

ORIOLE PARK AT CAMDEN YARDS

MEMORANDUM OF UNDERSTANDING FOR NEW FACILITY USE AGREEMENT AND GROUND LEASE FOR DEVELOPMENT RIGHTS

The Orioles and Oriole Park at Camden Yards have long brought a sense of pride and community to Baltimore and the State of Maryland. The parties desire to build on this legacy, ensure that the Orioles remain in Baltimore, and partner on a transformational development of the Camden Yards campus that will revitalize downtown Baltimore, modernize operations, and drive economic growth, opportunity, and investment. The parties have prepared this Memorandum of Understanding (this “MOU”) to outline key components of their plans, which will culminate into a mixed-use, live-work-play environment featuring sports, entertainment, residential, tourism and cultural development for the benefit of the surrounding community and do so in a way that respects and celebrates the City’s history, culture, and identity.

This MOU is entered into as of September 27, 2023.

1. Term of New Ballpark Facility Use Agreement

The initial term of the new Ballpark facility use agreement will be thirty (30) years. The Orioles will have the option to extend the initial term of the Ballpark facility use agreement for two (2) additional renewal terms of five (5) years each.

2. Operations and Maintenance/Rent/Taxes

The Orioles will be responsible for all operations and maintenance, including all costs related thereto, for the Ballpark, subject to parameters to be agreed upon. The Orioles will not owe any rent for the use of the Ballpark.

The Orioles will continue to pay admissions and amusement taxes, sales taxes, and applicable property taxes. State/MSA will retain the admissions and amusement tax revenues generated by all events at the Ballpark. The Orioles will be entitled to a credit against operations and maintenance expenses if the rate of the admissions and amusement tax in effect as of the effective date of the Ballpark facility use agreement is increased.

The Orioles will continue to receive a credit for any unreimbursed Total Project Cost due to the Orioles pursuant to the terms of the Amendment to Agreement Regarding Oriole Park at Camden Yards dated January 25, 2022, relating to the Left Field Project.

3. Capital Expenditures

State/MSA and the Orioles will agree on a framework for the Orioles’ management and oversight of all capital expenditures at the Ballpark (including the initial capital expenditures to be funded by the proceeds of the bonds issued pursuant to MD. Code. Econ. Dev. §§ 10-628(b) and 10-644 (collectively, the “Bonding Authority Statute”), anticipated to be close to the maximum allowed

debt of \$600 million (the “Initial Bond Proceeds”), but considering interest rates, factors in the broader financial markets, requirements for tax-exempt bonds, and the term of the Ballpark facility use agreement), subject to parameters to be agreed upon.

For clarity, nothing in the Ballpark facility use agreement will prohibit the Orioles from accessing additional bond proceeds in the future, to the extent any such additional bond proceeds are available under the terms of the Bonding Authority Statute.

4. Reserve Funds

(a) Capital Improvement and Repair Reserve Fund

By a date certain to be specified in the Ballpark facility use agreement, State/MSA will deposit \$5 million into a capital improvements and repair reserve fund. Thereafter, State/MSA will deposit \$1 million annually into such fund during the term of the Ballpark facility use agreement. Money held in such fund will be available to pay the costs of capital works and emergency repairs (to the extent there is a shortfall in the emergency reserve fund). Money remaining in the capital improvement and repair reserve fund at the end of the term of the Ballpark facility use agreement will be remitted to State/MSA. State/MSA contributions to the capital improvement and repair reserve fund may be funded from the Initial Bond Proceeds or other funding sources available to MSA.

(b) Emergency Reserve Fund

The parties will fund a \$10 million reserve to pay the costs of emergency repairs at the Ballpark. The emergency reserve fund will be funded initially by no later than a date certain specified in the Ballpark facility use agreement, with \$5 million from State/MSA and \$1 million from the Orioles. Thereafter, the Orioles will deposit \$1 million annually into the emergency reserve fund until such time as the Orioles have contributed \$5 million to the emergency reserve fund. Once fully funded, the parties will make equal additional annual deposits only to the extent necessary to restore the balance of the emergency reserve fund to \$10 million; *provided, however*, that no in event will either party be obligated to contribute more than \$1 million per calendar year to the emergency reserve fund. During the last year of the term of the Ballpark facility use agreement, 50% of the balance remaining in the emergency reserve fund will be applied to operations and maintenance expenses, with the remaining 50% to be remitted to State/MSA. State/MSA contributions to the emergency reserve fund may be funded from the Initial Bond Proceeds or other funding sources available to MSA.

To the extent the emergency reserve fund and the capital improvement and repair reserve fund do not contain funds sufficient to complete an emergency repair, State/MSA will be responsible for paying the costs of such emergency repair.

5. Safety and Repair Fund

Subject to receiving the necessary legislative approvals, State/MSA will establish a safety and repair fund and will contribute \$3.3 million per year for the initial 30 years of the term of the Ballpark facility use agreement (for a total aggregate contribution of \$100 million over such 30-year period) to such fund. Money in such fund will be available to the Orioles only to the pay the costs of safety and repair projects at the Ballpark. Money remaining in the safety and repair reserve fund at the end of the term of the Ballpark facility use agreement will be remitted to State/MSA.

6. MSA Employees

The Orioles will work collaboratively with the State/MSA to make significant efforts to hire, contract with, or relocate MSA employees whose jobs are impacted by the Orioles' assumption of the operations and maintenance obligations at the Ballpark.

7. Ground Lease Development Area/Master Plan

In partial consideration for the entry into a new extended Ballpark facility use agreement, the parties will enter into a triple-net ground lease for all areas north of Lee Street currently owned by MSA on the Camden Yards site, except for Lot A, for a lease term of 99 years (subject to the State/MSA reverter described below). The Orioles will pay rent as follows: (i) \$1.5 million per year for years 1 through 5 of the ground lease term; (ii) \$500,000 per year for years 6 through 30 of the ground lease term; and (iii) \$750,000 per year for years 31 through 99 of the ground lease term (escalated at 1% per year for each year during the period from year 31 through 99 of the ground lease term). The ground lease will grant the Orioles exclusive development rights for the areas north of Lee Street currently owned by the MSA on the Camden Yards site, except for Lot A. The Orioles will lead preparation of a master plan for the development of such area and will coordinate with State/MSA on the preparation of such master plan.

State/MSA will lead preparation of a master plan for the development of the Camden Yards site south of Lee Street and Lot A, and will seek input from the Orioles, the Ravens and other interested parties as part of the development of such master plan. The Orioles will have the same rights as the Ravens or any other third-party with respect to potential participation in development opportunities for such area pursuant to the State/MSA master plan, including, for example, by responding to requests for proposals issued by State/MSA with respect such development opportunities.

The development rights granted to the Orioles described above as to a particular parcel will revert to the State/MSA if, within 10 years of the parties' execution of the ground lease, each of the following is not completed as to a particular parcel (i) master plan, (ii) design and (iii) commencement of construction.

8. Ground Lease Approvals

State/MSA will have approval rights over development plans as well as subleases, transfers and assignments of development rights, subject to parameters to be agreed upon. For clarity, such

parameters will not include cross-defaults of the Ballpark facility use agreement and the ground lease. Such parameters will include required unity of ownership under the Ballpark facility use agreement and the ground lease until such time as parcels within the development area reach stabilization (as determined in accordance with a standard to be specified in the ground lease). Unity of ownership under the Ballpark facility use agreement and the ground lease will be required with respect to all parcels within the development area that have not reached stabilization.

9. Permitted Uses Under Ballpark Facility Use Agreement

The Orioles will have the exclusive right under the Ballpark facility use agreement to use the Ballpark and Camden Yards complex north of Lee Street (other than Lot A) for all lawful purposes, including non-MLB events, such as concerts and festivals (but excluding professional football games, professional basketball games while the same are prohibited under the Maryland Stadium Authority Act, illegal activities, and other mutually-agreed prohibited activities, such as sale or display of obscene materials), subject to certain defined MSA events.

10. Casualty

If the Ballpark is damaged or destroyed in whole or in part by a casualty event, State/MSA will be responsible for the repair, replacement, and restoration of the Ballpark. During the period of any such repair, replacement, or restoration, the Orioles' obligations to (i) pay for operating and management expenses accruing after such casualty or to contribute to the emergency reserve fund and (ii) carry out operations and maintenance will be suspended or equitably adjusted, as appropriate, in each case, to appropriately reflect the level of use, operations, and maintenance that remains ongoing following the occurrence of such casualty for the duration of such repair, replacement, or restoration. If the Ballpark is damaged or destroyed in whole or in part by any casualty event, the Orioles will be responsible for (a) repairing, replacing, or otherwise restoring all affected furnishings, equipment, and other personal property of the team installed or stored in, on, or about the Ballpark, and (b) the repair, replacement, or restoration of any alterations to the Ballpark completed after the effective date of the Ballpark facility use agreement at the Orioles' expense and for which the Orioles have retained ownership and not otherwise transferred or conveyed ownership of such alterations to State/MSA.

11. Parking Spaces

State/MSA will provide 4,000 parking spaces for use by the Orioles for Ballpark events in the proximate location to the parking spaces currently available under the existing agreement, subject to any reduction in the number of spaces currently available as a result of the Orioles' development north of Lee Street. Notwithstanding the foregoing, State/MSA will be entitled to reduce the number of parking spaces in Lot A; *provided* that State/MSA provide an equal number of replacement surface parking spaces at another location reasonably acceptable to the Orioles, taking into account, among other reasonable factors, the relative proximity of the replacement spaces to the Ballpark in relation to the spaces formerly located within Lot A and the fan gameday experience.

12. Certain IP Matters

State/MSA to grant a non-exclusive license to Orioles for the use of “Camden Yards” in connection with the use of the Ballpark and any development rights granted to the Orioles by State/MSA. State/MSA will have the right to grant non-exclusive licenses to third-parties for the use of “Camden Yards” subject to parameters to be agreed upon.

13. Certain Covenants Relating to Home Baseball Games

The Ballpark facility use agreement will include a covenant providing that the Orioles will maintain its franchise as a validly existing MLB franchise and the Orioles as an MLB-member team.

The Ballpark facility use agreement will require the Orioles to play all of its home games in the Ballpark during the term of the ballpark facility use agreement, except for up to six (6) regular season home games per MLB season, which may be played outside the Ballpark (in accordance with MLB rules). If the Ballpark is not suitable for the playing of a home game on the scheduled date (due to fire or other casualty, force majeure or eminent domain), the Orioles must attempt to reschedule the affected home game at the Ballpark on a different date. If the Orioles are unable to so reschedule, the Orioles will have the right to play the affected home game at an alternate site, provided that the Orioles use commercially reasonable, diligent, and good faith efforts to play the game at an alternate site located within the boundaries of the State of Maryland.

The Ballpark facility use agreement will provide that the Orioles will not play any of its home games anywhere other than the Ballpark (unless otherwise expressly permitted by the Ballpark facility use agreement) and will not seek approval from the MLB to play home games outside the Ballpark or enter into agreements or substantive negotiations with third-parties concerning the Orioles’ right to do the same (unless otherwise expressly permitted by the Ballpark facility use agreement). Further, except during the last thirty-six (36) months of the term of the Ballpark facility use agreement, the Orioles will not enter into agreements or negotiations for the playing of home games after the expiration of the term of the Ballpark facility use agreement at a location other than the Ballpark. The Orioles’ breach of such non-relocation covenants will give rise to MSA’s right to seek and obtain injunctive or declaratory relief (but only if MSA has not obtained liquidated damages), liquidated damages (but only if MSA has not obtained injunctive or declaratory relief), terminate the Ballpark facility use agreement, and seek all other remedies available at law or in equity.

14. Equity and Inclusion

State/MSA and the Orioles have a shared goal of providing business and employment opportunities for historically challenged socio-economic groups in the City of Baltimore and the State of Maryland. To this end, the Orioles will commit to identifying procurement and employment opportunities for Minority Business Enterprises, Veteran-Owned Small Business Enterprises, and Small Business Enterprises, as defined by applicable law.

15. Naming Rights and Advertising Signage

The Orioles will have the right to name the Ballpark and any portion of the Ballpark; *provided* that no such name can be: (i) obscene; (ii) in violation of applicable law; (iii) antithetical to the character of the Ballpark as a prominent symbol of the State of Maryland (including any name or logo that the public associates with tobacco products or firearms) or (iv) a name that contains racial epithets, obscenities, or signage displaying products or messages of a sexual nature.

The Orioles will have the right to display advertising signage on the interior and exterior of the Ballpark and in certain parking lots; provided that such advertising signage is not: (i) obscene; (ii) in violation of applicable law; (iii) antithetical to the character of the Ballpark as a prominent symbol of the State of Maryland (including any name or logo that the public associates with tobacco products or firearms) or (iv) contains racial epithets, obscenities, or signage displaying products or messages of a sexual nature.

Subject to the restrictions set out immediately above and parameters to be agreed upon, the Orioles will have the exclusive right to display temporary advertising signage at the MSA-owned parking lots (with the exception of certain parking lots to be mutually agreed) on the day of events held by the Orioles at the Ballpark.

16. Suites

MSA, the Governor, and the Mayor shall continue to have the exclusive right to use the areas now known as Suite #19, Suite #26, and Suite #50 respectively, at the Ballpark under the same terms and conditions as exist under the existing agreement.

17. Cooperation

The parties will continue to work diligently and in good faith following the execution of this MOU to finalize the documents necessary to effectuate this MOU, including the Ballpark facility use agreement and the ground lease, and to obtain promptly all necessary approvals to execute such documents. Subject to the conditions set forth herein, the current lease may be extended as reasonably necessary so as to accommodate the schedule for finalizing all such documents.

18. Confidentiality

The parties will continue to negotiate in good faith and to maintain any other documents marked as “Confidential” that are shared in the ongoing negotiations as confidential, to the fullest extent permitted by applicable law. A party who receives a request from a non-party to release, discuss, or disclose any document marked as “Confidential” shall use reasonable efforts to notify the other party prior to such release, discussion or disclosure.

19. Miscellaneous/General

Wherever the term “including” or a similar term is used in this MOU, it shall be read as if it were written “including by way of example only and without in any way limiting the generality of the

clause or concept referred to.” The words “shall” and “will” as used in this MOU have the same meaning.

The headings used in this MOU are included for reference only and shall not be considered in interpreting, applying or enforcing this MOU.

All exhibits described in this MOU as being attached to it are hereby incorporated into it.

This MOU shall not be modified or amended in any manner except by a writing signed by both the parties hereto.

Neither party may assign or transfer this MOU or its rights or obligations hereunder without the prior written consent of the other party.

This MOU represents the entire and integrated agreement between the parties with respect to the subject matter hereof. All prior negotiations, representations or agreements not expressly incorporated into this MOU are hereby superseded and canceled.

The parties acknowledge and represent that this MOU has been jointly drafted by the parties, that no provision of this MOU will be interpreted or construed against any party solely because that party or its legal counsel drafted such provision and that each of them has read, understood, and approved the language and terms set forth herein.

This MOU may be executed in multiple counterparts, each of which shall constitute but one agreement. All signatures need not be on the same counterpart. The parties hereto consent and agree that this MOU may be signed and/or transmitted by facsimile, e-mail of a .pdf document or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology) and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party’s handwritten signature.

No provision or covenant of this MOU shall constitute a limitation or waiver of the right of MSA to perform its governmental functions and the performance of such functions shall not constitute a default hereunder.

The general framework and the terms referenced in this MOU are not complete, final, or exhaustive, and they remain subject to additional modification, internal review, required approvals, relevant processes, engagement of stakeholders, and other legal and contractual obligations of the State/MSA and the Orioles.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding as of the date first set forth above.

MARYLAND STADIUM AUTHORITY

DocuSigned by:
Craig Thompson
By: _____
Name: _____
Title: _____

**BALTIMORE ORIOLES
LIMITED PARTNERSHIP**

By: Baltimore Orioles, Inc., its general partner

DocuSigned by:
John Angelos
By: _____
Name: _____
Title: _____