the City), the Owner agrees to provide appropriate documentation to dedicate the public improvements to the City in a form approved by the Office of the City Attorney.

6. Completion Timeline; Failure to Complete.

6.1. Completion Timeline. Subject to delays caused by the occurrence of an event of Force Majeure, the Owner shall complete, in a manner in which the City can accept them pursuant to Section 5.1, the Infrastructure Improvements no later than the issuance of the first certificate of occupancy for the Project or phase of the Project.

6.2. Failure to Complete. Should the Owner fail to timely complete the Infrastructure Improvements in accordance with Section 6.1, Owner, shall be considered in default for purposes of Section 4.3, and, promptly upon written demand therefor by the Chief Administrative Officer or her designee, shall dedicate any completed or partially completed Infrastructure Improvements to the City.

END OF INFRASTRUCTURE CONDITIONS

Exhibit C

Milestone Schedule

Subject to Force Majeure, the Owner shall exercise its commercially reasonable best efforts to achieve the following development milestones:

1. On or before the date two (2) months following the passage and certification of the results of the Referendum (the "Referendum Passage"), Owner shall submit to the City a complete TIA per the agreed upon scope of work (see section relative to Public & Private Infrastructure).

2. On or before the date two (2) months following the Referendum Passage, Owner shall file with the Virginia Lottery Board and any other applicable governmental authorities all applications necessary to obtain a Casino License and provide to the City satisfactory evidence thereof.

3. On or before the date two (2) months following the Referendum Passage, Owner shall close on the purchase of the Property.

4. On or before the date three (3) months following the Referendum Passage, Owner shall complete and submit a plan of development for all components of the Gaming Facility (i.e., a 60% civil set).

5. On or before the date three (3) months following the Referendum Passage, Owner shall apply for permits for demolition with respect to the Property.

6. On or before the date (six) 6 months following the Referendum Passage, Owner shall submit construction plans for the Gaming Facility and apply for initial building permits.

7. On or before the date six (6) months following the Referendum Passage, Owner shall complete and submit all required applications for zoning and land use approvals.

8. On or before the date twelve (12) months following the Referendum Passage, Owner shall close on the Gaming Facility Financing necessary to complete the Gaming Facility and continue construction of the Gaming Facility.

9. On or before the date twelve (12) months following the Referendum Passage, Owner shall commence construction, including demolition work, drainage work, dredging, excavation, grading, and all other site work, and installation of utilities and continue

thereafter to diligently pursue the construction of the Gaming Facility subject to receipt of Permits.

10. On or before the date thirty (30) months following the Referendum Passage, Owner shall open the Gaming Facility to the public for business.

11. On or before the date thirty-six (36) months following the date the Gaming Facility opens to the public for business, Owner shall achieve Final Completion of the Project, but in no event later than five (5) years and six (6) months after the Referendum Passage.

Exhibit D

Key Professional Project Participants

Hourigan

Team Henry Enterprises

Timmons Group

Baskervill

Johnson Marketing

EXHIBIT E

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this " Escrow Agreement") is entered into and effective this _____ day of _____, 2023, by and among City of Richmond, Virginia a municipal corporation ("City") and political subdivision of the Commonwealth of Virginia; the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia ("EDA"); and RVA Entertainment Holdings, LLC, a Delaware limited liability company ("Owner" and together with City and EDA,, the "Parties", and individually, a "Party") and Truist Bank, a North Carolina banking corporation, as escrow agent ("Escrow Agent").

WHEREAS, the Parties entered into that certain Resort Casino Host Community Agreement dated as of _____, 2023 (the "2023 Host Community Agreement"), for the development and operation of a resort casino hotel in the City;

WHEREAS, pursuant to the terms of the 2023 Host Community Agreement, Owner deposited with Escrow Agent by wire transfer the sum of TWENTY-SIX MILLION AND NO/100 DOLLARS ($26,000,000.00) (the "Escrow Fund");

WHEREAS, in accordance with Resolution No. 2023-_____, adopted _____, 2023, by the Council of the City of Richmond, the City selected the Owner as its preferred casino gaming and the City and the Owner have executed the Host Community Agreement in anticipation of a referendum being placed on the ballot in 2023 (the "2023 Referendum");

WHEREAS, the Parties wish to enter into this Escrow Agreement to reflect the conduct of the 2023 Referendum and to govern the terms of the Escrow Fund in connection therewith;

WHEREAS, any capitalized term used but not expressly defined in this Escrow Agreement shall have the meaning ascribed to such capitalized term in the 2023 Host Community Agreement; and

WHEREAS, the Parties acknowledge that the Escrow Agent is not a party to, and has no duties or obligations under, the 2023 Host Community Agreement, that all references in this Escrow Agreement and 2023 Host Community Agreement are for convenience only, and that the Escrow Agent shall have no implied duties beyond the express duties set forth in this Escrow Agreement.

NOW, THEREFORE, in consideration of the premises herein, the Parties and the Escrow Agent agree as follows:

I. Terms and Conditions

1.1. The Parties hereby continue to appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such continued appointment under the terms and conditions set forth herein.

1.2 Owner has remitted $26,000,000.00 (the "Escrow Fund") to the Escrow Agent, using the wire instructions below, to be held by the Escrow Agent and invested and disbursed as provided in this Escrow Agreement.

Truist Bank
ABA: 061000104
Account: 9443001321
Account Name: Escrow Services
Reference: RVA Entertainment/City Of Richmond
Attention: Megan Gazzola

1.3. Upon receipt by the Escrow Agent from the City of (i) the applicable court order certifying the results of the 2023 Referendum indicating successful passage of the 2023 Referendum, (ii) a statement from the EDA of the actual amount of the consultant's fees incurred by the EDA in connection with the City's Resort Casino RFQ/P process, up to and including passage and certification of the results of the 2023 Referendum (the "EDA's Expenses"), and (iii) a statement from the City of the actual amount of the attorney's fees incurred by the City in connection with the City's Resort Casino RFQ/P process up to and including passage and certification of the results of the 2023 Referendum (the "City's Expenses"), the Escrow Agent is hereby authorized and directed to release to the City, thirty (30) days after such receipt of items (i), (ii) and (iii) above, (i) TWENTY FIVE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($25,500,000.00) to be wire transferred to the banking account designated by the City, (ii) the actual amount of City's Expenses, to be wire transferred to the banking account designated by the City and (iii) the actual amount of EDA's Expenses to be wire transferred to the banking account designated by the EDA. The total amount to be paid for the City's Expenses and EDA's Expenses in the aggregate shall not exceed FIVE HUNDRED THOUSAND AND NO/100 DOLLARS ($500,000.00), and if the total of the City's Expenses and the EDA's Expenses shall exceed such maximum amount, the City shall receive an amount calculated as the ratio of the City's Expenses divided by the total of the City's Expenses plus the EDA's Expenses times $500,000, and the EDA shall receive an amount calculated as the ratio of the EDA's Expenses divided by the total of the City's Expenses plus the EDA's Expenses times $500,000. If the total of the City's Expenses and the EDA's Expenses shall not equal or exceed $500,000, then any remaining balance of the Escrow Funds shall be immediately returned to the Owner. Notwithstanding anything herein to the contrary, in the event any of the following events occur: (i) the 2023 Host Community Agreement terminates; (ii) the City fails to petition the Circuit Court for the City of Richmond ('Circuit Court") for the conduct of the 2023 Referendum; (iii) the Circuit Court fails to order the 2023 Referendum to proceed; (iv) the 2023 Referendum fails or (v) at any time, any intervening action is taken by the legislature of the Commonwealth of Virginia that prevents either (a) the 2023 Referendum or (b) the establishment/development of a casino/resort in the City of Richmond, the Escrow Funds shall be immediately returned to Owner. All interest and income earned on the Escrow Funds shall be for the benefit of and paid to the Owner.

II. Provisions as to Escrow Agent

2.1. This Escrow Agreement expressly and exclusively sets forth the duties of the Escrow Agent with respect to any and all matters pertinent hereto, which duties shall be deemed purely ministerial in nature, and no implied duties or obligations shall be read into this Escrow Agreement against the Escrow Agent. The Escrow Agent shall in no event be deemed to be a fiduciary to any Party or any other person or entity under this Escrow Agreement. The permissive rights of the Escrow Agent to do things enumerated in this Escrow Agreement shall not be construed as duties. In performing its duties under this Escrow Agreement, or upon the claimed failure to perform its duties, the Escrow Agent shall not be liable for any damages, losses or expenses other than damages, losses or expenses which have been finally adjudicated by a court of competent jurisdiction to have directly resulted from the Escrow Agent's willful misconduct or gross negligence. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent shall not be responsible or liable for the failure of any Party to take any action in accordance with this Escrow Agreement. Any wire transfers of funds made by the Escrow Agent pursuant to this Escrow Agreement will be made subject to and in accordance with the Escrow Agent's usual and ordinary wire transfer procedures in effect from time to time. The Escrow Agent shall have no liability with respect to the transfer or distribution of any funds affected by the Escrow Agent pursuant to wiring or transfer instructions provided to the Escrow Agent in accordance with the provisions of this Escrow Agreement. The Escrow Agent shall not be obligated to take any legal action or to commence any proceedings in connection with this Escrow Agreement or any property held hereunder or to appear in, prosecute or defend in any such legal action or proceedings.

2.2. The Parties acknowledge and agree that the Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of the subject matter of this Escrow Agreement or any part thereof, or of any

person executing or depositing such subject matter. No provision of this Escrow Agreement shall require the Escrow Agent to risk or advance its own funds or otherwise incur any financial liability or potential financial liability in the performance of its duties or the exercise of its rights under this Escrow Agreement.

2.3. This Escrow Agreement constitutes the entire agreement between the Escrow Agent and the Parties in connection with the subject matter of this Escrow Agreement, and no other agreement entered into between the Parties, or any of them, including, without limitation, the 2023 Host Community Agreement, shall be considered as adopted or binding, in whole or in part, upon the Escrow Agent notwithstanding that any such other agreement may be deposited with the Escrow Agent or the Escrow Agent may have knowledge thereof.

2.4. The Escrow Agent shall in no way be responsible for nor shall it be its duty to notify any Party or any other person or entity interested in this Escrow Agreement of any payment required or maturity occurring under this Escrow Agreement or under the terms of any instrument deposited herewith unless such notice is explicitly provided for in this Escrow Agreement.

2.5. The Escrow Agent shall be protected in acting upon any written instruction, notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which the Escrow Agent in good faith believes to be genuine and what it purports to be, including, but not limited to, items directing investment or non-investment of funds, items requesting or authorizing release, disbursement or retainage of the subject matter of this Escrow Agreement and items amending the terms of this Escrow Agreement, so long as such instrument is jointly executed by the City, the EDA and the Owner; provided, however, that the Escrow Agent shall be authorized to act in accordance with Section 1.3 solely upon its receipt of the documentation described therein and shall not be required to obtain any further documentation or consent or instruction of the Owner with respect to release of any of the Escrow Funds to the City and the EDA pursuant to Section 1.3 or required to obtain any further documentation or consent or instruction of the City or the EDA with respect to release any of the Escrow Funds to the Owner if such releases are made in accordance with the provisions of Section 1.3. The Escrow Agent shall be under no duty or obligation to inquire into or investigate the validity, accuracy or content of any such notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document. The Escrow Agent shall have no duty or obligation to make any formulaic calculations of any kind hereunder.

2.6. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. The Escrow Agent shall be entitled to seek the advice of legal counsel with respect to any matter arising under this Escrow Agreement and the Escrow Agent shall have no liability and shall be fully protected with respect to any action taken or omitted pursuant to the advice of such legal counsel. The Owner shall be liable for and shall promptly pay upon demand by the Escrow Agent the reasonable and documented fees and expenses of any such legal counsel.

2.7. In the event of any disagreement between any of the Parties, or between any of them and any other person or entity, resulting in adverse claims or demands being made in connection with the matters covered by this Escrow Agreement, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such disagreement continues or such doubt exists, and in any such event, the Escrow Agent shall not be or become liable in any way or to any Party or other person or entity for its failure or refusal to act, and the Escrow Agent shall be entitled to continue to refrain from acting until (i) the rights of the Parties and all other interested persons and entities shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been settled and all doubt resolved by agreement among all of the Parties and all other interested persons and entities, and the Escrow Agent shall have been notified thereof in writing signed by the Parties and all such persons and entities. Notwithstanding the preceding, the Escrow Agent may in its discretion obey the order, judgment, decree or levy of any court, whether with or without jurisdiction, or of an agency of the United States or any political subdivision thereof, or of any agency of any State of the United States or of any political subdivision of any thereof, and the Escrow Agent is hereby authorized in its sole discretion to comply with and obey any such orders, judgments,

decrees or levies. The rights of the Escrow Agent under this sub-paragraph are cumulative of all other rights which it may have by law or otherwise.

In the event of any disagreement or doubt, as described above, the Escrow Agent shall have the right, in addition to the rights described above and at the election of the Escrow Agent, to tender into the registry or custody of any court having jurisdiction, all funds and property held under this Escrow Agreement, and the Escrow Agent shall have the right to take such other legal action as may be appropriate or necessary, in the sole discretion of the Escrow Agent. Upon such tender, the Parties agree that the Escrow Agent shall be discharged from all further duties under this Escrow Agreement; provided, however, that any such action of the Escrow Agent shall not deprive the Escrow Agent of its compensation and right to reimbursement of expenses hereunder arising prior to such action and discharge of the Escrow Agent of its duties hereunder.

2.8. The Owner agrees to indemnify, defend and hold harmless the Escrow Agent and each of the Escrow Agent's officers, directors, agents and employees (the "Indemnified Parties") from and against any and all losses, liabilities, claims made by any Party or any other person or entity, damages, expenses and costs (including, without limitation, attorneys' fees and expenses) of every nature whatsoever (collectively, "Losses") which any such Indemnified Party may incur and which arise directly or indirectly from this Escrow Agreement or which arise directly or indirectly by virtue of the Escrow Agent's undertaking to serve as Escrow Agent hereunder; provided, however, that no Indemnified Party shall be entitled to indemnity with respect to Losses that have been finally adjudicated by a court of competent jurisdiction to have been directly caused by such Indemnified Party's gross negligence or willful misconduct. The provisions of this section shall survive the termination of this Escrow Agreement and any resignation or removal of the Escrow Agent.

2.9. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business of the Escrow Agent may be transferred, shall be the Escrow Agent under this Escrow Agreement without further act.

2.10. The Escrow Agent may resign at any time from its obligations under this Escrow Agreement by providing written notice to the Parties. Such resignation shall be effective on the date set forth in such written notice, which shall be no earlier than thirty (30) days after such written notice has been furnished. In such event, the Parties shall promptly appoint a successor escrow agent. In the event no successor escrow agent has been appointed on or prior to the date such resignation is to become effective, the Escrow Agent shall be entitled to tender into the custody of any court of competent jurisdiction all funds and other property then held by the Escrow Agent hereunder and the Escrow Agent shall thereupon be relieved of all further duties and obligations under this Escrow Agreement; provided, however, that any such action of the Escrow Agent shall not deprive the Escrow Agent of its compensation and right to reimbursement of expenses hereunder arising prior to such action and discharge of the Escrow Agent of its duties hereunder. The Escrow Agent shall have no responsibility for the appointment of a successor escrow agent hereunder.

2.11 The Escrow Agent and any director, officer or employee of the Escrow Agent may become financially interested in any transaction in which any of the Parties may be interested and may contract with and lend money to any Party and otherwise act as fully and freely as though it were not escrow agent under this Escrow Agreement. Nothing herein shall preclude the Escrow Agent from acting in any other capacity for any Party.

III. Compensation of Escrow Agent

3.1. The Owner agrees to pay to the Escrow Agent compensation, and to reimburse the Escrow Agent for costs and expenses, all in accordance with the provisions of **Exhibit A** hereto, which is incorporated herein by reference and made a part hereof. The fees agreed upon for the services rendered hereunder are intended as full compensation for the Escrow Agent's services as contemplated by this Escrow Agreement; provided, however, that in the event that the conditions for the disbursement of funds are not fulfilled, or the Escrow Agent renders any service not contemplated in this Escrow Agreement, or

there is any assignment of interest in the subject matter of this Escrow Agreement or any material modification hereof, or if any dispute or controversy arises hereunder, or the Escrow Agent is made a party to any litigation pertaining to this Escrow Agreement or the subject matter hereof, then the Owner agrees to compensate the Escrow Agent for such extraordinary services and reimburse the Escrow Agent for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such event. The provisions of this section shall survive the termination of this Escrow Agreement and any resignation or removal of the Escrow Agent. The Escrow Agent acknowledges payment of the Acceptance Fee and the first Administration Fee as set forth in **Exhibit A**, which payment was received by Escrow Agent on [add date.]

IV. Miscellaneous

4.1. The Escrow Agent shall make no disbursement, investment or other use of funds until and unless it has collected funds. The Escrow Agent shall not be liable for collection items until the proceeds of the same in actual cash have been received or the Federal Reserve has given the Escrow Agent credit for the funds.

4.2. The Escrow Agent shall invest all funds held pursuant to this Escrow Agreement in the Truist Institutional Deposit Option. The investments in the Truist Institutional Deposit Option are insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation (the "FDIC"), in the standard FDIC insurance amount of $250,000, including principal and accrued interest, and are not secured. The Truist Institutional Deposit Option is more fully described in materials which have been furnished to the Parties by the Escrow Agent, and the Parties acknowledge receipt of such materials from the Escrow Agent. Instructions to make any other investment must be in writing and signed by each of the Parties. The Parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to the investment of moneys held hereunder or the purchase, sale, retention or other disposition of any investment, and the Escrow Agent shall not be liable to any Party or any other person or entity for any loss incurred in connection with any such investment. The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation with respect to any investment directed hereunder including without limitation charging any applicable agency fee in connection with each transaction. The Escrow Agent shall use its best efforts to invest funds on a timely basis upon receipt of such funds; provided, however, that the Escrow Agent shall in no event be liable for compensation to any Party or other person or entity related to funds which are held un-invested or funds which are not invested timely. The Escrow Agent is authorized and directed to sell or redeem any investments as it deems necessary to make any payments or distributions required under this Escrow Agreement.

4.3 The Escrow Agent shall provide monthly reports of transactions and holdings to the Parties as of the end of each month, at the addresses provided by the Parties in Section 4.5.

4.4 The Parties agree that all interest and income from the investment of the funds shall be for the benefit of and reported as having been earned by Owner as of the end of each calendar year whether or not such income was disbursed during such calendar year and to the extent required by the Internal Revenue Service. On or before the execution and delivery of this Escrow Agreement, each of the Parties shall provide to the Escrow Agent a correct, duly completed, dated and executed current United States Internal Revenue Service Form W-9 or Form W-8, whichever is appropriate or any successor forms thereto, in a form and substance satisfactory to the Escrow Agent including appropriate supporting documentation and/or any other form, document, and/or certificate required or reasonably requested by the Escrow Agent to validate the form provided. Notwithstanding anything to the contrary herein provided, except for the delivery and filing of tax information reporting forms required pursuant to the Internal Revenue Code of 1986, as amended, to be delivered and filed with the Internal Revenue Service by the Escrow Agent, as escrow agent hereunder, the Escrow Agent shall have no duty to prepare or file any Federal or state tax report or return with respect to any funds held pursuant to this Escrow Agreement or any income earned thereon. With respect to the preparation, delivery and filing of such required tax information reporting forms and all matters pertaining to the reporting of earnings on funds held under this

Escrow Agreement, the Escrow Agent shall be entitled to request and receive written instructions from Owner, and the Escrow Agent shall be entitled to rely conclusively and without further inquiry on such written instructions. The Owner agreed to indemnify, defend and hold the Escrow Agent harmless from and against any tax, late payment, interest, penalty or other cost or expense that may be assessed against the Escrow Agent on or with respect to the Escrow Fund or any earnings or interest thereon unless such tax, late payment, interest, penalty or other cost or expense was finally adjudicated by a court of competent jurisdiction to have been directly caused by the gross negligence of willful misconduct of the Escrow Agent. The indemnification provided in this section is in addition to the indemnification provided to the Escrow Agent elsewhere in this Escrow Agreement and shall survive the resignation or removal of the Escrow Agent and the termination of this Escrow Agreement.

4.5. Any notice, request for consent, report, or any other communication required or permitted in this Escrow Agreement shall be in writing and shall be deemed to have been given when delivered (i) personally, (ii) by facsimile transmission with written confirmation of receipt, (iii) by electronic mail to the e-mail address given below, and written confirmation of receipt is obtained promptly after completion of the transmission, (iv) by overnight delivery with a reputable national overnight delivery service, or (v) by United States mail, postage prepaid, or by certified mail, return receipt requested and postage prepaid, in each case to the appropriate address set forth below or at such other address as any party hereto may have furnished to the other parties hereto in writing:

If to Escrow Agent:
Truist Bank
Attn: Escrow Services
919 East Main Street, 2nd Floor
Richmond, Virginia 23219
Client Manager: Megan Gazzola
Phone: 804-782-5407
Email: megan.gazzola@Truist.com

To the City:
Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

City Attorney:
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

To the EDA:
Director, Economic Development Authority of the
City of Richmond, Virginia
1500 East Main St.
Richmond, Virginia 23219

with a copy to:

City Attorney:
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

To the Owner:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc. 1010 Wayne Avenue, 14th Floor
Silver Spring, Maryland 20910

Attention: General Counsel

and

RVA Entertainment Holdings, LLC
c/o Churchill Downs Incorporated
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Attention: General Counsel

with a copy to:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc. 1010 Wayne Avenue, 14th Floor
Silver Spring, Maryland 20910
Attention: Chief Administrative Officer

Any party hereto may unilaterally designate a different address by giving notice of each change in the manner specified above to each other party hereto. Notwithstanding anything to the contrary herein provided, the Escrow Agent shall not be deemed to have received any notice, request, report or other communication hereunder prior to the Escrow Agent's actual receipt thereof.

4.6. This Escrow Agreement is being made in and is intended to be construed according to the laws of the Commonwealth of Virginia. Except as permitted in Section 2.9, neither this Escrow Agreement nor any rights or obligations hereunder may be assigned by any party hereto without the express written consent of each of the other parties hereto. This Escrow Agreement shall inure to and be binding upon the Parties and the Escrow Agent and their respective successors, heirs and permitted assigns.

4.7. This Escrow Agreement amends, restates and supersedes the Original Escrow Agreement and the terms and conditions of this Escrow Agreement shall control in all respects, and the terms and conditions in the Original Escrow Agreement shall be of no further force or effect. The terms of this Escrow Agreement may be altered, amended, modified or revoked only by an instrument in writing signed by all the Parties and the Escrow Agent.

4.8. This Escrow Agreement is for the sole benefit of the Indemnified Parties, the Parties and the Escrow Agent, and their respective successors and permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Escrow Agreement.

4.9. No party to this Escrow Agreement shall be liable to any other party hereto for losses due to, or if it is unable to perform its obligations under the terms of this Escrow Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.

4.10 This Escrow Agreement shall terminate on the first to occur of (i) the date on which all of the funds and property held by the Escrow Agent under this Escrow Agreement have been disbursed or (ii) December 31, 2023 at which time the Escrow Agent is authorized and directed to disburse all of the remaining funds and property held hereunder in accordance with the joint written instructions of the Parties. Upon the termination of this Escrow Agreement and the disbursement of all of the funds and property held hereunder, this Escrow Agreement shall be of no further effect except that the provisions of Sections 2.8, 3.1 and 4.4 shall survive such termination.

4.11. All titles and headings in this Escrow Agreement are intended solely for convenience of reference and shall in no way limit or otherwise affect the interpretation of any of the provisions hereof.

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

4.13. For all purposes hereunder, the Chief Administrative Officer of the City, on behalf of the City, Director of the Department of Economic Development, on behalf of the EDA, and Alfred C. Liggins, III, the President and CEO of the Owner shall be entitled to issue notices, instructions or directions to the Escrow Agent on behalf of each such party. Whenever this Escrow Agreement provides for joint written notices, joint written instructions or other joint actions to be delivered to the Escrow Agent, the Escrow Agent shall be fully protected in relying, without further inquiry, on any joint written notice, instructions or action executed by persons named in this Section 4.13.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first above written.

Truist Bank, as Escrow Agent

By: _____

Name: _____

Title: _____

City of Richmond

By: _____

Name: _____

Title: _____

Title: _____

RVA Entertainment Holdings, LLC

By: _____

Name: _____

Title: _____

Economic Development Authority of the City of Richmond

By:

Name: _____

Title: _____

EXHIBIT A

Truist Bank, as Escrow Agent

Schedule of Fees & Expenses

Acceptance Fee: **$1,000.00** – one time only payable at the time of signing the Escrow Agreement

The Acceptance Fee includes review of all related documents and accepting the appointment of Escrow Agent on behalf of Truist Bank. The fee also includes setting up the required account(s) and accounting records, document filing, and coordinating the receipt of funds/assets for deposit to the Escrow Account. This is a one-time fee payable upon execution of the Escrow Agreement. As soon as Truist Bank's attorney begins to review the Escrow Agreement, the legal review fee is subject to payment regardless if the Parties decide to appoint a different escrow agent or a decision is made that the Escrow Agreement is not needed.

Administration Fee: **$2,500** – payable at the time of signing the Escrow Agreement and on the anniversary date thereafter, if applicable

The Administration Fee includes providing routine and standard services of an Escrow Agent. The fee includes administering the escrow account, performing investment transactions, processing cash transactions (including wires and check processing), disbursing funds in accordance with the Agreement (note any pricing considerations below), and providing trust account statements to the Parties for a twelve (12) month period. If the account remains open beyond the twelve (12) month term, the Parties will be invoiced each year on the anniversary date of the execution of the Escrow Agreement. Extraordinary expenses, including legal counsel fees, will be billed as out-of-pocket. The Administration Fee is due upon execution of the Escrow Agreement. The fees shall be deemed earned in full upon receipt by the Escrow Agent, and no portion shall be refundable for any reason, including without limitation, termination of the agreement.

Out-of-Pocket Expenses: **At Cost**

Out-of-pocket expenses such as, but not limited to, postage, courier, overnight mail, wire transfer, travel, legal (out-of-pocket to counsel) or accounting, will be billed at cost.

Note: This fee schedule is based on the assumption that the escrowed funds will be invested in one of the Truist Deposit Options. If any other investment options are chosen, this fee schedule will become subject to change.

EXHIBIT F

Development Cost Schedule

Development Category	Estimated Expense
Land Acquisition	$ 14,500,000
Design (includes 10% contingency)	$ 14,267,000
Development Fees	$ 5,000,000
Construction	$ 273,529,659
Operating Supplies/Equipment (includes 10% contingency)	$ 70,460,131
Pre-Opening Expense (includes 10% contingency)	$ 8,451,462
Construction Contingency	$ 25,598,328
License Fee and Investigation	$ 15,500,000
Direct Project Costs	**$ 427,306,580**
Add Soft Costs:	
Pre-Development Expense	$ 5,000,000
Legal	$ 3,000,000
Financing Fee (Term Loan)	$ 8,121,875
OID (Term Loan)	$ 4,225,000
Interest Reserve	$ 72,881,250
Operating Cash	$ 17,000,000
Upfront Payment	$ 25,000,000
Total Soft Costs	**$ 135,228,125**
Total Project Costs	**$ 562,534,705**

Exhibit G

Minority Business Enterprise, and Emerging Small Business Participation

1. **Definitions**:

"**Contractor**" means a Person contracted by Owner to perform services or work on the Property in connection with the construction and operation of the Project.

"**Emerging Small Business**" means a Person certified by the Office of Minority Business Development as meeting the definition of "emerging small business" in section 21-4 of the Code of the City of Richmond or any successor ordinance.

"**Goal**" means a 40% MBE participation goal through the procurement of goods and services required for the construction and operation of the Project.

"**Good Faith Efforts**" has the same meaning as provided in section 21-4 of the Code of the City of Richmond or any successor ordinance for "good faith minority business enterprise and emerging small business participation efforts."

"**Cost**" means all costs expended by Owner to construct and operate the Project, except for the following:

(i) any payment to a grantor of real property as consideration for the acquisition of real property from that grantor, excluding any charges, commissions, fees, or other compensation due to real estate agent, broker or finder on account thereof;

(ii) any payment to a public or private utility to connect to the utility services of that public or private utility; and

(iii) other costs expended by Owner to construct and operate the Project that the Office of Minority Business Development determines cannot be performed by an Emerging Small Business or a Minority Business Enterprise.

"**Minority Business Enterprise**" means a Person registered by the Office of Minority Business Development as meeting the definition of "minority business enterprise" in section 21-4 of the Code of the City of Richmond or any successor ordinance.

"**Office of Minority Business Development**" means the City's Office of

Minority Business Development or its successor agency.

"**Purchaser**" means Owner and any Contractor or Subcontractor of Owner.

2. Goal.

2.1. **Efforts Cumulative**. The Goal does not apply individually to each contract into which Owner and other Purchasers enter for part of the Cost to which the Goal applies. Rather, Owner will be considered to have met the Goal if the Goal's percentage of the entire Cost is fulfilled even if the Goal is not met for individual contracts that relate to that Cost.

2.2. **Performance Measurement**. The Office of Minority Business Development will use the following rules to determine whether Owner properly has counted particular payments to Contractors and Subcontractors towards meeting the Goal:

(A) Only payments made to a Contractor or Subcontractor that is an Emerging Small Business or a Minority Business Enterprise will be counted towards the Goal.

(B) The value of work performed by a Contractor or Subcontractor that ceases to be certified by the Office of Minority Business Development as an Emerging Small Business or registered by the Office of Minority Business Development as a Minority Business Enterprise will not be counted, unless such Contractor or Subcontractor is recertified or reregistered, as applicable, within 90 calendar days following the termination of its certification or registration, as applicable.

(C) When an Emerging Small Business or a Minority Business Enterprise subcontracts part of the work of its contract to a Subcontractor, the value of the subcontracted work will be counted towards the Goal only if that Subcontractor is itself an Emerging Small Business or a Minority Business Enterprise.

(D) The entire amount of payments to an Emerging Small Business or a Minority Business Enterprise for "general conditions," as that term is used in the construction industry to describe a category of a construction contractor's costs, will be counted towards the Goal.

(E) When an Emerging Small Business or a Minority Business Enterprise performs as a participant in a joint venture, a portion of the total value of the contract equal to the portion of the work of that contract that the Emerging Small Business or the Minority Business Enterprise performs, as measured by the amount paid to that Emerging Small Business or Minority Business Enterprise and not paid to a Subcontractor thereof will be counted towards the Goal.

(F) Payments to an Emerging Small Business or a Minority Business Enterprise for materials or supplies will be counted towards the Goal as follows:

(i) If the materials or supplies are obtained directly from a manufacturer that is an Emerging Small Business or a Minority Business Enterprise, 100 percent of the

cost of those materials or supplies will count towards the Goal; and

(ii) If the materials or supplies are obtained from an Emerging Small Business or a Minority Business Enterprise that has stored or warehoused the materials or supplies, 60 percent of the cost of those materials or supplies so stored or warehoused by the Emerging Small Business or the Minority Business Enterprise will count towards the Goal.

2.3. **Good Faith Efforts**. Owner will be deemed to have made Good Faith Efforts to achieve the Goal if Owner has done all of the following:

(i) Owner has caused each Purchaser to implement plans and procedures that will require that Purchaser to comply with all of the elements herein.

(ii) Owner causes implementation of the following:

(A) Contractor or owner-controlled insurance programs to cover Subcontractors under insurance policies for each component of the Project.

(B) Payment schedules for Subcontractors that are biweekly instead of monthly.

(C) Owner has caused all Purchasers to do the following:

(1) Provide and, as needed, update contact information for a point of contact to Owner and City for the purpose of communications required or permitted to be given herein.

(2) Set individual targets on individual contracts consistent with the Owner's Good Faith Efforts to achieve the Goal.

(3) If the Purchaser is a Contractor, work with Owner to host, plan, adequately advertise, and conduct at least two "meet and greet" sessions intended to introduce Emerging Small Businesses and Minority Business Enterprises to Contractor.

(4) If the Purchaser is a Contractor, hold a pre-bid or pre-proposal meeting for all Subcontractors prior to any due date for bids or proposals at which the Goal and the requirements of this Section 2.3 are explained.

(5) If the Purchaser is a Contractor, recruit Subcontractors to participate in the pre-bid or pre-proposal.

(D) For each contract the cost of which is part of the Cost:

(1) Owner has used the Office of Minority Business Development's database and other available sources to identify qualified, willing and able Emerging

Small Businesses and Minority Business Enterprises.

(2) Owner has participated in outreach efforts and programs designed to assist qualified potential Contractors or Subcontractors in becoming certified as Emerging Small Businesses or registered as Minority Business Enterprises.

(3) Owner has notified potential Contractors or Subcontractors that might qualify as Emerging Small Businesses and Minority Business Enterprises, through meetings, fora, presentations, seminars, newsletters, website notices or other means of the upcoming opportunities available to Emerging Small Businesses and Minority Business Enterprises to participate in the construction or operation of the Project.

(4) Owner has provided Purchasers with assistance and resources to identify and contract with Emerging Small Businesses and Minority Business Enterprises.

(5) Owner has worked with not-for-profit organizations to reduce barriers to Emerging Small Business and Minority Business Enterprise participation in the construction and operation of the Project, including implementation of the requirements of this Section.

(6) Owner has assisted Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises with any questions relating to the provisions herein.

(7) Owner has provided the City with a copy of all correspondence in which it has informed Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises of the Owner's opinion as to whether a particular contract or portion thereof should be counted towards the Goal.

(8) Owner has required Purchasers to submit a form containing all of the information required above for each Emerging Small Business or Minority Business Enterprise the Purchaser is committing to using.

(9) Owner has resolved any disputes related to Emerging Small Business or Minority Business Enterprise participation in the Project and advised the City in writing of each such dispute and its resolution.

(10) Owner has complied with and caused all Purchasers to comply with all compliance monitoring and reporting requirements set forth herein.

2.4. Compliance Monitoring and Reporting.

(A) **Responsibility**. Although all final determinations as to whether the Goal has been met shall be made only by City, in consultation with the Office of Minority Business Development, Owner will be responsible for monitoring and enforcing the compliance of Purchasers with the requirements herein. Owner shall cause all Purchasers to gather and report to Owner all data needed to ensure that all Purchasers are complying with such requirements. Owner shall furnish City with all data so gathered and reported and all other information required herein no less frequently than once per month at a time designated by City.

(1) **Reporting**. Owner shall require all Purchasers to submit, monthly and on a form approved by the Office of Minority Business Development, complete and accurate data on the participation of Emerging Small Businesses and Minority Business Enterprises, including, but not necessarily limited to, the following:

(a) The name, address, identification number and work description of each Emerging Small Business or Minority Business Enterprise that the Purchaser has committed to use, as of the date of the report;

(b) Identification of the Purchaser that has hired each Emerging Small Business or Minority Business Enterprise;

(c) The total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(d) Any changes to the total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(e) The classification of each Emerging Small Business or Minority Business Enterprise by function using classifications prescribed by the Office of Minority Business Development;

(f) The value of each element of work, supplies, or services provided by each Emerging Small Business or Minority Business Enterprise during the reporting period;

(g) The value of each element of work, supplies, or services that the Owner believes should be counted towards the Goal during the reporting period;

(h) The total value of work, supplies, or services invoiced during the reporting period and paid during the reporting period for each Emerging Small Business or Minority Business Enterprise; and

(i) The total amount of invoices during the reporting period and paid during the reporting period.

Exhibit H

Sections of Management Agreement Requiring City Approvals for Amendments

1. Preparation, maintenance and furnishing of reports and information required pursuant to the terms and conditions of the Host Community Agreement (Section 2.01(d)(vi) as of 2-14-23)

2. Collection, accounting for and remitting to any non-Governmental Authority or the City of any taxes, fees, gifts, charitable donations and the like as part of the Owner's commitments to the City under the terms and conditions of the Host Community Agreement (Section 2.01(d)(xvi) as of 2-14-23)

3. Owner's compliance obligations under the terms and conditions of the Host Community Agreement (Section 2.01(d)(xxv) as of 2-14-23)

4. Other operations of Manager and Owner (Section 2.03 as of 2-14-23)

5. Manager's Use of Managed Facilities Guest Data (Sections 2.03 and 6.01(c)(i) and (ii) as of 2-14-23)

6. Maintenance and Repair, Capital Improvements (Section 4.02 as of 2-14-23)

7. Assignments (Section 10.03 as of 2-14-23)

8. Gaming Approvals (Section 5.01 as of 2-14-23)

9. Casualty and Condemnation Notices (Article XIV as of 2-14-23)

10. Definitions (Exhibit B as of 2-14-23) - "Applicable Law."

EXHIBIT I

ARBITRATION

If, pursuant to Section 2.2, the City and Owner fail to reach an agreement regarding whether Owner is complying with the Luxury Hotel and First Class Resort Casino Standard, or agree upon a plan for complying with such standards, then arbitration shall be conducted in accordance with the following:

(a) The party desiring arbitration shall appoint a disinterested person that satisfies the requirements of (g), below, as arbitrator on its behalf and give notice thereof to the other party who shall, within fifteen (15) days thereafter, appoint a second disinterested person that satisfies the requirements of (g), below, as arbitrator on its behalf and give notice thereof to the first party.

(b) The two (2) arbitrators thus appointed shall together appoint a third disinterested person that satisfies the requirements of (g), below, within fifteen (15) days after the appointment of the second arbitrator, and said three (3) arbitrators shall, as promptly as possible, determine the matter that is the subject of the arbitration and the decision of the majority of them shall be conclusive and binding on all parties and judgment upon the award may be entered in any court having jurisdiction.

(c) If a party who has the right pursuant to the foregoing to appoint an arbitrator fails or neglects to do so, then and in such event, the other party (or if the two (2) arbitrators appointed by the parties fail to appoint a third arbitrator when required hereunder, then either party) may apply to the American Arbitration Association (or any organization successor thereto), or in its absence, refusal, failure or inability to act, may apply for a court appointment of such arbitrator.

(d) The arbitration shall be conducted in the City of Richmond, and to the extent applicable and consistent with this Section, shall be conducted in accordance with the commercial Arbitration Rules then obtaining of the American Arbitration Association in effect at the time of such arbitration or any successor body of similar function. Each party shall have the right to present evidence in the arbitration.

(e) Each party shall pay (i) its own fees and expenses relating to the arbitration and its arbitrator (including, without limitation, the fees and expenses of its counsel and of experts and witnesses retained or called by it) and (ii) one-half of the fees and expenses of the third arbitrator, provided, that the arbitrators shall have the authority to award such fees and expenses in favor of the prevailing party.

(f) City and Owner shall sign all documents and do all other things necessary to submit any such matter to arbitration and further shall, and hereby do, waive any and all rights they or either of them may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder. The arbitrators shall have no power to vary or modify any of the provisions of this Lease and their jurisdiction is limited accordingly.

Each of the arbitrators shall have at least ten (10) years' experience in the operation of casinos and/or hotels similar in all material respects to the Project.

COMMUNITY SUPPORT AGREEMENT
AMONG CITY OF RICHMOND, CASINO OWNER, AND CASINO MANAGER

THIS COMMUNITY SUPPORT AGREEMENT (this "Agreement") is entered into as of the_____day of_____, 2023, by and among the City of Richmond, Virginia, a municipal corporation ("City") and political subdivision of the Commonwealth of Virginia, RVA Entertainment Holdings, LLC, a Delaware limited liability company ("Owner"), and Richmond VA Management, LLC, a Delaware limited liability company ("Manager"), collectively referred to in this Agreement as the "Parties" or individually, a "Party".

RECITALS

WHEREAS**,** the Virginia General Assembly has authorized the operation of a casino in the City pursuant to the provisions of Title 58.1, Chapter 41 of the Code of Virginia (the "Act");

WHEREAS, the City solicited from qualified applicants expressions of interest in being designated as a "preferred casino gaming operator" for the purpose of developing and operating a proposed "casino gaming establishment," all as contemplated by the Act;

WHEREAS, in response to such solicitation, the City reviewed a number of proposals and considered such proposals pursuant to the Act;

WHEREAS, after giving substantial weight to the standards and criteria set forth in the Act, the proposal put forward by the Owner was judged by the City to be in the best interests of the City and its residents, and the City selected Owner as the City's "preferred casino gaming operator" under the Act;

WHEREAS, the City and the Owner have contemporaneously entered into a Resort Casino Host Community Agreement (the "Host Community Agreement") for the development of a resort casino hotel project with a minimum capital investment of $562,534,705 ("the Project" as further described in the Host Community Agreement);

WHEREAS, the Manager has entered into a Second Amended and Restated Management Agreement (defined in the Host Community Agreement as the "Management Agreement") with the Owner to manage the Project for the Owner;

WHEREAS, the Owner and the Manager agreed to make certain commitments to the City in connection with the Owner's selection as the City's "preferred casino gaming operator" under the Act;

WHEREAS, the City, the Owner and the Manager desire to enter into this Agreement and

make the agreements, commitments and obligations provided herein; and

WHEREAS, the agreements, commitments and obligations in this Agreement were a material inducement to the City selecting Owner as the City's "preferred casino gaming operator".

NOW, THEREFORE, in consideration of the covenants and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City, Owner, and Manager agree as follows:

Article I. PRELIMINARY PROVISIONS

Section 1.01 Purpose. The purpose of this Agreement is to set forth the terms and conditions governing the Parties' obligations, responsibilities and rights with respect to the matters addressed herein.

Section 1.02 Subject to Host Community Agreement. This Agreement and the Management Agreement are and shall be subject to the terms and conditions of the Host Community Agreement. Subject to the terms and conditions of this Agreement, Manager agrees to comply with the requirements of the Host Community Agreement with respect to the exercise of Owner's authority delegated to it pursuant to the Management Agreement. Subject to the conditions contained in Article 3, the City shall have the right to approve any amendment or assignment of the Management Agreement by the Owner to a new owner or the appointment by Owner of a new manager or the assignment of this Agreement or the Management Agreement. Notwithstanding anything to the contrary, Manager shall not be deemed to be a party to the Host Community Agreement in any respect, and in no event shall neither be a guarantor of Owner's performance with respect to the obligations in the Host Community Agreement.

Section 1.03 Definitions. Defined terms used herein and not otherwise defined herein shall have the same meaning as provided in the Host Community Agreement.

Article II. COMMITMENTS

Section 2.01 Mitigation Annual Payment. From and after Substantial Completion, in the event that Owner, Manager, or any Affiliate of Owner or Manager (for purposes of this paragraph "New Casino Operator") operates either or both (i) a "Casino Gaming Establishment" as defined by Code of Virginia Section 58.1-4100 in Dumfries, Virginia or (ii) a large "Casino Gaming Establishment" as defined by Code of Virginia Section 58.1-4100 of at least 1,300 gaming positions located in Prince William County, Virginia ("Additional Class III Gaming Facility"), then in any given year that the Project's "adjusted gross receipts" as defined by Code of Virginia Section 58.1-4100 decline as measured against the Base Measuring Period (as defined below), the Owner or Manager, as applicable, shall cause the New Casino Operator to pay to the City an ongoing Mitigation Annual Payment to offset such decline in each year of operation following the opening of the Additional Class III Gaming Facility. Such decline will be measured against the Project's average adjusted gross receipts for the two years prior (or in the event of only one year of Project operation, the immediate preceding

year, the "Base Measuring Period") to the opening of the Additional Class III Gaming Facility and the Mitigation Annual Payment will be capped at a maximum of 4% of the decline from the Base Measuring Period multiplied by the applicable statutory gaming tax tier percentage allocated to the City pursuant to Code of Virginia Section 58.1-4124. In the event there is no decline from the Base Measuring Period in any Calendar Year in the Project's "adjusted gross receipts" as defined by Code of Virginia Section 58.1-4100, then no Mitigation Annual Payment will be due to the City. The Mitigation Annual Payment will be based on a Calendar Year and will include a prorated amount for the initial Mitigation Annual Payment that is not necessarily based on a full 12 month Calendar Year. Mitigation Annual Payments are due on or before January 15 of each Calendar Year. Owner or Manager, as applicable, shall cause the New Casino Operator to provide to the City such information that was used to calculate the Mitigation Annual Payments (such calculations to be certified by the chief financial officer or equivalent position of the New Casino Operator).

For the avoidance of doubt, assuming a scenario where the Project's average adjusted gross receipts for the Base Measuring Period (the immediate two years preceding the opening of a Class III casino) are $300,000,000; then assuming that over the next twelve months, while the Class III casino is in operation, adjusted gross receipts for the Project declined to $290,000,000. In that instance, the decline of $10,000,000 from the Base Measuring Period would be multiplied by the City's applicable statutory tax tier of 7% (based on $300,000,000 of adjusted gross receipts), resulting in a Mitigation Payment of $700,000 to the City from the New Casino Operator. If the subsequent year's adjusted gross receipts for the Project declined to $285,000,000, the decline of $15,000,000 from the Base Measuring Period would be subject to the maximum 4% cap, or $12,000,000 in this example. In that event, the $12,000,000 would be multiplied by the City's applicable statutory tax tier of 7%, resulting in a Mitigation Payment of $840,000 to the City from the New Casino Operator.

Section 2.02 Support for Richmond Public Schools. Manager shall make a cash payment to Richmond Public Schools Education Foundation for the benefit of students of Richmond Public Schools in the amount of $30,000 annually for a total of $150,000 over a five year period commencing on January 1, 2024. Manager shall provide to the City each year evidence of such annual payment, in such form and substance as shall be reasonably requested by the City.

Article III. TRANSFER AND ASSIGNMENT RESTRICTIONS

Section 3.01 Limitations on Transfer or Assignment of Agreement. Neither Owner nor Manager shall, whether by operation of law or otherwise, Transfer this Agreement or the Management Agreement, and Owner shall not whether by operation of law or otherwise, Transfer this Agreement without providing sixty (60) days advance notice to the City of the proposed Transfer, and such Transfer shall not be consummated without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In the event of such approved Transfer, Owner or Manager (or all of Owner and Manager) as applicable (and in case of any subsequent transfers thereof, the then transferor), subject to such transferee accepting and assuming this Agreement or the Management Agreement, as applicable, and its respective terms and conditions and agreeing to be

bound by the provisions hereof, automatically shall be relieved and released, from and after the date of such assignment or transfer, of all liability with regard to the performance of any covenants or obligations contained in this Agreement or the Management Agreement, as applicable, thereafter to be performed on the part of Owner or Manager as applicable (or such transferor, as the case may be), but not from liability incurred by Owner or Manager as applicable (or such transferor, as the case may be) on account of covenants or obligations to be performed by Owner or Manager as applicable (or such transferor, as the case may be) hereunder before the date of such assignment or transfer.

Section 3.02 Restrictions on Transfer of Ownership Interests of Manager.

(a) **General.** Manager agrees that any issued and outstanding equity interests in Manager (and any successor manager) shall be "Restricted Securities" as set forth in this Agreement. Such Restricted Securities shall not be Transferred to a third party without providing sixty (60) days advance notice to the City of the proposed Transfer, and such Transfer shall not be consummated unless and until the City has consented to such Transfer; provided, that the City shall not unreasonably withhold, condition, or delay its consent to such Transfer; provided, further, that no consent shall be required from the City for any single Transfer (not coordinated with other Transfers) involving one percent (1%) or less of such Manager's securities on a fully-diluted basis. Manager shall make all holders of Restricted Securities aware of the restrictions on Transfer set forth in this Agreement, and if any Restricted Securities are issued in certificate form, such certificates shall bear a legend identifying such securities as Restricted Securities. In addition, any Transfer of the equity of Manager shall be conditioned upon receipt of any necessary Gaming Approval from the Board. Any Transfer shall include an acknowledgement by the transferee of the obligations set forth in this Agreement, and an agreement to be bound by the terms hereof.

(b) **Qualification on Limitations on Transfers.** Notwithstanding the foregoing, no provision of this Agreement shall impose or be construed as imposing any limitation on any Transfer of any ownership interest in CDIHC, LLC ("CDIHC"), or any entity that owns a Direct or Indirect Interest in CDIHC, or with regard to any of the foregoing entities, a successor by merger, consolidation, sale of assets or otherwise, to all or a substantial portion of the assets or business.

(c) All transferees of Restricted Securities shall hold their interests subject to the restrictions of this Article. Manager agrees to place a legend referencing these restrictions on its ownership certificates, if any.

Article IV. REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties of the Manager. As a material inducement to City to enter into this Agreement and the transactions and agreements contemplated hereby, Manager represents and warrants to City that as of the date of execution of this Agreement:

(a) **Valid Existence and Good Standing**. Manager is a limited liability company duly organized and validly existing under the laws of the State of Delaware and duly

authorized and registered to transact business in the Commonwealth of Virginia. Manager has the requisite power and authority to own its property and conduct its business as presently conducted.

(b) **Authority to Execute and Perform Contract Documents**. Manager has the requisite power and authority to execute and deliver the Agreement and to carry out and perform all of the terms and covenants of the Agreement and the agreements contemplated hereby to be performed by it.

(c) **No Limitation on Ability to Perform**. Neither Manager's articles of formation, operating agreement, bylaws or other governing documents nor any applicable Law prohibit the Manager's entry into the Agreement or its performance thereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of the Agreement by Manager, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made, and any Gaming Approvals, or submissions to Gaming Authorities therewith, or other filings or permits with any regulatory authorities as required in connection with the Project (as such terms are defined in the Host Community Agreement). Except as may otherwise have been disclosed to City in writing, there are no undischarged judgments pending against Manager, and neither has received notice of the filing of any pending suit or proceedings against it before any court, governmental agency or arbitrator that might materially adversely affect the enforceability of the Agreement or the business, operations, assets or condition of Manager.

(d) **Valid Execution**. The execution and delivery of the Agreement, and the performance by the Manager hereunder have been duly and validly authorized. When executed and delivered by City, the Owner, and the Manager, the Agreement will be a legal, valid and binding obligation of Manager.

(e) **Defaults**. The execution, delivery and performance of the Agreement (i) do not and will not violate or result in a violation of, contravene, or conflict with or constitute a default by Manager under (A) any agreement, document, or instrument to which either is a party or by which either is bound, (B) any Law applicable to Manager or its business, or (C) the articles of formation, operating agreement, bylaws, or other governing documents of Manager; and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Manager, except as contemplated hereby.

(f) **Financial Matters**. Except to the extent disclosed to City in writing, to Manager's knowledge, (i) Manager is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Manager has not filed a petition for relief under any chapter of the United States Bankruptcy Code, (iii) there has been no event that has materially adversely affected Manager's ability to meet its obligations hereunder or that has occurred that will constitute an event of default by Manager under the Agreement; and (iv) no involuntary petition naming Manager as debtor has been filed under any chapter of the United States Bankruptcy Code.

(g) **Gaming Matters**. Manager and its Representatives and Affiliates are in good standing with the Gaming Authorities in each of the jurisdictions in which they or any of their respective Affiliates owns or operates gaming facilities. To the knowledge of Manager, there are no facts that, if known to the Board, would be reasonably likely to (i) result in the denial, restriction, limitation, termination, suspension or revocation of a gaming license, approval, consent or waiver, (ii) result in a negative outcome to any finding of suitability proceedings or other approval proceedings necessary for the transactions contemplated under this Agreement and the licensing of the Project or (ii) be reasonably likely to negatively impact, or cause a delay under, any suitability or other approval proceeding required by the Board to consummate the transactions contemplated hereby and the licensing of the Project.

(h) **Survival.** The representations and warranties above shall survive the expiration or any earlier termination of the Agreement. Notwithstanding anything to the contrary, the representations and warranties in this Section 4.01 speak solely as of and are limited to the date of execution of this Agreement.

Section 4.02 Representations and Warranties of the Owner. As a material inducement to City to enter into this Agreement and the transactions and agreements contemplated hereby, Owner represents and warrants to City that as of the date of execution of the Agreement:

(a) **Valid Existence and Good Standing**. Owner is a limited liability company duly organized and validly existing under the laws of the State of Delaware and duly authorized and registered to transact business in the Commonwealth of Virginia. Owner has the requisite power and authority to own its property and conduct its business as presently conducted.

(b) **Authority to Execute and Perform Contract Documents**. Owner has the requisite power and authority to execute and deliver the Agreement and to carry out and perform all of the terms and covenants of the Agreement and the agreements contemplated hereby to be performed by Owner.

(c) **No Limitation on Ability to Perform**. Neither Owner's articles of formation, operating agreement, bylaws or other governing documents nor any applicable Law prohibits the Owner's entry into the Agreement or its performance thereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of the Agreement by Owner, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made, and any Gaming Approvals, or submissions to Gaming Authorities therewith, or other filings or permits with any regulatory authorities as required in connection with the Project (as such terms are defined in the Host Community Agreement). Except as may otherwise have been disclosed to City in writing, there are no undischarged judgments pending against Owner, and Owner has not received notice of the filing of any pending suit or proceedings against Owner before any court, governmental agency or arbitrator that might materially adversely affect the enforceability of the Agreement or the

business, operations, assets or condition of Owner.

(d) **Valid Execution**. The execution and delivery of the Agreement, and the performance by the Owner thereunder have been duly and validly authorized. When executed and delivered by City, the Owner and the Manager, the Agreement will be a legal, valid and binding obligation of Owner.

(e) **Defaults**. The execution, delivery and performance of the Agreement (i) do not and will not violate or result in a violation of, contravene, or conflict with or constitute a default by Owner under (A) any agreement, document, or instrument to which Owner is a party or by which Owner is bound, (B) any Law applicable to Owner or its business, or (C) the articles of formation, operating agreement, bylaws, or other governing documents of Owner; and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Owner, except as contemplated hereby.

(f) **Financial Matters**. Except to the extent disclosed to City in writing, to Owner's knowledge, (i) Owner is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Owner has not filed a petition for relief under any chapter of the United States Bankruptcy Code, (iii) there has been no event that has materially adversely affected Owner's ability to meet its obligations hereunder or that has occurred that will constitute an event of default by Owner under the Agreement; and (iv) no involuntary petition naming Owner as debtor has been filed under any chapter of the United States Bankruptcy Code.

(g) **Gaming Matters**. Owner and its Representatives and Affiliates are in good standing with the Gaming Authorities in each of the jurisdictions in which they or any of their respective Affiliates owns or operates gaming facilities. To the knowledge of Owner, there are no facts that, if known to the Board, would be reasonably likely to (i) result in the denial, restriction, limitation, termination, suspension or revocation of a gaming license, approval, consent or waiver, (ii) result in a negative outcome to any finding of suitability proceedings or other approval proceedings necessary for the transactions contemplated under this Agreement and the licensing of the Project or (ii) be reasonably likely to negatively impact, or cause a delay under, any suitability or other approval proceeding required by the Board to consummate the transactions contemplated hereby and the licensing of the Project.

(h) **Survival.** The representations and warranties above shall survive the expiration or any earlier termination of the Agreement. Notwithstanding anything to the contrary, the representations and warranties in this Section 4.02 speak solely as of and are limited to the date of execution of this Agreement.

Section 4.03 Obligations Several. The City acknowledges that the obligations of Owner and its Affiliates, and Manager and its Affiliates, are several and not joint. Owner shall not be responsible to take any action or refrain from taking any action required of Manager or Manager's Affiliates pursuant to this Agreement, and Manager and its Affiliates shall not be responsible to

take any action or refrain from taking any action required of Owner or Owner's Affiliates pursuant to this Agreement. The City also acknowledges that Owner and Manager shall not be deemed Affiliates of each other for any purpose under this Agreement.

Article V. MISCELLANEOUS PROVISIONS

Section 5.01 Duration. This Agreement will be in full force and effect following the City Council's approval of this Agreement and the execution of this Agreement by all Parties (the "Effective Date") and shall terminate or expire only as provided herein; provided, however, that the Agreement shall terminate if upon certification of the results of the Referendum, the Referendum failed to pass; provided, further, that this Agreement shall terminate with respect to the Parties (and such Parties' rights and obligations set forth herein) upon the termination or expiration of the Management Agreement, as applicable.

Section 5.02 Oppose Adverse Litigation. Owner, Manager and City shall take, or cause to be taken, all actions reasonably necessary to (i) defend any lawsuits or other legal proceedings challenging this Agreement or the consummation of the transactions contemplated by this Agreement, (ii) prevent the entry by any Governmental Authority of any decree, injunction or other order challenging this Agreement or the consummation of the transactions contemplated by this Agreement, (iii) appeal as promptly as practicable any such decree, injunction or other order and (iv) have any such decree, injunction or other order vacated or reversed.

Section 5.03 Survival. The following provisions of this Agreement shall survive following any early termination of this Agreement: Article IV, Section 5.06, Section 5.07, Section 5.09, Section 5.10, Section 5.11, Section 5.12, Section 5.13, and Section 5.14 hereof.

Section 5.04 Captions. This Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation or meaning of this Agreement or in any way define, limit, extend or describe the scope or intent of any provisions of this Agreement.

Section 5.05 Counterparts. This Agreement may be executed by the parties hereto 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 Agreement.

Section 5.06 Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof and supersedes any prior understandings and written or oral agreements between them respecting such subject matter.

Section 5.07 Governing Law and Forum Choice. All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the City, the Owner or the Manager in connection with this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether

of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event or any litigation or other proceeding arising from this Agreement.

Section 5.08 Modifications. This Agreement may be amended, modified and supplemented only by the written consent of the City, the Owner and the Manager preceded by all formalities required as prerequisites to the signature by each party of this Agreement.

Section 5.09 No Agency, Joint Venture, or Other Relationship. Neither the execution of this Agreement nor the performance of any act or acts pursuant to the provisions of this Agreement shall be deemed to have the effect of creating between the City, the Owner, and the Manager or any of them, any relationship of principal and agent, partnership, or relationship other than the relationship established by this Agreement.

Section 5.10 No Individual Liability. No director, officer, member, employee, agent, or representative of the City, the Owner, the Manager or any Affiliate of them shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Agreement or on any obligation incurred under the terms of this Agreement.

Section 5.11 No Third-Party Beneficiaries. Notwithstanding any other provision of this Agreement, the parties hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the parties hereto; (iii) no individual or entity shall obtain any right to make any claim against any party under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this Section 5.11, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, subvendors, assignees, licensors and sublicensors, regardless of whether such individual or entity is named in this Agreement.

Section 5.12 No Waiver. The failure of any party to insist upon the strict performance of any provision of this Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Agreement at any time.

The waiver of any breach of this Agreement shall not constitute a waiver of a subsequent breach.

Section 5.13 Severability. Each clause, paragraph and provision of this Agreement is entirely independent and severable from every other clause, paragraph and provision. If any judicial authority or state or federal regulatory agency or authority determines that any portion

of this Agreement is invalid or unenforceable or unlawful, such determination will affect only the specific portion determined to be invalid or unenforceable or unlawful and will not affect any other portion of this Agreement which will remain and continue in full force and effect. In all other respects, all provisions of this Agreement will be interpreted in a manner which favors their validity and enforceability and which gives effect to the substantive intent of the parties.

Section 5.14 Notices. All notices, offers, consents or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Department of Economic Development
Attention: Director
1500 East Main Street, Suite 400
Richmond, Virginia 23219

with a copy to:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, 14th Floor
Richmond, Virginia 23219

and

City Attorney
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

B. To the Owner:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc.
1010 Wayne Avenue, 14th Floor
Silver Spring, Maryland 20910
Attention: General Counsel

and

RVA Entertainment Holdings, LLC
c/o Churchill Downs Incorporated
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Attention: General Counsel

with a copy to:

RVA Entertainment Holdings, LLC
c/o Urban One, Inc.
1010 Wayne Avenue, 14th Floor
Silver Spring, Maryland 20910
Attention: Chief Administrative Officer

and

Robert L. Ruben Partner
Duane Morris LLP
100 International Drive, Suite 700
Baltimore, MD 21202-5184

C. To the Manager:

Richmond VA Management, LLC
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Attention:
Telephone:
Facsimile:
Email:

with a copy to:

Churchill Downs Incorporated
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Attention: Brad Blackwell, EVP, General Counsel
Telephone:
Facsimile:
Email: brad.blackwell@kyderby.com

Each party may change any of its address information given above by giving notice in

writing stating its new address to the other parties.

Section 5.15 Interpretation

(a) In this Agreement:

(i) headings are for convenience only and do not affect interpretation;

(ii) unless otherwise stated, a reference to any agreement, instrument or other document is to that agreement, instrument or other document as amended or supplemented from time to time;

(iii) a reference to this Agreement or any other agreement includes all exhibits, schedules, forms, appendices, addenda, attachments or other documents attached to or otherwise expressly incorporated in this Agreement or any other agreement (as applicable);

(iv) reference to an Article, Section, subsection, clause, Exhibit, schedule, form or appendix is to the Article, Section, subsection, clause, Exhibit, schedule, form or appendix in or attached to this Agreement, unless expressly provided otherwise;

(v) a reference to a Person includes a Person's permitted successors and assigns;

(vi) a reference to a singular word includes the plural and vice versa (as the context may require);

(vii) the words "including," "includes" and "include" mean "including, without limitation," "includes, without limitation" and "include, without limitation," respectively;

(viii) an obligation to do something "promptly" means an obligation to do so as soon as the circumstances permit, avoiding any delay; and

(ix) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to and including."

(b) This Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Agreement or some provision of it or because that Party relies on a provision of this Agreement to protect itself.

(c) The Parties acknowledge and agree that:

(i) each Party is an experienced and sophisticated party and has been given the opportunity to independently review this Agreement with legal counsel;

(ii) each Party has the requisite experience and sophistication to understand, interpret and agree to the language of the provisions of this Agreement; and

(iii) in the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement will not be interpreted or construed against the Party preparing it.

Section 5.16 Signatures. This Agreement is signed when a party's signature is delivered by facsimile, email, or other electronic medium. These signatures must be treated in all respects as having the same force and effect as original signatures.

Section 5.17 Authorization to Act. The Chief Administrative Officer of the City or a designee thereof is authorized to act on behalf of the City under this Agreement.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the City, the Owner, and the Manager, have executed this Agreement as of the day and year written first above.

CITY OF RICHMOND, VIRGINIA,
a municipal corporation and political subdivision of the Commonwealth of Virginia

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

_____
Deputy City Attorney

RVA ENTERTAINMENT HOLDINGS, LLC,
a Delaware limited liability company

By: _____
Title: _____

RICHMOND VA MANAGEMENT, LLC, a Delaware limited liability company

By: _____
Title: _____

RICHMOND RIVERFRONT
PERFORMING ARTS VENUE
PERFORMANCE GRANT AGREEMENT

RICHMOND RIVERFRONT PERFORMING ARTS VENUE
PERFORMANCE GRANT AGREEMENT

This **PERFORMANCE GRANT AGREEMENT** (the "Agreement") is made and entered into this ____ day of _____, 2023, but effective the Commencement Date, by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia ("City"), **RICHMOND AMPHITHEATER, LLC**, a Delaware limited liability company ("Recipient") and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia ("Authority").

RECITALS

A. Recipient plans to develop and operate a music and performing arts venue with a capacity of not less than 7,000 and as described on Exhibit A attached hereto and by this reference made a part hereof (the "Performing Arts Venue").

B. The location of the Performing Arts Venue is on a parcel of land known as 470 Tredegar Street and referred to in the records of the City Assessor as Parcel No. W0000042001 (the "Parcel"), owned by a private entity, Gambles Hill Tredegar LLC ("Owner"), located in the City, and commonly known as Gambles Hill, and the Parcel is comprised of approximately eight and nine tenths (8.9) acres, more or less.

C. Recipient leases a portion of the Parcel (the "Site") from Owner for a base term of thirty (30) years, subject to extensions, for the development and operation of the Performing Arts Venue.

D. Development of the Performing Arts Venue will cause a direct capital investment of approximately $30,500,000, but in no event less than $27,500,000 in construction expenditures, which will be financed exclusively by private sources.

E. The development and operation of the Performing Arts Venue is projected to create a positive fiscal impact for the City, including without limitation the following: (i) it will generate additional food and beverage sales in the City, and (ii) it will add new hotels stays in the City, draw tourists to the City, reduce travel out of the City to attend music events, and expand entertainment industry employment opportunities in the City.

F. As an amphitheater, the Performing Arts Venue may meet the definition of a "public facility" under Va. Code § 58.1-608.3 and the rules and regulations thereto (the "State Rebate Act"), which may qualify the City or the Authority to receive a portion of certain state sales tax revenues generated by the operation of the Performing Arts Venue ("State Portion of Sales Tax Revenues") if such rebate is credited to pay the costs of construction of the Performing Arts Venue, all as set forth in such State Rebate Act. The parties estimate the State Portion of Sales Tax Revenue to be in the range of $2,500,000 over the Performance Grant Period.

G. City and Authority have determined that the Performing Arts Venue will promote economic development and tourism in the City and will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests, including but not limited to (i) an increase in General Fund revenue; (ii) the addition of the Performing Arts Venue as an amenity to the community; and (iii) the performance space for "Civic Events" described below.

H. City herein plans to fund a Performance Grant to Recipient calculated as a portion of the tax revenue received by the City attributable to (i) the incremental real estate tax for the Parcel (excluding special assessments or overlay district taxes), and (ii) the admissions tax generated by the Performing Arts Venue (the "Admissions Tax") , provided, however, that such Performance Grant shall not exceed the amount of Thirty-Seven Million and No/100 Dollars ($37,000,000.00) over the Performance Grant Period inclusive of the State Portion of Sales Tax Revenues, if authorized (the "Performance Grant"), on such terms and conditions as provided herein. For the avoidance of doubt, Recipient acknowledges that the amount of the Grant will be calculated as a portion and not the entire amount of actual tax revenue received by the City as a direct result of the development and operation of the Performing Arts Venue. Recipient further acknowledges that City makes no guarantee or assurance of the amount the Grant will equal in any year or cumulatively over the life of the arrangement set forth herein or that it will be any minimum amount and it therefore could be zero ($0) dollars in any year or cumulatively.

I. The Performance Grant is for the purpose of inducing Recipient to develop and operate the Performing Arts Venue in the City.

J. The payment of the Performance Grant will be conditioned upon Recipient's completion of the Performing Arts Venue construction and continued maintenance and operation of the Performing Arts Venue, and therefore the payment of all taxes owed to City by Recipient, a portion of which tax revenue will be used to calculate the Performance Grant, and the funds comprising payments of the Performance Grant will be solely limited to the Incremental Real Estate Tax and the Incremental Admissions Tax generated by the Performing Arts Venue, all as set forth herein.

K. City is authorized by Va. Code § 15.2-953 and other laws, and Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. Authority is authorized by Va. Code § 15.2-4905(13) to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development.

L. The construction of the Performing Arts Venue and the stimulation of the additional tax revenue and economic activity created by the Performing Arts Venue constitute valid public purposes for the expenditure of public funds.

M. This Agreement sets forth the understanding of the parties concerning Recipient's obligations, Authority's obligations, and the Performance Grant offered by City, subject to the approval of Authority's Board and the Richmond City Council and subject to appropriations.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Preliminary Provisions

1.1 Incorporation of Recitals. The foregoing recitals are incorporated herein by reference.

1.2 Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

"Base Admissions Tax Revenue" means the amount equal to the admissions tax collected on the parcel in fiscal year 2023. The Base Admissions Tax Revenue is $0.

"Base Real Estate Tax Revenue" means the amount equal to the real estate taxes levied by the City on the Parcel for the 2023 Assessment Year excluding any special assessment or overlay taxes. The Base Real Estate Tax Revenue is $189,444.00.

"Cap" means the maximum aggregate amount of Performance Grant Payments and the State Portion of Sales Tax Revenues (if authorized) over the Performance Grant Period, which shall be the amount of Thirty-Seven Million and no/100 Dollars ($37,000,000.00).

"Certificate of Occupancy" means the Certificate of Occupancy issued to Recipient by City upon the completion of the construction of the Performing Arts Venue.

"City Code" means the Code of the City of Richmond.

"Civic Event" means events by City (such as graduations, debates, parks and recreation programming, etc.), or events organized by 501(c)(3) non-profits in the community, the proceeds of which are all retained by the City or respective non-profits.

"Civic Event Fees" means the reasonably calculated incremental cost to Recipient for the underlying services related to a given Civic Event, such as cleaning, security, ushers, ticketing staff, insurance, utilities and so forth, the fee schedule of which will be provided to the City by no later than 90 days prior to the start of the new Fiscal Year. For clarity, the City or any other Civic Event organizer entering into a Standard Event License Agreement with Recipient may choose to use the contractors of their choice for any of the services required, such as cleaning, security, ushers, ticketing, and so forth, provided all such independent contractors comply with

the insurance and other terms set forth in the Standard Event License Agreement applicable to all independent contractors working for events at the Performing Arts Venue.

"CPI" means the index issued by the Bureau of Labor Statistics, called the All Items Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, 1982-84=100.

"Fiscal Year" means a fiscal year of City, which currently begins on July 1 of each year.

"Incremental Admissions Tax Revenue" means the Admissions Tax revenue collected at the Performing Arts Venue by the Recipient and paid to the City in a given fiscal year during the Performance Grant Period that exceeds the Base Admissions Tax Revenue.

"Incremental Real Estate Tax Revenue" means the Real Estate Tax revenue paid for the Parcel by the Recipient to the City in a given fiscal year during the Performance Grant Period that exceeds the Base Real Estate Tax Revenue.

"Performance Grant Period" means that certain period commencing the first day of the first Fiscal Year following the calendar year in which Certificate of Occupancy is issued for the Performing Arts Venue, and ending in the twentieth (20^{th}) Fiscal Year following commencement or, if earlier, on the last day of the Fiscal Year during which City elects to terminate the Grant Payment provisions of Section 3 pursuant to Section 6.2.

"Major Event" means any ticketed event promoted by Recipient, or its affiliates, in the Performing Arts Venue that (i) is widely advertised to the public and (ii) has a lowest face price ticket that is not less than $25 per ticket, with such floor price to be increased by the change in the CPI for each year after the date hereof.

"Performance Grant Amount" means, for each applicable Fiscal Year during the Performance Grant period, the Incremental Admissions Tax Revenue and the Incremental Real Estate Tax Revenue, provided all Admissions Tax and Real Estate Tax owed to the City by Recipient with respect to the Performing Arts Venue are paid in full and on time.

"Standard Event License Agreement" means the agreement Recipient requires of all third-party users of the Performing Arts Venue, which will include minimum requirements of security, insurance, sound limitations, cleaning, staffing and similar matters to assure a quality event, as amended from time to time in accordance with best practices of the live event industry. The Standard Event License Agreement will be modified for the City and the Authority to ensure the legality of its provisions when used by governmental entities, provided such changes do not substantively change the economics (which term expressly excludes any concepts of indemnification), security, cleaning and sound limitation responsibilities or insurance requirements (including both liability insurance and insurance for damage to property) of such Agreement. The Recipient understands that when the City is a party to a Standard Event License Agreement it cannot have an indemnity obligation, and therefore the Recipient will be relying on the insurance the City will be required to provide as a condition to its use of the Performing Arts Venue under any Standard Event License Agreement the City enters into.

"Standard Local Promoter Event License Agreement" means the agreement Recipient requires of all local promoters for use of the Performing Arts Venue which will include the terms of the Standard Event License Agreement and will also include a charge to the local promoter of a reasonable estimate of the all-in costs per night to use the Performing Arts Venue, including the cost of building and maintaining the facility, the fee schedule of which will be provided to the City by no later than January 31 of each year. Such agreement may be amended from time to time in accordance with best practices of the live event industry.

"State Portion of Sales Tax Revenue" means the amount, if any, received by the City or the Authority from the Commonwealth of Virginia pursuant to Virginia Code § 58.1-608.3 and paid by the City or the Authority to the benefit of Recipient by application of such revenue to the repayment of any bonds issued or financing to fund construction of the Performing Arts Venue. (See Section 2.2.4.1 herein).

Section 2. Recipient's Obligations

2.1 Completion of Project Construction; Timeline

2.1.1 Completion of Performing Arts Venue Construction. Recipient shall complete the Performing Arts Venue within three years of the date of execution of this Agreement. The completion shall be evidenced by the issuance of Certificate(s) of Occupancy from the City for the Performing Arts Venue.

2.1.2 Failure to Comply. If Recipient fails to timely comply with any of the provisions of this Section 2.1 then City's Chief Administrative Officer ("CAO") and the Authority's Executive Director, in their joint discretion, may either extend the time by which Recipient must comply with the corresponding requirement or provide written notice of the City's and the Authority's intent to terminate this Agreement. If Recipient fails to cure its failure to comply within 30 days of such written notice then this Agreement, including all rights and obligations herein, shall, upon the City's and the Authority's election, terminate and neither City nor Authority shall have any further obligation to Recipient and Recipient shall no longer be eligible for any Performance Grant Payments hereunder.

2.2 Obligations of Recipient

2.2.1 Continued Ownership of the Performing Arts Venue by Recipient. Recipient shall continue to own the Performing Arts Venue until completion of Performing Arts Venue construction pursuant to Section 2.1.1 and thereafter until expiration of the Performance Grant Period. Recipient may not transfer the ownership interest in the Performing Arts Venue to a third party or assign this Agreement, without the prior written consent of the City and the Authority which shall be given only after submission by Recipient to the City and the Authority of all documents related to such

transfer, assignment, either or both. The consent of the City and the Authority will not be unreasonably withheld, conditioned, or delayed.

2.2.2 Continued Maintenance and Operation of the Performing Arts Venue. Following Recipient's completion of Performing Arts Venue construction as set forth in Section 2.1.1, Recipient (or its permitted successor) shall continue to maintain and operate the Performing Arts Venue in a manner that is commensurate with other similar high quality amphitheater venues until the expiration of the Performance Grant Period.

2.2.3 <u>Covenants of Recipient</u>

In addition to the other agreements herein, Recipient agrees to the following:

2.2.3.1 Wages: Recipient agrees that Recipient's contractors constructing the Performing Arts Venue will pay their employees a minimum of $18.00 per hour or the prevailing wage for the City (whichever is higher) as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et. seq., as amended to each laborer, worker, and mechanic employed on the construction of the Performing Arts Venue, and to the extent permitted by applicable Law and without establishing preferences for Virginia residents over non-Virginia residents the Recipient shall use commercially reasonable efforts to hire employees for construction jobs and the ongoing operation of the Performing Arts Venue from the City of Richmond.

2.2.3.2 Civic Events: During the Performance Grant Period in each calendar year, City shall have the right to utilize the Performing Arts Venue for Civic Events when it is available and then on the favorable terms described herein.

2.2.3.2.1. Use Fees. For the use of the Performing Arts Venue for Civic Events, the organizer will pay to Recipient the Civic Event Fee plus the fee for any support services provided by Recipient that the organizer of the Civic Event chooses to use, in accordance with the support services fee schedule provided to the City by January 31 of each year. For avoidance of doubt, The Civic Events Fees shall not include the cost of building and maintaining the facility.

2.2.3.2.2 Scheduling Priority. At all times, Recipient shall have the right of first choice on the dates for Major Events and may reserve dates for a prospective Major Event. The City recognizes that Recipient needs to retain scheduling flexibility as much as possible to capture opportunities when they arise, some of which may occur on short notice. Without limiting the preceding two sentences, Recipient and City each covenant and agree to work together in good faith using commercially reasonable efforts to coordinate the scheduling of Major Events and Civic Events. For the purposes of illustration of availability of dates for Civic

Events, Recipient anticipates that the Performing Arts Venue will be widely available for Civic Events as follows (i) outside of the music touring season (this would typically be November through March); and (ii) on short term notice for dates that are not already booked. If at the time the City requests a date for a Civic Event to be held within 42 calendar days of the date of the request and on the date of the request there is no conflicting booking on the Performing Arts Venue calendar maintained by Recipient and no active discussion with a potential event at that time for the desired Civic Event date, then the Recipient will hold the date for five (5) business days in which time the parties can finalize and execute a Standard Event License Agreement for such Civic Event on such date and such Standard Event License Agreement will not reserve to Recipient the right to reschedule the event. Similarly, if a Civic Event was conditionally scheduled more than 42 calendar days in advance and has a clause in its Standard Event License Agreement that allows Recipient to require that the event be rescheduled, the City can contact the Recipient on a date that is within 42 calendar days of the scheduled date and ask if the clause that permits the Recipient to reschedule the event be removed and Recipient will agree to remove it subject to the guidelines above as if the City were asking for the date. Subject to the scheduling priority set forth herein, there is no cap on the number of Civic Events.

2.2.3.2.3 License Agreement. Each Civic Event will require execution by the Authority or other Civic Event organizer of the Standard Event License Agreement with respect to such Civic Event. Once a Civic Event is scheduled and the Standard Event License Agreement is executed for a specific date, and so long as the Civic Event party is not in default thereof, Recipient shall not unilaterally cancel or reschedule such Civic Event or reserve the date or dates for any other event unless such change is permitted under the applicable Standard Events License Agreement.

2.2.3.3 Parking: During the Performance Grant Period through customer education, signage, and where necessary, agreements with adjacent parking facility owners, Recipient will take reasonable efforts to avoid any of Recipient's events causing attendees to use street parking in primarily single-family residential neighborhoods. At all times in connection with its operation of the Performing Arts Venue, Recipient covenants and agrees to use commercially reasonable efforts to direct event attendees to the locations of available off-street parking in proximity to the Site outside of such single-family residential neighborhoods. Recipient shall provide the City with a final parking plan, which may be amended from to time, no later than 90 days before the issuance of the Certificate of Occupancy for the Performing Arts Venue and no later than 90 days before the start of each subsequent Fiscal Year.

2.2.3.4 Restrooms: Recipient will license the two "Family Restrooms" at the Performing Arts Venue as public restrooms during daylight hours on days other

than days a ticketed event is being held at the Performing Arts Venue. The foregoing shall be expressly subject to City providing mutually acceptable cleaning, security and insurance pursuant to the terms of a license agreement in a form approved by City and Recipient. This section 2.2.3.4 will survive expiration or termination of this Performance Grant Agreement

2.2.3.5 Inclusive and Diverse Programing: Recipient will use commercially reasonable efforts to program entertainment events at the Performing Arts Venue that attract attendance from all corners of the community. This section 2.2.3.5 will survive expiration or termination of this Performance Grant Agreement.

2.2.3.6 Complementary Tickets: During the Performance Grant Period the Authority may request, and Recipient will provide to the Authority (i) up to ten (10) premium fixed seat or pit area tickets (the Recipient will choose whether it is pit area or fixed seat tickets on a show-by-show availability basis) and (ii) up to twenty (20) lawn tickets (the "Comp Tickets") for each Major Event. The Authority shall provide to Recipient the name of the user (who may be picking up for more than one person) of each Comp Ticket in writing not less than five (5) business days prior to the applicable Major Event, whereupon Recipient shall make such Comp Ticket available for pick-up by the user or group at the Will Call area of the Performing Arts Venue pursuant to Recipient's standard ticketing procedures. A City or Authority representative can make arrangement to pick up tickets on the day of the event if necessary due to the Authority having a special quest or group coming to the event. Failure of Recipient to receive timely notice of a Comp Ticket user or group shall forfeit the Authority's right of use of such Comp Ticket and allow marketing of the same by Recipient to the general public. At all times the City and Authority shall designate an individual to be their designated contact to interact with the Recipient in regards to all ticket requests by the Authority under this Section. Such designation may be updated by the City and the Authority from time to time.

2.2.3.7 Local Promoter Events: During the Performance Grant Period live music promoters from the Richmond community will be allowed to rent the Performing Arts Venue for a Major Event as follows (a "Local Promoter Event"): (i) up to two (2) nights per calendar year if Recipient schedules up to twenty-nine (29) Major Events in a calendar year, or (ii) up to three (3) nights per calendar year if Recipient schedules thirty (30) or more Major Events in that year.

2.2.3.7.2. Scheduling Priority. At all times, Recipient shall have the right of first choice on the dates for Major Events and may reserve dates for a prospective Recipient Major Event. Without limiting the preceding sentence, Recipient and City each covenant and agree to work together in good faith using commercially reasonable efforts to coordinate the scheduling of Major Events and Local Promoter Events for each calendar year.

2.2.3.7.3. License Agreement. Each Local Promoter Event will require execution by the local promoter of the Standard Local Promoter Event License Agreement with respect to such Local Promoter Event. Once a Standard Local Promoter Event License Agreement is executed for a specific date, and so long as the Local Promoter is not in default thereof, Recipient shall not unilaterally cancel or reschedule such Local Promoter Event for a Major Event or reserve the date or dates for a Major Event.

2.2.3.8 Community Benefit Ticket Fee. Throughout the Performance Grant Period Recipient will charge or cause to be charged a community benefit fee of One and No/100 Dollars ($1.00) for each ticket sold for all events, except Civic Events and other events the City asks to be excluded from this requirement, at the Performing Arts Venue (the "Community Benefit Ticket Fees"). The gross amount of the Community Benefit Fees collected by Recipient shall be paid to City annually.

2.2.3.9 Benefit Concert. In the first year of operations, Recipient will hold one benefit concert at the Performing Arts Venue from which Recipient will contribute the net proceeds after its reasonable expenses to a community-oriented beneficiary selected by Recipient in its sole discretion following consultation with City.

2.2.3.10 Internships. No later than the April 30, 2025 Recipient will develop a summer program offering internships to individuals with interest in pursuing a career in the live music entertainment industry. Priority shall be given to graduates of Richmond Public Schools who are pursuing post-secondary degrees or are over twenty-one (21) years of age. The program shall operate throughout the Performance Grant Period.

2.2.3.11 Pursuit of the Virginia Sales Tax Rebate. Recipient has identified that the Performing Arts Venue should be eligible under the State Rebate Act for a partial rebate of the sales tax payable by Recipient to the Commonwealth of Virginia arising from the operations of the Performing Arts Venue. So long as such rebate will be received by the City or the Authority to be used for repayment of the bonds issued by the City or the Authority, and the proceeds from the sale of such bonds funded a portion of the costs of construction of the Performing Arts Venue per the State Rebate Act the Recipient together with the City and the Authority will consult with the State to confirm the simplest structure and documentation that will allow for the payment of the State Portion of Sales Tax Revenues with respect to the Performing Arts Venue. Assuming such structure and proposed documentation is acceptable to the City and the Authority in their sole discretion, the Recipient commits to collaborate with the City and the Authority to apply for the State Portion of the Sales Tax Revenue. If the Recipient fails to collaborate with the City and the Authority to apply for the State Portion of the Sales Tax Revenue, the Cap will be reduced from $37,000,000 to $34,500,000.Such reduction in the Cap does not occur if the State Rebate Act is

repealed by the Commonwealth of Virginia; or the Commonwealth of Virginia denies the application from the City or the Authority with respect to the Performing Arts Venue; or the City or the Authority fail to perform any required role under the State Rebate Act necessary to allow the State Portion of the Sales Tax Revenue to be paid to the City or the Authority under the State Rebate Act.

2.2.4 Covenants of City

In addition to the other agreements herein, City agrees to the following:

2.2.4.1 Cooperation on the State Portion of Sales Tax Revenues. The City and Authority will apply to receive the State Portion of Sales Tax Revenues in accordance with the State Rebate Act for the benefit of financing the construction of the Performing Arts Venue and in a manner that uses the simplest financing structure that qualifies and pays the direct cost for the Authority's role in the financing of the construction of the Performing Arts Venue through the sale of bonds. As stated in Section 2.2.3.1, the Recipient will cooperate with the City and the Authority to apply for State Portion of the Sales Tax Revenues. The credit of the State Portion of the Sales Tax Revenues to pay financing costs (debt service) for the construction of the Performing Arts Venue will be credited to the Cap dollar for dollar. In consideration for such cooperation, the Authority will receive the minimum ownership interest in the Performing Arts Facility sufficient to qualify it for the State Portion of the State Sales Tax Revenue.

2.2.4.2 Cooperation on Permitting. City will assign a project expeditor to ensure that various City departments respond to submittals made by the Recipient in connection with the construction and development of the Performing Arts Venue in a timely manner.

Section 3. Disbursement of Grant.

3.1 Grant. Beginning with the first Fiscal Year of the Performance Grant Period and each Fiscal Year thereafter until the Performance Grant Period terminates, City shall pay to Recipient through Authority, the Performance Grant Payments for such Fiscal Year subject to the provisions of this Section 3.

3.2. Request for Performance Grant Payment. As of the beginning of the Performance Grant Period, and following full and timely payment of all Real Estate Taxes, Admissions Taxes, and all other applicable taxes and fees owed to the City for the Performing Arts Venue, prior to the date thereof, Recipient shall request in writing the Performance Grant Payments for the prior Fiscal Year (and in the case of the first request only, for the period from the opening of the Performing Arts Venue through to the end of the Prior Fiscal Year). Recipient's written request shall include (i) documentation, acceptable to the City in the City's sole discretion, showing its full and timely payment of the Real Estate Taxes on the Parcel and the total Admissions Taxes paid for the prior Fiscal Year, (ii) the cumulative amount of prior Performance Grant Payments and (iii) the amount of the requested Performance Grant Payment and an explanation of the

calculation thereof, which shall specifically include sufficient verifiable detail to demonstrate that Recipient's request will not cause the Grant Payment to exceed the Cap. Recipient shall submit each request for payment to the Authority's Executive Director, with copies to the City, and the Office of the City Attorney.

3.3. Disbursement of Grant Payment. Upon receipt of a Performance Grant Payment request from Recipient, Authority shall review and verify the accuracy of the request. Authority shall not make a Performance Grant Payment if Recipient, or Recipient and Owner, did not make full and timely payment of the Real Estate Taxes of the Parcel, the Admissions Taxes, and any other taxes and fees owed by Recipient for the applicable Fiscal Year and shall not make a Performance Grant Payment if Recipient is delinquent in payment of any other taxes payable to the City by Recipient. Within twenty (20) business days of receipt of Recipient's Performance Grant Payment request, Authority shall notify Recipient either that (i) Authority denies the request and will not make a Performance Grant Payment for the foregoing reasons, (ii) Authority approves the request and intends to make a Performance Grant Payment in the amount requested, or (iii) Authority approves making a Performance Grant Payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent with this Agreement, in which case Authority shall indicate the correct Performance Grant Payment amount it intends to make and how it was calculated. Notwithstanding the foregoing, Authority's failure to respond within twenty (20) business days shall not constitute approval of a requested Performance Grant Payment and Recipient shall not be entitled to any such payment due solely to Authority's failure to timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, City agrees to, within twenty (20) business days of Authority's approval of any Performance Grant Payment, transfer the funds for the Performance Grant Payment to Authority. Authority agrees, subject to any necessary approvals by its Board of Directors, to pay the Performance Grant Payment to Recipient within twenty (20) business days of receipt of the funds from City.

3.4 **Recipient's Relief.** Should Recipient believe City or Authority failed to comply with Section 3.3, Recipient may seek relief in accordance with Section 9.2; provided, however, Recipient's sole remedy shall be to receive payment for a Performance Grant Payment to which it was entitled (subject to the restrictions set forth in this Performance Agreement, including, but not limited to, Section 3.3 and Section 9.5) and for which it did not receive payment.

Section 4. General Administration of Grant

4.1 City agrees to transfer to Authority, as and when appropriated by the City Council, the funds necessary for Authority to meet its obligations under the Agreement relating to the Performance Grant.

4.2 Authority's obligation to undertake the activities herein is specially conditioned upon City providing funding on a timely basis; provided, however, City's obligation is subject to appropriation by the City Council and availability of funds.

4.3 Authority agrees to provide the CAO, or the designee thereof, with copies of all documents related to this Performance Agreement and will keep the CAO fully and timely informed of all matters related to the Performance Agreement.

4.4 It is the intent of the parties not to impose upon Authority any responsibility, duty or obligation other than what may be required to implement the Performance Grant. Accordingly, Authority does not assume any responsibility or liability whatsoever except as specifically stated herein. If litigation involving the Performance Grant is initiated or expected to be filed against Authority, Authority shall immediately notify the City Attorney and CAO.

4.6 Authority shall keep records of its financial transactions, if any, related to the Agreement in accordance with generally accepted accounting principles. The City Auditor or her or his designee may at any time audit the financial transactions undertaken under this Agreement. Authority shall cooperate to ensure that the City Auditor is granted reasonable access on a timely basis to all books and records of Authority necessary to complete such audits.

4.7 Authority shall not be required to furnish City a blanket corporate fidelity bond with surety.

Section 5. **Representations of Recipient**

5.1 Recipient is empowered to enter into this Performance Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable Recipient to enter into this Performance Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Performance Agreement on behalf of Recipient has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Performance Agreement on behalf of Recipient will bind and obligate Recipient to the extent provided by the terms hereof.

5.5 There exists no litigation pending or, to Recipient's knowledge, threatened against Recipient which, if determined adversely, would materially and adversely affect the ability of Recipient to carry out its obligations under this Performance Agreement or the transactions contemplated hereunder.

5.6 Recipient has and will maintain throughout the Performance Grant Period control of the Site (unless transferred solely as permitted by this Performance Agreement) sufficient to meet all of Recipient's obligations in this Performance Agreement.

5.7 Recipient is and will remain the party responsible for paying real estate taxes on the Site and Recipient and Owner will continue to have the authority to ensure payment of real estate taxes on the Parcel.

Section 6. Default.

6.1 Events of Default. Each of the following events shall be a default hereunder by Recipient if not first cured to City's satisfaction within thirty (30) days following the City's notice to Recipient of such occurrence (each an "Event of Default"):

6.1.1 Failure by Recipient to maintain its corporate existence or the declaration of bankruptcy by Recipient.

6.1.2 The failure of Recipient to comply with Sections 2.1 or 2.2 of this Performance Agreement.

6.1.3 The failure of Recipient to comply with Section 9.12 of this Performance Agreement;

6.1.4 The failure of Recipient to pay all taxes, and applicable penalties and interest owed by Recipient to the City, or failure of the Owner to pay all real estate taxes and applicable penalties and interest owed by the Owner to the City with respect to the Parcel.

6.1.5 Transfer or assignment in violation of the terms of this Performance Agreement;

6.1.6 The failure of Recipient to maintain control of the Site (unless transferred solely as permitted by this Performance Agreement; and

6.1.7 The inaccuracy of any representation made by Recipient in Section 5 of this Performance Agreement.

6.2 Effect of Event of Default. In the case of an occurrence of an Event of Default, the Performance Grant Payment provisions of Section 3 shall, at City's option, terminate, and neither City nor Authority shall have any further obligation relating thereto and Recipient shall no longer be eligible for any Performance Grant Payments hereunder. Notwithstanding the foregoing, Recipient's obligations hereunder will remain in force and effect throughout the Performance Grant Period and City shall be entitled to any remedies available at law and equity, including, but not limited to, specific performance. In the event of non-appropriation of the applicable funds by the City as required herein, or nonpayment by the Authority, of a payment required of the Authority herein, the Recipient's obligations under Sections 2.2.3.6 and 2.2.3.7, herein shall pause until such default by the City and/or Authority is fully cured.

Section 7. Recipient Reporting.

Recipient shall provide, at Recipient's expense, quarterly reports no later than January 15th, April 15th, July 15th, and October 15th of each Fiscal Year commencing the first quarter immediately following the approval and signing of this Performance Agreement through the issuance of the Certificate of Occupancy for the Performing Arts Venue, and thereafter annually on each December 31 of each year, satisfactory to City of Recipient's progress regarding completion of the Performing Arts Venue's construction and, following the Performing Arts Venue's construction, of Recipient's continued compliance with Section 2.2.

Section 8. Notices.

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to Recipient, to:
Richmond Amphitheater, LLC
455 2nd Street SE, Suite 500
Charlottesville, Virginia 22902

with a copy to:
Philip Goodpasture, Esq.
Williams Mullen
200 S. 10th Street, Suite 1600
Richmond, Virginia 23219

Live Nation
325 N. Maple Drive
Beverly Hills, CA 90210
Attn: Chief Counsel

if to City, to:
Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:
Department of Economic Development
City of Richmond, Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219
Attention: Director of Economic Development

City Attorney's Office
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

if to Authority, to:

Economic Development Authority of the City of Richmond, Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219

with a copy to:

Economic Development Authority of the City of Richmond, Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219

Attention: Chairman Attention: Executive Director

Section 9. General Terms and Conditions.

9.1 Entire Agreement; Amendments; Assignments. This Performance Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto. This Performance Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that in no event may this Performance Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent no party shall be obligated to give. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign to any future owner of the Performing Arts Venue provided it first shall have complied with the requirements set forth in Section 2.2.1 of this Agreement and shall have submitted to City the form of all instruments by which it purports to make such assignment and shall have obtained City's prior written approval thereof, which approval shall not be unreasonably withheld, conditioned, or delayed; and (b) Recipient shall have the right to grant to a lender a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by a lender providing funds for the development of the Performing Arts Venue, and any action taken by such lender to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided Recipient first shall have submitted to City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained City's prior written approval thereof, which approval shall not be unreasonably withheld, conditioned, or delayed but no such consent shall be required to the exercise by lender or any assignee of lender of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. City agrees that the lender shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of the Performing Arts Venue pursuant to foreclosure, deed in lieu of foreclosure or otherwise.

9.2 Governing Law; Venue. This Agreement is made, and is intended to be performed, in the Commonwealth of Virginia and shall be construed and enforced by the laws of the Commonwealth of Virginia. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

9.3 Counterparts. This Performance Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

9.4 Severability. If any provision of this Performance Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

9.5 Subject-to-Appropriations. All payments and other performances by City and Authority under this Performance Agreement are subject to City Council approval, Authority Board approval and annual appropriations by the City Council. It is understood and agreed among the parties that City and Authority shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Performance Agreement. Under no circumstances shall City's or Authority's total liability under this Performance Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Performance Agreement.

9.6 Public Disclosure.

9.6.1 Applicable Law. The parties to this Performance Agreement acknowledge that records maintained by or in the custody of City and Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-3714 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

9.6.2 Challenges to Nondisclosure. If a party submitting records to City or Authority requests that those records not be disclosed under applicable law and City or Authority consequently denies a request for disclosure of such records based on the submitting party's request, and City's or Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend City or Authority, their respective officers and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

9.7 No Waiver. Neither failure on the part of a party to enforce any covenant or provision contained in this Performance Agreement nor any waiver of any right under this Performance Agreement shall discharge or invalidate such covenant or provision or affect the right of such party to enforce the same right in the event of any subsequent default.

9.8 Effective Date of the Agreement. The effective date of this Performance Agreement shall be the date upon which it has been fully executed by the parties following approval by City Council and by Authority's Board of Directors (the "Commencement Date").

9.9 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Performance Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to the Performance Agreement as the agent or representative of any other party to the Performance Agreement for any purpose.

9.10 No Third-Party Beneficiaries. Except as otherwise provided in Section 9.1, the parties agree that (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Performance Agreement; (ii) the provisions of this Performance Agreement are not intended to be for the benefit of any individual or entity other

than City, Authority, or Recipient; (iii) no other individual or entity shall obtain any right to make any claim against City, Authority, or Recipient under the provisions of this Performance Agreement; and (iv) no provision of this Performance Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity.

9.11 Authority to Act. Except as specifically otherwise set forth in this Performance Agreement, the CAO or the designee thereof may provide any authorization, approvals, and notices contemplated herein on behalf of City. Except as specifically otherwise set forth in this Performance Agreement, the Executive Director or the designee thereof may provide any authorization, approvals, and notices contemplated herein on behalf of Authority.

9.12 Additional Recipient Commitments

9.12.1 Employment. All opportunities for employment in connection with the development of the Performing Arts Venue shall be communicated to the City's Office of Community Wealth Building, and Recipient shall encourage all initial users and tenants of the Performing Arts Venue to coordinate employment recruitment efforts with the Office of Community Wealth Building.

9.12.2 MBE/ESB Participation.

a. Goal. Recipient agrees to good faith efforts to diligently work towards a goal that, where capacity, capability and competitive pricing exists, 40% (and a minimum 25%) of all expenditures for those construction costs of the Performing Arts Venue that will be paid to third-party subcontractors unaffiliated with Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Performing Arts Venue. The terms "minority business enterprise" and "emerging small business" have the meanings ascribed to them by the City Code. Recipient shall include this goal in its contracts with all assignees, contractors and subcontractors who provide any portion of the Performing Arts Venue.

b. Reporting. To enable City to measure the achievements of Recipient and its assignees, contractors and subcontractors with regard to the participation goals set forth above, Recipient shall submit a quarterly report detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If City chooses, Recipient shall submit these reports on forms prescribed by City. City will use these reports in evaluating the good faith minority business enterprise participation efforts of Recipient and its assignees, contractors and subcontractors which compete for City contracts.

9.13 Force Majeure. Each party's obligations herein are subject to reasonable delay in the events of a Force Majeure Event. As used herein, the terms "Force Majeure Event" shall

mean any prevention, delay or stoppage due to strikes; lockouts; labor disputes; acts of God; inability to obtain labor or materials or reasonable substitutes therefor [from normally available sources]; judicial orders; enemy or hostile governmental action; civil commotion; acts of terrorism; fire or other casualty; war and other declared national emergency; any government mandated restrictions or closures arising from pandemic or epidemic that adversely impact the general availability of labor or supplies, materials or products and other causes (except financial) beyond the reasonable control of the party obligated to perform and shall excuse the performance by that party for a period equal to the prevention, delay or stoppage.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

CITY OF RICHMOND, VIRGINIA
a municipal corporation of the
Commonwealth of Virginia

By: _____
Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No._____

Approved as to Form:

By: _____
City Attorney's Office

RICHMOND AMPHITHEATER, LLC, a Delaware limited liability company

By: _____
Date

Name: _____
Title: _____

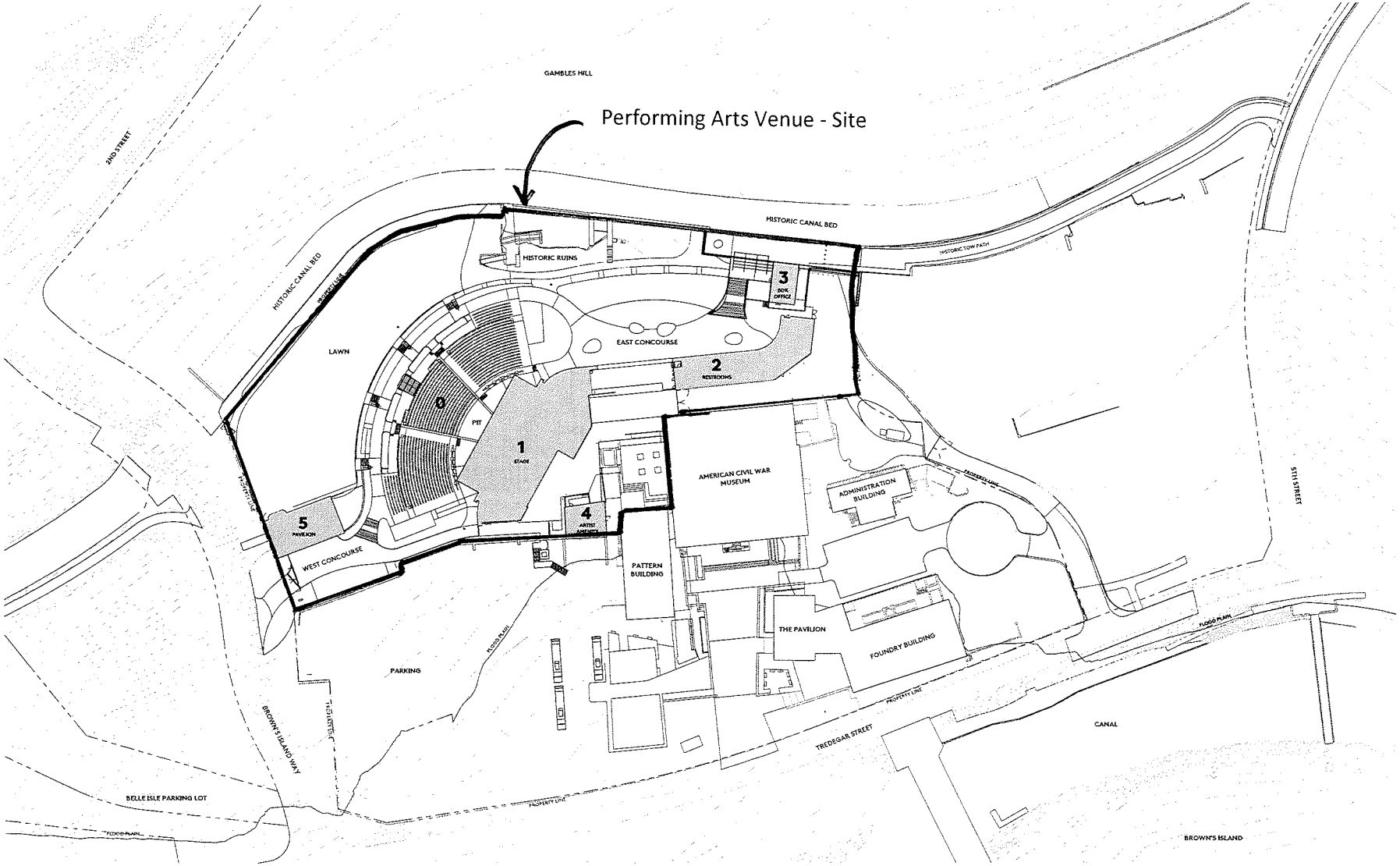
ECONOMIC DEVELOPMENT OF THE CITY OF RICHMOND, VIRGINIA,
a political subdivision of the
Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:
By: _____
General Counsel to Authority

EXHIBIT A

Exhibit A


Performing Arts Venue - Site
GAMBLES HILL
2ND STREET
HISTORIC CANAL BED
HISTORIC RUINS
HISTORIC TOW PATH
3
BOX OFFICE
EAST CONCOURSE
LAWN
2
RESTROOMS
0
PIT
1
STAGE
AMERICAN CIVIL WAR MUSEUM
ADMINISTRATION BUILDING
5
PAVILION
4
ARTIST ENTRANCE
WEST CONCOURSE
PATTERN BUILDING
THE PAVILION
FOUNDRY BUILDING
5TH STREET
PARKING
BROWN'S ISLAND WAY
TREDEGAR STREET
CANAL
BELLE ISLE PARKING LOT
BROWN'S ISLAND
FLOOD PLAIN
PROPERTY LINE