

## **SECOND AMENDMENT TO RANGERS BALLPARK LEASE AGREEMENT**

THIS SECOND AMENDMENT TO RANGERS BALLPARK LEASE AGREEMENT (this "Amendment") is dated as of January 30, 2018, between the CITY OF ARLINGTON, TEXAS, a duly incorporated home rule city of the State of Texas ("Landlord"), and RANGERS STADIUM COMPANY LLC, a Delaware limited liability company ("Tenant").

### **RECITALS:**

- A. Landlord and Tenant entered into that certain Rangers Ballpark Lease Agreement dated July 3, 2017 (the "Ballpark Lease"), covering the Rangers Complex, as more particularly described therein.
- B. Landlord and Tenant entered into that certain First Amendment to Rangers Ballpark Lease Agreement dated August 21, 2017 (the "First Amendment").
- C. Landlord and Tenant desire to further amend the Ballpark Lease in certain respects.

### **AGREEMENTS:**

NOW, THEREFORE, for the premises considered and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

1. Sales Tax During Construction. Section 4.5 of the Ballpark Lease is hereby deleted in its entirety and replaced with the following:

“Section 4.5 Sales Tax During Construction.

During construction of the Ballpark, the City and Tenant shall cooperate in seeking a determination from the Comptroller of Public Accounts of the State of Texas confirming that items of tangible personal property incorporated or consumed in the construction of the Ballpark acquired by Tenant and resold to the City, for the consideration, the receipt and sufficiency of which is hereby acknowledged, recited in the Project Documents shall be exempt from Texas sales and use taxes pursuant to Texas Tax Code, Chapter 151. City and Tenant shall take appropriate or necessary steps to establish and maintain the foregoing exemption, including, without limitation (i) structuring all construction contracts and subcontracts as “separated contracts” within the meaning of the Texas Tax Code and Comptroller Rule 3.291, containing separately stated contract prices for materials and labor, (ii) structuring all construction contracts to ensure that title to all tangible personal property incorporated or consumed in the construction of the Ballpark passes to Tenant when it is delivered to the Land prior to incorporation or use by Tenant, contractor, or any other party, (iii) executing and delivering an agreement or agreements between the City and Tenant providing for the sale to the City of all tangible personal property incorporated or consumed in the construction of the Ballpark, for \$10 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, before it is

incorporated or used in the construction of the Ballpark or used by Tenant, contractor, or any other party, and (iv) Tenant's issuing resale certificates to its contractors and requiring that all contractors issue resale certificates to their subcontractors, in each case claiming appropriate exemption from tax. To be clear, the "passing of title" described in (ii) and (iii) above excludes any risk of ownership, all of which shall remain with Tenant, including, without limitation, any risk of loss, which Tenant shall insure against (for full replacement value) in accordance with the provisions of this Lease."

2. Improvement Rights. Section 4.10 of the Ballpark Lease is hereby deleted in its entirety and replaced with the following:

"Section 4.10 Improvement Rights.

In addition to the components of the Rangers Complex required to be constructed pursuant to the Construction Contract during the Development Period, Tenant shall otherwise, during and after the Development Period, have the right, at its option and in its sole discretion, to develop portions of the Land, and to erect buildings and other improvements thereon, and to alter, add to, reconstruct, remodel or demolish as often as and whenever Tenant deems proper or desirable, and to devote the same for any lawful uses and purposes, subject to the applicable ordinances, rules, and regulations of the City (as same may have been modified or stayed by virtue of any variances granted with respect to the Rangers Complex in accordance with Applicable Law) and to the terms and provisions hereof and as long as such development, demolition, reconstruction and remodeling does not materially interfere with the operation of the Ballpark for its intended primary purpose as the home field professional sports venue for the Team pursuant to the Non-Relocation Agreement and this Lease. Tenant hereby sells to City, for the consideration, the receipt and sufficiency of which is hereby acknowledged, described in the Project Documents, all tangible personal property incorporated into the Rangers Complex (including fixtures) prior to incorporation and prior to any use by Tenant, its contractors, or subcontractors. Tenant hereby sells to City, for the consideration, the receipt and sufficiency of which is hereby acknowledged, described in the Project Documents, all items of tangible personal property used and/or consumed in the construction of the Rangers Complex prior to any use by Tenant, its contractors, or subcontractors. City will take title to same prior to incorporation into the Rangers Complex or use by Tenant, its contractors, or subcontractors. By taking possession of the personal property, Tenant agrees there are no representations or warranties of any kind, express or implied, by Landlord regarding the personal property, **AND LANDLORD HEREBY DISCLAIMS ALL SUCH REPRESENTATIONS AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE,** notwithstanding any provision of this Lease or law to the contrary, and Tenant shall indemnify and hold Landlord harmless for any and all claims with respect to the quality, quantity or condition of the personal property and agrees not to sue the Landlord with respect to the quality, quantity or condition of the personal

property. Nothing in this paragraph shall be construed as a waiver of claims by Tenant against third parties as to the personal property. Title to all buildings and permanent improvements constructed on the Land, and fixtures attached thereto, shall remain vested in Landlord and shall continue to reside with Landlord throughout the Term of this Lease, subject to the below and all of Tenant's rights and obligations hereunder. In the event that Tenant (or TeamCo, or any Affiliate thereof or any licensee or subtenant of Tenant) physically attaches any fixtures or other items to the Rangers Complex which are not essential for the reasonable operation of the Ballpark as a sports and community venue project in accordance with the Act, such items may be removed from the Rangers Complex upon the expiration or termination of this Lease. For purposes of illustration, and not limitation, baseball ballpark light fixtures, spectator seats, toilets and sinks, are essential items, while video monitors, athletic training equipment, physical therapy equipment, and Sponsor Signs are not essential items. Tenant shall patch any holes or otherwise repair any damage to the Rangers Complex caused by Tenant's removal of any non-essential items."

3. Binding Effect; Governing Law. Except as modified hereby, the Ballpark Lease and First Amendment shall remain in full effect and this Amendment shall be binding upon Landlord and Tenant and their respective successors and assigns. If any inconsistency exists or arises between the terms of this Amendment and the terms of the Ballpark Lease or First Amendment, the terms of this Amendment shall prevail. This Amendment shall be governed by the laws of the State of Texas.
4. Entire Amendment. This Amendment together with the Ballpark Lease and the First Amendment embodies the entire agreement and understanding between Landlord and Tenant regarding the lease of the Rangers Complex. Any and all prior or contemporaneous oral or written representations, agreements, understandings, or statements other than those set forth in the Ballpark Lease, First Amendment, and this Amendment are of no force and effect.
5. Headings. The headings appearing in this Amendment are for the purpose of easy reference only and cannot be considered a part of this Amendment or in any way to modify, amend, or affect the provisions of this Amendment.
6. Severability. If any term or provision of this Amendment is found to be invalid, illegal, or unenforceable, the remaining terms and provisions of this Amendment cannot be affected thereby, and each term and provision of this Amendment will be valid and enforceable to the fullest extent permitted by law.
7. Construction. The parties acknowledge that each party and, if it so chooses, its counsel have reviewed this Amendment and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Amendment.
8. Ratification of the Lease. Landlord and Tenant hereby ratify and confirm the Ballpark Lease, as amended by this Amendment.

9. Counterparts. This Amendment may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one document.

Executed effective as of the day and year first above written.

ATTEST:

Marcia Garcia  
City Secretary

APPROVED AS TO FORM:  
[Signature]  
City Attorney

LANDLORD:

CITY OF ARLINGTON

By: [Signature]

TENANT:


RANGERS STADIUM COMPANY LLC,  
a Delaware limited liability company

By: [Signature]  
Name: Kellie Fischer  
Title: EVP & CFO



STATE OF TEXAS §  
§  
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 9<sup>th</sup> day of February, 2018, by Trey Yelverton, the City Manager of the City of Arlington, Texas, a duly incorporated home rule city of the State of Texas.

  
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Notary Public in and for the State of Texas  
[SEAL]  
My Commission Expires: 8/5/18

STATE OF TEXAS §  
§  
COUNTY OF Tarrant §

This instrument was acknowledged before me on the 3<sup>rd</sup> day of January, 2018, by Kellie Fischer, the EVP & CFO of Rangers Stadium Company LLC, a Delaware limited liability company, on behalf of said company.

  
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Notary Public in and for the State of Texas

[SEAL]

My Commission Expires:

10-03-2020

