Board Meeting

Thursday, January 18, 2024

10:00 a.m.

AGENDA
REGULAR SESSION
Two DeKorte Park Plaza, Lyndhurst, NJ
Thursday, January 18, 2024

I. **PLEDGE OF ALLEGIANCE**

II. **OPENING STATEMENT**

III. **ROLL CALL**

IV. **EXECUTIVE SESSION**

Resolution 2024-55 Consideration of a Resolution Authorizing the New Jersey Sports and Exposition Authority to conduct a meeting, to which the general public shall not be admitted for the purposes of discussing:

- Legal Counsel Regarding Monmouth Park Redevelopment Project

V. **APPROVAL OF MINUTES AND CASH DISBURSEMENTS** (Action)

- Approval of Regular Session Meeting Minutes of December 21, 2023.
- Approval and/or Ratification of Cash Disbursements over $100,000 for the month of December 2023.

VI. **PUBLIC PARTICIPATION ON RESOLUTIONS**

VII. **APPROVALS**

Resolution 2024-52 Consideration of a Resolution Certifying the Meadowlands Adjustment Payments for CY2024.

VIII. **CONTRACTS/AWARDS**

Resolution 2024-53 Consideration of a Resolution Authorizing the Award of a Contract to a Transportation Safety Consulting Firm to Assist with the Development of the Meadowlands Action Plan for Safety.

Resolution 2024-54 Consideration of Resolutions Relating to the Monmouth Park Racetrack.

IX. **PUBLIC PARTICIPATION**

X. **MOTION TO ADJOURN**

REGULAR SESSION
BOARD MEETING MINUTES

DATE: December 21, 2023
TIME: 10:00 a.m.
PLACE: Commission Meeting Room, Two DeKorte Park Plaza, Lyndhurst

Members in Attendance:
John Ballantyne, Chairman
Paul Juliano, President and CEO
Joseph Buckelew, Vice Chairman (via phone)
Robert Dowd, Member (via phone)
Armando Fontoura, Member
Michael H. Gluck, Esq., Member
Gail B. Gordon, Esq., Member
Michael Griffin, NJ State Treasurer's Representative (via phone)
Woody Knopf, Member (via phone)
Tom Mullahey, Member
Eric S. Pennington, Esq., Member
Steven Plofker, Esq., Member (via phone)
Anthony Scardino, Member
Louis J. Stellato, Member

Absent:
Michael Gonnelli, Member

Also Attending:
Nicholas Mammano, Chief of Staff
Christine Sanz, Senior Vice President /Chief Operating Officer
Robert Davidow, Senior Vice President of Legal & Regulatory Affairs
John Duffy, Senior Vice President of Sports Complex Operations & Facilities
Adam Levy, Vice President of Legal & Regulatory Affairs
Sara Sundell, Director of Land Use Management and Chief Engineer
Anna Acanfora, Director of Finance and CFO
Jamera Sirmans, Governor's Authorities Unit
Colleen Mercado, Executive Administrative Specialist

Chairman Ballantyne called the meeting to order.

I. **PLEDGE OF ALLEGIANCE**

II. **OPENING STATEMENT** – Chairman Ballantyne read the Notice of Meeting required under the Sunshine Law.

III. **ROLL CALL**

Before continuing with the agenda, Chairman Ballantyne announced that the second annual Meadowlands Eagle Festival co-hosted by NJSEA and the Bergen County Audubon Society would take place on Sunday, January 14, 2024 in the Meadowlands Environment Center. He

noted that he had attended the past January's inaugural program at the NJSEA's River Barge Park, and said that this outstanding event was well worth the trip.

President Juliano commented that the fact that the Meadowlands Eagle Festival had outgrown its initial location in just one year was a testament to the quality and value of environmental education programs presented by the NJSEA and the Bergen County Audubon Society. He said that he looked forward to seeing everyone at the Meadowlands Environment Center next month.

Chairman Ballantyne announced the upcoming retirement of Lou Coviello. He noted that Mr. Coviello has been with the Authority for twenty-five years. He thanked him for his service to the State and the NJSEA. He congratulated Mr. Coviello and wished him and his family all the love and happiness in his retirement.

IV. APPROVAL OF MINUTES AND CASH DISBURSEMENTS

Chairman Ballantyne presented the minutes from the November 16, 2023 Regular Session Board meeting.

Upon motion made by Commissioner Scardino and seconded by Commissioner Gluck the minutes of the Regular Session Board Meeting held on November 16, 2023 were approved with a vote of 14-0.

Chairman Ballantyne presented the report of cash disbursements over $100,000 for the month of November 2023.

Upon motion by Commissioner Pennington and seconded by Commissioner Juliano the cash disbursements over $100,000 for the month of November 2023 were unanimously approved.

V. PUBLIC PARTICIPATION ON RESOLUTIONS - None

VI. APPROVALS

Resolution 2023-45 — Consideration of a Resolution Issuing a Decision on the Suitability Recommendation as Required by the NJSEA Interim Policies Governing Affordable Housing Development in the Meadowlands District File No. 23-048, Meadowlands Logistics Center, LLC/Paterson Plank Rd. - New Building (Variance) Block 227, Lot 9 in the Town of Secaucus.

Ms. Sundell stated that the Authority received a zoning certificate application from Hartz Mountain for the proposed construction of a 775,000-square-foot warehouse building to be located on Paterson Plank Road, in Secaucus. She noted that the property was a vacant 136-acre parcel formerly known as the Mori Tract, and was located within the District's Regional Commercial zone. Ms. Sundell went on to describe the properties located adjacent to the subject parcel, which she said contained large-scale retail and commercial facilities and a PSE&G right-of-way that contained high voltage transmission lines and towers. She also noted that the nearest residential area was located a considerable distant from the heavily trafficked Paterson Plank Road resulting in a quieter neighborhood. She went on to explain why the location of the subject property was not conducive to residential uses. She also noted that the property was listed on the NJDEP's Known Contaminated Site List. Ms. Sundell said that staff evaluated the site and prepared a suitability review indicating that the subject property at Block 227, Lot 9, in Secaucus was recommended to be deemed unsuitable for housing and requested that the Board concur with the Review Team's recommendation.

Chairman Ballantyne presented Resolution 2023-45. Upon motion by Commissioner Fontoura and seconded by Commissioner Pennington, Resolution 2023-45 was approved by a vote of 14-0.

Resolution 2023-46 Consideration of a Resolution Accepting the 2022 Audit Report.

Ms. Acanfora stated that the report prepared by Mercadien issued the Authority an un-modified opinion (clean opinion) on its financial operations. She said that there were no findings associated with internal controls over financial reporting and no findings related to non-compliance with laws, regulations, contracts and agreements. She explained that in accordance with Executive Order 122 an exit conference with Mercadien and the Audit Committee was held on December 18, 2023.

Chairman Ballantyne thanked Ms. Acanfora and her team for their hard work. He said that the committee did meet with the Auditors and they recommend the acceptance of the audit report.

Chairman Ballantyne presented Resolution 2023-46. Upon motion by Commissioner Griffin and seconded by Commissioner Gluck, Resolution 2023-46 was approved by a vote of 14-0.

Resolution 2023-47 Consideration of a Resolution Adopting the NJSEA 2024 Budget.

Ms. Acanfora explained that the budget was a collaboration of each department and that it represented the needs of the organization in order to operate affectively. She stated that the budget shows an increase in revenue over 2023 of $5.9 million and increase in expenses of $2.8 million, therefore decreasing the overall operating loss by $3 million from the prior year. She said that the budget results were presented in detail to the Finance Committee.

Chairman Ballantyne presented Resolution 2023-47. Upon motion by Commissioner Plofker and seconded by Commissioner Stellato, Resolution 2023-47 was approved by a vote of 14-0.

VII. CONTRACTS/AWARDS

Resolution 2023-48 Consideration of a Resolution Consideration of a Resolution Authorizing the Placement of Property, Terrorism, General Liability, Excess Liability & Umbrella (Sports & Commission), Marine & Boat Hull, Public Officials, Crime & Fiduciary, Drone Hull Liability, Medical Professional, Heliport Liability, Cyber, Storage Tanks, Auto & Auto Physical Damage and Active Assailant.

Ms. Acanfora explained that the Authority's insurance broker, Willis Towers Watson, submitted a list of quotes from multiple insurance carriers. She said that the staff evaluated the quotes and agreed with Willis and therefore staff was recommending to bind all the policies listed in the Resolution. She stated that the total cost was $3,352,923.00.

Vice Chairman Buckelew state that staff did a great job. He said that there were some increases but not staggering. He noted that it was a tough market and that the coverages were the best the Authority could obtain. Chairman Ballantyne thanked Vice Chairman Buckelew for always providing guidance on these matters to the Authority.

Chairman Ballantyne presented Resolution 2023-48. Upon motion by Vice Chairman Buckelew and seconded by Commissioner Fontoura, Resolution 2023-48 was approved by a vote of 14-0.

Resolution 2023-49 Consideration of a Resolution Authorizing the Appropriation of $400,000.00 to New Meadowlands Stadium Company, LLC (NMSC) in Connection with the 2024 CONMEBOL Copa America Tournament.

Mr. Davidow stated that the NJSEA received $7.5 million in funding from an appropriation in the FY2024 State Budget to be used towards international events, improvements, and sporting attractions. He noted that Resolution 2023-49 and the next two resolutions would address the use of this funding. He said that the CONMEBOL Copa America Tournament was scheduled to be held in June and July of 2024 and that MetLife Stadium would be hosting three of the games. He explained that the amount of $400,000.00 from the $7.5 million appropriation was NJSEA's funding pledge that was used to secure the commitment from the organizers to bring the tournament to New Jersey and to help with the costs of hosting the event, such as turning the field over to grass and other hosting concerns.

Chairman Ballantyne presented Resolution 2023-49. Upon motion by Commissioner Scardino seconded by Commissioner Fontoura, Resolution 2023-49 was approved by a vote of 14-0.

Resolution 2023-50 Consideration of a Resolution Authorizing the Appropriation of $1,650,000.00 to New Meadowlands Stadium Company, LLC (NMSC) in Connection with the NHL Stadium Series.

Mr. Davidow explained that the $1.65 million funding for hosting the Stadium Series would come from the $7.5 million State appropriation. He said that this was the first time the NHL was hosting two games within the Stadium Series. He explained that events such as the Stadium Series bring a tremendous amount of people to the region, generate significant tax revenue, facilitate job creation and generally support small businesses. He said that there would be pre-game marketing events, along with fan fests and promotion of the State as a whole that would go into this event as a result of the NJSEA's involvement.

Chairman Ballantyne presented Resolution 2023-50. Upon motion by Commissioner Stellato and seconded by Commissioner Scardino, Resolution 2023-50 was approved by a vote of 14-0.

Resolution 2023-51 Consideration of a Resolution Authorizing the Allocation of Funds to Assist with Securing and Hosting a Large-Scale, Marquee Sporting Event at the Prudential Center in Newark.

Mr. Levy stated that this specific event was a pay-per-view event to be held at Prudential Center in June 2024. He explained that the operator of the Prudential Center made a request to NJSEA for $5 million in funding to help secure this event and said that NJSEA would use a portion of the $7.5 million state appropriation mentioned in the previous resolutions. He stated that this event was building on the success of UFC 288 held in May 2023, which was a sold out event of approximately 17,500 attendees and was calculated at bringing in $25 million of economic impact to the Newark region. He noted that a slightly higher number is being projected for the 2024 event. He explained that similar to the 2023 event, which included visits by UFC athletes to community centers in Newark, the Boys and Girls Club of Newark, and the Children's Hospital of New Jersey, there would be community engagements leading up to the event in

Newark. He noted that the event would also provide a great amount of social media exposure for the UFC.

Commissioner Fontoura commented that this was a great event for the City of Newark as well for the State and was a good investment.

Vice Chairman Buckelew stated that he had questions during Executive Committee meeting regarding the $7.5 million appropriation, specifically the $5 million in funding for a specific facility. He commented that he would like to see support for events in the central and southern portions of the State. He said that he had received assurances that this would be looked at with future appropriations. He noted that he supported the funding for the event at the Prudential Center.

Chairman Ballantyne presented Resolution 2023-51. Upon motion by Commissioner Fontoura and seconded by Commissioner Stellato, Resolution 2023-51 was approved by a vote of 14-0.

VIII. PUBLIC PARTICIPATION

Mr. Donald Smith of Gloversville, New York made the following comments:

- Mr. Smith commented on a recent sighting of a dead adult eagle on the shoulder of the New Jersey Turnpike. He commented that it was through the cooperative efforts of a friend, a state trooper, the Bergen County Audubon Society and the New Jersey Turnpike Authority (NJTPA) that the eagle was located and delivered to the NJDEP. He said that from the banding located on the eagle, the NJDEP was able to analyze that the eagle was born in 2000 in Camden County. Mr. Smith commented that this shows the importance of the agencies working together.
- Mr. Smith commented that the NJTPA was moving ahead on their own in planting beds of milkweed and wildflowers for the butterflies around the portion of the turnpike in Ridgefield Park.
- Mr. Smith commented that when the original N.J. Turnpike was built, fencing was erected due to the abundance of deer and livestock in the area. He noted that when the western portion of the Turnpike was built they did not put up fencing as that were no deer in the Meadows at that time. He commented that today there are a healthy amount of deer in this part of the state and he would recommend that fencing be erected on the turnpike right-of-way to avoid any nasty accidents due to deer running out onto the heavily trafficked turnpike. He commented that he realizes that this was not part of the Authority's purview but he said that he felt it would be a professional courtesy for the Authority to mention this to the Turnpike.
- Mr. Smith wished everyone a very healthy, happy holiday.

IX. EXECUTIVE SESSION

Chairman Ballantyne advised that there was no need for Executive Session.

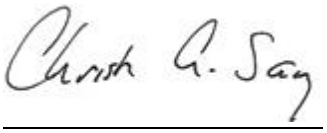
Before adjourning, Chairman Ballantyne wished everyone on behalf of the Board a very happy, healthy holiday and prosperous new year.

X. ADJOURNMENT

With no further business, motion was made to adjourn by Vice Chairman Buckelew and seconded by Commissioner Griffin followed by all in favor.

Meeting adjourned at 10:30 a.m.

I certify that on information and belief this is a true and accurate transcript of the Minutes of the Regular Session of the New Jersey Sports and Exposition Authority Board Meeting held on December 21, 2023.



Christine A. Sanz
Secretary

December 21, 2023

Commissioner	**Roll Call**	2023-45	2023-46	2023-47	2023-48	2023-49	2023-50	2023-51
Ballantyne, Chairman	P	Y	Y	Y	Y	Y	Y	Y
Buckelew, Vice Chairman –via phone	P	Y	Y	Y	Y	Y	Y	Y
Juliano	P	Y	Y	Y	Y	Y	Y	Y
Dowd – via phone	P	Y	Y	Y	Y	Y	Y	Y
Fontoura	P	Y	Y	Y	Y	Y	Y	Y
Gluck	P	Y	Y	Y	Y	Y	Y	Y
Gonnelli	- -	- -	- -	- -	- -	- -	- -	- -
Gordon	P	Y	Y	Y	Y	Y	Y	Y
Knopf - via phone	P	Y	Y	Y	Y	Y	Y	Y
Mullahey	P	Y	Y	Y	Y	Y	Y	Y
Pennington	P	Y	Y	Y	Y	Y	Y	Y
Plofker – via phone	P	Y	Y	Y	Y	Y	Y	Y
Scardino	P	Y	Y	Y	Y	Y	Y	Y
Stellato	P	Y	Y	Y	Y	Y	Y	Y
Treasury Rep Griffin – via phone	P	Y	Y	Y	Y	Y	Y	Y

P = Present A = Abstain - - Absent
R = Recuse Y = Affirmative N = Negative

APPROVALS

CASH DISBURSEMENTS
$100,000 OR MORE
DECEMBER 2023

SPORTS COMPLEX

	$ AMOUNT	REFERENCE LETTER	ACCOUNT DESCRIPTION
CONNELL FOLEY, LLP	199,771.00	A	LEGAL SERVICES - AUTHORITY TRANSACTIONS COUNSEL: SEP-NOV 2023
ENERGO POWER & GAS, LLC	586,163.38	J/L	ELECTRICITY CHARGES: NOV 2023
NEW MEADOWLANDS STADIUM CO., INC.	522,449.59	A	GRANDSTAND DEMOLITION & WORLD CUP REIMBURSEMENTS: DEC 2023
PUBLIC SERVICE ELECTRIC & GAS	153,015.13	J/L	ELECTRIC TRANSMISSION: NOV 2023
TREASURER, STATE OF NEW JERSEY	165,380.00	A	LEGAL ASSISTANCE CHARGES: JUL-SEP 2022 & APR-SEP 2023
TWO RIVERS WATER RECLAMATION	100,000.00	A	2024 ANNUAL FEE PER SERVICE AGREEMENT
SPORTS COMPLEX TOTAL	1,726,779.10		

LYNDHURST

PAYEE	$ AMOUNT	REFERENCE LETTER	ACCOUNT DESCRIPTION
KEARNY MUNICIPAL UTILITIES AUTHORITY	404,557.44	A	SEWER USE CHARGES - KEEGAN & 1A/1E: 4TH QTR 2023
NORTH BERGEN, TOWNSHIP OF	128,387.18	I	REAL ESTATE AGREEMENT: FY 2023
LYNDHURST TOTAL	532,944.62		

MONMOUTH PARK RACETRACK MAINTENANCE RESERVE/CAPITAL

PAYEE	$ AMOUNT	REFERENCE LETTER	ACCOUNT DESCRIPTION
BOROUGH OF OCEANPORT	197,070.17	A	CAFO SPECIAL ASSESSMENT AGREEMENT: 1ST QTR 2024
MPR MAINTENANCE TOTAL	197,070.17		

CASH DISBURSEMENTS
$100,000 OR MORE

REFERENCE LETTER	TYPE
A	CONTRACT ON FILE
B	PURCHASE AWARDS - APPROVED AT MONTHLY BOARD MEETING
C	STATE REQUIREMENT FOR RACING
D	PURCHASE OF 9 POLICE PATROL VEHICLE - 2023 CHEVY TAHOE STATE VENDOR
E	SOLE SOURCE*
F	APPOINTED BY RACING COMMISSION
G	ADVERTISED BID
H	PRESIDENT/CEO APPROVAL
I	STATUTORY PAYMENT
J	UTILITIES
K	LOWEST PROPOSAL
L	REIMBURSABLE
M	OUTSTANDING PROFESSIONAL INVOICES APPROVED AT MONTHLY BOARD
N	PURCHASES ON BASIS OF EXIGENCY
*	PURCHASES DIRECT FROM SOURCE
	EXPENDITURE TO BE CHARGED TO MAINTENANCE RESERVE FUND

RESOLUTION 2024-52

RESOLUTION CERTIFYING THE MEADOWLANDS ADJUSTMENT PAYMENTS FOR CY2024

WHEREAS, pursuant to P.L. 2015, c.19, the New Jersey Sports and Exposition Authority is required on or before February 1 of each year, to certify to the financial officer of each constituent Hackensack Meadowlands municipality an amount known as the Meadowlands Adjustment Payment; and

WHEREAS, the Meadowlands Adjustment Payments for the adjustment year 2024 have been computed and are shown on the schedule attached hereto; and

WHEREAS, the tax sharing computations have been reviewed and verified by the independent auditing firm of Mercadien, P.C.

NOW THEREFORE BE IT RESOLVED by the New Jersey Sports and Exposition Authority that the Meadowlands Adjustment Payments, as shown on the attached schedule, are hereby certified to the financial officers of each constituent municipality.

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Sports and Exposition Authority at their meeting of January 18, 2024.

Christine Sanz
Secretary

RESOLUTION 2024-52
ATTACHMENT

2024 MEADOWLANDS TAX SHARING SCHEDULE

EXHIBIT A

MUNICIPALITY	ADJUSTMENT PAYMENT REC (PAY)	RECEIVABLE DUE 5/15/2024	RECEIVABLE DUE 8/15/2024	RECEIVABLE DUE 11/15/2024
CARLSTADT	($2,164,594) *	$0	$0	$0
EAST RUTHERFORD	($2,036,760) *	$0	$0	$0
LITTLE FERRY	($890,229) *	$0	$0	$0
LYNDHURST	($457,810) *	$0	$0	$0
MOONACHIE	($1,055,780) *	$0	$0	$0
NORTH ARLINGTON	$1,326,521	$442,174	$442,174	$442,173
RIDGEFIELD	$1,021,044	$340,348	$340,348	$340,348
RUTHERFORD	$124,335	$41,445	$41,445	$41,445
SOUTH HACKENSACK	($444,505) *	$0	$0	$0
TETERBORO	$0	$0	$0	$0
JERSEY CITY	$1,316,114	$438,705	$438,705	$438,704
KEARNY	$7,906,446	$2,635,482	$2,635,482	$2,635,482
NORTH BERGEN	($1,678,028) *	$0	$0	$0
SECAUCUS	($2,966,754) *	$0	$0	$0
TOTAL	$0	$3,898,154	$3,898,154	$3,898,152
TOTAL RECEIVABLE	$11,694,460			
TOTAL PAYABLE	($11,694,460)			

(*) Adjustment payments are funded primarily through the Meadowlands Regional Hotel Use Assessment enacted by P.L. 2015, Ch. 19.

2024 MEADOWLANDS TAX SHARING SCHEDULE

EXHIBIT A-1

	Column 1 2021 PRE-ADJUSTMENT PAYMENT	Column 2 2022 PRE-ADJUSTMENT PAYMENT	Column 3 2023 PRE-ADJUSTMENT PAYMENT	Column 4 ADJUSTMENT PAYMENT THREE - YEAR AVERAGE 2024	Column 5 ADJUSTMENT PAYMENT 2023
CARLSTADT	($1,134,714)	($2,738,287)	($2,620,783)	($2,164,594)	($1,859,184)
EAST RUTHERFORD	($51,832)	($301,450)	($5,756,997)	($2,036,760)	($317,198)
LITTLE FERRY	($1,033,685)	($959,535)	($677,466)	($890,229)	($1,066,590)
LYNDHURST	($1,202,051)	($361,110)	$189,732	($457,810)	($567,767)
MOONACHIE	($1,053,408)	($907,843)	($1,206,088)	($1,055,780)	($920,889)
NORTH ARLINGTON	$1,268,136	$1,299,006	$1,412,422	$1,326,521	$1,246,579
RIDGEFIELD	$968,740	$979,737	$1,114,655	$1,021,044	$920,730
RUTHERFORD	($44,442)	$323,664	$93,783	$124,335	$25,549
SOUTH HACKENSACK	($352,654)	($335,233)	($645,627)	($444,505)	($400,767)
TETERBORO	$0	$0	$0	$0	$0
JERSEY CITY	$1,232,737	$1,049,864	$1,665,742	$1,316,114	$1,111,638
KEARNY	$7,228,490	$7,850,203	$8,640,641	$7,906,446	$7,209,269
NORTH BERGEN	($2,087,580)	($1,503,792)	($1,442,711)	($1,678,028)	($1,898,428)
SECAUCUS	($3,737,737)	($4,395,224)	($767,303)	($2,966,754)	($3,482,941)
BERGEN COUNTY	($2,635,910)	($3,001,051)	($8,096,369)	($4,577,778)	($2,939,538)
HUDSON COUNTY	$2,635,910	$3,001,051	$8,096,369	$4,577,778	$2,939,538
	$0	$0	$0	$0	$0

2024 MEADOWLANDS TAX SHARING EXHIBIT B

2023 CALCULATION

	2020 COMPARISON YEAR			1970 BASE YEAR					
	2020 AGGREGATE ASSESSED VALUATION (1)	2020 EQUALIZATION RATIO NJSA54:1.35.1 * (2)	2020 AGGREGATE TRUE VALUATION (Col. 1/Col. 2) (3)	1970 AGGREGATE ASSESSED VALUATION (4)	1970 EQUALIZATION RATIO NJSA54:1.35.1 (5)	1970 AGGREGATE 1 VALUATION (Col. 4/Col. 5) (6)	EQUALIZATION INCREASE/DECREASE OF TRUE VALUE IN COMPARISON YEAR (Col. 3 - 6) (7)	2020 MUNICIPAL TAX RATE (ADJUSTED) (8)	2020 EFFECTIVE TAX RATE (Col. 8 * Col. 2) (9)
CARLSTADT	$1,738,755,656	97.64 %	$1,780,782,114	$72,295,483	72.05 %	$100,340,712	$1,680,441,402	$1.709	$1.669
EAST RUTHERFORD	$1,937,453,169	87.03 %	$2,226,190,014	$41,975,219	89.51 %	$46,894,446	$2,179,295,568	$1.792	$1.560
LITTLE FERRY	$186,173,600	87.07 %	$213,820,604	$14,203,275	98.28 %	$14,451,847	$199,368,757	$3.133	$2.728
LYNDHURST	$695,552,500	83.99 %	$828,137,278	$12,098,803	69.11 %	$17,506,588	$810,630,690	$2.969	$2.494
MOONACHIE	$517,150,388	85.56 %	$604,430,094	$49,175,466	106.62 %	$46,122,178	$558,307,916	$2.214	$1.894
NORTH ARLINGTON	$1,008,000	93.33 %	$1,080,039	$330,900	68.96 %	$479,843	$600,196	$2.816	$2.628
RIDGEFIELD	$226,941,000	75.37 %	$301,102,561	$20,349,950	90.05 %	$22,598,501	$278,504,060	$2.590	$1.952
RUTHERFORD	$172,825,600	86.12 %	$200,679,981	$15,347,700	102.94 %	$14,909,365	$185,770,616	$2.843	$2.448
SOUTH HACKENSACK	$103,511,100	89.42 %	$115,758,331	$6,072,150	76.34 %	$7,954,087	$107,804,244	$2.607	$2.331
TETERBORO	$0	106.32 %	$0	$18,602,200	108.48 %	$17,148,046	$0	$1.097	$1.166
JERSEY CITY	$278,177,991	85.88 %	$323,914,754	$15,980,900	90.1 %	$17,736,848	$306,177,906	$1.613	$1.385
KEARNY	$88,694,753	24.35 %	$364,249,499	$31,008,267	82.27 %	$37,690,856	$326,558,643	$11.088	$2.700
NORTH BERGEN	$312,833,400	36.97 %	$846,181,769	$26,623,623	78.46 %	$33,932,734	$812,249,035	$5.650	$2.089
SECAUCUS	$2,393,725,908	50.01 %	$4,786,494,517	$95,145,123	72.35 %	$131,506,735	$4,654,987,782	$3.653	$1.827
BERGEN COUNTY	$5,579,371,013	NA	$6,271,981,016	$250,451,146	NA	$288,405,613	$6,000,723,449	NA	NA
HUDSON COUNTY	$3,073,432,052	NA	$6,320,840,539	$168,757,913	NA	$220,867,173	$6,099,973,366	NA	NA
ALL MUNICIPALITIES	$8,652,803,065	NA	$12,592,821,555	$419,209,059	NA	$509,272,786	$12,100,696,815	NA	NA

EXHIBIT B (CONTINUED)

2020 INCREASE OF H.M. PUPILS OVER BASE YEAR 1970 (10)	2020 COST PER PUPIL IN COMPARISON YEAR (11)	2020 COUNTY PORTION OF TAX RATE (12)	2020 MUNICIPAL/SCHOOL VET./S.C. PORTION OF TAX RATE (13)	2020 APPORTIONMENT RATE (COL. 9 * COL. 13) (14)	PERCENT OF H.C.D.C. LAND AREA FOR EACH MUNICIPALITY (15)	2020 YEAR INCREASE IN TAXES OVER 1970 BASE YEAR (Col. 7 * Col. 9) (16)	LESS PORTION OF COL. 12 COUNTY TAX PERCENT (Col. 16 * Col. 12) (17)
0	$0	13.493 %	86.507 %	1.4438018%	12.193 %	$28,046,567	$3,784,323
0	$0	13.668 %	86.332 %	1.3467792%	10.298 %	$33,997,011	$4,646,711
0	$0	7.889 %	92.111 %	2.5127881%	2.283 %	$5,438,780	$429,065
103	$15,666	9.341 %	90.659 %	2.2610355%	10.168 %	$20,217,129	$1,888,482
0	$0	11.308 %	88.692 %	1.6798265%	4.381 %	$10,574,352	$1,195,748
0	$0	8.143 %	91.857 %	2.4140020%	2.441 %	$15,773	$1,284
0	$0	11.604 %	88.396 %	1.7254899%	5.227 %	$5,436,399	$630,840
0	$0	9.529 %	90.471 %	2.2147301%	2.994 %	$4,547,665	$433,347
0	$0	8.776 %	91.224 %	2.1264314%	0.467 %	$2,512,917	$220,534
0	$0	22.349 %	77.651 %	0.9054107%	- %	$0	$0
0	$0	27.249 %	72.751 %	1.0076014%	4.991 %	$4,240,564	$1,155,511
139	$9,226	14.070 %	85.930 %	2.3201100%	17.881 %	$8,817,083	$1,240,564
0	$0	17.808 %	82.192 %	1.7169909%	6.908 %	$16,967,882	$3,021,640
830	$17,768	20.632 %	79.368 %	1.4500534%	19.768 %	$85,046,627	$17,546,820
103	NA	NA	NA	NA	50.00 %	$110,786,593	$13,230,334
969	NA	NA	NA	NA	50.00 %	$115,072,156	$22,964,535
1072	NA	NA	NA	NA	100.00 %	$225,858,749	$36,194,869

EXHIBIT B (CONTINUED)

(SECTION 13:17 - 67) 2020 TAXES COLLECTED LESS COUNTY TAXES POST 1970 RATABLES (Col. 14 * Col. 7)	DIRECT RETENTION (60% OF COL 18)	TOTAL SUBJECT TO TAX SHARING (COL. 18 - COL. 19)	GUARANTEE PAYMENTS	SCHOOL SERVICE PAYMENTS (Col. 10 * Col. 11)	APPORTIONMENT PAYMENTS (% IN COL. 15 * COL 20 TOTAL - COL 21 AND COL 22 TOTALS	TOTAL CREDIT DUE MUNICIPALITY (TOTAL OF COLUMNS 21+22+23)
(18)	(19)	(20)	(21)	(22)	(23)	(24)
$24,262,244	$14,557,346	$9,704,898	$0	$0	$7,099,021	$7,099,021
$29,350,299	$17,610,179	$11,740,120	$0	$0	$5,995,712	$5,995,712
$5,009,714	$3,005,828	$2,003,886	$0	$0	$1,329,211	$1,329,211
$18,328,647	$10,997,188	$7,331,459	$0	$1,613,598	$5,920,023	$7,533,621
$9,378,604	$5,627,162	$3,751,442	$0	$0	$2,550,710	$2,550,710
$14,489	$8,693	$5,796	$0	$0	$1,421,202	$1,421,202
$4,805,559	$2,883,335	$1,922,224	$0	$0	$3,043,269	$3,043,269
$4,114,318	$2,468,591	$1,645,727	$0	$0	$1,743,170	$1,743,170
$2,292,383	$1,375,430	$916,953	$0	$0	$271,897	$271,897
$0	$0	$0	$0	$0	$0	$0
$3,085,053	$1,851,032	$1,234,021	$0	$0	$2,905,865	$2,905,865
$7,576,520	$4,545,912	$3,030,608	$0	$1,282,414	$10,410,694	$11,693,108
$13,946,242	$8,367,745	$5,578,497	$0	$0	$4,021,983	$4,021,983
$67,499,807	$40,499,884	$26,999,923	$0	$14,747,440	$11,509,345	$26,256,785
$97,556,257	$58,533,752	$39,022,505	$0	$1,613,598	$29,374,215	$30,987,813
$92,107,622	$55,264,573	$36,843,049	$0	$16,029,854	$28,847,887	$44,877,741
$189,663,879	$113,798,325	$75,865,554	$0	$17,643,452	$58,222,102	$75,865,554

EXHIBIT B (CONTINUED)

2023 PRE-ADJUSTMENT PAYMENT (Col. 24 - 20)	ADJUSTMENT FOR 2022 RECALCULATION	ADJUSTMENT FOR 2021 RECALCULATION	TOTAL 2023 ADJUSTMENT PAYMENT
(25)	(26)	(27)	(28)
($2,605,877)	$0	($14,906)	($2,620,783)
($5,744,408)	$0	($12,589)	($5,756,997)
($674,675)	$0	($2,791)	($677,466)
$202,162	$0	($12,430)	$189,732
($1,200,732)	$0	($5,356)	($1,206,088)
$1,415,406	$0	($2,984)	$1,412,422
$1,121,045	$0	($6,390)	$1,114,655
$97,443	$0	($3,660)	$93,783
($645,056)	$0	($571)	($645,627)
$0	$0	$0	$0
$1,671,844	$0	($6,102)	$1,665,742
$8,662,500	$0	($21,859)	$8,640,641
($1,556,514)	$0	$113,803	($1,442,711)
($743,138)	$0	($24,165)	($767,303)
($8,034,692)	$0	($61,677)	($8,096,369)
$8,034,692	$0	$61,677	$8,096,369
$0	$0	$0	$0

2024 MEADOWLANDS TAX SHARING EXHIBIT B-1
2022 CALCULATION
2019 COMPARISON YEAR 1970 BASE YEAR

	2019 AGGREGATE ASSESSED VALUATION (1)	2019 EQUALIZATION RATIO NJSA54:1.35.1 (2)	2019 AGGREGATE TRUE VALUATION (Col. 1/Col. 2) (3)	1970 AGGREGATE ASSESSED VALUATION (4)	1970 EQUALIZATION RATIO NJSA54:1.35.1 (5)	1970 AGGREGATE TRUE VALUATION (Col. 4/Col. 5) (6)	EQUALIZATION INCREASE/DECREASE OF TRUE VALUE IN COMPARISON YEAR (Col. 3 - 6) (7)	2019 MUNICIPAL TAX RATE (ADJUSTED) (8)	2019 EFFECTIVE TAX RATE (Col. 8 * Col. 2) (9)
CARLSTADT	$1,644,469,302	102.86 %	$1,598,745,190	$72,295,483	72.05 %	$100,340,712	$1,498,404,478	$1.729	$1.778
EAST RUTHERFORD	$955,341,424	92.66 %	$1,031,018,157	$41,975,219	89.51 %	$46,894,446	$984,123,711	$1.832	$1.698
LITTLE FERRY	$200,875,200	90.30 %	$222,453,156	$14,203,275	98.28 %	$14,451,847	$208,001,309	$3.141	$2.836
LYNDHURST	$727,729,284	86.32 %	$843,059,875	$12,098,803	69.11 %	$17,506,588	$825,553,287	$2.919	$2.520
MOONACHIE	$447,743,912	89.18 %	$502,067,630	$49,175,466	106.62 %	$46,122,178	$455,945,452	$2.223	$1.982
NORTH ARLINGTON	$1,008,000	94.74 %	$1,063,965	$330,900	68.96 %	$479,843	$584,122	$2.939	$2.784
RIDGEFIELD	$220,738,100	79.28 %	$278,428,481	$20,349,950	90.05 %	$22,598,501	$255,829,980	$2.528	$2.004
RUTHERFORD	$142,003,150	87.99 %	$161,385,555	$15,347,700	102.94 %	$14,909,365	$146,476,190	$2.732	$2.404
SOUTH HACKENSACK	$69,000,800	106.39 %	$64,856,471	$6,072,150	76.34 %	$7,954,087	$56,902,384	$2.652	$2.821
TETERBORO	$0	107.92 %	$0	$18,602,200	108.48 %	$17,148,046	$0	$1.104	$1.191
JERSEY CITY	$374,396,379	87.91 %	$425,885,996	$15,980,900	90.1 %	$17,736,848	$408,149,148	$1.543	$1.356
KEARNY	$88,561,350	25.42 %	$348,392,408	$31,008,267	82.27 %	$37,690,856	$310,701,552	$11.164	$2.838
NORTH BERGEN	$303,590,608	38.82 %	$782,046,904	$26,623,623	78.46 %	$33,932,734	$748,114,170	$5.652	$2.194
SECAUCUS	$2,684,997,102	51.10 %	$5,254,397,460	$95,145,123	72.35 %	$131,506,735	$5,122,890,725	$3.651	$1.866
BERGEN COUNTY	$4,408,909,172	NA	$4,703,078,480	$250,451,146	NA	$288,405,613	$4,431,820,913	NA	NA
HUDSON COUNTY	$3,451,545,439	NA	$6,810,722,768	$168,757,913	NA	$220,867,173	$6,589,855,595	NA	NA
ALL MUNICIPALITIES	$7,860,454,611	NA	$11,513,801,248	$419,209,059	NA	$509,272,786	$11,021,676,508	NA	NA

EXHIBIT B-1 (CONTINUED)

2019 INCREASE OF H.M. PUPILS OVER BASE YEAR 1970 (10)	2019 COST PER PUPIL IN COMPARISON YEAR (11)	2019 COUNTY PORTION OF TAX RATE (12)	2019 MUNICIPAL/SCHOOL VET./S.C. PORTION OF TAX RATE (13)	2019 APPORTIONMENT RATE (COL. 9 * COL. 13) (14)	PERCENT OF H.M.D.C. LAND AREA FOR EACH MUNICIPALITY (15)	2019 YEAR INCREASE IN TAXES OVER 1970 BASE YEAR (Col. 7 * Col. 9) (16)	LESS PORTION OF COL. 12 COUNTY TAX PERCENT (Col. 16 * Col. 12) (17)
0		13.136 %	86.864 %	1.5444419%	12.193 %	$26,641,632	$3,499,645
0		13.125 %	86.875 %	1.4751375%	10.298 %	$16,710,421	$2,193,243
0		7.608 %	92.392 %	2.6202371%	2.283 %	$5,898,917	$448,790
98	$ 17,631	9.574 %	90.426 %	2.2787352%	10.168 %	$20,803,943	$1,991,770
0		10.091 %	89.909 %	1.7819964%	4.381 %	$9,036,839	$911,907
0		8.080 %	91.920 %	2.5590528%	2.441 %	$16,262	$1,314
0		11.511 %	88.489 %	1.7733196%	5.227 %	$5,126,833	$590,150
0		9.340 %	90.660 %	2.1794664%	2.994 %	$3,521,288	$328,888
0		8.907 %	91.093 %	2.5697335%	0.467 %	$1,605,216	$142,977
0		21.506 %	78.494 %	0.9348635%	- %	$0	$0
0		26.896 %	73.104 %	0.9912902%	4.991 %	$5,534,502	$1,488,560
137	$ 9,635	14.117 %	85.883 %	2.4373595%	17.881 %	$8,817,710	$1,244,796
0		18.983 %	81.017 %	1.7775130%	6.908 %	$16,413,625	$3,115,798
876	$ 16,875	22.207 %	77.793 %	1.4516174%	19.768 %	$95,593,141	$21,228,369
98	NA	NA	NA	NA	50.00 %	$89,361,351	$10,108,684
1013	NA	NA	NA	NA	50.00 %	$126,358,978	$27,077,523
1111	NA	NA	NA	NA	100.00 %	$215,720,329	$37,186,207

EXHIBIT B-1 (CONTINUED)

(SECTION 13:17 - 67) 2019 TAXES COLLECTED LESS COUNTY TAXES POST 1970 RATABLES (Col. 14 * Col. 7)	DIRECT RETENTION (60% OF COL 18)	TOTAL SUBJECT TO TAX SHARING (COL. 18 - COL. 19)	GUARANTEE PAYMENTS	SCHOOL SERVICE PAYMENTS (Col. 10 * Col. 11)	APPORTIONMENT PAYMENTS (% IN COL. 15 * COL 20 TOTAL - COL 21 AND COL 22 TOTALS	TOTAL CREDIT DUE MUNICIPALITY (TOTAL OF COLUMNS 21+22+23)
(18)	(19)	(20)	(21)	(22)	(23)	(24)
$23,141,987	$13,885,192	$9,256,795	$0	$0	$6,533,414	$6,533,414
$14,517,178	$8,710,307	$5,806,871	$0	$0	$5,518,010	$5,518,010
$5,450,128	$3,270,077	$2,180,051	$0	$0	$1,223,307	$1,223,307
$18,812,173	$11,287,304	$7,524,869	$0	$1,727,838	$5,448,351	$7,176,189
$8,124,931	$4,874,959	$3,249,972	$0	$0	$2,347,485	$2,347,485
$14,948	$8,969	$5,979	$0	$0	$1,307,969	$1,307,969
$4,536,683	$2,722,010	$1,814,673	$0	$0	$2,800,800	$2,800,800
$3,192,399	$1,915,439	$1,276,960	$0	$0	$1,604,284	$1,604,284
$1,462,240	$877,344	$584,896	$0	$0	$250,234	$250,234
$0	$0	$0	$0	$0	$0	$0
$4,045,943	$2,427,566	$1,618,377	$0	$0	$2,674,343	$2,674,343
$7,572,914	$4,543,748	$3,029,166	$0	$1,319,995	$9,581,233	$10,901,228
$13,297,826	$7,978,696	$5,319,130	$0	$0	$3,701,535	$3,701,535
$74,364,772	$44,618,863	$29,745,909	$0	$14,782,500	$10,592,350	$25,374,850
$79,252,667	$47,551,601	$31,701,066	$0	$1,727,838	$27,033,854	$28,761,692
$99,281,455	$59,568,873	$39,712,582	$0	$16,102,495	$26,549,461	$42,651,956
$178,534,122	$107,120,474	$71,413,648	$0	$17,830,333	$53,583,315	$71,413,648

EXHIBIT B-1 (CONTINUED)

2022 PRE-ADJUSTMENT PAYMENT (Col. 24 - 20)	ADJUSTMENT FOR 2021 RECALCULATION	ADJUSTMENT FOR 2020 RECALCULATION	TOTAL 2022 ADJUSTMENT PAYMENT	2022 ADJ. PAYMENT PREV. CALCULATED	DIFFERENCE
(25)	(26)	(27)	(28)	(29)	(30)
($2,723,381)	($14,906)	$0	($2,738,287)	($2,738,287)	$0
($288,861)	($12,589)	$0	($301,450)	($301,450)	$0
($956,744)	($2,791)	$0	($959,535)	($959,535)	$0
($348,680)	($12,430)	$0	($361,110)	($361,110)	$0
($902,487)	($5,356)	$0	($907,843)	($907,843)	$0
$1,301,990	($2,984)	$0	$1,299,006	$1,299,006	$0
$986,127	($6,390)	$0	$979,737	$979,737	$0
$327,324	($3,660)	$0	$323,664	$323,664	$0
($334,662)	($571)	$0	($335,233)	($335,233)	$0
$0	$0	$0	$0	$0	$0
$1,055,966	($6,102)	$0	$1,049,864	$1,049,864	$0
$7,872,062	($21,859)	$0	$7,850,203	$7,850,203	$0
($1,617,595)	$113,803	$0	($1,503,792)	($1,503,792)	$0
($4,371,059)	($24,165)	$0	($4,395,224)	($4,395,224)	$0
($2,939,374)	($61,677)	$0	($3,001,051)	($3,001,051)	$0
$2,939,374	$61,677	$0	$3,001,051	$3,001,051	$0
$0	$0	$0	$0	$0	$0

2024 MEADOWLANDS TAX SHARING EXHIBIT B-2
2021 RECALCULATION
2018 COMPARISON YEAR — 1970 BASE YEAR

	2018 AGGREGATE ASSESSED VALUATION (1)	2018 EQUALIZATION RATIO NJSA54:1.35.1 (2)	2018 AGGREGATE TRUE VALUATION (Col. 1/Col. 2) (3)	1970 AGGREGATE ASSESSED VALUATION (4)	1970 EQUALIZATION RATIO NJSA54:1.35.1 (5)	1970 AGGREGATE TRUE VALUATION (Col. 4/Col. 5) (6)	EQUALIZATION INCREASE/DECREASE OF TRUE VALUE IN COMPARISON YEAR (Col. 3 - 6) (7)	2018 MUNICIPAL TAX RATE (ADJUSTED) (8)	2018 EFFECTIVE TAX RATE (Col. 8 * Col. 2) (9)
CARLSTADT	$1,288,648,997	101.02 %	$1,275,637,495	$72,295,483	72.05 %	$100,340,712	$1,175,296,783	$1.809	$1.827
EAST RUTHERFORD	$892,553,001	90.78 %	$983,204,451	$41,975,219	89.51 %	$46,894,446	$936,310,005	$1.778	$1.614
LITTLE FERRY	$202,180,200	93.39 %	$216,490,202	$14,203,275	98.28 %	$14,451,847	$202,038,355	$3.179	$2.969
LYNDHURST	$749,572,400	82.42 %	$909,454,501	$12,098,803	69.11 %	$17,506,588	$891,947,913	$2.943	$2.426
MOONACHIE	$446,027,738	97.12 %	$459,254,261	$49,175,466	106.62 %	$46,122,178	$413,132,083	$2.326	$2.259
NORTH ARLINGTON	$983,500	94.59 %	$1,039,751	$330,900	68.96 %	$479,843	$559,908	$2.984	$2.823
RIDGEFIELD	$220,738,100	80.66 %	$273,664,890	$20,349,950	90.05 %	$22,598,501	$251,066,389	$2.465	$1.988
RUTHERFORD	$178,583,200	91.54 %	$195,087,612	$15,347,700	102.94 %	$14,909,365	$180,178,247	$2.694	$2.466
SOUTH HACKENSACK	$69,000,800	94.27 %	$73,194,866	$6,072,150	76.34 %	$7,954,087	$65,240,779	$2.674	$2.521
TETERBORO	$0	0.00 %	$0	$18,602,200	108.48 %	$17,148,046	$0	$1.154	$0.000
JERSEY CITY	$332,591,900	101.02 %	$329,233,716	$15,980,900	90.1 %	$17,736,848	$311,496,868	$1.490	$1.505
KEARNY	$85,144,200	27.11 %	$314,069,347	$31,008,267	82.27 %	$37,690,856	$276,378,491	$11.188	$3.033
NORTH BERGEN	$322,667,725	39.50 %	$816,880,316	$26,623,623	78.46 %	$33,932,734	$782,947,582	$5.563	$2.197
SECAUCUS	$2,591,266,734	51.82 %	$5,000,514,732	$95,145,123	72.35 %	$131,506,735	$4,869,007,997	$3.548	$1.839
BERGEN COUNTY	$4,048,287,936	NA	$4,387,028,028	$250,451,146	NA	$288,405,613	$4,115,770,461	NA	NA
HUDSON COUNTY	$3,331,670,559	NA	$6,460,698,111	$168,757,913	NA	$220,867,173	$6,239,830,938	NA	NA
ALL MUNICIPALITIES	$7,379,958,495	NA	$10,847,726,140	$419,209,059	NA	$509,272,786	$10,355,601,400	NA	NA

EXHIBIT B-2 (CONTINUED)

2018 INCREASE OF H.M. PUPILS OVER BASE YEAR 1970 (10)	2018 COST PER PUPIL IN COMPARISON YEAR (11)	2018 COUNTY PORTION OF TAX RATE (12)	2018 MUNICIPAL/SCHOOL VET./S.C. PORTION OF TAX RATE (13)	2018 APPORTIONMENT RATE (COL. 9 * COL. 13) (14)	PERCENT OF H.M.D.C. LAND AREA FOR EACH MUNICIPALITY (15)	2018 YEAR INCREASE IN TAXES OVER 1970 BASE YEAR (Col. 7 * Col. 9) (16)	LESS PORTION OF COL. 12 COUNTY TAX PERCENT (Col. 16 * Col. 12) (17)
0		12.700 %	87.300 %	1.5949710%	12.193 %	$21,472,672	$2,727,029
0		10.231 %	89.769 %	1.4488717%	10.298 %	$15,112,043	$1,546,113
0		7.261 %	92.739 %	2.7534209%	2.283 %	$5,998,519	$435,552
84	$ 15,318	9.936 %	90.064 %	2.1849526%	10.168 %	$21,638,656	$2,150,017
0		10.533 %	89.467 %	2.0210595%	4.381 %	$9,332,654	$983,008
0		7.864 %	92.136 %	2.6009993%	2.441 %	$15,806	$1,243
0		11.883 %	88.117 %	1.7517660%	5.227 %	$4,991,200	$593,104
0		9.580 %	90.420 %	2.2297572%	2.994 %	$4,443,196	$425,658
0		9.349 %	90.651 %	2.2853117%	0.467 %	$1,644,720	$153,765
0		23.079 %	76.921 %	0.0000000%	- %	$0	$0
0		26.831 %	73.169 %	1.1011935%	4.991 %	$4,688,028	$1,257,845
82	$ 9,408	14.254 %	85.746 %	2.6006762%	17.881 %	$8,382,560	$1,194,850
0		19.038 %	80.962 %	1.7787351%	6.908 %	$17,201,358	$3,274,795
841	$ 16,729	21.478 %	78.522 %	1.4440196%	19.768 %	$89,541,057	$19,231,628
84	NA	NA	NA	NA	50.00 %	$84,649,466	$9,015,489
923	NA	NA	NA	NA	50.00 %	$119,813,003	$24,959,118
1007	NA	NA	NA	NA	100.00 %	$204,462,469	$33,974,607

EXHIBIT B-2 (CONTINUED)

(SECTION 13:17 - 67) 2018 TAXES COLLECTED LESS COUNTY TAXES POST 1970 RATABLES (Col. 14 * Col. 7)	DIRECT RETENTION (60% OF COL 18)	TOTAL SUBJECT TO TAX SHARING (COL. 18 - COL. 19)	GUARANTEE PAYMENTS	SCHOOL SERVICE PAYMENTS (Col. 10 * Col. 11)	APPORTIONMENT PAYMENTS (% IN COL. 15 * COL 20 TOTAL - COL 21 AND COL 22 TOTALS	TOTAL CREDIT DUE MUNICIPALITY (TOTAL OF COLUMNS 21+22+23)
(18)	(19)	(20)	(21)	(22)	(23)	(24)
$18,745,643	$11,247,386	$7,498,257	$0	$0	$6,348,637	$6,348,637
$13,565,930	$8,139,558	$5,426,372	$0	$0	$5,361,951	$5,361,951
$5,562,966	$3,337,780	$2,225,186	$0	$0	$1,188,710	$1,188,710
$19,488,639	$11,693,183	$7,795,456	$0	$1,286,712	$5,294,263	$6,580,975
$8,349,645	$5,009,787	$3,339,858	$0	$0	$2,281,094	$2,281,094
$14,563	$8,738	$5,825	$0	$0	$1,270,977	$1,270,977
$4,398,096	$2,638,858	$1,759,238	$0	$0	$2,721,588	$2,721,588
$4,017,537	$2,410,522	$1,607,015	$0	$0	$1,558,913	$1,558,913
$1,490,955	$894,573	$596,382	$0	$0	$243,157	$243,157
$0	$0	$0	$0	$0	$0	$0
$3,430,183	$2,058,110	$1,372,073	$0	$0	$2,598,708	$2,598,708
$7,187,710	$4,312,626	$2,875,084	$0	$771,456	$9,310,259	$10,081,715
$13,926,564	$8,355,938	$5,570,626	$0	$0	$3,596,850	$3,596,850
$70,309,429	$42,185,657	$28,123,772	$0	$14,069,089	$10,292,780	$24,361,869
$75,633,974	$45,380,385	$30,253,589	$0	$1,286,712	$26,269,290	$27,556,002
$94,853,886	$56,912,331	$37,941,555	$0	$14,840,545	$25,798,597	$40,639,142
$170,487,860	$102,292,716	$68,195,144	$0	$16,127,257	$52,067,887	$68,195,144

EXHIBIT B-2 (CONTINUED)

2021 PRE-ADJUSTMENT PAYMENT (Col. 24 - 20)	ADJUSTMENT FOR 2020 RECALCULATION	ADJUSTMENT FOR 2019 RECALCULATION	TOTAL 2021 ADJUSTMENT PAYMENT	2021 ADJ. PAYMENT PREV. CALCULATED	DIFFERENCE
(25)	(26)	(27)	(28)	(29)	(30)
($1,149,620)	$0	$0	($1,149,620)	($1,134,714)	($14,906)
($64,421)	$0	$0	($64,421)	($51,832)	($12,589)
($1,036,476)	$0	$0	($1,036,476)	($1,033,685)	($2,791)
($1,214,481)	$0	$0	($1,214,481)	($1,202,051)	($12,430)
($1,058,764)	$0	$0	($1,058,764)	($1,053,408)	($5,356)
$1,265,152	$0	$0	$1,265,152	$1,268,136	($2,984)
$962,350	$0	$0	$962,350	$968,740	($6,390)
($48,102)	$0	$0	($48,102)	($44,442)	($3,660)
($353,225)	$0	$0	($353,225)	($352,654)	($571)
$0	$0	$0	$0	$0	$0
$1,226,635	$0	$0	$1,226,635	$1,232,737	($6,102)
$7,206,631	$0	$0	$7,206,631	$7,228,490	($21,859)
($1,973,776)	$0	$0	($1,973,776)	($2,087,579)	$113,803
($3,761,903)	$0	$0	($3,761,903)	($3,737,738)	($24,165)
($2,697,587)	$0	$0	($2,697,587)	($2,635,910)	($61,677)
$2,697,587	$0	$0	$2,697,587	$2,635,910	$61,677
$0	$0	$0	$0	$0	$0

2024 MEADOWLANDS TAX SHARING SCHEDULE
IN LIEU TAX PAYMENTS - 2020

SCHEDULE 1

MUNICIPALITY:	IN LIEU OF TAX PAYMENT (1)	TAX RATE (2)	ASSUMED ASSESSED VALUATION COL. 1/2 (3)	EQUALIZATION RATIO 54:1.35.1 (4)	EQUALIZED VALUATION COL. 3/4 (5)
CARLSTADT	$10,154	1.775	$572,056	97.64	$585,883
EAST RUTHERFORD (A,B)	$9,669,822	1.819	$531,600,969	87.03	$610,824,967
LITTLE FERRY	$0	3.244	$0	87.07	$0
LYNDHURST	$0	2.974	$0	83.99	$0
MOONACHIE	$16,336	2.307	$708,088	85.56	$827,592
NORTH ARLINGTON	$0	2.754	$0	93.33	$0
RIDGEFIELD	$0	2.538	$0	75.37	$0
RUTHERFORD	$0	2.851	$0	86.12	$0
SOUTH HACKENSACK	$0	2.684	$0	89.42	$0
TETERBORO	$0	1.097	$0	106.32	$0
JERSEY CITY	$471,598	1.610	$29,291,791	85.88	$34,107,815
KEARNY	$478,559	10.490	$4,562,053	24.35	$18,735,329
NORTH BERGEN (B)	$0	5.732	$0	36.97	$0
SECAUCUS (B)	$9,500	3.736	$254,283	50.01	$508,464
BERGEN COUNTY	$9,696,311		$532,881,113		$612,238,442
HUDSON COUNTY	$959,657		$34,108,126		$53,351,607
ALL MUNICIPALITIES	$10,655,968		$566,989,239		$665,590,049

SCHEDULE 2

2024 MEADOWLANDS TAX SHARING SCHEDULE
2020 COMPARISON YEAR
REVISION OF TAX RATES
TO ADJUST FOR COMPOUNDING

	COL. 7* 2020 GENERAL TAX RATE (1)	SEC. 12-D* TAX LEVY ON WHICH TAX RATE IS COMPUTED (2)	2020 ADJUSTMENT PAYMENT (3)	ADJ. TAX LEVY (2-3) (4)	COL 6* NET VALUATION TAXABLE (5)	ADJ. TAX RATE (4)/(5) (6)	SEC 12-AIII* NET COUNTY TAXES APPORTIONED (7)	TAX RATE % COUNTY TAXES (7)/(4) (8)	TAX RATE % ALL OTHER USES (9)
CARLSTADT	$1.775	$45,735,424	($1,704,554)	$44,030,870	$2,576,927,076	$1.709	$5,941,079	13.493%	86.507%
EAST RUTHERFORD	$1.819	$41,371,968	($598,313)	$40,773,655	$2,275,471,060	$1.792	$5,572,850	13.668%	86.332%
LITTLE FERRY	$3.244	$35,365,682	($1,206,551)	$34,159,131	$1,090,294,300	$3.133	$2,694,835	7.889%	92.111%
LYNDHURST	$2.974	$80,603,525	($140,141)	$80,463,384	$2,710,346,023	$2.969	$7,516,372	9.341%	90.659%
MOONACHIE	$2.307	$19,950,925	($801,415)	$19,149,510	$865,038,528	$2.214	$2,165,500	11.308%	88.692%
NORTH ARLINGTON	$2.754	$51,616,310	$1,172,594	$52,788,904	$1,874,777,158	$2.816	$4,298,859	8.143%	91.857%
RIDGEFIELD	$2.538	$39,565,635	$813,712	$40,379,347	$1,559,236,808	$2.590	$4,685,790	11.604%	88.396%
RUTHERFORD	$2.851	$77,517,013	($202,574)	$77,314,439	$2,719,205,927	$2.843	$7,367,109	9.529%	90.471%
SOUTH HACKENSACK	$2.684	$18,056,932	($514,413)	$17,542,519	$672,879,200	$2.607	$1,539,591	8.776%	91.224%
TETERBORO	$1.097	$5,278,266	$0	$5,278,266	$481,312,400	$1.097	$1,179,618	22.349%	77.651%
JERSEY CITY	$1.610	$611,707,909	$1,052,312	$612,760,221	$37,995,411,969	$1.613	$166,970,527	27.249%	72.751%
KEARNY	$10.490	$114,829,668	$6,549,113	$121,378,781	$1,094,696,147	$11.088	$17,078,223	14.070%	85.930%
NORTH BERGEN	$5.732	$146,958,351	($2,103,912)	$144,854,439	$2,563,885,003	$5.650	$25,795,437	17.808%	82.192%
SECAUCUS	$3.736	$105,356,598	($2,315,858)	$103,040,740	$2,820,788,234	$3.653	$21,259,581	20.632%	79.368%

* Source: 2020 Bergen County and Hudson County Abstracts of Rateables

2024 MEADOWLANDS TAX SHARING SCHEDULE
STUDENT ENROLLMENT
AS OF SEPTEMBER 30, 2020
WITH BASE YEAR 1970

SCHEDULE 3

MUNICIPALITY:	LOCAL DISTRICT SCHOOL ENROLLMENT (1)	REGIONAL DISTRICT SCHOOL ENROLLMENT (2)	LOCAL AND REGIONAL SCHOOL ENROLLMENT (3)	1970 BASE YEAR H.M.D.C. SCHOOL ENROLLMENT (4)	2020 H.M.D.C. ENROLLMENT (5)	INCREASE (DECREASE) STUDENT ENROLLMENT (6)
CARLSTADT	483	251	734	14	-	(14)
EAST RUTHERFORD	683	331	1,014	26	26	-
LITTLE FERRY	793	389	1,182	274	231	(43)
LYNDHURST	2,519	40	2,559	-	103	103
MOONACHIE	307	168	475	223	203 **	(20)
NORTH ARLINGTON	1,885	76	1,961	-	-	-
RIDGEFIELD	1,737 *	2 *	1,739	-	- *	-
RUTHERFORD	2,469	120	2,589	-	-	-
SOUTH HACKENSACK	255	114	369	-	-	-
TETERBORO	-	-	-	-	-	-
JERSEY CITY	24,197	16	24,213	16	6	(10)
KEARNY	5,992	-	5,992	-	139	139
NORTH BERGEN	7,475	65	7,540	29	-	(29)
SECAUCUS	2,102	34	2,136	408	1,238	830
BERGEN COUNTY	11,131	1,491	12,622	537	563	26
HUDSON COUNTY	39,766	115	39,881	453	1,383	930
ALL MUNICIPALITIES	50,897	1,606	52,503	990	1,946	956

* Ridgefield did not provide the Authority with September 30, 2020, enrollment worksheets to support enrollment figures used in the 2023 Calculation. This resulted in management using the same enrollment figures as previously used in the 2022 Calculation.

** Moonachie did not provide the Authority with September 30, 2020, H.M.D.C. Enrollment data and Ridgefield did not provide the Authority with September 30, 2020, enrollment worksheets to support enrollment figures used in the 2023 Calculation. This resulted in management using the same enrollment figures as previously used in the 2022 Calculation.

2024 MEADOWLANDS TAX SHARING SCHEDULE
2020 SCHOOL TAX DATA

SCHEDULE 4

MUNICIPALITY	LOCAL TAXES AS REQUIRED BY DISTRICT SCHOOL BUDGET (1)	LOCAL TAXES AS REQUIRED BY REGIONAL SCHOOL BUDGET (2)	LOCAL TAXES AS REQUIRED BY LOCAL MUNICIPAL BUDGET (3)	TOTAL SCHOOL TAXES COLUMNS (1+2+3) (4)	TOTAL SCHOOL DISTRICT ENROLLMENT (5)	COST PER PUPIL COL. 4/5 (6)
CARLSTADT	$12,556,714	$6,969,441	$0	$19,526,155	734	$26,602
EAST RUTHERFORD	$17,144,615	$6,622,609	$0	$23,767,224	1,014	$23,439
LITTLE FERRY	$20,000,476	$0	$0	$20,000,476	1,182	$16,921
LYNDHURST	$40,088,720	$0	$0	$40,088,720	2,559	$15,666
MOONACHIE	$8,818,946	$0	$0	$8,818,946	475	$18,566
NORTH ARLINGTON	$27,564,665	$0	$0	$27,564,665	1,961	$14,056
RIDGEFIELD	$23,057,963	$0	$0	$23,057,963	1,739	$13,259
RUTHERFORD	$45,440,715	$0	$0	$45,440,715	2,589	$17,551
SOUTH HACKENSACK	$8,539,609	$0	$0	$8,539,609	369	$23,143
TETERBORO	$187,144	$0	$0	$187,144	0	$0
JERSEY CITY	$162,869,751	$0	$1,580,588	$164,450,339	24,213	$6,792
KEARNY	$55,282,270	$0	$0	$55,282,270	5,992	$9,226
NORTH BERGEN	$52,422,151	$0	$0	$52,422,151	7,540	$6,953
SECAUCUS	$37,952,013	$0	$0	$37,952,013	2,136	$17,768
BERGEN COUNTY	$203,399,567	$13,592,050	$0	$216,991,617	12,622	
HUDSON COUNTY	$308,526,185	$0	$1,580,588	$310,106,773	39,881	
ALL MUNICIPALITIES	$511,925,752	$13,592,050	$1,580,588	$527,098,390	52,503	

AWARDS / CONTRACTS

RESOLUTION 2024-53

RESOLUTION AUTHORIZING A CONTRACT WITH MICHAEL BAKER INTERNATIONAL, INC. FOR THE DEVELOPMENT OF THE MEADOWLANDS ACTION PLAN FOR SAFETY

WHEREAS, as part of the USDOT Safe Streets and Roads for All discretionary program, in February 2023, a grant was awarded to the NJSEA to develop the first Meadowlands Action Plan for Safety ("MAP4S"), which is a comprehensive safety blueprint for the Meadowlands District intended to promote safe and equitable transportation within the Meadowlands region; and

WHEREAS, through the development of MAP4S, the NJSEA will help Meadowlands District municipalities to better understand their transportation safety needs, prioritize safety projects for implementation, and develop a blueprint to implement the Vision-Zero initiative in their towns; and

WHEREAS, in furtherance of this effort, the NJSEA issued a Request for Proposal ("RFP") on October 6, 2023, seeking to hire a qualified Consultant with expertise in multimodal transportation safety analyses and planning, to assist the NJSEA in developing MAP4S; and

WHEREAS, as part of this Contract, the selected consultant will assist with, among other tasks, development and coordination of a Safety Task Force, which will be a part of the NJSEA's comprehensive community outreach program; analyzing relevant data and recommending transportation safety policy changes; creation of a list of prioritized safety improvement projects; and development of an online geospatial outreach safety tool to collect community feedback concerning high risk roadway locations; and

WHEREAS, work under this project is anticipated to be completed within 18 months after issuance of the Notice To Proceed; and

WHEREAS, in response to the RFP, the NJSEA received timely proposals from Jacobs Engineering Group Inc., and Michael Baker International, Inc.; and

WHEREAS, a multi-agency review team was assembled to review and score the proposals based on criteria established within the RFP; and

WHEREAS, based on its evaluation of the submitted proposals, the review team has determined that the proposal submitted by Michael Baker International, Inc., an

engineering firm located in Newark, New Jersey, with a project cost of $877,600.00, is the most advantageous to the NJSEA, price and other factors considered.

NOW, THEREFORE, BE IT RESOLVED by the NJSEA Board of Commissioners that the President & CEO is hereby authorized to enter into a contract with Michael Baker International, Inc. for transportation safety consulting services in connection with the MAP4S project, in an amount not to exceed $877,600.00, subject to the terms and conditions of the RFP and the USDOT Safe Streets and Roads for All Grant.

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Sports and Exposition Authority at their meeting of January 18, 2024.

Christine Sanz
Secretary

RESOLUTION 2024-54

RESOLUTIONS RELATING TO THE MONMOUTH PARK RACETRACK

WHEREAS, New Jersey Sports and Exposition Authority (the "Authority") owns fee simple title to certain real property located in the County of Monmouth, Borough of Oceanport, New Jersey, on which the Authority operated, inter alia, a thoroughbred racetrack ("Racetrack") for thoroughbred horse racing and pari-mutuel wagering pursuant to Public Law 1971, Chapter 137 (codified at N.J.S.A. 5:10-1 et seq., the "Enabling Legislation"); and

WHEREAS, the Authority has been granted specific and general authority under the Enabling Legislation to establish, develop, construct, acquire, own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, projects consisting of racetrack facilities and other buildings, structures, facilities, properties and appurtenances related to, incidental to, necessary for, or complementary to a complex suitable for the holding of horse race meetings; and

WHEREAS, on February 10, 2010 Governor Chris Christie executed Executive Order No. 11 creating an advisory commission to provide recommendations regarding gaming and professional sports, including the horse racing industry. Based on the conclusions reached in the commission's report, the Authority made the determination in late 2010 to seek private operators to run both of the Authority's racetracks - Monmouth Park Racetrack and the Meadowlands Racetrack; and

WHEREAS, on March 3, 2011, the Authority issued a request for proposal for, inter alia, a ground lease of the Racetrack site; and

WHEREAS, on February 27, 2012 the Board of Commissioners of the Authority ("Board") authorized the entering into of a lease agreement with the New Jersey Thoroughbred Horsemen's Association, Inc. ("NJTHA" or "Tenant"), and on February 29, 2012 the Authority and the NJTHA executed a Racetrack Ground Lease Agreement for the Monmouth Park Racetrack site (the "Lease"); and

WHEREAS, Darby Development, LLC ("Darby") managed the day-to-day operations of the Racetrack and the activities conducted thereon, the development and capital improvements on the Racetrack site, the off-track wagering operations, the account wagering operations, and the sports betting operations, amongst other things, pursuant to an Amended Management and Development Agreement dated June 5, 2012 among the NJTHA and Darby ("Management Agreement"); and

WHEREAS, notwithstanding the Tenant's and Darby's best efforts, including cost savings and the introduction of sports betting, the Racetrack has continued to struggle and break even, and the Tenant believes that the current financial situation makes it difficult for Tenant to continue live racing and improve and grow horse racing in New Jersey; and

WHEREAS, Tenant owes a significant amount of fees to Darby under the Management Agreement, and in lieu of the repayment of such fees, Tenant wishes to assign and transfer to Darby, amongst other things: (i) the Lease and related Monmouth Park and Meadowlands racing permits, (ii) all of Tenant's right, title and interest (including all assets and liabilities) in or relating to the Racetrack, the Woodbridge, Hillsborough and future OTWs, account wagering, exchange wagering, fixed odds wagering, future development rights and any related items, as well as all related contracts, and (iii) all of Tenant's right, title and interest in sports betting and the sports betting license, including all contracts relating to the Caesars Sportsbook (collectively, the "Proposed Transfer"); and

WHEREAS, Darby wishes to enter into the Proposed Transfer, provided that, with effect from immediately following completion of the Proposed Transfer, the Authority is willing to enter into the Amended and Restated Lease (defined below), and provided further that the Authority has provided its approval of the initial master plan for Phase I of the Proposed MP Development Project (defined below); and

WHEREAS, in connection with the Proposed Transfer, and pursuant to and in accordance with Section 11.01 of the Lease, the NJTHA has submitted a request for the Authority's approval of a transfer of the Lease to Darby, subject to Darby obtaining all necessary permits, approvals and consents to operate the Racetrack, off-track wagering, account wagering, fixed odds wagering and sports betting, including those required by the New Jersey Racing Commission ("NJRC"), the New Jersey Division of Gaming Enforcement ("DGE") and the New Jersey Office of the Attorney General ("OAG"), including the issuance by the NJRC of a racing permit to conduct horse racing at the Racetrack and a racing permit to conduct thoroughbred horse racing at the Meadowlands Racetrack, and the issuance by the DGE of a sports wagering license;

WHEREAS, pursuant to the Lease, the Tenant has the exclusive right to use, occupy and operate (and permit its agents, representatives, contractors, licensees, guests, invitees, concessionaires and subtenants, to use, occupy and operate) the Racetrack at all times, inter alia, for any lawful purpose approved by the Authority, which approval shall not be unreasonable withheld, delayed or conditioned by the Authority; and

WHEREAS, pursuant to the Lease, the Tenant has the right to seek to further develop the Racetrack and any future development request is subject to the approval of the Authority, such consent not to be unreasonably withheld, delayed or conditioned by the Authority; and

WHEREAS, pursuant to Section 6.01 of the Lease, Tenant submitted a request for the Authority's approval for a proposed multi-use redevelopment of approximately 80 acres of underutilized parcels (predominantly surface parking) at the Racetrack site that will include retail, hotel, commercial, entertainment, and an age-restricted residential component ("Proposed MP Development Project"); and

WHEREAS, pursuant to Resolution 2022-20, the Board authorized the President or any other officer authorized by the President, to negotiate, prepare, execute and deliver such documents as are necessary, desirable and/or advisable for the Authority to commence and

complete the review and approval process relating to the Proposed MP Development Project, and to present to the Board for its consideration and approval a final Phase I Site Plan and a proposed amendment of the Lease; and

WHEREAS, pursuant to the authority conferred by Resolution 2022-20, Authority staff, with the assistance of outside counsel and independent engineers, reviewed detailed information provided by Tenant and Darby pertaining to Phase I of the Proposed MP Development Project, which phase includes (i) 298 age-restricted residential units (inclusive of a 20% set aside for affordable housing) with related clubhouse, pool, and other amenities, and (ii) a 200-room hotel, with related retail and entertainment amenities (collectively, "Phase I of the Proposed MP Development Project" or "Phase I"). Tenant and Darby submitted, among other plans and reports, a detailed Phase I Site Plan depicting proposed building locations, stormwater facilities, and vehicular circulation (collectively, the "Phase I Site Plan"), a copy of which has been provided to the Board; and

WHEREAS, pursuant to the authority conferred by Resolution 2022-20, Authority staff, with the assistance of outside counsel, have negotiated an amended and restated version of the Lease, with Darby as the tenant thereunder (the "Amended and Restated Lease"), a copy of the latest draft of which is attached hereto.; and

WHEREAS, Authority staff deem it in the best interests of the Authority for the Board: (i) to approve the transfer of the Lease from the NJTHA to Darby, subject to Darby obtaining all necessary permits, approvals and consents to operate the Racetrack, off-track wagering, account wagering, fixed odds wagering and sports betting, including those required by the NJRC, the DGE and the OAG; (ii) to approve finalizing an Amended and Restated Lease, and simultaneously with NJTHA and Darby completing the transfer of the Lease, to execute the same; and (iii) subject to the NJTHA and Darby completing the transfer of the Lease, and the Authority and Darby entering into an Amended and Restated Lease, to approve the Phase I Site Plan as the initial Approved Master Plan for the Proposed MP Development Project, which Approved Master Plan is subject to the provision of certain additional information that is still pending and which will be subject to ongoing Authority review as provided in the Amended and Restated Lease.

NOW, THEREFORE, BE IT, RESOLVED, that the Board hereby approves the transfer of the Lease from the NJTHA to Darby, subject to Darby obtaining all necessary permits, approvals and consents to operate the Racetrack, off-track wagering, account wagering, fixed odds wagering and sports betting, including those required by the NJRC, the DGE and the OAG; and

BE IT FURTHER RESOLVED, that the Board hereby approves, authorizes and directs the President of the Authority and any other officer authorized by the President of the Authority (each an "Authorized Authority Official"), to negotiate and prepare the Amended and Restated Lease, and simultaneously with the NJTHA and Darby completing the transfer of the Lease, to execute and deliver the Amended and Restated Lease to Darby; and

BE IT FURTHER RESOLVED, that the President and any Authorized Authority Official be, and hereby are, authorized and directed to enter into the Amended and Restated Lease with such necessary, desirable or advisable changes thereto (or to any exhibit thereto) as the President or such Authorized Authority Official shall approve in their sole discretion, such approval to be conclusively evidenced by the execution and delivery thereof; and

BE IT FURTHER RESOLVED, that the Board hereby approves, subject to the NJTHA and Darby completing the transfer of the Lease, and the Authority and Darby entering into the Amended and Restated Lease, the Phase I Site Plan as the initial Approved Master Plan for the Proposed MP Development Project, which Approved Master Plan is subject to the provision of certain additional information that is still pending and which will be subject to ongoing Authority review and approval as provided in the Amended and Restated Lease, and is subject to Tenant and Darby obtaining any other required approvals from State agencies with jurisdiction; and

BE IT FURTHER RESOLVED, that the Board hereby approves, authorizes and directs the President of the Authority and any Authorized Authority Official to negotiate, prepare, execute and deliver such documents, instruments, declarations, opinions and certificates as are necessary, desirable and/or advisable for the Authority to perform its obligations under the Amended and Restated Lease, in such form and substance as shall be approved by the President or any Authorized Authority Official executing such document, instrument, declaration, opinion or certificate, and containing such information as shall be approved by the President or such Authorized Authority Official, such approval to be conclusively evidenced by his or her execution of such document, instrument, declaration, opinion or certificate; and

BE IT FURTHER RESOLVED, that the President and any Authorized Authority Official are hereby authorized and directed on behalf of the Authority to take any and all action which they deem necessary, desirable or advisable in order to assist in effecting the Proposed Transfer and the Proposed MP Development Project, including in relation to obtaining any permits, approvals and consents to operate the Racetrack, off-track wagering, account wagering, fixed odds wagering and sports betting, including those required by the NJRC, the DGE and the OAG; and

BE IT FURTHER RESOLVED, that the Authority is hereby authorized, instructed, and directed to finalize and enter into all documents, instruments, declarations, opinions and certificates contemplated as necessary, desirable or advisable in order to confirm, effectuate, implement, memorialize, consummate and/or perfect the Proposed Transfer and the Proposed MP Development Project (collectively, the "**MP Development Documents**"); and

BE IT FURTHER RESOLVED, that the President and any Authorized Authority Official be, and hereby are, authorized and directed to enter into the MP Development Documents with such necessary, desirable or advisable changes thereto as the President and such Authorized Authority Official shall approve in their sole discretion, such approval to be conclusively evidenced by the execution and delivery thereof; and

BE IT FURTHER RESOLVED, that the President and any Authorized Authority Official be, and hereby are, authorized and directed to take all such further actions and to execute and deliver all such further instruments and documents as the President or such Authorized Authority Official shall determine to be necessary, desirable or advisable, in the name and on behalf of the Authority to fully carry out the intent and to accomplish the purposes of the foregoing Resolutions, and the execution by the President or any Authorized Authority Official of any of such instrument or document, or the doing by the President or such Authority Official of any act in connection with the foregoing matters, shall conclusively establish their authority therefore from the Authority and the approval and ratification by the Authority of the instruments and documents so executed and the actions so taken; and

BE IT FURTHER RESOLVED, that any and all actions heretofore taken by the President or any Authorized Authority Officials in connection with the Proposed Transfer and/or the Proposed MP Development Project are hereby confirmed and ratified.

The foregoing Resolutions shall take effect immediately, but no action authorized herein shall have force and effect until 15 days after a copy of the minutes of the Authority meeting at which this Resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 15-day period the Governor shall approve the same, in which case such action shall become effective upon such approval.

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Sports and Exposition Authority at their meeting of January 18, 2024.

Christine Sanz
Secretary

AMENDED AND RESTATED RACETRACK GROUND LEASE AGREEMENT

by and between

NEW JERSEY SPORTS AND EXPOSITION AUTHORITY

and

DARBY DEVELOPMENT LLC

as of _____ ___, 202[___]

Amended and Restated Ground Lease of Certain Real Property
at
Monmouth Park Racetrack
Oceanport, New Jersey

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EXHIBITS

AMENDED AND RESTATED RACETRACK GROUND LEASE AGREEMENT

This AMENDED AND RESTATED RACETRACK GROUND LEASE AGREEMENT (this "Agreement") is made as of _____ ___, 202[4] (the "Effective Date"), by and between the **NEW JERSEY SPORTS AND EXPOSITION AUTHORITY**, a public body corporate and politic with corporate succession, having an address at One DeKorte Park Plaza, Lyndhurst, New Jersey 07071 (the "Authority"), and **DARBY DEVELOPMENT LLC**, a New Jersey limited liability company, having an address at 25 Reckless Place, Red Bank, New Jersey 07701 (the "Tenant").

PRELIMINARY STATEMENT

A. The Legislature of the State of New Jersey established the Authority, inter alia, to promote horse racing and to carry out projects as set forth in the Enabling Legislation (as defined in Section B of this Preliminary Statement).

B. The Authority owns fee simple title to certain real property located in the County of Monmouth, Borough of Oceanport and Borough of West Long Branch (collectively, the "Boroughs"), New Jersey, as more particularly described on Exhibit A and as defined herein as the "Premises" on which the Authority has constructed and operates, inter alia, a thoroughbred racetrack ("Racetrack") for thoroughbred horse racing and pari-mutuel wagering pursuant to Public Law 1971, Chapter 137 (codified at N.J.S.A. 5:10-1 et seq., the "Enabling Legislation").

C. In furtherance of its mission under N.J.S.A. 5:10-6 of the Enabling Legislation and in the exercise of its statutory powers, the Authority has determined that it is desirable (i) to lease the Premises, including the Racetrack and the right to operate the same, (ii) to assign the right to operate an existing off-track wagering facility located in the County of Middlesex, Township of Woodbridge (the "Woodbridge OTW") and the right to develop and operate four (4) additional off-track wagering facilities (the "Additional OTWs") at locations to be agreed (and participate in the electronic wagering terminals pilot program established by N.J. Stat. §5:5-186) and (iii) to assign a 50% share of the Authority's "Available Net Project Revenues" (as defined in the Account Wagering Participation and Project Operating Agreement).

D. The Authority and the New Jersey Thoroughbred Horseman's Association, Inc. (the "NJTHA") entered into that certain Racetrack Ground Lease Agreement dated as of February 29, 2012, as subsequently amended by that certain First Amendment to Racetrack Ground Lease Agreement dated as of June 3, 2012, that certain Letter Agreement dated May 3, 2012, and that certain Letter Agreement dated June 30, 2017 (the "June 2017 Letter") (collectively, the "Original Agreement").

E. In accordance with the Original Agreement, the NJTHA submitted a request for the Authority's approval to assign the Original Agreement to the Tenant, which request was approved by the Board of Commissioners of the Authority pursuant to Authority Resolution No. [_____] adopted on [_____], 202[4], subject to Tenant obtaining all necessary permits, approvals and consents to operate the Racetrack, OTWs, Account Wagering Operation, sports betting, and to receive the Revenues, including those required by the NJRC, the DGE, the New Jersey Office of the Attorney General, and any other Governmental Body, including the issuance

by the NJRC of a racing permit to conduct horse racing at the Racetrack and a racing permit to conduct thoroughbred horse racing at the Meadowlands Racetrack, and the issuance by the DGE of a sports wagering license, and a which permits, approvals and consents have been obtained by Tenant on or prior to the date hereof.

F. The Authority and Tenant are entering into this Agreement in furtherance of the above public purposes, in order to amend and restate the Original Agreement in its entirety, as set forth herein, to set forth the terms and conditions governing the lease and operation of the Premises, the design, permitting and construction of the New Development and certain other matters described herein.

In consideration of the foregoing, and other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01 Definitions. Except as expressly provided herein to the contrary, capitalized terms used in this Agreement and its exhibits shall have the meaning specified in this Article.

"AAA" is defined in Section 30.02(c) hereof.

"Account Wagering Operation" means a form of parimutuel wagering in which an account holder may deposit money in an account and then use the account balance to pay for parimutuel wagers by the account holder through the internet or through telephone betting, as operated and administered in accordance with applicable Legal Requirements.

"Account Wagering Participation and Project Operating Agreement" means that certain Account Wagering Participation and Project Operating Agreement, dated as of June 15, 2004, by and between the Authority and New Jersey Account Wagering, LLC.

"Additional OTWs" is defined in Section C of the Preliminary Statements hereof.

"Additional Rent" is defined in Section 2.03(c) hereof.

"Advertising" means, collectively, all advertising, sponsorship and promotional activity, signage, designations, messages and displays of every kind and nature whether now existing or developed in the future at the Premises.

"Advertising Rights" means the right to display, control, conduct, lease, permit, sell and enter into agreements regarding the display of all Advertising.

"Affiliate" means with respect to any Person, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such Person.

"Appeals Period" is defined in Section 34.05 hereof.

"Approval," "Approve" or "Approved" means the written consent, authorization, waiver or acknowledgement to be issued or granted by the Authority or Tenant, as and to the extent required under the terms of this Agreement, which written consent, authorization, waiver, or acknowledgment shall not be unreasonably withheld, conditioned or delayed unless expressly provided to the contrary herein.

"Approval Notice" is defined in Section 34.06(e)(i) hereof.

"Approved Master Plan" means the conceptual Master Plan for the Development of the New Development – Phase I approved by the Board of Commissioners of the Authority pursuant to Authority Resolution No. [_____] adopted on [_____], 202[4], including all submissions made by Tenant in connection with the request for such approval, as such Approved Master Plan may be amended or supplemented, from time to time, in accordance with the procedures set forth herein and, if and as applicable, any subsequent Master Plan for the development of a New Development – Future when approved by the Board of Commissioners of the Authority pursuant to Article 34 of this Agreement, including all submissions made by Tenant in connection with the request for such approval, as such future Approved Master Plan may be amended or supplemented, from time to time, in accordance with the procedures set forth herein.

"Arbitration" is defined in Section 30.01 hereof.

"Arbitration Claim" and "Arbitration Claims" are defined in Section 30.01 hereof.

"Arbitration Panel" is defined in Section 30.02(b) hereof.

"Arbitration Provision" is defined in Section 30.01 hereof.

"Arbitrator" is defined in Section 30.02(b) hereof.

"Authority" is defined in the Preamble hereof and means the New Jersey Sports and Exposition Authority, and its successors and assigns.

"Authority Event of Default" is defined in Section 21.02 hereof.

"Authority Indemnified Parties" means the Authority and its officers, board members, agents, employees, contractors and consultants and their respective successors and assigns.

"Authority Personalty" means the artwork, library and other tangible property located on or in the Premises and owned or leased by Authority, including the works of art listed on Exhibit I-1 and the library of books listed on Exhibit I-2 and forming part of the Leased Equipment.

"Authority's Construction Representative" is defined in Section 35.03 hereof.

"Authority's Environmental Remediation Contribution" means those sums required to be paid by the Authority to defray the costs of the Authority's Environmental Responsibility up to an aggregate maximum amount of: (a) prior to Tenant incurring capital expenditures relating to Capital Improvements in aggregate exceeding Twenty Five Million Dollars ($25 million), Two

Million Dollars ($2 million); (b) following Tenant incurring capital expenditures relating to Capital Improvements in aggregate exceeding Twenty Five Million Dollars ($25 million) but no more than Fifty Million Dollars ($50 million), Four Million Dollars ($4 million); and (c) following Tenant incurring capital expenditures relating to Capital Improvements in aggregate exceeding Fifty Million Dollars ($50 million), Six Million Dollars ($6 million). Except as expressly provided in this Agreement, in no event shall the total costs of all matters constituting Authority's Environmental Responsibility exceed Authority's Environmental Remediation Contribution.

"Authority's Environmental Responsibility" is defined in Section 16.01(a) hereof.

"Authority's Reserve" is defined in Section 6.06(d)(ii).

"Bankruptcy Code" means 11 U.S.C. § 101 et seq. as the same may be amended and supplemented from time to time.

"Boroughs" is defined in Section B of the Preliminary Statement.

"Business Day" means Monday through Friday, excluding weekends and federal holidays, from the hours of 9:00 am to 5:00 pm, prevailing Eastern Time.

"CAFO Project" means all permits and approvals for and the completion of the design, engineering and construction by the Authority of Improvements on the Premises providing for the retention and pumping of stormwater and runoff.

"Calendar Year" means each twelve (12) month period during the Term of this Agreement commencing on January 1 and ending on December 31.

"Cap" is defined in Section 16.05(m) hereof.

"Capital Expenditures" means, with respect to any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities, including Capitalized Lease Obligations and amounts paid or accrued for Capital Improvements or Capital Repairs) by Tenant during such period that are required by GAAP to be included or reflected by the property, plant or equipment or similar fixed asset account (or in intangible accounts subject to amortization) in the balance sheet of Tenant.

"Capital Improvements" means all capital improvements or capital additions that Tenant elects to perform with regard to the Premises such as constructing new or additional amenities and facilities, including, without limitation, the New Development.

"Capitalized Leases Obligations" means obligations pursuant to any leases of any property by such Tenant, as lessee, which, in accordance with GAAP, is required to be accounted for as a capital lease on the balance sheet of Tenant.

"Capital Repair(s)" means all: (a) capital repairs, capital replacements or capital restoration and other work reasonably required to be performed in and about the Premises (including, but not limited to, the equipment, fixtures, furnishings, facilities, surfaces, structures

or components therein and thereof), and that are necessary to (i) repair, restore or replace components of the Premises no longer suitable for their intended purposes necessitated by any damage, destruction, ordinary wear and tear, defects in construction or design, or any other cause; or (ii) prevent permanent damage to the roof; foundation and structural integrity of the Premises, (b) capital improvements, capital modifications and capital additions of or to the Premises required by Legal Requirements, or (c) capital improvements, capital modifications and capital additions of or to the Premises necessary to maintain and operate the Racetrack in a Comparable Manner.

"Casualty" is defined in Section 10.01 hereof.

"Casualty Termination Date" is defined in Section 10.03 hereof.

"CEA" is defined in the NJDEP Technical Regulations.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.

"Certificate of Completion" is defined in Section 35.08(a) hereof.

"Cessation of Live Racing Because of Governmental Action" means the enactment of any Legal Requirement, after the final, unappealed and unappealable adjudication of any legal proceedings challenging the validity and enforceability thereof, that has the effect of permanently prohibiting or preventing the carrying on of live horse racing at the Premises by any Person.

"Claim" means any pending or threatened claim, demand, notice, allegation, order, directive, suit, action, cause of action, judgment, lien, demand for arbitration, proceeding, or investigation by any Person seeking or asserting Damages against the Authority or Tenant (or any Affiliate, predecessor or successor of same).

"Cleanup and Removal Costs" has the meaning attributed to it in N.J.S.A. 58:10-23.11b(d).

"Closing" is defined in Section 3.01 hereof.

"Closing Date" is defined in Section 3.01 hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

"Commence Construction" or "Commencement of Construction" means, as to the construction of the New Development (or any part thereof) and any related Capital Improvements, the undertaking by or on behalf of Tenant (or any Subtenant) of any actual material physical construction of the foundations or any exterior and other structural components of the New Development (or any part thereof) or any related Capital Improvements (including any Preliminary Utility Construction).

"Comparable Manner" means, with respect to the operation of the Racetrack, operation and maintenance of the Racetrack in a manner that is substantially consistent with its operation under the direction of the Authority prior to the Closing Date as a world-class thoroughbred racetrack, including without limitation that the quality of the races hosted, safety record, guest services, hospitality and upkeep and maintenance of the Racetrack as well as the installation and implementation from time to time of cutting edge technology and practices, befit a world-class thoroughbred racing facility.

"Completion" or "Completed" means that, as to the New Development (or any part thereof) and any Improvements constructed as part of the New Development (or any part thereof), a Certificate of Completion shall have been issued by the Authority for the New Development (or any part thereof) and such Improvements.

"Completion Date" means the date on which the New Development (or any part thereof) has been Completed.

"Completion of the New Development" means that all of the following shall have occurred:

(a) the Tenant's architect has executed a certificate stating that (i) construction of the New Development (or part thereof) has been completed substantially in accordance with the Plans and Specifications therefor (other than Punchlist Items, if any), and (ii) all Utilities and mechanical equipment necessary for operation of the New Development (or part thereof) are connected and operable;

(b) Tenant shall have received a Certificate of Completion with respect to the New Development (or part thereof) as issued by the Authority in accordance with the provisions of Section 35.08 hereof; and

(c) A Certificate of Occupancy is obtained from an appropriate Governmental Body (or such similar or equivalent written determination issued by DCA) for the New Development (or part thereof).

"Concession" means food and beverages, alcoholic beverages (subject to procurement of all necessary approvals), and souvenirs, apparel, publications and merchandise (including, but not limited to, racing novelties and licensed items) or other items, goods, and wares.

"Concession Operations" means the exercise and operation of any Concession Rights.

"Concession Rights" means the right to sell, display, distribute and store Concessions and to conduct catering and banquet sales and service.

"Concessionaire" is any person (including Tenant or any Affiliate of Tenant) performing any Concession Operations.

"Construction Arbitrator" is defined in Section 30.07(a) hereof.

"Construction Conditions" is defined in Section 34.04 hereof.

"Construction Dispute" means any dispute, claim or controversy arising in connection with Sections 34 and 35 of this Agreement and the development or construction of the New Development (or part thereof) or any related Capital Improvements, including, without limitation, the means, methods or processes employed in connection therewith, and any alleged failure of the plans and specifications or work in place to conform to the requirements of the Approved Master Plan. For the avoidance of doubt, any dispute referred to in Article 7 hereof and any dispute relating to Article 12 hereof is not a Construction Dispute.

"Construction Notice Period" is defined in Section 35.06 hereof.

"Construction Period" means the period of time commencing on the Commencement of Construction of the New Development (or part thereof) and ending on Completion of the New Development (or part thereof).

"Construction Schedule" means the schedule for constructing the New Development (or part thereof) delivered to the Authority prior to the Commencement of Construction and approved by the Authority.

"Contractor(s)" means all direct or indirect contractors, subcontractors, materialmen, suppliers, vendors, consultants and other entities or individuals at any tier performing any work or providing any services, labor, materials or supplies with respect to all or any part of the New Development.

"control" or "Control" (including the correlative meanings of the terms "controlling" "controlled by" and "under common control with" means with respect to any Person, including without limitation any Affiliate, the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

"DCA" means the New Jersey Department of Community Affairs, and its successors and assigns.

"Damage(s)" means any loss, cost, assessment, damage, debt, liability, deficiency, fine, penalty, judgment, lien or expense incurred or to be incurred by the Authority or Tenant, including, without limitation, fees and disbursements of attorneys, consultants, engineers and other professionals, damages from business interference or interruption, costs to avoid business interference or interruption, costs and expenses of any Remediation, Environmental Damages, and response costs (including, without limitation, response costs under CERCLA or any other Environmental Law).

"date of Taking" is defined in Section 23.02 hereof.

"Deficiency" is defined in Section 21.04(b)(iii) hereof.

"Designated Representatives" means those individuals designated by Tenant and the Authority, respectively, to receive and deliver notices and/or make decisions with regard to certain matters, as specifically provided in this Agreement.

"Develop," "Developed" and "Development" are defined in Section 34.01 hereof.

"Development Approval Documents" is defined in Section 34.07(a) hereof.

"DGE" means New Jersey's Division of Gaming Enforcement, or any successor regulatory agency to which the powers of the DGE have been transferred.

"Disapproval Notice" is defined in Section 34.06(e)(i) hereof.

"Effective Date" is defined in the Introductory Paragraph hereof.

"Emergency Repairs" means those items of Maintenance, Repairs or Capital Repairs which if not immediately made, would endanger the health or safety of Persons or would cause imminent injury to Persons present at the Premises or attending Racing Events or would cause imminent damage to any essential component of the Premises.

"Enabling Legislation" is defined in Section B of the Preliminary Statement hereof.

"Environment" means all air, land, and water, including, without limitation, the ambient air, ground (surface and subsurface), water (surface or groundwater), the ocean, natural resources (including flora and fauna), soil, sediments, sewer, stormwater system, subsurface strata, or any present or potential drinking water supply.

"Environmental Claim" means any Claim relating to, or in connection with, the Premises, including any Claim for Damage, personal injury, real or personal property damage, or natural resource damage, arising directly or indirectly out of any violation or alleged violation of, or noncompliance or alleged noncompliance with, any Environmental Law or Remediation, or any pollution, nuisance, contamination, adverse effect upon the Environment or public health or safety, including the presence, Release, or threatened or suspected Release or any Hazardous Material either on, at, in, under, or from the Premises.

"Environmental Controls" means such engineering and/or institutional controls that may be necessary to Remediate and otherwise address Releases of Hazardous Materials on, at or under the Premises, including, without limitation: (a) deed notices; (b) caps and/or capping materials; (c) CEAs; (d) vapor mitigation systems and (e) other institutional and/or engineering controls that may be necessary to Remediate Releases of Hazardous Materials on, at or under the Premises, including, without limitation, the recording or filing of such controls with Governmental Authorities.

"Environmental Damages" means those categories of damages described in N.J.S.A. 58:10-23.11g.

"Environmental Law" means any applicable federal, state, local or other law, statute, ordinance, rule, regulation, authorization, permit, judgment, order, decree, license, or other binding requirement of, or binding agreement with, any Governmental Body, now or hereafter in effect and, in each case, as amended from time to time, relating to or governing the presence, Release, or threatened Release of Hazardous Material, the protection of natural resources, health, safety or the Environment, or the management, manufacture, use, processing, sale, generation,

handling, labeling, distribution, transportation, treatment, storage, disposal, Remediation, disclosure, or notice of the presence, Release or threatened Release of Hazardous Material, including, without limitation, (a) the Atomic Energy Act, 42 U.S.C. § 2011 et seq., as amended ("AEA"), (b) the clean Air Act, 42 U.S.C. § 7401 et seq. as amended ("CAA"), (c) CERCLA, (d) the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq. as amended ("EPCRA"), (e) the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq. as amended ("FIFRA"), (f) the federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq. as amended ("FWPCA"), (g) the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq. as amended ("HMTA"), (h) the Low-Level Radioactive Waste Policy Act, 42 U.S.C. § 2021b et seq., as amended ("LLRWPA"), (i) the Nuclear Waste Policy Act of 1982, 42 U.S.C. § 10101 et seq., as amended ("NWPA"), (j) the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., as amended ("OSHA"), (k) RCRA, (l) the Safe Drinking Water Act, 42 U.S.C. § 300f et seq., as amended ("SDWA"), (m) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., as amended ("TSCA"), (n) the substantive equivalent of any of the foregoing in any state or foreign jurisdiction, (o) ISRA, (p) the Spill Act, (q) the NJDEP Technical Regulations, and (r) the SRRA.

"Escrow Amount" is defined in Section 6.06(d)(i) hereof.

"Escrow Funds" is defined in Section 6.06(d)(i) hereof.

"Event of Default" means, as the case may be, any reference to either or both an Authority Event of Default and/or a Tenant Event of Default.

"Expedited Arbitration Process" is defined in Section 30.07 hereof.

"Fee Estate" means all of the Authority's right, title and interest in the Premises, including its reversionary interest in any Improvements upon the expiration or earlier termination of the Term.

"Force Majeure Event" means fire, extreme weather, catastrophe, strike, lockouts, civil commotion, acts of God, or the public enemy, government prohibitions or preemptions, embargoes, inability to obtain material or labor by reason of governmental regulations or prohibitions, or other events beyond the reasonable control of the Party claiming the right to delay or excuse performance on account of such occurrence, but for avoidance of doubt, specifically excluding a Cessation of Live Racing Because of Governmental Action. A Force Majeure Event shall not excuse the timely payment of money to either the Authority or Tenant hereunder.

"GAAP" means generally accepted accounting principles as employed in the United States of America, consistently applied.

"Gaming" is defined in Section 7.01 hereof.

"Gaming Law" is defined in Section 7.01 hereof.

"Governmental Approvals" means all permits, certificates (including certificates of occupancy), licenses, authorizations, variances, consents and approvals required by any Governmental Authority having jurisdiction.

"Governmental Body" or "Governmental Bodies" or "Governmental Authority" means any federal, state, county, regional or local agency, department, commission, authority, court, or tribunal and any successor thereto, of competent jurisdiction, exercising executive, legislative, judicial, or administrative functions of or pertaining to government, including, without limitation, any LSRP; provided, however, that for purposes of this Agreement only, the Authority shall not constitute a Governmental Body or Governmental Authority.

"Ground Rent" is defined in Section 2.03(a) hereof.

"Gural" means Jeffrey Gural and New Meadowlands Racetrack, LLC, as the context may require.

"Hazardous Material" means any material, substance, or waste that, because of its presence, quantity, concentration, or character, (a) is regulated under any Environmental Law, (b) may cause or pose a threat, hazard, or risk to human health or safety or the Environment, or (c) may result in the imposition of, or form the basis for, a Claim, damages, Environmental Claim, or Remediation, including, without limitation: (i) any hazardous substance, pollutant or contaminant as defined in CERCLA, RCRA, the Spill Act, or New Jersey Water Pollution Control Act; (ii) any hazardous substance, element, compound, mixture, solution, or substance designated pursuant to Section 102 of CERCLA or otherwise regulated under CERCLA; (iii) any substance designated pursuant to Section 311(b(2)(A) of FWPCA or otherwise regulated under FWPCA; (iv) any toxic pollutant listed pursuant to Section 307 of FWPCA; (v) any Hazardous Waste having the characteristics identified under or listed pursuant to Section 3001 of RCRA or otherwise regulated under RCRA; (vi) any substance containing petroleum or otherwise regulated under Section 9001 of RCRA; (vii) any hazardous air pollutant listed pursuant to Section 112 of CAA or otherwise regulated under CAA; (viii) any hazardous chemical substance or mixture designated pursuant to Section 4, 6 or 7 of TSCA; (ix) any radioactive material or waste identified or defined pursuant to Section 2 of LLRWPA or Section 2 of NWPA or otherwise regulated under LLRWPA or NWPA; (x) Hazardous Waste; and (xi) any petroleum product or byproducts, solvent, flammable or explosive material, radioactive material, asbestos, polychlorinated biphenyls (PCBs), dioxins, dibenzofurans, and heavy metals. However, a material, substance or waste below the concentrations requiring remediation under the Environmental Laws shall not be deemed a Hazardous Material.

"Hazardous Waste" shall have the meaning attributed to it in N.J.S.A. 13:1 E-51b or in HMTA.

"Historic Fill Material" means non-indigenous material, deposited to raise the topographic elevation of the Premises and which includes, without limitation, construction debris, dredge spoils, incinerator residue, demolition debris, fly ash, or non-hazardous solid waste.

"Impositions" is defined in Section 4.03(a)(ii) hereof.

"Improvements" means any and all buildings, structures, improvements, equipment comprising portions of building systems, fixtures and appurtenances (other than fixtures and appurtenance that are owned by third parties), now existing or at any time hereafter erected, constructed, affixed or attached to or placed in or placed upon the Premises, including without limitation, the New Development and other Capital Improvements.

"Initial Release Date" is defined in Section 6.06(d)(iv)(1)(A) hereof.

"Insurance Requirements" means all requirements of insurance policies in effect with respect to the Premises or portions thereof maintained by Tenant pursuant to the terms of this Agreement or other Racetrack Agreement.

"Intellectual Property" means all of the Racetrack intangible property and related proprietary rights, interests and protections in existence on the Closing Date and set forth on Exhibit U attached hereto and the following Racetrack intangible property and related proprietary rights, interests and protections, however arising and in existence on the Closing Date, pursuant to the laws of any jurisdiction throughout the world: (a) trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by law, and all registrations and applications for registration of such trademarks, including intent-to-use applications, and all issuances, extensions and renewals of such registrations and applications; (b) internet domain names, whether or not trademarks, registered in any generic top level domain by any authorized private registrar or Governmental Authority; (c) original works of authorship in any medium of expression, whether or not published, all copyrights (whether registered, unregistered or arising by law), all registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications; (d) confidential information, formulas, designs, devices, technology, know-how, research and development, inventions, methods, processes, compositions and other trade secrets, whether or not patentable; and (e) patented and patentable designs and inventions, all design, plant and utility patents, letters patent, utility models, pending patent applications and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, reexaminations and renewals of such patents and applications.

"ISRA" means the Industrial Site Recovery Act, N.J.S.A. 13:1k-6 et seq. as amended.

"June 2017 Letter" is defined in Section D of the Preliminary Statements hereof.

"Leased Equipment" means and includes, all of the equipment, machinery, appliances, computers, laptops, furniture and other items of furniture and equipment located at the Premises owned and/or leased by the Authority, including, but not be limited to, all of the equipment listed on Exhibit J, and including the Authority Personalty. Authority leases the Leased Equipment and Authority Personalty on a strictly "AS IS" basis.

"Leasehold Estate" means all of Tenant's right, title and interest in the Premises granted and conveyed hereunder.

"Legal Requirements" means all applicable laws, statutes, codes, ordinances, orders, regulations, permits, approvals and other requirements of any Governmental Body, now or hereafter in effect, and, in each case, as amended from time to time.

"Lien" or "lien" means any mortgage, lien, pledge, charge or security interest.

"LSRP" means a Licensed Site Remediation Professional as defined in N.J.S.A. 58:10B-1.

"Maintain" and "Maintenance" means the provision of all labor, supplies, materials and equipment which are required to operate and maintain the Premises (and with regard to the Racetrack, in a Comparable Manner), including, without limitation: (a) taking good care of and keeping and maintaining the Premises and the Leased Equipment, and all facilities, fixtures, systems, parts and equipment thereof or therein, and any and all personal property located therein, in good order, working condition and repair, (b) keeping the Premises in a clean, sanitary, safe and orderly condition, free from unlawful obstructions, (c) performing all preventative or routine maintenance and replacements and all regular and periodic procedures for all facilities, fixtures, systems, parts and equipment, (d) regularly maintaining any HVAC system, including, but not limited to, periodic cleaning, lubricating and changing of air filters, (e) performing routine landscaping and grounds keeping, including (to the extent applicable) mowing, seeding, fertilizing and re-sodding, and all other actions necessary to ready the Premises for horse racing and other events, (f) changing light bulbs, fuses and circuit breakers, (g) performing touch-up painting (both internally and externally) of the Premises, (h) keeping the Premises clean, (i) periodically testing the building systems, such as mechanical, security, fire alarm and sound systems, (j) perform ongoing snow, ice, trash and debris removal, (k) regularly maintaining the Premises in accordance with Tenant's obligations referred to in Article 16 hereof, including without limitation, updating and implementing the Best Management Practices referred to in the Comprehensive Waste Management Plan attached hereto as Exhibit Q, and (m) performing any other work of a routine, regular or generally predictable nature that is reasonably necessary in order to keep the Premises and Leased Equipment in good condition based on its age and utility, in each case reasonable wear and tear, obsolescence and latent defects excepted.

"Major Facility" has the meaning attributed to it in N.J.S.A. 58:10-23.11b(l).

"Major Modification" means an amendment or modification of the Approved Master Plan that proposes (a) a material increase or reduction in the aggregate size or square footage of the New Development, (b) any material change from any of the Permitted Uses, and/or (e) such other material modification to the New Development which would cause the New Development to be materially inconsistent with the Approved Master Plan.

"Manage" or "Management" is defined in Section 6.05 hereof.

"Master Plan" is defined in Section 34.06(a)(ii) hereof.

"Master Off Track Wagering Participation Agreement" means that certain agreement, dated as of September 8, 2003, by and among the Authority, Freehold Raceway Off Track, LLC and ACRA Turf Club, LLC, as amended from time to time.

"MBD" is defined in Section 6.06(b)(i) hereof.

"Meadowlands Racetrack" means the standardbred racetrack and related facilities located within the Meadowlands complex in East Rutherford, New Jersey and commonly referred to as the "Meadowlands Racetrack."

"Minor Modification" means any proposed modification of the Approved Master Plan other than a Major Modification. Any addition, change or amendment to the Approved Master Plan required to address the requirements of any New Development – Development Approval and/or submittal of additional related items that were not included in the Approved Master Plan shall (to the extent not constituting a Major Modification) be deemed to constitute a Minor Modification.

"Net Operating Profits" means, with respect to any Calendar Year during the Term, the gross revenue collected by Tenant directly from the operations conducted at the Premises, including the Racetrack and Improvements, including the New Development, less the sum of:

(a) any and all operating expenses incurred, any debt service (which shall not exceed 50% of the total capital), and Capital Expenditures made by the Tenant in connection with the Premises;

(b) any and all lease and other payments due to the Authority and/or any other division or instrumentality of the State of New Jersey and/or their respective successors and assigns pursuant to this Agreement, any Sublease or other Racetrack Agreement; and

(c) up to 8% return on capital, compounded annually (excluding any amortization of capital), and any and all interest payments and tax payments (including, without limitation, any special assessments and/or PILOT Payments).

"Net Operating Profits Certificate" means a certificate in substantially the form of Exhibit H, duly completed by Tenant's auditors, setting forth the Tenant's Net Operating Profits for the prior Calendar Year and the amount of Ground Rent due to the Authority for such Calendar Year.

"New Development" means the New Development - Phase I and, if and as applicable, any New Development – Future, to be located within the areas designated in Exhibit Y attached hereto.

"New Development – Development Approvals" means permits, licenses, approvals, authorizations, consents, decrees, waivers and certifications as have been or may be issued by any Governmental Bodies having competent jurisdiction therefor, in order that the New Development and any other Improvements may be Developed. New Development – Development Approvals shall not include any approvals in the nature of building permits, Certificates of Occupancy or other permits that are obtainable only subsequent to the Commencement of Construction.

"New Development – Future" means the Development of the areas designated in Exhibit Y attached hereto that are not included as part of the New Development – Phase I, a Master Plan

for which is hereafter approved by the Authority's Board of Commissioners in accordance with this Agreement.

"New Development - Phase I" means the phased, mixed use Development approved by the Authority's Board of Commissioners more fully described in the conceptual site plan attached hereto as Exhibit X and to be located within the areas designated in Exhibit Y attached hereto.

"New Development – Phase I Residential" means that portion of New Development – Phase I to be Developed for combined single and multi-family Development, comprised of approximately 298 multi-family units, together with ancillary site improvements as contemplated by the Approved Master Plan pertaining thereto.

"New OTW Facility" means an Off-Track Wagering Facility constructed by Tenant or an Affiliate of Tenant pursuant to the OTW Agreement.

"NJABC" is defined in Section 14.01 hereof.

"NJDEP" means the New Jersey Department of Environmental Protection, or any successor regulatory agency to which the powers of NJDEP have been transferred.

"NJDEP Technical Regulations" means the NJDEP's Technical Requirements for Site Remediation, N.J.A.C. 7:26E-1, et seq., as amended.

"NJRC" means the New Jersey Racing Commission, or any successor regulatory agency to which the powers of NJRC have been transferred.

"Notice" is defined in Section 22.01 hereof.

"Notice of Excess Expenses" is defined in Section 2.05(d) hereof.

"Ordinary Course New Development Revenues" is defined in Section 6.06(b)(ii)(1) hereof.

"Original Agreement" is defined in Section D of the Preliminary Statements hereof.

"OTW Agreement" means an agreement, substantially in the form of Exhibit D hereto, relating to the rights to operate and manage the Woodbridge OTW, to construct, develop, operate and manage the Additional OTWs, and the allocation of revenues from the OTWs.

"OTWs" means the Woodbridge OTW and the Additional OTWs.

"Overdue Rate" means a rate per annum equal to the prime rate of interest that is published in The Wall Street Journal from time-to-time (or in the event The Wall Street Journal ceases publication or, if published, ceases to publish the prime rate of interest such other reference rate to which the Authority and Tenant may mutually agree to achieve a substantially similar result) plus four percent (4%) per annum.

"Party" or "Parties" means the holders, from time to time, of the respective right, title and interest of the Authority and Tenant under this Agreement.

"Permittee" means the officers, directors, employees, agents, contractors, customers, vendors, suppliers, visitors, invitees, licensees, and concessionaires of Tenant insofar as their activities relate to the use and occupancy of the Premises in accordance with this Agreement.

"Permitted Uses" is defined in Section 6.01(a) hereof.

"Person" means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability company or corporation, trust, unincorporated association, institution, public or governmental body, or any other entity.

"PILOT Payments" is defined in Section 4.01 hereof.

"Plans and Specifications" is defined in Section 35.02 hereof.

"Pledge of Purse Revenues Agreement" means the Pledge of Purse Revenues Agreement attached hereto as Exhibit V pursuant to which Tenant pledges to the Authority purse revenue in excess of the statutory minimum purses.

"Post-Approval Items" is defined in Section 34.06(f) hereof.

"Preliminary Utility Construction" is defined in Section 35.01(b) hereof.

"Premises" means the land, buildings and Improvements, including the Racetrack and the New Development (including the subsurface of such land and the airspace over such land), more particularly described on Exhibit A attached hereto, together with all easements appurtenant thereto as may presently exist or may be created in the future, including those easements set forth in Exhibit T attached hereto.

"Prohibited Uses" is defined in Section 6.02 hereof.

"Project Professionals" is defined in Section 35.02 hereof.

"Property Taxes" means any and all real estate, ad valorem and other property taxes and general or special assessments whether imposed by any state, local, city, county, municipal or other Governmental Body upon the Premises, the Improvements and/or the Racetrack, including, without limitation, (i) assessments made for "air', "water", "sewerage", "school", and/or "development" rights now or hereafter appurtenant to or affecting the Premises, the Improvements and/or the Racetrack, and (ii) any taxes or assessments levied, in whole or in part, for public benefits to the Premises and/or the Racetrack, as well as any transfer (including realty transfer), stamp, deed, recording or similar tax by reason of the execution of this Agreement or any permitted assignment hereof or any transfer of direct or indirect interests in Tenant. If any other tax or assessment, however denominated, is imposed upon the Premises, the Improvements and/or the Racetrack, the owner thereof, and/or the Tenant's leasehold interest or the occupancy or rents derived therefrom, in addition to or in substitution for any Property Taxes, then such

other tax or assessment shall be included in the definition of "Property Taxes" for purposes hereof.

"Punchlist Items" means minor or insubstantial details of construction or mechanical adjustment of the New Development or any Improvements, the non-completion of which, when all such items are taken together, will not interfere in any material respect with the Completion, use or occupancy of the New Development or such Improvements for the Permitted Uses intended therefor, or the ability of Tenant to perform work that is necessary or desirable to prepare the New Development or such Improvements for such use and occupancy.

"Racetrack" is defined in Section B of the Preliminary Statement.

"Racetrack Agreements" is defined collectively as this Agreement, and the other agreements relating to the Premises and the operation of the Racetrack set forth on Exhibit G attached hereto.

"Racetrack Expenses" means expenses directly relating to the operation of the Racetrack in a Comparable Manner and the running of horse racing at the Racetrack, including reasonable legal and management fees incurred by Tenant in connection therewith, provided, however, that in relation to any legal and management fees, such fees have been incurred and invoiced to Tenant within the twenty-four (24) months prior to January 1, 2024 and from January 1, 2024 forward.

"Racetrack Information Systems" is defined in Section 6.11 hereof.

"Racetrack Percentage" is defined in Section 6.06(b)(ii)(7) hereof.

"Racing Events" means any and all horse racing cards which may be scheduled at the Racetrack during the Term hereof.

"RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq., as amended.

"Referee Accountant" means Clarence Kehoe, CPA, Executive Partner, Anchin Block & Anchin LLP, 1375 Broadway, New York, NY 10019.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing, migration or placement into or contamination of, the Environment.

"Remediate", "Remediation" and "Remediated" means any assessment, examination, analysis, test, monitoring, investigation, containment, cleanup, response or remedial action, removal, mitigation, restoration, storage, transportation, treatment, disposal, maintenance, RCRA closure activities or other activity to the extent required by a Governmental Authority pursuant to the Environmental Laws with respect to or in response to any Release or threatened Release of any Hazardous Material, including, without limitation, preparation of any reports and other documents, any disclosure or notice or any other administrative matter required thereunder or arising therefrom. Such work may be performed in the most cost effective manner possible (but

in all cases consistent with applicable Environmental Laws), including, without limitation, through the use of Environmental Controls.

"Renewal Date" is defined in Section 2.02(c) hereof.

"Rent" is defined in Section 2.03(c) hereof.

"Repair" or "Repairs" means any work, including all labor, supplies, materials and equipment of every kind and nature, interior and exterior, structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen, and whether or not the same can be said to be within the present contemplation of the parties hereto, reasonably necessary to repair, restore, replace or renew all or any part of the Premises or the Leased Equipment, including, but not limited to, any parts and equipment, plate glass, landscaping, plumbing, irrigation and sewage facilities, fixtures, ventilation, heating and air conditioning, gas and electric fittings and electrical systems and wiring, sprinkler systems and pipes, walls, floors, ceilings, seats and seating located within the Premises, utility lines and connections, doors, lighting and illumination systems, and racetrack information systems (or any part thereof), and with regard to the Racetrack in a Comparable Manner, and in accordance with the requirements of any insurance carriers issuing insurance with respect to the Premises and Leased Equipment.

"Response Period" is defined in Section 34.06(f) hereof.

"Restoration" (including the correlative meanings of the terms "Restore", and "Restoring") means the restoration, repair, replacement or rebuilding of the Premises or any portion thereof following any Casualty or Taking in accordance with the terms of this Agreement.

"Resubmitted Master Plan Information" is defined in Section 34.06(e)(ii) hereof.

"Resubmitted Post-Approval Item Information" is defined in Section 34.06(f)(ii) hereof.

"Revenues" is defined in Section 6.06(a) hereof.

"Secondary Arbitrator" is defined in Section 30.07(a) hereof.

"Security Agreement" means the Security Agreement attached hereto as Exhibit W pursuant to which Tenant pledges all of its current and future assets, including cash from time to time in the money room, to the Authority as collateral.

"Special Concessionaire Agreement" is defined in Section 14.02(a)(iv) hereof.

"Special Concessionaire Permit" is defined in Section 14.01 hereof.

"Special Concessionaire Request" is defined in Section 14.02(a) hereof.

"Spill Act" means the New Jersey Spill Compensation and Control Act, N.J.S.A. 58:10-23.11, et seq. as amended.

"Soil" means the unconsolidated mineral and organic matter on the surface of the earth that has been subjected to and influenced by geologic and other environmental factors.

"Soils Media" means Soil, Historic Fill Material, landfilled materials, trash, debris and all other materials which are not groundwater, surface water, air and/or sediments in surface water bodies.

"SRRA" means the Site Remediation Reform Act, N.J.S.A. 58:10C-1 et seq., as amended.

"State" means the State of New Jersey.

"Sublease" means any sublease for the Development of the New Development - Phase I, or parts thereof, or the New Development – Future, or parts thereof, substantially in the form attached hereto as Exhibit Z and with such modifications or additions thereto as the Authority deems appropriate for the applicable part of the New Development, as any such Sublease may be amended or supplemented, from time to time, in accordance with the procedures set forth therein.

"Subtenant" means each subtenant under a Sublease relating to the Development of the New Development, it being acknowledged that Development of each part of the New Development may be undertaken by a different Affiliate of the initial Subtenant for the Sublease relating to the New Development – Phase I Residential.

"Taking" means a taking of any interest or right, as the result of, or in lieu of, or in anticipation of, the exercise of the right of condemnation or eminent domain pursuant to any law, general or special, or by reason of the temporary requisition by any Governmental Authority, civil or military, or any negotiated sale of all or a portion of the Premises in lieu of any such Taking, but for avoidance of doubt, specifically excluding any Cessation of Live Racing Because of Governmental Action.

"Tenant" is defined in the Preamble hereof and means Darby Development LLC.

"Tenant Event of Default" means an Event of Default described in Section 21.01.

"Tenant Indemnified Parties" means Tenant and Tenant's members and each of their respective officers, partners, members, shareholders, agents, employees, contractors and consultants and their respective successors and assigns.

"Tenant's Environmental Responsibility" is defined in Section 16.01(b) hereof.

"Tenant's Estate" means all of Tenant's right, title and interest in and to (i) the Leasehold Estate, (ii) the Premises, (iii) the Use Agreements, (iv) the Leased Equipment, (v) the Revenues, and (vi) all rights and interests relating to any of the foregoing.

"Tenant's PILOT Payment" is defined in Section 4.02 hereof.

"Term" is defined in Section 2.02(a) hereof.

"Third Party Contracts" is defined in Section 3.03(f) hereof.

"Third Party Leases" is defined in Section 3.03(f) hereof.

"Transfer" is defined in Section 11.01 hereof.

"Two Rivers Service Agreement" means the Service Agreement between TRWRA and the Authority attached hereto as Exhibit N.

"TRWRA" means the Two Rivers Water Reclamation Authority.

"TVG" is defined in Section 3.07(f) hereof.

"Use Agreement" means a use, lease, sublease, license, concession, advertising, service, maintenance, occupancy or other agreement for the conduct of any use that is not a Prohibited Use on the Premises or any part thereof.

"Use Default" is defined in Section 6.04 hereof.

"Utilities" means (a) all necessary utility services (such as water, sewer, gas, heat, chilled water, electricity and telephone and other utility and communication services); (b) cleaning and janitorial services and adequate dumpsters and trash removal; (c) system and facility maintenance services (including, but not limited to, elevators, escalator, boiler and air conditioning) and (d) such other services of a similar nature that Tenant may elect to obtain for the Premises in the discretion of Tenant and at the sole cost and expense of Tenant.

"Woodbridge OTW" is defined in Section C of the Preliminary Statement.

"Woodbridge OTW Consent and Estoppel" means the consent to assignment and estoppel from the landlord of the Woodbridge OTW substantially in the form of Exhibit F hereto.

ARTICLE 2

DEMISE; TERM; GROUND RENT

Section 2.01 Demise; Condition.

(a) Demise. The Authority does hereby demise and lease to Tenant effective as of the Closing Date, and Tenant does hereby lease and take from the Authority effective as of the Closing Date, the Premises and the Leased Equipment, subject to the conditions and limitations expressly provided in this Agreement and the other Racetrack Agreements. The Authority and Tenant hereby acknowledge and agree that the Original Agreement shall be and hereby is amended and restated by this Agreement in its entirety.

(b) Condition of Premises and Leased Equipment. Tenant is fully familiar with the Premises and the Leased Equipment, the physical condition thereof, the title and other matters of record as of the Closing Date and the Effective Date. Tenant accepts the Premises and the Leased Equipment in its strictly "AS IS" existing condition and state of repair, and,

acknowledges that no representations, statements or warranties, express or implied, have been made by or on behalf of the Authority in respect of the Premises or the Leased Equipment, the status of title thereof, the physical condition thereof or the zoning or other laws, regulations, rules and orders applicable thereto. Tenant hereby acknowledges that it has relied and will rely solely upon Tenant's own investigations, examinations, analyses and decisions in entering into this Agreement. Except as otherwise provided herein with respect to building systems, at the expiration of the Lease Tenant is not responsible for replacing any of the Leased Equipment that has become obsolete or otherwise outlived its useful life, e.g., vehicles. Tenant shall not sell or otherwise transfer possession or ownership of any Leased Equipment without the prior consent of the Authority. The Authority covenants and agrees that it will take all steps necessary to transfer title to the registered Leased Equipment to Tenant.

(c) Authority Personalty. The Authority, in accordance with the State public property law, shall at any time on giving reasonable prior notice to Tenant have the right to enter and remove (temporarily or permanently) from the Premises, at its sole cost and expense, any or all of the Authority Personalty for cleaning, repairing, maintaining, valuing, securing, exhibiting or any other bona fide purpose.

Section 2.02 Term of Agreement.

(a) Term. The "Term" of this Agreement shall be deemed to have commenced as of the Closing Date and shall continue until December 31, 2109, unless sooner terminated in accordance with the terms and provisions of this Agreement.

(b) End of Term. This Agreement shall expire at the end of the Term absolutely and without the need for notice from either party to the other or any other action.

Section 2.03 Ground Rent.

(a) In consideration of the Authority's execution of this Agreement and Tenant's rights to lease and utilize the Premises and the Leased Equipment for the purposes set forth in this Agreement, subject to the terms and conditions hereof, Tenant agrees to pay the Authority the following amounts (the "Ground Rent"):

(i) For each Calendar Year (or for 2012 part of such Calendar Year) until December 31, 2016, Tenant shall pay Ground Rent to the Authority, in the annual amount of ONE DOLLAR ($1.00) payable on the Closing Date (for the 2012 Calendar Year) and on each of the thirty-first (31st) day of December 2012, 2013, 2014 and 2015;

(ii) thereafter, for each Calendar Year until December 31, 2026, the Ground Rent shall be an annual amount equal to the greater of (i) TWO HUNDRED FIFTY THOUSAND DOLLARS ($250,000.00) or (ii) 5% of Tenant's Net Operating Profits for such Calendar Year (determined in accordance with clause (b) below); with $250,000.00 payable in advance on the thirty-first (31st) day of each December (commencing December 31, 2016 for the 2017 Calendar Year) and with any Ground Rent due in excess of $250,000.00 payable in arrears no later than the thirty-first (31st) day of each May (commencing May 31, 2018 in respect of the 2017 Calendar Year); and

(iii) thereafter, for each Calendar Year for the remainder of the Term, the Ground Rent shall be an annual amount equal to the greater of (i) FIVE HUNDRED THOUSAND DOLLARS ($500,000.00) or (ii) 5% of Tenant's Net Operating Profits for such year (determined in accordance with clause (b) below); with $500,000.00 payable in advance on the thirty-first (31st) day of each December (commencing December 31, 2026 for the 2027 Calendar Year) during the remaining Term and with any Ground Rent due in excess of $500,000.00 payable in arrears no later than the thirty-first (31st) day of each May (commencing May 31, 2028 in respect of the 2027 Calendar Year) during the remaining Term.

(b) Determination of Net Operating Profits.

(i) As soon as available, but in any event not later than three hundred sixty-five (365) days after the end of each Calendar Year, Tenant shall deliver to the Authority (i) a copy of the audited balance sheets of Tenant as at the end of such year and the related audited statements of income and of cash flows for such year, setting forth in each case in comparative form the figures for the previous year, prepared in accordance with GAAP and certified by an independent certified public accountants of reputable standing, (ii) a Net Operating Profits Certificate, and (iii) such other financial information relating to the Premises and Racetrack as shall be reasonably requested by the Authority.

(ii) Within thirty (30) days after delivery of the information referred to in subsection (i) above to the Authority, the Authority will, by written notice to Tenant, either accept the calculations set forth in the Net Operating Profit Certificate or object or propose adjustments thereto. If the Authority accepts the calculations set forth therein, or fails to provide a written objection or written proposal of adjustments within such thirty (30) day period, then such calculations shall be deemed final and binding on the parties. If the Authority objects or proposes adjustments to such calculations, the Authority shall specify, in reasonable detail, the amount of each proposed adjustment, the item to which such proposed adjustment relates, and the facts and circumstances supporting the adjustment. The Authority and Tenant shall then meet and use their best efforts to reconcile the proposed adjustments. If the proposed adjustments have not been reconciled within thirty (30) days of the Authority's notification to Tenant of the proposed adjustments, or such longer period upon which Authority and Tenant shall agree, they shall refer their differences to the Referee Accountant. Tenant and the Authority shall furnish to the Referee Accountant such calculations of Net Operating Profits, the adjustments proposed by the Authority, and such work papers, books, records and other information and documents as the Referee Accountant shall reasonably request. The Referee Accountant shall have thirty (30) days to reconcile the parties' differences and in performing such reconciliation, the Referee Accountant shall consider only those items or amounts in such calculations of the Net Operating Profit as to which Tenant and the Authority have disagreed. The decision of the Referee Accountant shall be final and binding upon Tenant and the Authority. Each party shall pay the fees and expenses of their respective professionals, except that all fees and expenses of the Referee Accountant shall be paid by the non-prevailing party.

(c) Additional Payments. In addition to Ground Rent, Tenant shall also pay, when due, all costs and expenses in connection with the use, occupancy, operation, management, maintenance or repair of the Premises, including without limitation, Tenant's PILOT Payments (all of such sums shall collectively be referred to as "Additional Rent"). Ground Rent and

Additional Rent and all other amounts payable by Tenant to the Authority pursuant to this Agreement shall constitute rent under this Agreement, and hereinafter are referred to collectively as "Rent." In the event of Tenant's failure to pay the Authority those sums which Tenant is obligated to pay under this Agreement which continues beyond the expiration of any applicable notice and/or cure period, and except as otherwise provided by the terms of this Agreement, the Authority shall have (in addition to all rights and remedies expressly provided for herein with respect to any such default) all of the rights and remedies provided for by law in the case of nonpayment of rent.

(d) Account Wagering Revenue. In addition to Ground Rent, and notwithstanding Section 3.07 hereof, commencing January 1, 2013, Tenant shall also pay to the Authority as Additional Rent, an amount equal to five percent (5%) of the Available Net Project Revenues (as defined in the Account Wagering Participation and Project Operating Agreement) due to Tenant pursuant to the Account Wagering Participation and Project Operating Agreement. Such amount shall be paid to the Authority within five (5) Business Days after the Available Net Project Revenues are disbursed to Tenant pursuant to the Account Wagering Participation and Project Operating Agreement.

Section 2.04 Net Lease. Subject to the provisions of this Section 2.04, this Agreement shall be deemed and construed to be a "net lease", it being intended that from and after the Closing Date, the Rent provided for in Section 2.03 above shall be an absolutely net return to the Authority, and Tenant shall pay to the Authority the Rent without abatement, deduction or set-off of any nature whatsoever, including without deduction for the costs incurred by Tenant in connection with the use, occupancy, operation, management, maintenance or repair of the Premises, all of which shall be paid by Tenant. From and after the Closing Date, Tenant shall pay all costs, charges, taxes, assessments and expenses of every character, foreseen or unforeseen, ordinary or extraordinary, for the payment of which the Authority or Tenant is or shall become liable by reason of its respective estate, right, title or interest in the Premises or any part thereof, or which are connected with or arise out of the possession, use, occupancy, maintenance, addition to, repair or rebuilding of the Premises, including, without limitation, those specifically referred to in this Agreement. For the avoidance of doubt, the Authority shall not be required to do any work, or provide any services or utilities to the Premises.

Section 2.05 Intentionally Deleted.

Section 2.06 Tenant's Obligation; No Release. Except as otherwise expressly provided in this Agreement, Tenant's obligations hereunder shall in no way be released, discharged or otherwise affected by reason of (A) any defect in the condition, quality or fitness for use of the Premises, the Leased Equipment or any part thereof; (B) any damage to, or destruction of, the Premises or the Leased Equipment; or (C) any title matter, defect or encumbrance of record; (D) any change, waiver, extension, indulgence or failure to perform or comply with, or any other action or omission in respect of any obligation or liability of the Authority, contained in this Agreement or in any of the other Racetrack Agreements; or (D) any other occurrence, circumstance or state of facts whether similar or dissimilar to the foregoing and whether or not Tenant shall have notice or knowledge of any of the foregoing.

Section 2.07 Tenant's Financial Obligations. The costs of evaluating, designing, permitting, implementing, constructing, managing and operating the New Development and the Premises shall be borne solely by or through Tenant, including, without limitation, payment of fees for New Development – Development Approvals, cost overruns and the costs of infrastructure improvements within the Premises required to be constructed by Tenant pursuant to the terms of the Approved Master Plan.

ARTICLE 3

CLOSING

Section 3.01 Closing Date. Subject to the satisfaction or waiver of all contingencies set forth in Section 3.02 hereof, the consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Gibbons P.C., One Riverfront Plaza, Newark, New Jersey, 07102-5497 at 10:00 a.m. local time on May 1, 2012, or at such other time and place as may be mutually agreed upon by the parties (the "Closing Date"). All proceedings to take place on the Closing Date shall be deemed to take place simultaneously and no delivery shall be deemed to have been made until all such proceedings have been completed.

Section 3.02 Conditions Precedent to the Authority's and Tenant's Obligation to Close. The Authority's obligation to complete the Closing hereunder is conditioned and contingent upon the delivery by the Tenant to Authority of all of the Tenant's deliveries as set forth in Section 3.03 hereof, provided, however, that the Authority may waive any of the Tenant's deliveries. The Tenant's obligation to complete the Closing hereunder is conditioned and contingent upon the delivery by the Authority to Tenant of all of Authority's deliveries as set forth in Section 3.04 hereof, provided, however, that Tenant may waive any of the Authority's deliveries. In addition to the foregoing, each party's obligation to complete the Closing hereunder is conditioned and contingent upon the satisfaction or waiver by both parties of the following contingencies at or before Closing:

(i) Tenant shall enter into a five (5) year agreement with the Authority, that is satisfactory to the Authority, which agreement shall commence on the expiry or early termination of this Agreement, and shall include, but not be limited to: (i) an agreement by Tenant that on expiry or early termination of this Agreement the Authority is permitted (but not obligated) to run only the statutory minimum number of race dates (which at Closing was 71-days); (ii) consent to distribute the thoroughbred race signal from the Premises, and (iii) consent to the Authority lowering overnight purses from the customary amount paid to the statutory minimum amount to the extent necessary to offset operating expenses at the Premises.

(ii) Tenant shall have entered into an agreement with Gural and/or the operator of the Meadowlands Racetrack, that is satisfactory to the Authority that supplements or supersedes the Term Sheet between the Authority and the Meadowlands Operator dated as of December 19, 2011, including such matters as the proposed joint venture between the Meadowlands Operator and Tenant and thoroughbred racing at the Meadowlands Racetrack.

(iii) Notwithstanding the provisions of Section 3.05 hereof, the Authority shall have assigned to the Tenant the lease relating to the Woodbridge OTW and shall have received consent to such assignment from the landlord of the Woodbridge OTW in a form substantially similar to the form attached hereto as Exhibit F.

(iv) Tenant has become a party to the Master Off Track Wagering Participation Agreement, dated as of September 8, 2003 by executing and delivering the Participation Agreement Assumption and Joinder Agreement attached hereto as Exhibit R.

(v) This Agreement and the ancillary agreements attached hereto, have, to the extent required, been approved by the NJRC, New Jersey Attorney General's Office, and any other necessary governmental entity, including the issuance by the NJRC of a racing permit to conduct horse racing at the Racetrack and a racing permit to conduct thoroughbred horse racing at the Meadowlands Racetrack;

(vi) Expiry of the notices issued by the Authority pursuant to the Worker Adjustment and Retraining Notification Act and its implementing regulations; and

(vii) This Agreement and the ancillary agreements attached hereto have not been vetoed by the Governor of the State of New Jersey ("Governor's Veto").

Section 3.03 Documents to be Delivered at Closing by the Tenant. At the Closing, the Tenant shall deliver to the Authority the following documents:

(a) A copy of the agreement referred to in Section 3.02(i) hereof, and any amendments thereto, together with written confirmation from an officer of Tenant that such agreement continues to be in full force and effect and has not been amended in any manner unless the Authority shall have consented thereto;

(b) A copy of the agreement referred to in Section 3.02(ii) hereof, and any amendments thereto, relating to, among other things, the development of the currently-permitted off track wagering facilities, together with written confirmation from an officer of Tenant that such agreement continues to be in full force and effect and has not been further amended in any manner unless the Authority shall have consented thereto;

(c) A duly executed and delivered Woodbridge OTW Consent and Estoppel and the OTW Agreement duly executed and delivered by Tenant;

(d) Evidence that the Tenant has obtained its licenses to operate the Premises as a Racetrack, become a party to the Master Off Track Wagering Participation Agreement, and participate in the Account Wagering Operation;

(e) A duly executed assignment and assumption agreement in the form of Exhibit E attached hereto, pursuant to which Tenant shall have assumed the third-party equipment leases set forth on Exhibit K ("Third Party Leases") and third party contracts set forth on Exhibit L ("Third Party Contracts");

(f) A certificate, dated the Closing Date and executed by an officer of the Tenant, which shall (i) attach a certified copy of the resolutions of the members of the Tenant authorizing and approving this Agreement and the consummation of the transactions contemplated by this Agreement; (ii) identify by name and title and bear the signature of its officer authorized to execute any document to be executed and delivered on behalf of the Tenant, as the case may be, pursuant to the terms of this Agreement; and (iii) confirm that Tenant is capable of operating the Racetrack independently of the Authority;

(g) The Pledge of Purse Revenues Agreement and Security Agreement, each duly executed and delivered by Tenant**;**

(h) A Management and Development Agreement between the Tenant and Darby Development LLC ("Darby") in a form reasonably satisfactory to the Authority; and

(i) All other material documents, instruments or writings required to be delivered to the Authority at or prior to the Closing pursuant to the terms of this Agreement or the other Racetrack Agreements.

Section 3.04 Documents to be Delivered at Closing by the Authority. At the Closing, the Authority shall deliver to the Tenant the following documents:

(a) The Authority's consent to the agreements referred to in Section 3.02(ii) hereof;

(b) The Woodbridge OTW Consent and Estoppel and the OTW Agreement duly executed and delivered by the Authority;

(c) An assignment of all Third Party Leases and Third Party Contracts duly executed by the Authority in the form of Exhibit E attached;

(d) A certificate, dated the Closing Date and executed by an officer of the Authority, which shall (i) attach a certified copy of the resolutions of the board of the Authority authorizing and approving this Agreement and the consummation of the transactions contemplated by this Agreement; and (ii) identify by name and title and bear the signature of its officer authorized to execute any document to be executed and delivered on behalf of the Authority pursuant to the terms of this Agreement;

(e) Evidence reasonably satisfactory to the Tenant that there has been no Governor's Veto;

(f) Evidence that the Authority has satisfied all of its obligations under the Master Off Track Wagering Participation Agreement to enable the Tenant to become a party to such agreement; and

(g) All other material documents, instruments or writings required to be delivered to the Tenant at or prior to the Closing pursuant to the terms of this Agreement or the other Racetrack Agreements.

Section 3.05 Assignment of Contracts, Rights and Obligations. This Agreement reflects the Authority's intent to assign all of the Third Party Contracts and Third Party Leases to the extent that they relate to the Racetrack and/or the Woodbridge OTW to the Tenant on the Closing Date. However, at the Authority's sole option, if an assignment thereof, without the consent of a third party thereto or the expiration of a notice period to a third party thereto, would constitute a breach or default thereof, cause or permit the acceleration or termination thereof or in any way materially and adversely affect the rights of the Authority or the Tenant thereunder or the right of the Tenant to conduct all or any part of the business and operation of the Racetrack in the manner and on the terms presently enjoyed by the Authority, the parties shall arrange an equitable assignment by the Authority to the Tenant of all of the Authority's right, title and interest in and to, and obligations under, such Third Party Contract or Third Party Lease. If a third party consent is not obtained or notice period expired with respect to any such Third Party Contract or Third Party Lease as of the Closing Date (i) the parties shall cooperate in any reasonable arrangement designed to provide the Tenant the benefits under any such Third Party Contract or Third Party Lease, including, without limitation, compliance by the Authority on the Tenant's behalf with any such Third Party Contract or Third Party Lease and enforcement for the benefit of the Tenant of any and all rights of the Authority against a third party thereto arising out of the breach or cancellation by such third party or otherwise, and (ii) the Tenant shall cooperate with the Authority in any reasonable arrangement designed to protect the Authority against the obligations owed by it under such Third Party Contracts or Third Party Leases. The Authority and the Tenant covenant to proceed promptly to complete and satisfy any such third party actions as soon as possible after the Closing Date. Upon a third party consent being obtained or sufficient notice having expired with respect to any such Third Party Contract or Third Party Lease, the Authority shall assign to the Tenant and the Tenant shall assume from the Authority, in each case effective as of the Closing Date, by supplemental instrument of conveyance if requested by the Authority or the Tenant, all of the Authority's right, title and interest in and to, and obligations under, such Third Party Contract or Third Party Lease insofar as they relate to the Racetrack and/or the Woodbridge OTW, without further payment of consideration.

Section 3.06 Intentionally Deleted.

Section 3.07 Account Wagering Operations.

(a) Tenant acknowledges that prior to the assignment and assumption referred to in Section 3.07(d), the Authority shall continue to operate and control the Account Wagering Operations. The Authority agrees to conduct the Account Wagering Operations in accordance with the Account Wagering Participation and Project Operating Agreement and otherwise in accordance with applicable law.

(b) Subject to Section 3.07(e), during the Term of this Agreement, the Authority agrees that fifty percent (50%) of the Available Net Project Revenues (as defined in the Account Wagering Participation and Project Operating Agreement) due to the Authority pursuant to the Account Wagering Participation and Project Operating Agreement shall be for the account of Tenant and shall be paid to Tenant within five (5) Business Days after the Available Net Project Revenues are disbursed pursuant to the Account Wagering Participation and Project Operating Agreement.

(c) Intentionally deleted.

(d) Subject to and in accordance with the provisions of applicable law and the Account Wagering Participation and Project Operating Agreement, following the written notice of Tenant and the operator of the Meadowlands Racetrack, the Authority agrees to transfer the operation and control of the Account Wagering Operation, including its rights and obligations under the Account Wagering Participation and Project Operating Agreement, and to the extent permitted by applicable law, the permit to operate the Account Wagering Operation, to the Tenant, the operator of the Meadowlands Racetrack or an entity designated in such notice. The foregoing transfer, assignment and assumption shall be memorialized in a separate document reasonably acceptable to the Parties.

(e) The Parties agree that the intention is to effect the transfer of the Account Wagering Operation as soon as practicable following the Closing Date. However, the Authority acknowledges that Tenant may need time to finalize the future Account Wagering Operations arrangements with the operator of the Meadowlands Racetrack. Accordingly, and in order to continue to comply with its obligations under the Account Wagering Participation and Project Operating Agreement, the Authority agrees to retain the operation and control of the Account Wagering Operations until such time as such transfer takes place. The Parties shall cooperate in all reasonable arrangements designed to facilitate the transfer of the Account Wagering Operations pursuant to this Section 3.07.

(f) Notwithstanding any other provision of this Section 3.07, Tenant agrees that its fifty percent (50%) share of the Available Net Project Revenues (as defined in the Account Wagering Participation and Project Operating Agreement) relating to the period from and after July 1, 2017 shall be used to first satisfy all amounts that become due and payable to the Authority under this Agreement or any Racetrack Agreement from and after July 1, 2017. In order to facilitate such arrangement Tenant and the Authority agree that prior to July 1, 2017, they shall instruct ODS Technologies, L.P. d/b/a TVG Network ("TVG") to transfer all of Tenant's Available Net Project Revenues directly to the bank account notified to TVG by the Authority. The Authority shall on receipt of Available Net Project Revenues from TVG satisfy any and all amounts due and payable to the Authority under this Agreement and/or any Racetrack Agreement, and shall transfer the balance (if any) to the bank account notified to the Authority by Tenant. Tenant agrees that it will instruct the vendor or licensee for the Account Wagering Operation that is responsible for distributing Available Net Project Revenues in accordance with the Account Wagering Participation and Project Operating Agreement to transfer all of the Available Net Project Revenues due to Tenant directly to the Authority to be used in accordance with this Section 3.07(f).

Section 3.08 Closing Conditions.

(a) On or before April 30, 2012 (or such later date as may be agreed between the Parties), the Parties shall use all good faith and commercially reasonable efforts to satisfy the conditions referred to in Section 3.02 above. Until the Closing Date, the Authority shall continue operations at the Racetrack in a Comparable Manner.

(b) Notwithstanding anything to the contrary, the Parties acknowledge and agree that in the event that the conditions referred to in Section 3.02 above have not been satisfied on or before 5:00 p.m. (EST) on April 30, 2012 (or such later date as may be agreed between the Parties) this Agreement shall terminate and the provisions of Section 3.08(c) shall apply, provided, however, that if Tenant has used all good faith and commercially reasonable efforts to obtain its racing permit from NJRC and thereby satisfy the condition referred to in Section 3.02(v), but such condition remains unsatisfied as at 5:00 p.m. (EST) on April 30, 2012, Tenant shall be entitled to request an automatic extension of time to satisfy such condition of up to one hundred eighty (180) days after April 30, 2012.

(c) In the event that this Agreement is terminated pursuant to this Section 3.08, then this Agreement and for the avoidance of doubt each of the other Racetrack Agreements shall, on the effective date of such termination, terminate with respect to all future rights and obligations of performance by the Parties and their respective Affiliates (except for the rights and obligations that expressly are to survive termination). This Section 3.08(c) shall survive any termination of this Agreement pursuant to this Section 3.08.

(d) If Tenant requests an automatic extension of time to satisfy the NJRC racing permit condition referred to in Section 3.08(b) above, and as a result the Authority continues to operate the Racetrack at the commencement of the 2012 racing season, Tenant agrees that the Authority is permitted to run only the statutory minimum number of race dates in 2012 (currently 71-days); (ii) Tenant consents to distribute the thoroughbred race signal from the Premises for 2012, and (iii) Tenant consents to the Authority funding overnight purses solely from earned purses in 2012. This Section 3.08(d) shall survive any termination of this Agreement pursuant to this Section 3.08(c).

ARTICLE 4

PILOT PAYMENTS; PROPERTY TAXES; IMPOSITIONS; UTILITIES

Section 4.01 Property Taxes. The Parties acknowledge that the transaction contemplated hereunder and the covenant by Tenant in Section 4.02 hereof to make Tenant's PILOT Payments assumes that the Premises shall remain fully exempt from all Property Taxes. Tenant acknowledges that, pursuant to the Enabling Legislation payments in lieu of real property taxes ("PILOT Payments") are payable to the Boroughs by the Authority in connection with facilities located within the Premises.

Section 4.02 Tenant's PILOT Payment. Tenant hereby covenants and agrees that, commencing on the Closing Date and continuing throughout the Term, Tenant shall pay to the Authority, as Additional Rent, an amount equal to the PILOT Payments (and/or Property Taxes payable in addition to or in lieu of PILOT Payments) to be paid by the Authority to any Governmental Authority, at least ten (10) Business Days in advance of the equal quarterly installments payments due from the Authority on January 20, April 20, July 20 and October 20 (except that the first and last quarterly installments shall be pro-rated based on the number of days during the related quarterly period that is included in the Term), provided, however, that Tenant's obligation to pay the PILOT Payments (and/or Property Taxes payable in addition to or in lieu of PILOT Payments) in relation to the following tax parcels - Block 88 Lot 1, Block 88

Lot 20, Block 88 Lot 26.03, Block 114 Lot 6 and Block 1 Lot 1 – shall commence from the Effective Date. The amounts referred to in this Section 4.02 are referred to herein as the "Tenant's PILOT Payment".

Section 4.03 Utilities and Impositions.

(a) Tenant covenants and agrees that, commencing upon the Closing Date and continuing throughout the Term that hereafter becomes effective, Tenant shall pay, before any fine, penalty, interest or cost may be added for non-payment thereof and before same become delinquent, any and all governmental charges which are imposed upon the Premises, including, without limitation, the following:

(i) generally applicable and uniformly imposed general and special taxes imposed by the State or the federal government, or authorized instrumentalities thereof (A) on any personal property, equipment or fixtures owned or leased by Tenant and used in the operation of the Premises, or (B) on any transaction to which Tenant is a party creating or transferring an interest or estate in the Premises, or (C) in connection with any activity carried out on or at the Premises or otherwise connected to the Racetrack or the New Development; and

(ii) charges for public and private utilities (including, without limitation, all sewer-related fees, gas, electricity, power and telephone and other communication services) with respect to the Premises, the Racetrack or the New Development; and

(iii) from and after January 1, 2024, any charges, costs, expenses or fees claimed, imposed or assessed by the NJRC, including without limitation, assessed pursuant to N.J.A.C. 13:74-10.1, N.J.S.A. 5:5-159 and N.J.A.C. 13:74-10.2, or by the Horseracing Integrity and Safety Authority, the Horseracing Integrity and Welfare Unit, or any other State or federal agency or instrumentality connected in any way to horse racing, gaming or any activity carried on or at the Premises or connected in any way to the use, occupancy, operation or management of the Premises (the items described in clauses (i), (ii) and (iii) which Tenant is obligated to pay being collectively referred to herein as "Impositions"); and

(iv) fines, penalties and any interest or costs resulting from non-payment by Tenant of any of the items described in clauses (i), (ii) or (iii) above.

(b) Except for Impositions which by law, regulation or agreement become liens upon real property prior to the due date thereof, Tenant shall not permit any Imposition payable by Tenant hereunder to become a lien on the Fee Estate. Tenant shall pay all Impositions prior to delinquency, including in installments as permitted by the entity charging the Imposition. If Tenant fails to pay an Imposition as required or permitted by the entity charging the Imposition and such failure, under applicable Legal Requirements, results in a lien upon the Fee Estate and Tenant fails to cause the discharge of such lien, by payment, bonding or otherwise, within twenty (20) days of notice thereof from the Authority to Tenant, the Authority at its sole and absolute option may pay such Imposition and Tenant shall reimburse the Authority for same, together with interest thereon at the Overdue Rate from the date Tenant receives notice from the Authority that such Impositions have been paid by the Authority, as Additional Rent, within fifteen (15) days after receipt of notice from the Authority that it has paid such amount,

together with a paid receipt or other reasonable evidence that the Authority has expended such sums.

Section 4.04 Evidence. Any certificate, advice or bills of nonpayment issued by the appropriate official designated by law to make or issue or to receive payment of any Imposition, shall be prima facie evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificate, advice or bill.

Section 4.05 Refund/Rebate of Imposition. The Authority covenants and agrees that if there shall be any refund or rebate on account of any Imposition paid by Tenant, such refund or rebate shall belong to Tenant. Any refund or rebate received by the Authority shall be deemed trust funds and as such are to be received by the Authority in trust and promptly paid to Tenant. The Tenant covenants and agrees that if there shall be any refund or rebate on account of any Imposition paid by the Authority, such refund or rebate shall belong to Authority except to the extent that Tenant has reimbursed the Authority for the Imposition in respect of which such refund or rebate has been made. Any such refund or rebate received by the Tenant (to the extent to be paid over to the Authority pursuant to this Section 4.05) shall be deemed trust funds and as such are to be received by the Tenant in trust and promptly paid to the Authority.

Section 4.06 Apportionment of Impositions. All Impositions relating to a fiscal period, a part of which is included within the Term and a part of which is for a period of time before or after the Term and, shall (whether or not such Imposition shall be assessed, levied, confirmed, imposed upon or in respect of or become a lien upon the Premises, or shall become payable, during the Term) be apportioned between the Authority and Tenant so that Tenant shall pay that portion of such Imposition related to the period of time during the Term, and the Authority shall pay the remainder thereof. The provisions of this Section 4.06 shall survive the expiration or earlier termination hereof.

ARTICLE 5

LATE CHARGES

In the event that (i) payment of any installment of Ground Rent or any Tenant's PILOT Payment required to be paid by Tenant to the Authority under this Agreement shall not be paid within five (5) days after the date on which said payment was due and payable as in this Agreement provided, or (ii) any other Rent payment required to be paid by Tenant to the Authority under this Agreement shall not be paid within five (5) days after the date on which said payment was due and payable as in this Agreement provided, or, if not so provided, within fifteen (15) days after Tenant's receipt of Notice from the Authority that said payment is due and payable, a late charge accruing at the Overdue Rate on the amount overdue shall become immediately due and payable to the Authority as liquidated damages for Tenant's failure to make prompt payment. In the event any late charge is not paid to the Authority within thirty (30) days following same becoming due or the commencement of the interest accrual thereon, the Authority shall have all of the rights and remedies provided for under Article 21 herein with respect to such default. No failure by the Authority to insist upon the strict performance by Tenant of Tenant's obligations to pay late charges shall constitute a waiver by the Authority of its rights to enforce the provisions of this section in any instance thereafter occurring. The

provisions of this Article 5 shall not be construed in any way to extend the grace periods or notice periods provided for in this Agreement.

ARTICLE 6

PERMITTED USES; NO UNLAWFUL OCCUPANCY; CERTAIN REMEDIES; REVENUES

Section 6.01 Permitted Uses.

(a) Permitted Uses. Tenant shall have the exclusive right to use, occupy and operate (and permit its agents, representatives, contractors, licensees, sublessees, guests, invitees, Concessionaires and subtenants, if any, to use, occupy and operate) the Premises at all times for (i) the purpose of operating the Premises and the Racetrack in a Comparable Manner inclusive of all ancillary activities and forms of gaming associated with such operation, including simulcast wagering; (ii) if Gaming Law has been or is enacted, as applicable, Gaming, (iii) the purpose of developing and operating the New Development, and (iv) in addition to, but not in lieu of (i), (ii) and (iii), any lawful purpose approved by the Authority, which shall not be unreasonable withheld, delayed or conditioned, only (collectively, "Permitted Uses"), and for no other purpose whatsoever except with the written consent of the Authority; provided, however, Tenant shall at all times ensure the Premises and the Racetrack are operated in a Comparable Manner. The Authority acknowledges that the Tenant may seek to further develop the Premises and any future development request by Tenant is subject to the Approval of the Authority, such consent not to be unreasonably withheld, delayed or conditioned.

(b) No Adverse Possession or Implied Dedication. Tenant shall not knowingly suffer or permit use of the Premises or any portion thereof in a manner which would result in a claim of adverse usage, adverse possession or implied dedication thereof.

Section 6.02 No Unlawful Use; Prohibited Uses. Subject to the provisions of Section 6.04, and without in any way expanding the exclusive Permitted Uses as set forth in Section 6.01(a), Tenant shall not use or occupy, nor authorize any third party to use or occupy, nor fail to take all commercially reasonable measures necessary to prevent any third party from using or occupying, the Premises or any part thereof for any of the following uses or purposes:

(a) any use which violates any Legal Requirement;

(b) any use or purpose which would create hazards to the health or safety of the general public or the public welfare;

(c) any use or purpose which would violate the Enabling Legislation;

(d) engaging in any activity which would constitute "Substantial Lobbying" or "Political Activities" within the meaning of Section 504 of the Code;

(e) any use or purpose which in the reasonable judgment of the Authority is reasonably likely to cause the Authority, the State of New Jersey or any other Governmental Authority embarrassment; or

(f) any use or purpose that is prohibited by the Approved Master Plan, as may be amended by Authority and Tenant.

Section 6.03 Compliance with Laws. Tenant shall at all times during the Term of this Agreement, at Tenant's sole cost and expense, perform its obligations under and comply with all Legal Requirements now or hereafter enacted or promulgated, of every Governmental Body having jurisdiction over the Premises, or the facilities or equipment therein, or the parking areas, streets, sidewalks, vaults, vault spaces, curbs, and gutters located in or on the Premises, whether or not such Legal Requirements shall necessitate structural changes, improvements, replacements or repairs, extraordinary as well as ordinary, and whether or not such Legal Requirements shall now exist or shall hereafter be enacted or promulgated, and whether or not such Legal Requirements can be said to be within the present contemplation of the Parties hereto, including without limitation, all regulations imposed by the NJRC, the Horseracing Integrity and Safety Authority, the Horseracing Integrity and Welfare Unit and the DGE, all rules and regulations of the NJDEP and DCA, and all rules and regulations of the New Jersey Attorney General's Office. For the avoidance of doubt but subject to the other applicable provisions of this Agreement, Tenant is not required to comply with any provision of this Agreement, any other Racetrack Agreement, the Master Off Track Wagering Participation Agreement, or the Account Wagering Participation and Project Operating Agreement to the extent that such provision violates any Legal Requirement. Tenant shall obtain and maintain, at its expense, and shall cause all Concessionaires, licensees and independent contractors to obtain and maintain, all Governmental Approvals required in connection with the use, occupation and operation of all or any part of the Premises by Tenant (including, but not limited to, those relating to or necessary for the sale or service of alcoholic beverages), provided, however, that at all times such use, occupation and operation shall be for the Permitted Uses only. Tenant shall not authorize or perform and shall use diligent and good faith efforts not to permit any act to be done or any condition to exist in, on or about the Premises or any part thereof or any article to be brought thereon, which may constitute a nuisance, public or private, under Legal Requirements.

Section 6.04 Use Default. Tenant shall, upon notice from the Authority of any Use Default, use best efforts, legal and equitable, necessary to compel the discontinuance of any such Use Default. In addition to all other rights and remedies provided herein, upon the occurrence and during the continuance of a Use Default, the Authority shall have the right, if it reasonably believes that Tenant has failed to use best efforts to compel discontinuance of such Use Default within a reasonable period after notice from the Authority of a Use Default, to seek immediate injunctive or other equitable relief to cause the party using the Premises in the manner which resulted in the Use Default to cease and desist such use. If the Authority incurs any costs or expenses in connection with exercising its remedies hereunder by reason of any Use Default, the Tenant shall be liable for such costs and expenses, all of which shall be payable to the Authority upon demand. For purposes hereof, the term "Use Default" means the occurrence of any event or the taking of any action by Tenant or any Permittee, assignee, licensee, concessionaire or other party whose use and occupancy rights derive directly or indirectly from this Agreement (in each case specifically excluding the Authority and any of its assignees, licensees or invitees) that constitutes a Prohibited Use. Except to the extent expressly provided to the contrary in this Agreement, the Authority shall have no liability of any kind and nature for Claims asserted against Tenant, any Permittee, or other parties arising from any Use Default.

Section 6.05 Management and Operations. Tenant shall have the exclusive right and have the sole responsibility to perform, manage, coordinate, control and supervise the ordinary and usual business and affairs pertaining to or necessary for the proper operation, maintenance and management of the Premises (including, but not limited to, all "building systems" and other systems and facilities) on a 365-day, year-round basis, including, but not limited to, for all Racing Events and other Permitted Uses, all in accordance with the terms and provisions of this Agreement (collectively, "Manage" or "Management"). Tenant shall have such Management rights and responsibilities, and shall provide, perform and take or cause to be provided, performed or taken, all such applicable Management services and actions customarily performed or taken by managers or operators of comparable facilities, taken as a whole, as may be reasonably necessary or advisable to operate and maintain the Premises, including as a high quality racetrack in a Comparable Manner, in accordance with the terms and provisions of this Agreement, including, but not limited to:

(a) Scheduling and contracting for the exhibition of any Permitted Uses;

(b) Preparation of the Premises for all Racing Events;

(c) Operating and maintaining the totalizator services in accordance with all third party contractual arrangements;

(d) Performing or causing to be performed, all Maintenance, Repairs and Capital Repairs in accordance with and subject to the terms and provisions of this Agreement, including the regular scheduled inspection, cleaning, maintenance and repair of the improvements relating to the CAFO Project and Tenant's maintenance obligations set forth in Article 16, including without limitation, implementing and complying with the Best Management Practices set forth in the Comprehensive Waste Management Plan attached hereto as Exhibit Q, as it may be amended from time to time.

(e) Set-up and operation of press boxes;

(f) Employment (as agents, employees or independent contractors), termination, supervision and control of reasonable and customary personnel for the proper function and operation of the Premises for all Racing Events, for the Maintenance and operation of the Premises in the condition required by this Agreement and for the discharge of Tenant's responsibilities with respect to the Premises under this Agreement, including, but not limited to, all staff, mutuel clerks, ticket sellers, ticket takers, ushers, attendants, security, crowd control and traffic control personnel, trained medical emergency personnel, maintenance crews and technical staff;

(g) Selling, marketing and establishing the price of any rates, "take-out", rentals, fees or other charges for goods, services or rights, available at or with respect to the Premises, including, but not limited to, premium and regular seats for all Racing Events;

(h) Purchasing and supplying all materials and supplies regularly used and consumed in the Maintenance and operation of the Premises;

(i) Identifying and contracting with all contractors, Concessionaires and vendors in connection with, and managing, coordinating and supervising, all Maintenance, Repair and Racetrack operations, provided, however, that Tenant shall cause all agreements entered into with any contractor, Concessionaire or vendor to contain a recognition and acknowledgement of the applicable terms and provisions of this Agreement and that the Authority shall have the right (but not the obligation) to terminate the agreement with the contractor, Concessionaire or vendor in the event that the Authority terminates this Agreement; and

(j) Providing and entering into contracts for the furnishing to the Premises of all Utilities. Tenant acknowledges that the Authority makes no representation or warranty as to the availability of Utility services from any specific service provider.

Notwithstanding the foregoing, (A) Tenant shall be entitled to determine in its sole business judgment, but subject to Legal Requirements, the particular services and businesses to be offered or operated at the Premises, the means and methods by which they will be delivered or operated, and the rules and regulations to be observed by third parties entering or using the Premises, provided, however, such discretion is exercised at all times to ensure the Premises are operated and maintained as a high quality racetrack in a Comparable Manner; and (B) the Authority may, but is not obligated to, assist the Tenant in satisfying its obligations set forth in Subsection (f) above, provided, however, that the Authority may cease to provide such assistance to Tenant at any time and from time to time, and Tenant promptly (but in any event no later than thirty (30) days following notice by the Authority) reimburses the Authority for any direct or indirect costs and expenses relating to such assistance, subject to the requirements of Article 5 hereunder.

Section 6.06 Revenue(s); New Development Escrow.

(a) Revenues Generally. Subject to any applicable provisions of this Agreement (including this Section 6.06) or any other Racetrack Agreement to the contrary, during the Term, the Tenant shall have the sole and exclusive right to receive and retain all revenues of every kind and description, whether now existing or developed in the future, and whether or not in the current contemplation of the parties, arising from or relating to the use, occupancy, operation and Development of (i) the Premises, the New Development and the Racetrack, (ii) the Woodbridge OTW and any New OTW Facility, (iii) due to Tenant pursuant to this Agreement from the Account Wagering Operation, any exchange wagering, fixed odds wagering or similar horse racing gaming operation, and (iv) from any other Gaming, including sports betting, but in each case excluding all amounts required to be paid directly to the Authority (collectively, "Revenues").

(b) New Development, New Development Revenues and Proceeds.

(i) Tenant represents, warrants and covenants to the Authority as of the Effective Date that it owns, beneficially and of record, no less than fifty (50%) of the ownership interests of MBD Development, LLC ("MBD"), the Subtenant or the sole member of the ownership interests of the Subtenant(s), under the Sublease(s) for the New Development.

(ii) Tenant represents, warrants, covenants and agrees that:

(1) until the fifth (5th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning thirty-five (35%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses. "Ordinary Course New Development Revenues" means all revenues and proceeds of every kind and description arising from or relating to the New Development, including "Exit Rent" but specifically excluding "Net Capital Proceeds" or any proceeds from an "Exit Event," as such terms are defined in any Sublease.

(2) until the sixth (6th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning thirty (30%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses;

(3) until the seventh (7th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning twenty-nine (29%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses;

(4) until the eighth (8th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning twenty-eight (28%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses;

(5) until the ninth (9th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning twenty-seven (27%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses;

(6) until the tenth (10th) anniversary of the Effective Date, all Ordinary Course New Development Revenues received by Tenant from owning twenty-six (26%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses; and

(7) following the tenth (10th) anniversary of the Effective Date and for the remainder of the Term, all Ordinary Course New Development Revenues received by Tenant from owning twenty-five (25%) of the ownership interests of MBD, shall be used by Tenant solely for Racetrack Expenses (each of the foregoing percentages, the then ("Racetrack Percentage");

provided, however, that if there occurs a Cessation of Live Racing Because of Governmental Action prior to the expiration or termination of this Agreement for any reason, the Racetrack Percentage shall be adjusted to equal twenty-five (25%).

(c) Interests Revert to the Authority. Following the expiration or termination of this Agreement for any reason, Tenant shall transfer to the Authority (in accordance with Section 21.17) a portion of its ownership interest in MBD equal to the then Racetrack Percentage and the Authority shall have the right to directly receive all the benefits of ownership of MBD and retain, and shall be paid directly, all of the amounts and Revenues referred to in Section 6.06(a) and (b), relating to such transferred ownership interest in MBD, on terms *pari passu* with

the rights of Tenant in MBD, and Tenant may retain the remaining portion of its ownership interest in MBD. The Racetrack Percentage shall become fixed, and shall not be further adjusted, on the expiration or termination of this Agreement for any reason unless there occurs a Cessation of Live Racing Because of Governmental Action prior thereto as provided in Section 6.06(b)(ii).

(d) Net Capital Proceeds and Exit Event Proceeds Escrow

(i) Deposit. Provided this Agreement has not expired or been terminated for any reason, in the event of each "Capital Event" or "Exit Event" under a Sublease (for purposes of clarity, the Parties acknowledge and agree that the Escrow Funds (defined below) from each event shall be treated separately), subject to subsection (ii) below, an amount equal to the amount received by Tenant from owning the then Racetrack Percentage of the ownership interests of MBD in connection with such "Capital Event" or "Exit Event" less the Authority's Reserve (the "Escrow Amount"), shall be directly deposited, by wire transfer of immediately available funds, with the Authority, to be held pursuant to this Section 6.06(d). The Escrow Amount, together with all interest and other amounts earned thereon or derived therefrom pursuant to the investments made on such amount pursuant to Section 6.06(d)(iii) below (the "Escrow Funds"), which will be distributed to the Tenant or the Authority as provided in Section 6.06(d)(iv). The Authority agrees to hold the Escrow Funds in a separate and distinct account, and Tenant may retain the remaining portion of the funds from such event (for purposes of clarity, this amount is the total amount received from the event less the Authority's Reserve and the Escrow Amount).

(ii) Authority's Reserve. The first One Million Dollars ($1,000,000) of any amount received by Tenant in connection with each "Capital Event" or "Exit Event" under a Sublease (the "Authority's Reserve"), shall be paid to and held by the Authority for the benefit of the Authority and shall be reserved by the Authority to pay for any unanticipated costs and expenses relating to the Racetrack, or that arise from an "Exit Event" (as defined in a Sublease), at the Authority's sole discretion, including without limitation, costs associated with appointing a manager for the Racetrack, the Account Wagering Operation, or any other functions carried on by Darby or its Affiliates, any costs associated with a Cessation of Live Racing Because of Governmental Action, and any costs associated with any unanticipated early termination of this Agreement.

(iii) Investment of Escrow Funds. The Authority in its sole discretion may, but shall not be obligated, to invest the Escrow Funds and Authority's Reserve in the following investments: (a) interest bearing deposits with maturity dates of ninety (90) days or less of any bank or trust company located within the United States, provided, that any such bank or trust company shall have capital and surplus of at least $500,000,000, (b) certificates of deposit with maturity dates of ninety (90) days or less issued by any bank or trust company located in the United States, provided that any such bank or trust company shall have capital and surplus of at least $500,000,000, or (c) direct obligations of, or obligations guaranteed as to all principal and interest by, the United States, in each case with maturity dates of ninety (90) days or less. Tenant recognizes and agrees that the Authority will not provide supervision, recommendations or advice relating to either the investment of the Escrow Funds or the purchase, sale, retention or other disposition of any investment described herein. The Authority

shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under Section 6.06(d)(iv). The Authority shall not have any liability for any loss sustained as a result of any investment in an investment made pursuant to the terms of this this Section 6.06(d)(iii) or as a result of any liquidation of an investment prior to its maturity. Any loss or expense incurred as a result of an investment will be borne by the Escrow Funds.

(iv) Release of Escrow Funds. The Escrow Funds shall only be distributed and released as follows and shall only be used for Racetrack Expenses (again, for purposes of clarity, the Parties acknowledge and agree that the Escrow Funds from each event shall be treated separately):

(1) In the event the applicable initial Escrow Amount is Twenty Million Dollars ($20,000,000) or less in the aggregate, and in each case subject to Section 6.06(d)(iv)(3) below:

(A) Within thirty (30) days of the Authority's initial receipt of such Escrow Funds (the "Initial Release Date"), the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, one-fifth (1/5) of the balance of such Escrow Funds.

(B) Thereafter, (i) on the first (1st) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, one-fourth (1/4) of such remaining Escrow Funds, (ii) on the Second (2nd) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, one-third (1/3) of such remaining Escrow Funds, (iii) on the third (3rd) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, one-half (1/2) of such remaining Escrow Funds, and (iv) on the fourth (4th) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, the remaining balance of such Escrow Funds.

(2) In the event the applicable initial Escrow Amount is greater than Twenty Million Dollars ($20,000,000) in the aggregate, and in each case subject to Section 6.06(d)(iv)(3) below:

(A) On the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, Four Million Dollars ($4,000,000) of such Escrow Funds.

(B) Thereafter, on each of the first (1st) anniversary, Second (2nd) anniversary, third (3rd) anniversary and fourth (4th) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, Four Million Dollars ($4,000,000) of such remaining Escrow Funds.

(C) Thereafter, on each subsequent anniversary of the Initial Release Date following the fourth (4th) anniversary of the Initial Release Date, the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, Six Million Dollars ($6,000,000) of such remaining Escrow Funds unless and until the then

remaining amount of such Escrow Funds on such anniversary of the Initial Release Date is less than Six Million Dollars ($6,000,000), in which case the Authority shall release to Tenant, by wire transfer to an account designated by Tenant, the remaining balance of such Escrow Funds.

For illustrative purposes only, if the Escrow Amount was $50 million, then Tenant would receive $4 million each year for the first five (5) years and $6 million each year for the next five (5) years.

(3) Notwithstanding any other provision of this Agreement, any Sublease, or any other Racetrack Agreement to the contrary, (A) no change in the Racetrack Percentage shall have any effect on any Escrow Funds that are already in escrow at the time of such change, and (B) in the event of the expiration or termination of this Agreement for any reason, the Authority shall release the remaining balance of all Escrow Funds to itself. At the time of the expiration or termination of this Agreement for any reason, all Escrow Funds shall immediately be deemed to be, and shall be, held for the sole benefit of the Authority.

(v) Release for Emergency Repairs. Tenant shall promptly notify the Authority if it determines in good faith that an Emergency Repair is required at the Racetrack, and Tenant shall specify the nature of the condition, the Emergency Repair being taken by Tenant, the expected duration of the condition and an estimate of any increases in costs resulting therefrom. Tenant may request the Authority to release some or all of the available Escrow Funds, in the order such funds are available for release, and if the Escrow Funds are insufficient, to release some or all of the Authority's Reserve, in each case, strictly to cover Tenant's increased costs resulting from the Emergency Repair, and the Authority agrees to consider such request in good faith. Tenant shall notify the Authority promptly after the Emergency Repair has been completed. Tenant confirms, and the Authority acknowledges, that the current condition of the Racetrack and Premises does not require any Emergency Repair.

(e) The provisions of this Section 6.06 shall survive the expiration or termination of this Agreement.

Section 6.07 Authority Office; Authority Parterre.

(a) During the Term, Tenant shall provide the Authority with permanent office space at the Premises in location and size to be mutually agreed by Tenant and the Authority. The Tenant will be solely responsible for all costs relating to the finishing, equipping, furnishing, operation, maintenance, repair and capital repair of the Authority's office space, including, but not limited to all Utilities. The Authority shall not pay rent to Tenant for the Authority's office space. The Authority shall not be permitted to make structural changes to the Authority's office space without Tenant's prior approval.

(b) During the Term, the Authority shall be entitled to the exclusive use of one (1) Parterre Box (the "Authority Parterre") in a location and size to be mutually agreed by Tenant and the Authority. The Authority shall not be obligated to pay any license or lease fee in consideration of its right to use the Authority Parterre, but (i) the Authority's use of the Authority Parterre shall otherwise be subject to the same rules, regulations and restrictions as are applicable to the use of boxes licensed or leased to the general public and (ii) the Authority shall

hold Tenant harmless to the same extent as other suite holders for such other events or occurrences with respect to the Authority Parterre and the conduct of Authority's invitees to the Authority Parterre.

Section 6.08 Advertising. Subject to existing third party rights, Tenant shall have the sole and exclusive right during the Term of this Agreement to exercise all Advertising Rights. The exercise of such Advertising Rights: (a) shall at all times be conducted in accordance with all Legal Requirements; (b) shall be subject to Tenant's procurement of any Governmental Approvals necessary or required therefore; (c) shall be subject to the condition that any sign erected shall not adversely affect the structure of the Premises; and (d) shall not advertise alcohol (as to Racetrack naming rights), tobacco, firearms or be otherwise offensive to general community standards.

Section 6.09 Public Announcements. Upon the reasonable request of the Authority, Tenant shall, not more than ten (10) times during each Racing Event and at no cost to the Authority, disseminate public service community announcements that do not conflict with any Advertising or display announcements concerning matters of public interest on the visual components of the Racetrack Information Systems.

Section 6.10 Concessions.

(a) Tenant's Rights. During the Term of this Agreement, Tenant shall have the sole and exclusive right and responsibility to exercise, and the right to receive and, as against the Authority, retain all revenues from the exercise of, Concession Rights and the sole and exclusive right and responsibility to effect the Concession Operations within the Premises, including, without limitation, the right and responsibility to (i) from time-to-time select and contract with one or more Concessionaires (or itself act as such Concessionaire) and to operate and be responsible for all Concession Operations within the Premises (it being understood that Tenant shall cause all agreements entered into with any Concessionaire to contain a recognition and acknowledgement of the applicable terms and provisions of this Agreement and that the Authority shall have the right (but not the obligation) to terminate the concession agreement in the event that the Authority terminates this Agreement, and require the Concessionaire to observe the restrictions, if any, on Concession Operations contained in this Agreement); (ii) administer any such concession agreements, and to retain all associated revenue; (iii) determine the types, brands and marketing of all products sold within the Premises, and the prices to be charged for such items; and (iv) determine the location of Concession facilities within the Premises. Any concession agreements entered into by Tenant and any Concessionaire shall be for such duration as Tenant shall determine (but shall terminate not later than the termination of this Agreement). Tenant shall include in such agreements a requirement that such Concessionaires conduct themselves in a professional and courteous manner. Tenant and the Concessionaire(s) shall at all times comply with all Legal Requirements and Insurance Requirements, and shall procure any and all Governmental Approvals, relating to the Concession Rights and Concession Operations. Tenant shall provide the Authority with copies of all concession agreements prior to the commencement of such Concession Operations**.**

(b) Concession Operation Services. Tenant, either on its own behalf or through any Concessionaire or other Person, shall be responsible for the preparation, operation,

maintenance and repair of, and the payment of any Utility costs arising from or attributable to, Concession Operations in all or any part of the Premises.

Section 6.11 Totalizator, Sound System and Public Address System. Tenant shall, during the Term of this Agreement, have the sole and exclusive control of and over the public address system, scoreboards, video boards, totalizator and message boards, clocks and other electronic signage and similar systems (and all control rooms and equipment rooms for the same) at the Premises (collectively, the "Racetrack Information Systems") and the sole and exclusive right to receive and, as against the Authority, retain all revenues therefrom. Tenant shall be solely responsible for the Maintenance and Repair of the Racetrack Information Systems in accordance with the provisions of Article 12 of this Agreement.

Section 6.12 Intentionally Deleted.

Section 6.13 Union Matters.

(a) Tenant shall not assume any contracts between the Authority and any Racetrack-related labor union or be subject to any successor provision contained therein. Tenant shall not assume any liabilities relating to violations by the Authority of any collective bargaining agreement(s) with labor unions representing employees or any claims by employees not represented by labor unions, in each case to the extent arising prior to the Closing Date, and the Authority shall hold Tenant harmless from any such claims, including, but not limited to, claims by employees pertaining to wages, compensation, benefits, or fringe benefits, including, but not limited to, accrued vacation leave, personal leave, sick leave, or "comp time," existing unfunded pension liability, retiree health liability, and workers' compensation liability, in each case that accrued prior to the Closing Date. Additionally, Tenant shall not assume any and all obligations relating to any and all withdrawal liability from any multi-employer pension plan and/or any amortization payments for previous withdrawals by the Authority from any multi-employer pension plan in which the Authority participates or previously participated.

(b) Mutuels and Jockey Room Contracts.

(i) The collective negotiations agreement between the Authority and the Sports Arena Employees Union, Local 137 as to the covered employees in the Pari-Mutuel Department ("Mutuels Contract") requires in Article XXIV(4) that "Should the Employer lease any property to a lessee for the purpose of conducting its racing meet, provision shall be made in said lease for the observance by the lessee of the terms of this agreement." Further, in Article XXIV(8) it provides that "The Authority agrees that the terms and conditions of employment provided for the employees shall be included as substantive criteria to be provided for and met in any Requests for Proposal or any Contract, Lease or other arrangement providing for another entity to manage, control, direct or provide for any of the work of the Bargaining Unit covered under this Agreement."

(ii) The collective negotiations agreement between the Authority and Local 137 as to the covered employees in the Jockey's Room ("Jockey's Room Contract") requires in Article XXVI that "Should the Employer lease or sale any property to a Lessee or

successor for the purpose of conducting its racing meet, provisions shall be made in said lease or sale for the observance by the Lessee of the terms of this Agreement."

(iii) Neither the Mutuels Contract nor the Jockey's Room Contract preclude the parties from entering into this Agreement as the Authority has an inherent governmental power to contract and to manage a significant public asset. Article XXIV (4) and (8) of the Mutuels Contract and Article XXVI of the Jockey's Room Contract, significantly interferes with the Authority's exercise of inherent management prerogatives in a manner that is contrary to the dictates of In re IFPTE Local 195 v. State, 88 N.J. 393 (1982) and its progeny and, thus, cannot impede the Authority's right to privatize or lease the Racetrack and/or manage a significant public asset.

Section 6.14 State and Federal Programs. The Authority and Tenant agree to cooperate in good faith and to use their commercially reasonable efforts in order to assist Tenant to secure any grants, loans or other sources of funding made available by the Board of Public Utilities of the State of New Jersey, the New Jersey Economic Development Authority or other state or federal sources that Tenant has reasonably determined it would be in Tenant's and the Racetrack's best interests to pursue.

Section 6.15 Intellectual Property.

(a) As between the Parties, all worldwide right, title and interest in and to all Intellectual Property is and shall be owned by the Authority.

(b) Subject to Section 6.15(d), the Authority hereby grants to Tenant, a royalty-free, exclusive license to use the Intellectual Property as it deems advisable in its absolute and sole discretion during the term of this Agreement, including entering into sublicense agreements. The Authority agrees to provide Tenant or its sublicensee with such additional information or documentation as may be reasonably requested relating to the Intellectual Property or any sublicense thereof.

(c) At the expiry or termination of this Agreement, neither Tenant or any sublicensee shall have any further rights in or to the Intellectual Property and Tenant shall promptly return (and ensure its sublicensee returns) to the Authority all Intellectual Property in its or their possession.

(d) The Authority retains the right to use or license the Intellectual Property in its absolute and sole discretion for any purpose relating to the exercise of its right to carry on Gaming at the Premises referred to in Section 7.03(b).

ARTICLE 7

EXPANSION OF GAMING

Section 7.01 General Terms. This Article 7 sets forth the terms and conditions of this Agreement that shall apply, to the extent permitted by then applicable State and federal law, should any laws be enacted in the State of New Jersey, whether by the approval of stand alone legislation or by amendment to the State Constitution with companion legislation to be approved

by the State Legislature or by any other lawful means, which provides for the authorization of one or more of the following: casino gaming, video lottery terminals, slot machines, table games, sports betting, or similar games of betting or chance, excluding On-Line-Gaming which is permitted at any location within the State of New Jersey (collectively "Gaming"), at or on the Premises during the Term ("Gaming Law"). To the extent the Authority has any input in the Gaming Law legislation and to the extent permitted by law, the Authority shall use its commercially reasonable efforts to treat the Tenant and the operator of the Meadowlands Racetrack equally in all respects, including in allocating the type of Gaming permitted at each location to ensure that both locations may conduct the same Gaming activities at each location. The Parties hereto expressly acknowledge that while there can be no expectation that any Gaming Law will be enacted in any form, it is prudent to set forth terms and conditions herein to address such a contingency.

Section 7.02 Permitted Use; Rental Adjustments. Upon the enactment and effectiveness of a Gaming Law, and consistent therewith, and subject to the provisions of Section 7.03, and Section 7.05 below, the Tenant shall be entitled to use the Premises for any type of Gaming permitted by any Gaming Law for the duration of the Term. For the avoidance of doubt, such extended use does not diminish Tenant's obligation to operate and maintain the Racetrack in a Comparable Manner. If the Gaming Law permits gaming not related to horse racing such permission is conditioned on an increased Ground Rent schedule to be determined pursuant to this Article 7. In addition to negotiating an increased Ground Rent, if the Gaming Law permits gaming not related to horse racing such permission is conditioned on the Parties agreeing to negotiate to alter their rights, duties and obligations under this Agreement with respect to the increase in value of the Premises, as well as any additional or changed responsibilities, as a result of or related to such Gaming Law. Such negotiations shall be commenced as soon as practicable and shall conclude within 90 days of the effective date of any such Gaming Law. The Parties shall determine the adjusted Ground Rent based upon the following factors:

(a) the existing market value of the right to the use permitted by the Gaming Law;

(b) competitive conditions for Gaming in surrounding markets, such as neighboring states serving comparable population densities, taking into account such factors as the types of Gaming permitted by the Gaming Law and in neighboring states;

(c) any conditions on the Authority or the Tenant imposed by the Gaming Law;

(d) other potential revenue sources that may be presented due to the Gaming Law, whether directly Gaming related, or more generally entertainment related or otherwise;

(e) tax rates and other operating expenses related to the Gaming Law;

(f) allocation and costs of additional or changed responsibilities as a result of or related to the new Gaming Law; and

(g) such other factors as the Parties determine to be relevant, including, but not limited to, Tenant's capital investments at the Premises.

Section 7.03 No Automatic Entitlement.

(a) Nothing in this Article 7 shall be construed to create an automatic entitlement in Tenant to use the Premises for any type of Gaming permitted by law for the duration of the Term. If any Gaming Laws are enacted, and Tenant desires to use the Premises for any type of Gaming, the Tenant must satisfy the requirements of all federal, State and local laws, rules and regulations concerning the conduct of such Gaming including but not limited to obtaining all required permits, licenses and approvals from any and all relevant federal, State and local agencies, and applying for and receiving the appropriate designation or other permission, regardless of terminology, required by the Gaming Law or any other law, rule or regulation.

(b) If Gaming Laws are enacted and Tenant elects not to use the Premises for Gaming or seek the approval, designation, license, permit, certificate or other permission required by law, for whatever reason, Tenant as a means of preventing or supplementing any projected loss of State revenue as a result of Tenant's election, hereby irrevocably grants the Authority (or a third party nominated by the Authority) the right and license to establish, conduct and operate Gaming (to the extent it does not relate to horse racing) from and at the Premises. Tenant agrees to diligently and in good faith cooperate (including working-out additional details and agreements requested by the Authority) with the Authority (or its nominee) to establish such Gaming operations as soon as reasonably practicable. This Section 7.03(b) sets forth the Parties basic agreements as to the Authority's rights to conduct Gaming at the Premises. The Authority and Tenant agree to take such actions, including the execution and delivery of such agreements, documents and instruments as may be requested by the Authority to carry out the terms, provisions and intent of this Section 7.03(b), including without limitation, the use of and access to the Premises and the Utilities for the purpose of establishing, conducting and operating Gaming at the Premises. The costs and expenses associated with the Authority establishing, conducting and operating Gaming at the Premises shall be paid by the Authority (or its nominee).

Section 7.04 Inability to Agree; Arbitration. Should the Authority and the Tenant be unable to agree on an adjusted Ground Rent schedule within the time period set forth in Section 7.02, which may be extended by mutual consent of the parties, an arbitrator, mutually acceptable to the Parties and experienced in the commercial aspects of the Gaming to be conducted at or on the Premises, shall conduct an arbitration in New Jersey to determine such Ground Rent schedule in accordance with the provisions set forth in Section 7.02. The arbitrator's determination shall be binding upon the Parties. If the Parties are unable to agree upon an arbitrator, such arbitration shall be conducted before an arbitrator selected by the American Arbitration Association. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association and the cost of the arbitration shall be borne equally by the Parties. For the avoidance of doubt, Article 30 shall not apply to this Article 7.

Section 7.05 Compliance with Laws. Nothing contained in this Article 7 shall be construed to permit the Tenant to conduct Gaming at or on the Premises in contravention of any applicable federal, State and local laws, rules and regulations concerning public contracting or public bidding. In addition, nothing contained in this Article shall be construed to permit the Authority to allow Gaming to be conducted at the Premises in contravention of any applicable federal, State and local laws, rules and regulations concerning public contracting or public

bidding. If the entitlement to conduct Gaming at or on the Premises is subject to public bidding or public contracting laws, the Authority and the Tenant shall adhere to such laws.

Section 7.06 Sports Betting Adjustment.

(a) The Parties agree and acknowledge that the enactment of New Jersey's Sports Wagering Law, P.L. 2018, c.33 ("Sports Betting Law"), to permit sports betting in the State, triggered the Parties' obligations in this Article 7 to negotiate an increased Ground Rent, and to negotiate to alter the Party's rights, duties and obligations under this Agreement with respect to the increase in value of the Premises, as well as any additional or changed responsibilities, as a result of or related to the Sports Betting Law.

(b) The Parties further agree and acknowledge that the negotiated changes to the Original Agreement set forth in this Agreement, including Tenant's assumption of the charges, costs, expenses and fees claimed, imposed or assessed by the NJRC and others pursuant to Section 4.03(a)(iii), are deemed to satisfy the Party's obligations in this Article 7 in respect of the Sports Betting Law, and accordingly, for avoidance of doubt, the negotiated changes set forth in this Agreement are to reflect Tenant's increased revenues from sports betting (including revenues from any casino sports wagering licensee).

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

Section 8.01 Authority Representations. The Authority represents and warrants to Tenant as of the Effective Date as follows:

(a) It was created and exists as a public body corporate and politic constituting an instrumentality of the State of New Jersey under Chapter 137 of the Laws of New Jersey of 1971.

(b) It has the right, power and authority to execute and deliver this Agreement and to perform all the terms, covenants, provisions and conditions herein to be performed by the Authority.

(c) This Agreement has been duly and validly executed and delivered by the Authority.

(d) This Agreement constitutes a legal, valid and binding agreement of the Authority enforceable against it in accordance with its terms, except as such enforcement is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and for limitations imposed by general principles of equity.

(e) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms of this Agreement, do not conflict with or result in a breach of the terms, conditions or provisions of any agreement or instrument to which the Authority is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition of any

lease, charge or encumbrance whatsoever upon any of the property or assets of the Authority under the terms of any instrument or agreement or require the approval of any third party.

Section 8.02 Tenant's Representations. Tenant represents and warrants to the Authority as of the date of the Effective Date, as follows:

(a) It is duly organized, validly existing and in good standing under the laws of the State of New Jersey.

(b) It has the right, power and authority to execute and deliver this Agreement and to perform all the terms, covenants, provisions and conditions herein to be performed by Tenant.

(c) This Agreement has been duly and validly executed and delivered by Tenant.

(d) This Agreement constitutes a legal, valid and binding agreement of Tenant enforceable against it in accordance with its terms, except as such enforcement is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and for limitations imposed by general principles of equity.

(e) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms of this Agreement, do not conflict with or result in a breach of the terms, conditions or provisions of any agreement or instrument to which Tenant is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition of any lease, charge or encumbrance whatsoever upon any of the property or assets of Tenant under the terms of any instrument or agreement or require the approval of any third party (other than all parties that must issue permits or licenses).

ARTICLE 9

INSURANCE

Section 9.01 Authority's Responsibility for Insurance.

(a) From the date of the Original Agreement through and including the Closing Date, the Authority shall at all times maintain such insurance (i) as is reasonably available on commercially reasonable terms (ii) against such risks as are customarily insured against by businesses of like size and character, paying as the same become due all premiums in respect thereof, including, without limitation, public liability insurance and commercial property insurance, with respect to the Premises; provided that Tenant acknowledges that the Authority shall be under no obligation to maintain insurance in excess of the insurance as in effect as of the date of the Original Agreement.

(b) The Authority shall cause, from the date of the Original Agreement, its insurers to name Tenant as an additional named insured under such insurance policies.

Section 9.02 Tenant's Insurance Obligations.

(a) From and after the Closing Date until the expiration of the Term, Tenant shall at all times, at its sole expense, maintain such insurance (i) as is reasonably available on commercially reasonable terms (ii) against such risks as are customarily insured against by businesses of like size and character, paying as the same become due all premiums in respect thereof, including, without limitation, public liability insurance and commercial property insurance, with respect to the Premises.

(b) Anything to the contrary herein notwithstanding:

(i) in no event shall the insurance carried by Tenant in accordance with the preceding clause (a), either in respect of liability insurance or commercial property insurance, provide less coverage than that maintained by the Authority in accordance with Section 9.01 above;

(ii) all insurance shall be taken out and maintained with generally recognized responsible insurance companies qualified to do business in the State of New Jersey, shall at all times be subject to the approval of the Authority and shall be written with deductible amounts comparable to those on similar policies by other businesses of like size and character (and in any event not greater than the deductibles under the policies maintained by the Authority in accordance with Section 9.01 above);

(iii) upon request by the Authority, Tenant shall provide the Authority with copies of all insurance policies;

(iv) each insurance policy with respect to the Premises shall name the Authority as an additional insured by endorsement, with reasonable and customary evidence thereof provided to the Authority. Tenant shall not permit any condition to exist with respect to the Premises which would wholly or partially invalidate the insurance thereon. Each policy shall contain an undertaking by the insurer that such policy shall not be modified adversely to the interest of the Authority or cancelled without at least thirty (30) days' prior notice to the Authority;

(v) all insurance hereunder shall be primary insurance and the insurer shall be liable for the full amount of the loss without any right of contribution of any insurance coverage held by the Authority; and

(vi) Tenant shall include a waiver of subrogation clause in each of its insurance policies, and agrees to such waivers and releases for the benefit of the Authority.

(c) Notwithstanding the foregoing, the Authority may, but is not obligated to, assist the Tenant in satisfying its insurance obligations set forth in Section 9.02(b) above, provided, however, that the Authority may cease to provide such assistance to Tenant at any time and from time to time, and to the extent the Authority pays any premiums, costs, charges or fees with respect to any of the insurance policies required pursuant to this Section 9.02, promptly (but in any event no later than thirty (30) days following notice by the Authority of such payment)

reimburse the Authority for any such premiums, costs, charges or fees, subject to the requirements of Article 5 hereunder.

ARTICLE 10

DAMAGE AND DESTRUCTION OF PREMISES

Section 10.01 Partial Destruction of Premises. If less than substantially all of the Premises shall be damaged or destroyed by fire or other casualty or cause (a "Casualty"), then Tenant shall give prompt written notice thereof to the Authority, and this Agreement shall continue in full force and effect, and Tenant shall proceed at Tenant's own cost and expense, with reasonable diligence and promptness, to carry out any necessary demolition and, in accordance with this Article 10, to restore, repair, replace, and/or rebuild the Premises in order to restore the Premises as nearly as practicable to substantially the same condition, design and construction as that which existed immediately prior to such Casualty in accordance with applicable Legal Requirement. Rent (including, without limitation, Tenant's PILOT Payments) shall not abate hereunder by reason of any such Casualty and, to the extent reasonably practicable given the effects of such Casualty, Tenant shall continue to perform and fulfill all of Tenant's obligations, covenants and agreements hereunder notwithstanding such damage or destruction.

Section 10.02 Total Destruction of Premises. If, at any time during the Term of this Agreement, Tenant shall reasonably determine that all or substantially all of the Premises have been damaged or destroyed by Casualty, Tenant shall notify the Authority of such event in writing not later than fifteen (15) days following the occurrence of such Casualty. As soon as reasonably practicable following such Casualty, and notwithstanding any rights to terminate this Agreement arising from such Casualty, Tenant shall take all actions necessary to make the Premises safe and secure, including, to the extent necessary to make the Premises safe and secure, cleaning and removing all rubble, debris and similar materials from the Premises. In such event, Tenant shall, at its option (such option to be exercised within thirty (30) days of such Casualty) elect to restore, repair, replace, and/or rebuild the Premises, at Tenant's own cost and expense and in accordance with applicable Legal Requirements and the Approved Master Plan, as nearly as practicable to substantially the same condition, design and construction as that which existed immediately prior to such Casualty. Provided such Casualty was not the result of any act or omission of the Authority, in no event shall the Authority be called upon to Restore the Premises or any portion thereof or to pay any of the costs or expenses thereof. For purposes of this Agreement, all or substantially all of the Premises shall be deemed to have been damaged or destroyed by Casualty if, as to any one occurrence (or the aggregate of multiple occurrences prior to the Restoration thereof), (i) fifty percent (50%) or more of the gross area of the Premises shall be damaged or destroyed by Casualty, or (ii) fifty percent (50%) or more of the grandstand areas of the Premises shall be damaged or destroyed by Casualty, or (iii) the time reasonably required to Restore the damage or destruction caused by Casualty shall exceed eighteen (18) months and usual and customary Racing Events cannot be held either due to Legal Requirements or the inability to practically utilize the Racetrack and the Premises.

Section 10.03 Termination Right; Right to Insurance Proceeds. Notwithstanding any term of this Agreement to the contrary, if Tenant shall reasonably determine after any Casualty that if such damage or destruction were Restored, that the cost and/or time necessary to Restore

such damage or destruction is such that, in light of the period remaining in the Term and/or the Revenue to be received for such period, such Restoration of the damaged or destroyed Premises is economically impractical or unreasonable, then the Tenant shall have the right to terminate this Agreement by giving written notice of termination to the Authority at any time after the occurrence of such damage or destruction (but prior to the completion of the Restoration if Tenant elects to Restore). Such notice to elect to terminate this Agreement shall (i) contain a brief description of the relevant Casualty, (ii) specify a date as of which the Term shall be deemed to have expired with the same force and effect as if said day had been originally fixed herein as the expiration date of the Term of this Agreement (the "Casualty Termination Date") and, except as set forth in the following sentence, neither the Authority nor Tenant shall have any further rights or liabilities hereunder except for such liabilities as have accrued prior to the time of such termination. In the event the Tenant elects to terminate this Agreement due to such Casualty, the Authority shall be entitled to retain all insurance proceeds payable under policies of commercial property insurance maintained by Tenant hereunder. In the event Tenant is obligated or opts to restore the Premises, and actually restores the Premises, the Tenant shall be entitled to receive all of the insurance proceeds payable under policies of commercial property insurance maintained by Tenant to Restore the Premises.

Section 10.04 Restoration Standards. Any and all Restoration by Tenant hereunder shall be performed in accordance with the Approved Master Plan and all applicable Legal Requirements. If not theretofore delivered to the Authority, Tenant shall deliver to the Authority, within one hundred twenty (120) days of the completion of such Restoration, a complete set of "as built" exterior plans thereof, together with a statement in writing from a registered architect or licensed professional engineer that such plans are complete and correct.

Section 10.05 No Effect on Lease. Except to the extent expressly provided to the contrary in this Article 10 hereof, this Agreement shall not terminate or be forfeited by reason of damage to or total, substantial or partial destruction of the Premises or any part thereof or by reason of the untenantability of the same or any part thereof resulting from fire or other casualty. Tenant agrees that, except (a) to the extent otherwise expressly provided in this Article 10, or (b) with respect to any covenants or obligations which, given their nature, cannot be performed due to any damage or destruction, Tenant's obligations hereunder, including the payment of Rent, and any other sums of money and charges hereunder, shall continue as though said damage or destruction had not occurred and without abatement, suspension, diminution or reduction of any kind.

Section 10.06 New Development Subleases. The Authority and Tenant acknowledge and confirm that the terms of this Article 10 shall be subject to the rights of a Subtenant under any Sublease that has been Approved by the Authority pursuant to Section 34.04(f).

ARTICLE 11

TRANSFERS AND ASSIGNMENT

Section 11.01 No Transfer. This Agreement, Tenant's Estate or Tenant's interest in the Premises, Racetrack, any Racetrack Agreement, or in any Subtenant or the sole member of the ownership interests of any Subtenant(s), shall not be assigned, mortgaged, pledged, encumbered or otherwise transferred, directly or indirectly, by operation of law or otherwise (each of the

foregoing, a "Transfer"), without the prior Approval of the Authority, which Approval shall not be unreasonably withheld, delayed or conditioned, provided, however, that Tenant may Transfer its interest in a Subtenant (or any entity that is the sole member or owner of a Subtenant) in accordance with the relevant Sublease.

Section 11.02 Void Transfers. Any attempted Transfer in violation of this Article 11 shall be void and of no force or effect.

Section 11.03 No Waiver. An Approval by the Authority of any Transfer under this Article 11 shall apply only to the specific transaction thereby authorized and shall not relieve Tenant from the requirement of obtaining the prior written consent of the Authority to any future Transfer.

ARTICLE 12

MAINTENANCE, REPAIR AND ALTERATIONS

Section 12.01 Maintenance and Repairs of Premises.

(a) Tenant's Obligations. Tenant shall undertake and perform or cause to be undertaken or performed, and shall obtain or provide all labor, personnel, services, materials, supplies and equipment needed to perform, all Maintenance and Repairs involving or relating to all or any part of the Premises and the Leased Equipment, including without limitation, all roadways and parking lots specific to the New Development, and all structures, track surfaces, lagoons, equipment and other appurtenances.

(b) No Physical Waste. Tenant shall not cause or permit or suffer to be caused any physical waste to the Premises.

(c) Conduct of Maintenance, Repairs, Capital Repairs and Capital Improvements. Tenant shall cause all Maintenance, Repairs, Capital Repairs and, to the extent Tenant elects to do so, Capital Improvements performed by Tenant hereunder to be performed in a good and workmanlike manner in compliance with all Legal Requirements (and, to the extent applicable to Repairs and Capital Repairs, at least equal in quality to the original work, less reasonable wear and tear).

Section 12.02 Operating and Maintenance Expenses.

(a) Payment of Operating and Maintenance Expenses. Subject to the provisions of Section 2.04 hereof and Closing occurring, Tenant shall be solely responsible for the payment of all operating and Maintenance expenses beginning on the Closing Date.

(b) No Obligation of Authority. Except as expressly set forth in this Agreement to the contrary, it is expressly understood and agreed that, subsequent to the Closing Date, (1) the Authority shall not have any responsibility, financial or otherwise with respect to, nor shall the Authority be required to, maintain, alter, repair, build, rebuild, restore or replace all or any portion of the Premises (whether such work be interior or exterior, structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen, capital or routine), and

(2) Tenant expressly waives any and all rights to make repairs to the Premises or any part thereof at the expense of the Authority.

(c) No Liability of Authority. The Authority shall not in any event be liable or responsible for any injury or damage to any property or to any person happening on, in or about the Premises subsequent to the Closing Date, nor for any injury or damage to the Premises or to any property subsequent to the Closing Date, whether belonging to Tenant or any other person, caused by any fire, breakage, leakage, defect or bad condition in any part of the Premises, or from water, rain or snow that may lead into, issue or flow from any part of the Premises from the drains, pipes, or plumbing work of the same, or due to the use, misuse or abuse of all or any of the openings or installations of any kind whatsoever that may hereafter be erected or constructed in or on the Premises, or from any kind of injury or damage which may arise from any other cause whatsoever on the Premises subsequent to the Closing Date, in each case, except to the extent arising from or caused by any act or omission of the Authority.

Section 12.03 Capital Repairs and Capital Improvements. Except for any matter within the Authority's Environmental Responsibility, Tenant is solely and exclusively responsible for, and hereby agrees, covenants and undertakes to perform, all Capital Repairs at, on, upon or with respect to the Premises during the Term of this Agreement and to obtain or provide all labor, personnel, services, materials, supplies and equipment necessary to perform such Capital Repairs. Tenant shall have the sole and exclusive right, but not the obligation, subject to Section 12.04(a) and Section 16.05(l), to undertake such Capital Improvements to the Premises as Tenant shall deem appropriate in its sole discretion. Except for Emergency Repairs, the Authority shall have no right or obligation to make Repairs, Capital Repairs or Capital Improvements with respect to the Premises during the Term of this Agreement. To the extent any such Capital Repair or Capital Improvement shall be financed from any initial or subsequent source of funds provided by a third party lender, if requested by such lender the Authority agrees to enter into a customary and commercially reasonable recognition agreement that is acceptable to the Authority, as long as agreement does not increase the Authority's obligations or reduce the obligations of Tenant under this Agreement or any other Racetrack Agreement.

Section 12.04 Alterations and Additions.

(a) No Alterations Without Authority Consent. Except for Maintenance, Repairs, Emergency Repairs or Capital Repairs and changes, alterations, improvements and additions contemplated by the Approved Master Plan, Tenant shall not, without on each occasion first obtaining the prior written consent of the Authority, which consent shall not be unreasonably withheld, delayed or conditioned, make or permit to be made any Capital Improvements, to all or any part of the Premises, provided, however, that Tenant shall be permitted to make Capital Improvements to the Premises without consent if the total cost of all Capital Improvements for that Fiscal Year does not exceed $100,000, and prior to commencing such Capital Improvements Tenant notifies the Authority of the nature of such Capital Improvements.

(b) Performance Standards. Tenant shall perform all changes, alterations, improvements or additions in and to all or any part of the Premises that require the consent of the

Authority under Section 12.04(a) in accordance with the following guidelines and standards, and in relation to the New Development, in accordance with the Approved Master Plan:

(i) Tenant shall prepare (at Tenant's sole cost and expense and under the supervision of a licensed architect or engineer, to the extent such changes require such supervision) and submit to the Authority in advance for the Authority's approval, comprehensive plans and specifications for such work;

(ii) After receipt of the Authority's approval to make such Capital Improvement(s), Tenant shall secure and deliver to the Authority copies of all necessary Governmental Approvals from the appropriate Governmental Authorities for such alterations, improvements, changes or additions, prior to implementing or undertaking such Capital Improvement(s);

(iii) All such approved changes, alterations, improvements or additions shall be made in compliance with all Legal Requirements;

(iv) All such approved changes, alterations, improvements or additions shall be performed by qualified and reputable contractor(s), in a good and workmanlike manner, free of defects, liens and encumbrances (including, but not limited to, mechanics' liens), in accordance with sound construction, engineering and architectural practices and procedures; and

(v) All such approved changes, alterations, improvements or additions shall be performed in compliance with the requirements of any insurance policy required to be maintained by Tenant hereunder.

(c) Title to Alterations. All alterations, improvements, changes and additions made to or with respect to the Premises by Tenant, including the New Development, in accordance with this Agreement, including this Section 12.04 (whether with or without the prior written consent of the Authority), shall be considered the property of Tenant during the Term and shall remain upon and be deemed to constitute a part of the Premises upon expiration of the Term of this Agreement, in which event title will automatically transfer to the Authority in accordance with Article 25.

(d) Alterations Made Without Authority's Consent. Notwithstanding anything contained herein to the contrary, if Tenant shall make or permit to be made any alterations, additions, changes or improvements of or to the Premises without the Authority's prior written approval, and the Authority reasonably determines that such alterations, improvements, changes or additions shall be removed, then Tenant, at its sole cost and expense, shall cause their prompt removal, and shall restore the affected portion of the Premises to their original condition, ordinary wear and tear excepted.

Section 12.05 Damage by Casualty. Notwithstanding anything contained in this Agreement to the contrary, Tenant's obligations to repair, replace or restore damage to all or any part of the Premises caused by arising out of Casualty shall be governed solely by the provisions of Article 10 of this Agreement.

ARTICLE 13

COMPLIANCE WITH REQUIREMENTS

Section 13.01 Compliance with Requirements. Subject to the provisions of Section 6.03, Tenant shall, at its own cost and expense, during the Term, promptly comply with all Legal Requirements, Insurance Requirements and Governmental Approvals with respect to the Premises, whether or not the same involve or require any structural change or additions in or to the Premises, and irrespective of whether or not such changes or additions be required on account of any particular use to which the Premises, or any part thereof, may be put, without regard to the nature or cost of the work required to be done, extraordinary or ordinary, and without regard to the fact that Tenant is not the fee owner of the Premises.

ARTICLE 14

ALCOHOLIC BEVERAGES; SPECIAL CONCESSIONAIRE STATUS

Section 14.01 Acknowledgements. The Authority acknowledges and agrees that Tenant may lease or otherwise allow the occupancy of portions of the Premises to Permittees who shall engage in the sale of alcoholic beverages to the general public for consumption on the Premises. Tenant acknowledges that because the Premises are owned by a public agency, each of the Permittees that intends to engage in the sale of alcoholic beverages to the general public for consumption on the Premises shall be required to obtain a Special Concessionaire Permit (a "Special Concessionaire Permit" from the New Jersey Division of Alcoholic Beverage Control ("NJABC"). Tenant acknowledges, however, that the Authority neither makes nor has made any representation or warranty, express or implied with regard to the availability of a Special Concessionaire Permit for a particular Permittee, and that any consent or agreement to enter into a Special Concessionaire Agreement (as defined below) pursuant to the terms of this Article shall not constitute a waiver of the conditions or requirements provided herein in connection with the request for any future Special Concessionaire Agreement.

Section 14.02 Special Concessionaire Agreement: Certain Conditions. (a) Pursuant to N.J.A.C. 13:2-5.2, issuance of a Special Concessionaire Permit to a Permittee, is conditioned upon such Permittee entering into an agreement with the Authority authorizing the sale of alcoholic beverages. Accordingly, from time to time during the Term hereof, the Authority agrees that Tenant may submit to the Authority a written request for a Special Concessionaire Agreement (a "Special Concessionaire Request"). Each Special Concessionaire Request shall include the following:

(i) identification of the Permittee and the portion of the Premises to be leased or otherwise occupied by the applicant;

(ii) a copy of the information required to be provided to NJABC pursuant to N.J.A.C. 13:2-5.2(c)2-4, inclusive;

(iii) reasonable and customary banking and credit information relating to the proposed Permittee of a type and detail consistent with that customarily requested by Tenant under Concessions or other Use Agreements with similar operators at the Premises;

(iv) a form of letter of authorization and copy of Special Concessionaire Agreement in a form acceptable to the Authority (collectively, "Special Concessionaire Agreement"); and

(v) a check made payable to NJABC for the applicable permit fee.

(b) Provided that the information described in the Special Concessionaire Request is consistent with the nature and type of Concessions that are customary at horse racing or permitted special events, or otherwise consistent with the Permitted Uses, the Authority shall process the Special Concessionaire Request not later than fifteen (15) days after the delivery of a completed Special Concessionaire Request and enter into a Special Concessionaire Agreement with the Permittee. The Authority's delivery of the Special Concessionaire Agreement shall be expressly conditioned upon the following:

(i) the concession shall be annual (or such shorter period acceptable to NJABC), with a right to automatic renewal so long as the sublease or other Use Agreement pursuant to which the subject Permittee occupies the Premises remains in effect and there has been no revocation or unresolved suspension of the Special Concessionaire Permit;

(ii) the Authority may terminate or, subject to applicable law, agree to an assignment of the Special Concessionaire Agreement upon revocation or suspension of the Special Concessionaire Permit;

(iii) the subject Permittee shall provide to the Authority prior to occupancy a certificate evidencing insurance in amounts reasonably required by the Authority, including, without limitation, dram shop liability with a minimum limit of One Million Dollars ($1,000,000) per occurrence;

(iv) the subject Permittee shall indemnify defend and hold harmless the Authority from any and all Claims, judgments or causes of action arising from the operations of the subject Permittee, including, without limitation, Claims arising from the vending and consumption of alcoholic beverages on the Premises; and

(v) the subject Permittee shall keep in force and effect all applicable licenses related to the Special Concessionaire Permit and comply with applicable Legal Requirements, Insurance Requirements and the Approved Master Plan.

Section 14.03 Authority Cooperation. Subject to the terms of this Article 14 following the approval of a Permittee for a Special Concessionaire Agreement, the Authority shall cooperate in procuring the Special Concessionaire Permit from NJABC, including, without limitation, the delivery of a letter of authorization in accordance with N.J.A.C. 13:2-52(c)1. Tenant shall pay all reasonable and customary third party out of pocket costs incurred by the Authority in connection with the Special Concessionaire Agreement and cooperating with Tenant to procure the Special Concessionaire Permit.

ARTICLE 15

DISCHARGE OF LIENS

Section 15.01 No Lien on Fee. Tenant shall not create or permit to be created or suffer any lien, encumbrance or charge upon the Fee Estate or the reversionary interest of the Authority in the Improvements, and Tenant shall not suffer any other matter or thing whereby the Fee Estate or such reversionary interest of the Authority is encumbered or impaired. Tenant shall in advance obtain a waiver of all liens (construction, mechanic's, laborer's or materialmen's or otherwise), in a form acceptable to the Authority, from any contractor, subcontractor, laborer or materialman performing labor or furnishing materials for any specific improvement, alteration to or repair of the Premises or the Leased Equipment or any part thereof, and provide evidence thereof to the Authority.

Section 15.02 Discharge of Liens. If any construction, mechanic's, laborer's or materialmen's lien shall at any time be filed against the Fee Estate or any part thereof arising by, through, under or on behalf of Tenant, Tenant within thirty (30) days after notice of the filing thereof, shall cause the same to be discharged by paying the amount claimed to be due, by procuring the discharge of such lien by deposit or by bonding proceedings. If Tenant shall fail to take any of the foregoing required actions, within the period aforesaid, then, in addition to any other right or remedy, the Authority may, but shall not be obligated to, discharge or protect itself or the Fee Estate from same by bonding, payment or otherwise. The amount so paid by the Authority together with those third party costs and expenses incurred by the Authority directly in connection with discharging such lien, including reasonable attorney's fees and disbursements, together with interest thereon at the Overdue Rate from the respective dates of the Authority's making of the payment or incurring of such costs and expenses, shall constitute Additional Rent payable by Tenant under this Agreement and shall be paid by Tenant to the Authority on demand.

Section 15.03 No Implied Action By Authority; Liability. Nothing contained in this Agreement shall be deemed or construed in any way as constituting the consent or request of the Authority, express or implied to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to or repair of the Premises or the Leased Equipment or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of materials that would give rise to the filing of any lien against the Authority's Fee Estate and notice is hereby given that the Authority shall not be liable for any work performed or to be performed at the Premises for Tenant and/or any Permittee or licensee, or for any materials furnished or to be furnished at the Premises for Tenant and/or any Permittee or licensee, and that no construction, mechanic's or other lien for such work or materials shall attach to or affect the Fee Estate of the Authority.

ARTICLE 16

ENVIRONMENTAL MATTERS

Section 16.01 Acknowledgements; Allocation of Responsibility; Waiver.

(a) Authority's Environmental Responsibility. Subject to the terms and conditions of this Article, the Authority and the Tenant acknowledge and agree that the Authority shall be responsible, at its sole cost and expense, for the Remediation (and otherwise complying with Environmental Laws) and any and all liabilities, claims, obligations, losses, costs, expenses, fines and penalties (including, without limitation attorneys', consultants' and other third party costs and expenses) relating to, resulting from or arising out of: (i) the presence or Release or threatened Release of any Hazardous Material existing or occurring on, in or under or migrating into or onto or originating from the Premises prior to the Closing Date, whether known or unknown as of the Closing Date; (ii) violations of Environmental Laws resulting from contamination or conditions that existed or occurred on or at the Premises prior to the Closing Date, whether known or unknown as of the Closing Date, it being understood that the mere presence of Hazardous Materials above cleanup standards without more does not constitute a violation; (iii) Releases or threatened Releases of Hazardous Materials resulting from conditions created on or at the Premises after the Closing Date by the Authority or any Person acting for, by, through or under the Authority (except Tenant or any Affiliates of Tenant) and (iv) natural resource damage claims asserted by any Person or Governmental Body in connection with (i), (ii), and (iii) ((i), (ii), (iii) and (iv) being collectively referred to as the "Authority's Environmental Responsibility"); provided, however, that the Authority's Environmental Responsibility (A) is subject to, and limited by, Tenant's Environmental Responsibility, Tenant's Environmental Covenants set forth in Section 16.05, Authority's Environmental Remediation Contribution, Section 16.05(h) and other applicable provisions of this Agreement, and (B) does not include the Remediation (and otherwise complying with Environmental Laws) and any and all liabilities, claims, obligations, losses, costs, expenses, fines and penalties (including, without limitation attorneys', consultants' and other third party costs and expenses) relating to, resulting from or arising out of the New Development; including, without limitation, any environmental condition that existed at the Premises prior to the Closing Date that is discovered or disturbed in connection with or as a result of the New Development.

(b) Tenant's Environmental Responsibility. Subject to the terms and conditions of this Article, the Authority and the Tenant acknowledge and agree that Tenant shall be responsible, at its sole cost and expense, for the Remediation (and otherwise complying with Environmental Laws), for obtaining, updating and complying with all permits, licenses and plans, and any and all liabilities, claims, obligations, losses, costs, expenses, fines and penalties (including, without limitation attorneys', consultants' and other third party costs and expenses) relating to, resulting from or arising out of: (i) a Release of Hazardous Materials on or at the Premises that results from such materials being brought onto the Premises by Tenant or any subtenant or other Person acting for, by, through or under Tenant and its Affiliates, or any Permittee, (ii) the discovery by Tenant, including in connection with Maintenance, Repair, Emergency Repair, Capital Repair and/or Capital Improvement, of Soils Media which are contaminated by Hazardous Materials at levels that require Remediation, but only to the extent needed in order to delineate the area of Remediation, (iii) the discovery, in connection with any

and all new structures investigated, designed, planned, developed, and/or constructed by Tenant, including, without limitation, the New Development, for subsurface occupancy (e.g. parking garages, basements) of Soils Media, air, sediment, surface water and/or groundwater which are contaminated by Hazardous Materials at levels that require Remediation, but only to the extent needed in order to delineate the area of Remediation, (iv) the inspection, cleaning, repair, maintenance, dredging or replacement of the Elkwood Basin and pipes from the Pump House/Treatment Building to the TRWRA facility and associated equipment; provided, however, that (aa) Tenant shall continue to employ Lyons Environmental Services to perform services related to the items set forth in this Section 16.01(b)(iv), unless a new service provided is approved by the Authority in its sole discretion, and (bb) the Authority may, at any time upon notice to Tenant, take over (directly or indirectly) the performance and oversight of the items set forth in this Section 16.01(b)(iv) if it believes, in its sole discretion, that Tenant is not adequately performing (directly or indirectly) said obligations, and each such case such items nonetheless will still remain included within the definition of Tenant's Environmental Responsibility, and (v) notwithstanding the aforementioned, the Remediation (and otherwise complying with Environmental Laws) and any and all liabilities, claims, obligations, losses, costs, expenses, fines and penalties (including, without limitation attorneys', consultants' and other third party costs and expenses) relating to, resulting from or arising out of the New Development; including, without limitation, any environmental condition that existed at the Premises prior to the Closing Date that is discovered or disturbed in connection with or as a result of the New Development ((i), (ii), (iii), (iv) and (v) being collectively referred to hereinafter as the "Tenant's Environmental Responsibility").

(c) The Authority and Tenant shall cooperate and consult with each other at all relevant times and in a timely and cost-effective manner so that the Authority or Tenant may perform any and all Remediation required pursuant to the terms of this Agreement, but without intentionally causing violation of any obligation of the Authority or Tenant under any Environmental Law. The Authority and Tenant shall make commercially reasonable efforts to eliminate and/or minimize the Authority's Environmental Responsibility costs and Tenant's Environmental Responsibility costs.

(d) In the event that a Party becomes obligated to conduct Remediation, then such Party shall engage an LSRP if required by law and/or regulation and perform such Remediation pursuant to the requirements of the SRRA and all other applicable laws and regulations; such Party shall (i) be allowed to perform such Remediation consistent applicable standards that do not materially adversely affect the continued use of the Premises for purposes consistent with the current uses, uses permitted hereunder and uses permitted under applicable zoning and planning regulations; and (ii) shall be entitled to perform such Remediation in the most cost effective manner possible (but in all cases consistent with applicable Environmental Laws), including, without limitation, through the use of Environmental Controls. Use and/or implementation of Environmental Controls by a Party shall be limited to those which are reasonable and which do not materially adversely affect the use of the Premises for the current uses, uses permitted hereunder, or uses permitted under applicable zoning and planning regulations.

(e) This Article 16 together with the indemnities provided herein and in Article 18 are intended by the Parties as the exclusive repository of the Parties' respective rights

and obligations, as between the Parties, with respect to any Environmental Claim or Remediation required under any Environmental Law. Except as to the right to enforce the terms and conditions of this Agreement, the Authority and Tenant each waives, relinquishes, and agrees to forbear from exercising any rights, claims, or causes of action for any loss, contribution, indemnity, damages, or other harm with respect to the Premises, either Party may have or that may hereafter accrue against the other under any Environmental Law, known and unknown, including without limitation the SRRA, Spill Act, ISRA, CERCLA, RCRA and the common law.

(f) Without limiting the obligations of the Authority set forth in this Article 16 or Article 18, the Authority covenants and agrees, at its sole expense, to indemnify, defend and hold the Tenant Indemnified Parties harmless from and against all direct and actual (but not arising out of the proven gross negligence or misconduct of any Tenant Indemnified Party, as the case may be), liability, losses, damages (including, but not limited to, damages arising from the death of any person or any accident, injury, loss and any damage whatsoever caused to any person or to the property of any person), demands, costs, claims, actions or expenses (including reasonable attorneys' fees and court costs) arising out of or directly resulting from: (i) the Authority's Environmental Responsibility and (ii) the actions or inactions (but only if the Authority was otherwise obligated to act) with respect to the Authority's failure to perform any of its obligations under this Article 16. The foregoing shall survive the Closing Date.

(g) Without limiting the obligations of Tenant set forth in this Article 16 or Article 18, Tenant covenants and agrees, at its sole expense, to indemnify, defend and hold the Authority Indemnified Parties harmless from and against all direct and actual (but not arising out of the proven gross negligence or misconduct of any Authority Indemnified Party, as the case may be), liability, losses, damages (including, but not limited to, damages arising from the death of any person or any accident, injury, loss and any damage whatsoever caused to any person or to the property of any person), demands, costs, claims, actions or expenses (including reasonable attorneys' fees and court costs) arising out of or directly resulting from: (i) the Tenant's Environmental Responsibility and (ii) the actions or inactions (but only if the Tenant was otherwise obligated to act) with respect to the Tenant's failure to perform any of its obligations under this Article 16. The foregoing shall survive the Closing Date.

(h) Nothing in this Lease shall obligate the Authority or Tenant to more than the least stringent remedial action or other resolution necessary to comply with Environmental Laws which does not unreasonably disrupt or restrict Tenant's business and does not materially adversely affect the use of the Premises for the current uses, uses permitted hereunder, or uses permitted under applicable zoning and planning regulations.

(i) Nothing in this Lease obligates the Authority or Tenant to investigate or remediate any environmental condition for which neither the Authority nor the Tenant are obligated to investigate or remediate under the applicable Environmental Laws.

Section 16.02 No Third Party Rights. Nothing in this Article 16 shall be deemed to create any rights of contribution or subrogation by any insurer or third party, or any third party beneficiary rights, provided, however, that such rights shall inure to Affiliates, as applicable.

Section 16.03 Intentionally Deleted.

Section 16.04 Authority's Environmental Covenants.

(a) The Authority shall promptly notify Tenant if any lien described in this Article 16 is attached to the Premises or any portion thereof, any revenues or personal property owned by the Authority and located in or on the Premises, as a result of the chief executive of the New Jersey Spill Compensation Fund expending monies from said fund to pay for Environmental Damages and/or Cleanup and Removal Costs, arising from an intentional or unintentional action or omission of the Authority or any previous owner and/or operator of said real property, including, but not limited to, the Premises, resulting in the Release of Hazardous Material, into the waters of the State or onto the lands of the State and into waters outside the jurisdiction of the State when damage may result to the lands, water, fish, shellfish, wildlife, biota, air and other natural resources owned, managed, held in trust or otherwise controlled by and within the jurisdiction of the State.

(b) The Authority shall promptly notify Tenant if the Authority receives a summons, notice of violation, citation, directive, letter, complaint or other communication, written or oral, from the NJDEP or any other party concerning any intentional or unintentional action on the Authority's part on or after the Closing Date resulting in a Release of Hazardous Materials, from or on the Premises into the waters or onto the lands of the State, or into the waters outside the jurisdiction of the State resulting in damage to the lands, waters, fish, shellfish, wildlife, biota, air and other natural resources owned, managed, held in trust or otherwise controlled by and within the jurisdiction of the State.

(c) The Authority shall inform Tenant of, and provide Tenant with a reasonable opportunity to participate in, any discussions, proposals, proceedings, negotiations or requests (whether or not initiated by the Authority) to amend, modify or otherwise alter any permit, approval, consent order or other agreement involving the environmental conditions at or around the Premises or operations on the Premises.

(d) The Authority shall maintain in full force and effect any and all permits and approvals relating to the Premises not expressly assigned to Tenant or expressly identified herein as within Tenant's responsibilities.

(e) The Authority shall not cause on, in or under the Premises, whether as a result of the Authority's intentional or unintentional action, a Release of a Hazardous Material into waters of the State or onto the lands from which it might flow or drain into said waters, or into waters outside the jurisdiction of the State, where damage may result to the lands, waters, fish, shell fish, wildlife, biota, air and other resources owned, managed, held in trust or otherwise controlled by the State, unless said Release is not in violation of law or is pursuant to and in compliance with the conditions of a permit issued by all appropriate Governmental Authorities. If any of the foregoing is caused or permitted by the Authority in violation of law, the Authority shall promptly rectify the same by Remediation in accordance with the terms of Section 16.01(d).

Section 16.05 Tenant's Environmental Covenants. Notwithstanding anything to the contrary contained in this Agreement:

(a) Tenant will not use the Premises, nor will Tenant permit the Premises to be used, for the purpose of refining, producing, storing, handling, transferring, processing, transporting, generating, manufacturing, treating or disposing of Hazardous Materials and/or Hazardous Wastes, except in conformance with all applicable Environmental Laws.

(b) Tenant shall furnish the NJDEP with all the information required by N.J.S.A. 58:10-23.11d if the Premises are ever used as a Major Facility after the date of the Original Agreement.

(c) Tenant shall not cause on, in or under the Premises, whether as a result of Tenant's intentional or unintentional action, a Release of a Hazardous Material into waters of the State or onto the lands from which it might flow or drain into said waters, or into waters outside the jurisdiction of the State, where damage may result to the lands, waters, fish, shell fish, wildlife, biota, air and other resources owned, managed, held in trust or otherwise controlled by the State, unless said Release is not in violation of law or is pursuant to and in compliance with the conditions of a permit issued by all appropriate Governmental Authorities. If any of the foregoing is caused or permitted by Tenant in violation of law, Tenant shall promptly rectify the same by Remediation in accordance with the terms of Section 16.01(d).

(d) If the Premises are used by Tenant as a Major Facility, Tenant, shall duly file or cause to be duly filed with the Director of the Division of Taxation in the New Jersey Department of the Treasury, a tax report or return and shall pay or make provision for the payment of all taxes due therewith, all in accordance with and pursuant to N.J.S.A. 58:10-23.11h.

(e) In the event that there shall be filed a lien against the Premises or any portion thereof by the NJDEP (other than a lien arising in connection with the Authority's Environmental Responsibility) pursuant to and in accordance with the provisions of N.J.S.A. 58:10-23.11 g as a result of the chief executive of the New Jersey Spill Compensation Fund having expended monies from said fund to pay for Environmental Damages and/or Cleanup and Removal Costs or by any federal agency pursuant to federal law, arising from an intentional or unintentional action of Tenant, on or after the date of the Original Agreement, resulting in a Release of Hazardous Materials by Tenant into the waters of the State or onto lands from which it might flow or drain into said waters, then Tenant shall, within sixty (60) days from the date that Tenant is given notice that the lien has been placed against the Premises or within such shorter period of time in the event that the State has commenced steps to cause the Premises or any portion thereof to be sold pursuant to the lien, either (i) pay the claim and remove the lien from the Premises or any portion thereof or (ii) furnish (x) a bond reasonably satisfactory to the Authority in the amount of the claim out of which the lien arises, (y) a cash deposit in the amount of the claim out of which the lien arises, or (z) other security reasonably satisfactory to the Authority in an amount sufficient to discharge the claim out of which the lien arises. The posting of a bond, cash deposit or other security shall not limit the right of Tenant to contest the lien claim to the extent permitted by law.

(f) Tenant shall promptly notify the Authority if any lien described in this Article 16 is attached to the Premises (other than a lien arising in connection with the Authority's Environmental Responsibility), any revenues generated by the Premises or personal property owned by Tenant and located in or on the Premises, as a result of the chief executive of the New Jersey Spill Compensation Fund expending monies from said fund to pay for Environmental Damages and/or Cleanup and Removal Costs, arising from an intentional or unintentional action of Tenant, resulting in a Release of Hazardous Materials into the waters of the State or onto the lands of the State or into waters outside the jurisdiction of the State when damage may result to the lands, water, fish, shellfish, wildlife, biota, air and other natural resources owned, managed, held in trust or otherwise controlled by and within the jurisdiction of the State.

(g) Tenant shall promptly notify the Authority if Tenant receives a summons, citation, directive, notice of violation, written complaint, letter or other communication, written or oral, in any way regarding Hazardous Materials, from or on the Premises into the waters or onto the lands of the State, or into the waters outside the jurisdiction of the State resulting in damage to the lands, waters, fish, shellfish, wildlife, biota, air and other natural resources owned, managed, held in trust or otherwise controlled by and within the jurisdiction of the State and Tenant shall promptly provide copies of all related documents to the Authority.

(h) Tenant shall not voluntarily collect and/or analyze samples of air, soil, sediment, groundwater and/or other media unless and to the extent required in connection with a bona fide Maintenance, Repair, Emergency Repair, Capital Repair, and/or Capital Improvement of the Premises by Tenant or with permission of the Authority. In the case of Capital Improvements, Tenant shall provide the Authority with ten (10) working days written notice prior to sampling and shall not collect any samples if Authority reasonably objects to such samples being taken within such ten (10) wording day period. Upon request by the Authority, Tenant shall promptly provide the Authority copies of all sampling data and direct Tenant's consultants and laboratories to provide results directly to the Authority.

(i) If Tenant collects samples and/or obtains other information as required in connection with a bona fide Maintenance, Repair, Capital Repair, and/or Emergency Repair of the Premises, the Authority shall be responsible for costs of all Remediation, if any, which are required due to said sampling and/or other information except to the extent costs are Tenant's Environmental Responsibility (i.e. Tenant's Release; Soils Media; new structures for subsurface occupancy; and/or the New Development).

(j) If Tenant collects samples and/or obtains other information as required in connection with a Capital Improvement not directly related to a bona fide Maintenance, Repair, Capital Repair, and/or Emergency Repair, then the Authority shall be responsible for costs of all Remediation, if any, required due to said sampling and/or other information except to the extent costs are Tenant's Environmental Responsibility (i.e. Tenant's Release; Soils Media; new structures for subsurface occupancy; and/or the New Development) and subject to, and limited by, the Authority's Environmental Remediation Contribution. Accordingly, in relation to such Remediation discovered in the context of Capital Improvements, if the costs of such Remediation are in the Authority's reasonable opinion likely to total more than the maximum available under the Authority's Environmental Remediation Contribution (i.e. $2 million, $4 million or $6 million depending on the amount Tenant has incurred in Capital Improvements), the Authority

shall notify Tenant of the fact and ask Tenant if Tenant is prepared to pay such costs to the extent these exceed the Authority's Environmental Remediation Contribution. Within 30-days of receiving such notice, Tenant may confirm in writing that it agrees to pay such excess costs, in which case this Agreement remains in full force and effect. If Tenant, within such 30-day period, does not confirm in writing that it agrees to pay such excess costs, the Authority has a further period of thirty (30) days (to commence immediately following the expiry of the prior 30-day period) to provide written notice to tenant of its decision to either pay such excess costs (in which case this Agreement remains in full force and effect except that the Authority's Environmental Remediation Contribution shall be zero), or terminate this Agreement. If the Authority elects to terminate this Agreement, such termination shall be effective on the date of such notice without any further action on the part of any Party and there shall be no further liability or obligation of either Party hereunder except as expressly set forth in this Agreement.

(k) Without limiting any other provisions of this Agreement, Tenant represents, covenants and agrees that it will not enter into, any lease, contract, agreement or other arrangement, written or oral, with or without consideration, of whatever sort and however denominated for the use and/or occupancy of any portion of the Premises which does not provide that the use and occupancy thereunder shall not involve, directly or indirectly, in whole or in part, the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of Hazardous Materials or Hazardous Wastes on-site, above ground or below ground, except in compliance with all applicable Environmental Laws.

(l) In relation to improvements relating to the CAFO Project, Tenant covenants and agrees as follows:

(i) Tenant shall implement the Best Management Practices listed in the Comprehensive Waste Management Plan attached hereto as Exhibit Q as the same may be amended from time to time, regardless whether compliance therewith is legally required;

(ii) Tenant shall be responsible for stormwater drain management, including hand raking material from under the Racetrack safety rail back onto the course as necessary, working the material by machine to the outside of the Racetrack main track so it does not collect at the rail, periodically vacuuming out the storm water drains and system around the Racetrack and to Branchport Creek and all other outfalls designed to prevent the silt from going to the Branchport Creek and/or other outfalls (silt screens over the drains may be used when the track is closed for the winter and in the summer if necessary);

(iii) Tenant shall timely provide information regarding maintenance of the improvements relating to the CAFO Project, the Racetrack, and/or the Infield Lagoon, including drains, pipes, screens, and catch basins for runoff from those areas;

(iv) Tenant shall be responsible for paying all of the costs relating to the Two Rivers Service Agreement (as such may be amended, supplemented or replaced from time to time), in addition, Tenant shall reimburse the Authority for the payments made by the Authority to TRWRA since the Closing Date (being as of the date of this Agreement $1,700,000), by making one hundred twenty (120) equal monthly instalment payments to the Authority with the first instalment to commence on June 1, 2024 plus interest at three percent

(3%) per annum on the outstanding balance of such amount to commence from June 1, 2024, and, provided Tenant is timely paying such instalment payments, any restrictions imposed on Tenant making distributions or payments to its members or Affiliates is waived by the Authority.

(v) Tenant shall provide TRWRA access to the Premises for all activities authorized by the Two Rivers Service Agreement including paragraph 5 thereof. Tenant shall be responsible for all costs, fees and other damages associated with continued proper operation and maintenance of the Premises at any and all times TRWRA discontinues flow pursuant to paragraph 5 of the Two Rivers Service Agreement and the Authority shall have no obligation or liability to Tenant in the event that TRWRA discontinues flow.

(vi) Tenant shall defend and indemnify Authority with respect to all legal and/or regulatory actions, including by TRWRA and/or NJDEP to the extent they relate to Maintenance, Repairs, Emergency Repairs and/or Capital Repairs of the improvements relating to the CAFO Project, the Racetrack, and Infield Lagoon, including drains, pipes, screens, and catch basins for runoff to and/or from those areas; provided, however, that such indemnity does not apply to the extent of the Authority's failure of compliance or nonperformance of its obligations under any applicable Legal Requirement, or any gross negligence or willful misconduct by the Authority with respect to performance of its obligations under any applicable Legal Requirement, that has had a material adverse effect on the operation or maintenance of the CAFO Project, the Racetrack, or Infield Lagoon.

(m) Notwithstanding anything in this Agreement to the contrary, in the event that the NJDEP determines that all or portions of the Premises disturbed by Tenant, including in connection with any Capital Improvement, contains Soils Media and that an engineering control in the form of a cap (a "Cap") is an appropriate Remediation for such material as a consequence of any Hazardous Materials contained therein or as otherwise required by any Environmental Law, the costs for construction of such Cap shall be solely the Tenant's and shall not constitute part of the Authority's Environmental Responsibility. Further, in the event that NJDEP determines that maintenance and monitoring activities are necessary in order to ensure protectiveness of the engineering controls, then such activities shall be undertaken and paid for by Tenant. Furthermore, if Tenant elects to excavate and to relocate on the Premises or send for disposal outside of the Premises any Soils Media that under applicable Environmental Laws can remain in its existing location on the Premises under a Cap, Tenant shall perform and pay the full costs of such excavation and, relocation or offsite disposal and/or reuse, including, without limitation, sampling, testing, excavation, storage, loading, transportation, insurance, unloading and tipping fees to the disposal facility, it being understood and agreed that such activities shall in no event constitute Authority's Environmental Responsibility for any purpose hereunder. The Authority shall have the right, and shall provide the Authority with the opportunity, to approve and/or disapprove of any and all locations of disposal and/or reuse of Soils Media from the Premises, the Authority's approval not be unreasonably withheld. Upon the request of Tenant, Authority shall make commercially reasonable efforts to accommodate the re-use of Soils Media from the Premises on the Premises at no cost or expense to the Authority, but Authority shall have no liability whatsoever in the event that such Soils Media cannot reasonably be re-used at the Premises and all costs of off-site disposal of Soils Media shall in all events be paid in full by Tenant.

(n) Tenant shall not make any Capital Improvements in those areas of the Premises highlighted on the map attached hereto as Exhibit B.

(o) Except in connection with the New Development, Tenant shall not investigate, design, plan, develop and/or construct structures on the Premises, unless and except to the extent such structures exist on the Premises on the Closing Date.

(p) Tenant shall cause any Permittee or any other Person or entity using and/or occupying all or any part of the Premises to comply with the representations, warranties and covenants contained in this Article 16, including, without limitation, by including them in the applicable sublease or other use and/or Use Agreement and taking reasonable actions to enforce such sublease or agreement.

(q) Tenant shall provide the Authority with sufficient time to review any reports or other information it intends to submit to the NJDEP in connection with the Premises, which reports or other information shall only be submitted to the NJDEP after being reviewed and Approved by the Authority.

Section 16.06 Contractor's Environmental Liability Insurance. Tenant shall cause the contractor(s) engaged for the Remediation and the Contractor(s) for construction of the New Development, if Hazardous Material(s) exist where such Improvements are proposed, to obtain, prepay in full for, and deliver to the Authority an environmental liability insurance policy(ies) reasonably acceptable to the Authority for environmental investigation and clean-up costs for any releases of pollutants or contaminants, as defined in the policy(ies), that may occur on, over or under the Premises or may be emitted, discharged or leaked from the Premises resulting from the Remediation of the Premises or the Tenant's construction of the New Development. The term of such policy(ies) shall commence upon commencement of the earlier of Tenant's construction of the New Development and the Remediation, and continue until Completion of the New Development and the completion of the Remediation for which the contractors were engaged, respectively. Such policy shall provide coverage (including legal defense costs) for bodily injury, property damage, and environmental cleanup costs on a claims-made basis, with a deductible or self-insured retention not greater than Twenty Five Thousand Dollars ($25,000) per occurrence. Such insurance policy shall be obtained from an insurer admitted to do business in New Jersey or a surplus lines insurer reasonably acceptable to the Authority. Such insurance policy shall name the Authority Indemnified Parties as additional named insured persons and shall require the written consent of the Authority for cancellation. The environmental liability insurance to be maintained pursuant to this Section 16.06 shall have occurrence limits of not less than $5,000,000 per occurrence and an aggregate of not less than $5,000,000. Tenant shall use commercially reasonable efforts to cause such insurance policy to contain a waiver of any insured versus insured exclusion. The Authority shall have the right to reasonably approve the form and substance of all insurance policies required to be provided pursuant to this Section.

ARTICLE 17

AUTHORITY NOT LIABLE FOR INJURY OR DAMAGE

Section 17.01 Injury or Damage to Person or Property. The Authority shall not in any event whatsoever be liable for any injury or damage to any property or to any Person (including Tenant) happening on the Premises and its appurtenances, nor for any injury or damage to the Premises and its appurtenances or to any property belonging to Tenant or any other Person which may be caused by any fire, breakage, leakage or defect or by water, rain or snow that may leak into, issue or flow from any part of the Premises or by the use, misuse or abuse of the Premises, including any of the elevators, hatches, openings, installations, stairways or hallways, or which may arise from any other cause on the Premises, except to the extent caused by the negligence or wrongful act or omission to act (where there is a duty to act under this Agreement) of the Authority, its officers, agents, servants, employees, lessees, licensees or contractors.

Section 17.02 No Liability. Except as otherwise provided in this Agreement, the Authority shall not be liable to Tenant or to any other Person for any failure of water supply, gas or electric current, nor for any injury or damage to any property of Tenant or of any other Person or to the Premises caused by or resulting from gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storms or disturbances, or water, rain or snow which may leak or flow from the street, sewer, mains, or subsurface area or from any part of the Premises, or leakage of gasoline or oil from pipes, appliances, sewer or plumbing works therein, of from any other place, or caused by any public or quasi-public work (other than the Authority), except to the extent any of the foregoing shall have resulted from the negligence or wrongful act or omission to act (where there is a duty to act under this Agreement) of the Authority, its officers, agents, servants, employees, lessees, licensees or contractors.

Section 17.03 Risk of Loss. In addition to the provisions of Section 17.01 and 17.02 hereof, in no event shall the Authority be liable to Tenant or to any other Person for any injury or damage to any property of Tenant or of any other Person or to the Premises, arising out of any sinking, shifting, movement, subsidence, failure in load-bearing capacity of, or other matter of difficulty related to, the soil, or other surface or subsurface material, on the Premises, except to the extent any of the foregoing shall result from the negligence or wrongful act or omission to act (where there is a duty to act under this Agreement) of the Authority or its officers, agents, servants, employees, lessees, licensees or contractors, it being expressly understood and agreed that Tenant shall assume and bear all risk of loss with respect thereto.

ARTICLE 18

INDEMNIFICATION

Section 18.01 Tenant Indemnification.

(a) Indemnification by Tenant. Subject to any applicable provisions of this Agreement or any other Racetrack Agreement to the contrary, Tenant covenants and agrees, at its sole cost and expense, to indemnify, protect, defend and hold the Authority Indemnified Parties harmless from and against all direct and actual (but not arising out of the proven gross

negligence or misconduct of any of the Authority Indemnified Parties), liability, losses, damages (including, but not limited to, damages arising from the death of any person or any accident, injury, loss, and any damage whatsoever caused to any person or to the property of any person that shall occur on the Premises), demands, costs, claims, actions, or expenses (including reasonable attorneys' fees and court costs) arising out of, or directly resulting from Tenant's actions or inactions with respect to (i) the use, non-use, possession, occupancy, conduct, management, planning, design, construction, repair, maintenance, installation, financing, or rebuilding of the Premises; (ii) Tenant's failure to perform its obligations under the terms of this Agreement or the failure of any Permittee (other than an Authority Indemnified Party) to perform its obligations under any agreements governing the Permittee's use, occupancy or activities on the Premises; (iii) any activities of Permittees (other than an Authority Indemnified Party) on the Premises; (iv) the condition of the Premises; (v) any breach of warranty or misrepresentation by Tenant in this Agreement, or (vi) Tenant's failure to comply with the terms or conditions of any Racetrack Agreement; provided, however, that Tenant shall not under any circumstances be liable to the Authority for any Damages excluded under Section 30.06.

(b) Implementation of Tenant Indemnification Obligations; Recapture. In any situation in which the Authority Indemnified Parties are entitled to receive and desire defense and/or indemnification by Tenant, the Authority Indemnified Parties shall give prompt notice of such situation to Tenant. Failure to give prompt notice to Tenant shall not relieve Tenant of any obligation to indemnify the Authority Indemnified Parties. Upon receipt of such notice, Tenant (i) shall resist and defend any Claim, action or proceeding requiring indemnification on behalf of the Authority Indemnified Parties, including the employment of counsel selected by Tenant and reasonably acceptable to the affected Authority Indemnified Parties, (ii) shall pay all reasonable expenses incurred in connection with such defense, and (iii) shall have the right to negotiate and consent to settlement of such Claim, subject to the Approval of the Authority, which approval shall not be withheld or delayed if (x) the settlement does not include or require any admission of liability or culpability by the Authority Indemnified Parties, (y) an effective written release of liability for the Authority Indemnified Parties from the party to the Claim with whom such settlement is being made is obtained; and (z) an effective written dismissal with prejudice with respect to all Claims made by such settling party against the Authority Indemnified Parties in connection with such Claim is obtained. Each of the Authority Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the expense of the Authority Indemnified Party so electing, unless the employment of such counsel is approved by Tenant, which approval may be withheld in Tenant's sole discretion. Tenant shall not be liable for any settlement of any such action effected without its approval, but if there is a settlement approved by Tenant, or if there is a final judgment against Tenant in any such action, Tenant agrees to defend, indemnify and hold harmless the Authority Indemnified Parties from and against any loss or liability by reason of such settlement or judgment of a Claim for which the Authority Indemnified Parties are entitled to indemnification hereunder. If Tenant indemnifies or holds any Authority Indemnified Party harmless from any matter later determined to have arisen from the gross negligence or willful misconduct of any of the Authority Indemnified Parties, such Authority Indemnified Party shall promptly pay to Tenant upon demand all amounts incurred by Tenant in connection with such indemnification and/or hold harmless obligation.

(c) Survival. This indemnity by Tenant shall survive the expiration or termination of this Agreement.

(d) Limitation. Notwithstanding the foregoing, the duty of Tenant to pay any indemnified Claim shall be reduced by the amount any Authority Indemnified Party recovers from any other party regarding the indemnified Claim (or, if recovered after payment by Tenant, such amount promptly shall be paid to Tenant).

Section 18.02 Authority Indemnification.

(a) Indemnification by Authority. Subject to any applicable provisions of this Agreement or any other Racetrack Agreement to the contrary, the Authority covenants and agrees, at its sole expense, to indemnify, protect and hold the Tenant Indemnified Parties harmless from and against all direct and actual (but not arising out of the proven gross negligence or misconduct of any Tenant Indemnified Party, as the case may be), liability, losses, damages (including, but not limited to, damages arising from the death of any person or any accident, injury, loss and any damage whatsoever caused to any person or to the property of any person), demands, costs, claims, actions or expenses (including reasonable attorneys' fees and court costs) arising out of or directly resulting from the Authority's actions or inactions (but only if the Authority was otherwise obligated to act) with respect to (i) its ownership, operation or management of the Premises (except to the extent arising out of or resulting from Tenant's failure to perform its obligations under the terms of this Agreement or any other Racetrack Agreement), (ii) the failure to perform any of the Authority's obligations under this Agreement or any other Racetrack Agreement; or (iii) any breach of warranty or misrepresentation by Authority in this Agreement; provided, however, that the Authority shall not under any circumstances be liable to Tenant for any Damages excluded under Section 30.06.

(b) Implementation of Authority Indemnification Obligations; Recapture. In any situation in which any of the Tenant Indemnified Parties are entitled to receive and desire defense and/or indemnification by the Authority, the Tenant Indemnified Parties so indemnified shall give prompt notice of such situation to the Authority. Failure to give prompt notice to the Authority shall not relieve the Authority of any obligation to indemnify the Tenant Indemnified Parties, unless such failure to give prompt notice materially impairs the Authority's ability to defend or materially increases the cost thereof due to such delay. Upon receipt of such notice, the Authority (i) shall resist and defend any Claim, action or proceeding requiring indemnification on behalf of the Tenant Indemnified Parties, including the employment of one counsel reasonably acceptable to the Tenant Indemnified Parties, (ii) shall pay all reasonable expenses incurred in connection with such defense and (iii) shall have the right to negotiate and consent to settlement of an indemnified Claim, subject to the reasonable approval of Tenant (except that no such approval shall be required with respect to a settlement that relieves Tenant of all liability with respect to the related Claim). Each of the Tenant Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the expense of the Tenant Indemnified Party electing same, unless the employment of such counsel is approved by the Authority, which approval may be withheld in the Authority's sole discretion. The Authority shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Authority or if there is a final judgment against the Authority in any such

action, the Authority agrees to defend, indemnify and hold harmless the Tenant Indemnified Parties from and against any loss or liability by reason of such settlement or judgment for which the Tenant Indemnified Parties are entitled to indemnification hereunder. If the Authority indemnifies or holds any Tenant Indemnified Party harmless from any matter later determined to have arisen from the gross negligence or misconduct of any of the Tenant Indemnified Parties, such Tenant Indemnified Party shall promptly pay to the Authority upon demand all amounts incurred by Authority in connection with such indemnification and/or hold harmless obligation.

(c) Survival. This indemnity by the Authority shall survive the expiration or termination of this Agreement.

(d) Limitation. Notwithstanding the foregoing, the duty of the Authority to pay any indemnified Claim shall be reduced by the amount any Tenant Indemnified Party recovers from any other party regarding the indemnified Claim or, if recovered after payment by the Authority, such amount promptly shall be paid to the Authority.

ARTICLE 19

AUTHORITY'S RIGHT OF ACCESS AND INSPECTION

Section 19.01 No Interference. In addition to any rights granted to the Authority under the Racetrack Agreements, the Authority (and its Permittees) may at any time, without interfering with the uses and businesses conducted on the Premises, and upon reasonable advance notice, enter onto the Premises on a twenty-four (24) hours per day, year-round basis, to the extent necessary to permit Authority to exercise its rights and to perform its obligations under this Agreement and the Racetrack Agreements, or to ensure the proper operation of, or otherwise inspect, the Premises and its facilities, on a twenty-four (24) hours per day, year-round basis. Except in the event of an emergency, if the Authority exercises its right to access the Premises, the Authority will comply with reasonable security requirements of Tenant in connection with such access including without limitation being accompanied by a representative of Tenant when entering the Premises.

Section 19.02 Release of the Authority. Nothing in this Article 19 or elsewhere in this Agreement shall imply any duty upon the part of the Authority to do any work required to be performed by Tenant hereunder and performance of such work by the Authority shall not constitute a waiver of Tenant's default in failing to perform same.

ARTICLE 20

AUTHORITY'S RIGHT TO PERFORM CERTAIN TENANT'S COVENANTS

Section 20.01 Right Following Event of Default. If any Tenant Event of Default arising from a failure of Tenant to comply with the requirements of this Agreement shall exist and be continuing under Article 8 (Insurance) or Article 12 (Maintenance, Repair and Alterations), the Authority, upon giving the Tenant 30-days' prior written notice, without waiving or releasing Tenant from any obligation of Tenant contained therein, may (but shall be under no obligation to) perform such obligation on Tenant's behalf.

Section 20.02 Right to Reimbursement. All sums paid by the Authority and all costs and expenses directly incurred by the Authority in connection with the exercise of the Authority's right under Section 20.01 above (together with interest thereon accruing at the Overdue Rate from the respective dates of the Authority's making of each such payment or incurring of each such cost and expense until the date of repayment to the Authority), shall be paid by Tenant to the Authority on written demand and delivery of a breakdown of the payment(s) made and costs and expenses incurred and reasonable support therefor. Any payment or performance by the Authority pursuant to the foregoing provisions of this Article shall not be nor be deemed to be a waiver or release of any rights of the Authority under this Agreement or pursuant to law.

ARTICLE 21

EVENTS OF DEFAULT, REMEDIES, ETC.

Section 21.01 Tenant Events of Default. Each of the following events shall be a "Tenant Event of Default" hereunder:

(a) if Tenant shall fail to pay any item of Rent or any part thereof, other than Tenant's PILOT Payments, when the same shall become due and payable and such failure shall continue for fifteen (15) days after written notice thereof from the Authority to Tenant;

(b) if Tenant shall fail to pay any of Tenant's PILOT Payments when the same shall become due and payable and such failure shall continue for five (5) days after written notice thereof from the Authority to Tenant;

(c) if Tenant shall fail to observe or perform one or more of the other terms, covenants or agreements contained in this Agreement to be observed or performed by Tenant (other than those expressly subject to clauses (a), (b), (d) and (e) of this Section 21.01) and such failure shall continue for a period of thirty (30) days after written notice thereof by the Authority to Tenant specifying such failure unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot by their nature be performed, done or removed, as the case may be, within such thirty (30) day period, in which case no Tenant Event of Default shall be deemed to exist so long as Tenant shall have commenced curing the same within such thirty (30) day period and shall diligently, continuously and in good faith prosecute the same to completion;

(d) if there shall be a Transfer without compliance with the provisions of this Agreement applicable thereto;

(e) Tenant shall cease to continue the operation and management of Monmouth Park as a high class thoroughbred racetrack (including as a result of a Cessation of Live Racing Because of Governmental Action) and such default continues for a period of fifteen (15) days after written notice thereof by the Authority to the Tenant; or

(f) Tenant shall fail to observe or perform one or more of the other terms, covenants or agreements contained in any Racetrack Agreement to be observed or performed by Tenant and such failure shall continue after any applicable notice or grace period provided for in the applicable Racetrack Agreement has tolled.

Section 21.02 Authority Events of Default. Each of the following events shall be an "Authority Event of Default" hereunder:

(a) if the Authority shall fail to advance any of the sums required to be advanced by the Authority under Section 2.05 hereof;

(b) intentionally omitted.

(c) if the Authority shall fail to pay any portion of the Authority's Environmental Remediation Contribution when the same shall become due and payable and such failure shall continue for thirty (30) days after notice thereof from Tenant to the Authority; or

(d) if the Authority shall fail to observe or perform one or more of the other terms, covenants or agreements contained in this Agreement to be observed or performed by the Authority (other than those expressly subject to clause (a) and (b) of this Section 21.02) and such failure shall continue for a period of thirty (30) days after written notice by Tenant to the Authority specifying such failure unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot by their nature reasonably be performed, done or removed, as the case may be, within such thirty (30) day period, in which case no Authority Event of Default shall be deemed to exist so long as (i) the Authority shall have commenced curing the same within such thirty (30) day period and shall diligently, continuously and in good faith prosecute the same to completion and (ii) such failure to cure shall not materially impair the Tenant's operations at the Racetrack.

Section 21.03 Authority Termination Rights. (a) Upon the occurrence and during the continuance of a Tenant Event of Default, the Authority shall have the right to terminate this Agreement by written notice to Tenant.

(b) If an order for relief is entered or if a stay of proceeding or other act becomes effective in favor of Tenant or Tenant's interest in this Agreement in any proceeding which is commenced by or against Tenant under the present or any future federal Bankruptcy Code or any other present or future applicable federal, state or other insolvency statute or law, the Authority shall be entitled to invoke any and all rights and remedies available to it under such Bankruptcy Code, statute, law or this Agreement, including, without limitation, such rights and remedies as may be necessary to adequately assure the complete and continuous future performance of Tenant's obligations under this Agreement. Following the expiration of a stay in any of the insolvency proceedings described hereinabove, or if any trustee appointed in any such proceedings, Tenant or Tenant as debtor-in-possession shall fail to assume Tenant's obligations under this Agreement within the period prescribed therefor by law or the court, or if the court determines that said trustee, Tenant or Tenant as debtor-in-possession has failed to provide adequate protection of the Authority's right, title and interest in and to the Premises or adequate assurance of the complete and continuous future performance of Tenant's obligations under this Agreement, the Authority, to the extent permitted by order of the court having jurisdiction over such proceeding, shall have the right, at its election, to terminate this Agreement on ten (10) Business Days' prior written notice to Tenant, Tenant as debtor-in-possession or said trustee and upon the expiration of said ten (10) Business Day period this Agreement shall cease and expire

as aforesaid and Tenant, Tenant as debtor-in-possession and/or trustee shall immediately quit and surrender the Premises as aforesaid.

Section 21.04 Remedies Upon Termination.

(a) If this Agreement shall be terminated by the Authority as provided in Section 21.03, the Authority, without notice, may re-enter and repossess the Premises using such force for that purpose as may be available under then existing laws.

(b) If this Agreement shall be terminated by the Authority as provided in Section 21.03, then:

(i) Tenant shall pay to the Authority all Rent (including, without limitation, all Tenant's PILOT Payments) payable by Tenant under this Agreement to the date upon which this Agreement and the Term shall have expired and come to an end or to the date of re-entry upon the Premises by the Authority, as the case may be;

(ii) the Authority may elect to declare due and payable a sum equal to the amount by which the Rent reserved in this Agreement for the period which otherwise would have constituted the unexpired portion of the Term exceeds the fair and reasonable Rent value of the Premises for the same period, both discounted to present worth at the rate of six (6%) percent per annum, such sum shall be due and payable ten (10) Business Days after notice by the Authority to Tenant of such election. The Authority may also elect to proceed by appropriate judicial proceedings, either at law or in equity, to enforce performance or observance by Tenant of the applicable provisions of this Agreement and/or to recover damages for breach thereof if in excess of the amounts recovered under this clause (ii);

(iii) without relieving Tenant of any liability under this Agreement or otherwise affecting any such liability, if the Authority shall not have declared all Rent due and payable pursuant to Section 21.04(b)(ii) and shall have let or relet the Premises or any parts thereof for the whole or any part of the remainder of the Term or for a longer period, in the Authority's name or as agent of Tenant, the Authority shall, out of any rent and other sums collected or received as a result of such reletting: (A) first, pay to itself the reasonable cost and expense of terminating this Agreement, re-entering, retaking, repossessing, completing construction and repairing or altering the Premises, or any part thereof, and the cost and expense of removing all persons and property there from, including in such costs brokerage commissions, legal expenses and reasonable attorneys' fees and disbursements; (B) second, pay to itself the reasonable cost and expenses sustained in securing any new tenants and other occupants, including in such costs brokerage commissions, legal expense and reasonable attorneys' fees and disbursements and other expense of preparing the Premises for reletting, and, if the Authority shall maintain and operation the Premises, the reasonable cost and expense of operating and maintaining the Premises; and (C) third, pay to itself any balance remaining on account of the liability of Tenant to the Authority, in the event that the Authority elects to relet the Premises, Tenant shall be liable for and shall pay to the Authority, as damages, any deficiency (referred to as "Deficiency") between the Rent reserved in this Agreement for the period which otherwise would have constituted the unexpired portion of the Term and the net amount, if any, of rents collected under any reletting effected pursuant to the provisions of this Section for any part of

such period (first deducting from the rents collected under any such reletting all of the payments to the Authority described in this Section) plus the rents actually received by the Authority from Permittees under Subleases; any such Deficiency shall be paid in installments by Tenant on the days specified in this Agreement for payment of installments of Rent, and the Authority shall be entitled to recover from Tenant each Deficiency installment as the same shall arise, and no suit to collect the amount of the Deficiency for any installment period shall prejudice the Authority's right to collect the Deficiency for any subsequent installment period by a similar proceeding;

(iv) if the Authority shall not have declared all Rent due and payable pursuant to Section 21.04(b)(ii) and whether or not the Authority shall have collected any Deficiency installments as aforesaid, the Authority shall be entitled to recover from Tenant, and Tenant shall pay to the Authority, on demand, in lieu of any further Deficiencies or damages, as and for liquidated and agreed final damages (it being agreed that it would be impracticable or extremely difficult to fix the actual damage), a sum equal to the amount by which the Rent reserved in this Agreement for the period which otherwise would have constituted the unexpired portion of the Term exceeds the fair and reasonable Rent value of the Premises for the same period, both discounted to present worth at the rate of six percent (6%) per annum less the aggregate amount of Deficiencies theretofore collected by the Authority pursuant to the provisions of Section 21.04(b)(iii) for the same period.

Section 21.05 Liability Upon Termination. If the Authority or Tenant elects to terminate this Agreement in accordance with its terms, this Agreement and each of the other Racetrack Agreements shall, on the effective date of such termination, terminate with respect to all future rights and obligations of performance by the Parties and their respective Affiliates (except for the rights and obligations that expressly are to survive termination). Termination of this Agreement and each of such other Racetrack Agreements shall not alter the claims, if any, of either Party for breaches of this Agreement occurring prior to such termination, and the obligations of the Parties with respect to such breaches shall survive termination (including those giving rise to such termination).

Section 21.06 Authority's/Tenant's Election. Subject to Article 30 and any applicable cure periods, a suit or suits for the recovery of damages, or for a sum equal to any installment or installments of Rent payable hereunder or any Deficiencies or other sums payable by Tenant or the Authority pursuant to this Agreement, may be brought by Tenant or the Authority from time to time at such Party's election, and nothing herein contained shall be deemed to require Tenant or the Authority to await the date whereon this Agreement or the Term would have expired had there been no Event of Default and termination.

Section 21.07 No Limitation.

(a) Nothing contained in this Article 21 shall limit or prejudice the right of the Authority to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by statute or rule of law governing such proceeding and in effect at the time when such damages are to be proved, whether or not such amount shall be greater than, equal to or less than the amount of the damages referred to in any of the preceding Sections of this Article 21.

(b) Nothing contained in this Article 21 shall limit or prejudice the right of Tenant to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by statute or rule of law governing such proceeding and in effect at the time when such damages are to be proved, whether or not such amount shall be greater than, equal to or less than the amount of the damages referred to in any of the preceding Sections of this Article 21.

Section 21.08 Waivers. No receipt of moneys by the Authority from Tenant after the termination of this Agreement pursuant to Section 21.03 shall reinstate, continue or extend the Term or affect any notice theretofore given to Tenant, or operate as a waiver of the right of the Authority to enforce the payment of Rent payable by Tenant hereunder or thereafter falling due, or operate as a waiver of the right of the Authority to recover possession of the Premises by proper remedy, except as herein otherwise expressly provided, it being agreed that after the service of notice to terminate this Agreement or the commencement of any suit or summary proceedings, or after a final order or judgment for the possession of the Premises, the Authority may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of the use and operation of the Premises or, at the election of the Authority, on account of Tenant's liability hereunder.

Section 21.09 Injunction. In the event of any breach or threatened breach of any of the covenants, agreements or terms contained in this Agreement, the non-defaulting Party shall be entitled to seek to enjoin such breach or threatened breach and shall have the right, subject to Article 30, to invoke any rights and remedies allowed at law or in equity, subject to any limitations expressly set forth in this Agreement. To the extent permitted by law, each party waives any requirements for the posting of bonds or other security in any such action.

Section 21.10 General Rights and Remedies for Events of Default. If any Authority Event of Default shall occur, at any time thereafter, but prior to the cure of such Event of Default, Tenant shall not have the right to terminate this Agreement as a result thereof; provided, however, Tenant, as to any Authority Event of Default (and as to which Tenant is the non-defaulting Party herein), may elect to proceed by appropriate proceedings, either at law or in equity but subject to complying with Article 30 with respect to matters that must be resolved by Arbitration, to enforce the performance or observance by the Authority of the applicable provisions of this Agreement or to recover the actual damages sustained by the applicable non-defaulting Party arising out of such Event of Default, but in no event shall a non-defaulting Party be entitled to recover any amounts in the nature of damages excluded under Section 30.06 purportedly arising from or sustained by it as a result of said Event of Default.

Section 21.11 Jury Trial Waiver. Each of the Authority and Tenant waives and shall waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any way connected with this Agreement, including, but not limited to, the relationship of the Authority and Tenant under this Agreement, Tenant's use or occupancy of the Premises, or any claim for injury or damage relating to this Agreement or the Premises.

Section 21.12 Strict Performance: Severability. No failure by a non-defaulting Party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy upon a breach thereof, and no acceptance of full or partial payment during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Agreement to be performed or complied with, and no breach thereof shall be waived, altered or modified except by a written instrument executed by the waiving party or the party bound by such alteration or modification. No waiver of any breach shall affect or alter this Agreement except with respect to such waiver, but each and every other covenant, agreement, term and condition of this Agreement shall continue in full force and effect.

Section 21.13 Remedies Cumulative. Each express right and remedy of the Authority and Tenant provided for in this Agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this Agreement and the exercise of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by a non-defaulting Party of any or all other rights or remedies provided for in this Agreement, except as expressly set forth in this Agreement.

Section 21.14 Exclusive Remedies. The rights and remedies conferred upon or reserved to the Parties in this Article 21 are intended to be the exclusive remedies available to each Party upon a breach or an Event of Default by the other Party, except as may be otherwise expressly set forth in this Agreement.

Section 21.15 Mitigation of Damages. The Authority and Tenant shall each use commercially reasonable efforts to mitigate any damages for which the other party may be liable upon an Event of Default by the other party.

Section 21.16 Intentionally Deleted.

Section 21.17 Transfer of Registered Title, Revenues and Racetrack Percentage. Upon the expiration or termination of this Agreement for any reason:

(a) Tenant covenants and agrees that it will take all steps necessary to transfer title to the registered Leased Equipment (subject to the provisions of Section 2.01(b)) to the Authority (or its nominee) and, at the request of the Authority, to execute and deliver further instruments of transfer and take such other actions as the Authority may reasonably request to more effectively transfer and vest in the Authority (or its nominee) title to the registered Leased Equipment.

(b) Following the expiration or termination of this Agreement for any reason, Tenant covenants and agrees that it will cooperate in good faith and take all steps necessary to transfer its prior rights to all Revenues, and the Racetrack Percentage of its ownership interests in MBD and any other Subtenant, as contemplated by Section 6.6, to the Authority, and in addition and without limitation, assign any contracts or Governmental Approvals in the name of Tenant or its Affiliates, or its or their subtenants, licensees, employees, agents or representatives, relating to (i) the Premises, including its operation as a Racetrack, (ii) Concession Operations, (iii) the OTWs, and (iv) any gaming operations, to the Authority (or its nominee) and, at the

request of the Authority, execute and deliver further instruments of transfer and take such other actions as the Authority may reasonably request to more effectively transfer and vest in the Authority (or its nominee) all of the foregoing items set forth in or contemplated by this Section 21.17(b) or elsewhere in this Agreement; provided, however, that the Authority acknowledges and agrees that the Hillsborough OTW premises are owned by Tenant and are not required to be transferred to the Authority pursuant to this Section 21.17(b).

(c) Without limiting the foregoing, Tenant hereby constitutes and appoints the Authority as the true and lawful agent and attorney in fact of Tenant, with full power of substitution and resubstitution, in whole or in part, in the name and stead of Tenant but on behalf of and for the benefit of the Authority to do all things legally permissible, required or reasonably deemed by the Authority to be required to effect the provisions and intent of this Section 21, including completing all transfers and related transactions in connection therewith and effecting the transfer and assignment of the items set forth therein.

Section 21.18 Survival. All obligations of Tenant under this Article 21 shall survive the expiration of the Term or sooner termination of this Agreement.

Section 21.19 New Development Subleases. The Authority and Tenant acknowledge and confirm that the terms of this Article 21 shall be subject to the rights of a Subtenant under any Sublease that has been Approved by the Authority pursuant to Section 34.04(f).

ARTICLE 22

NOTICES

Section 22.01 Notices. Whenever it is provided herein that notice, demand, request, consent, Approval or other communication ("Notice") shall or may be given to or served upon either of the Parties by the other, and whenever either of the Parties shall desire to give or serve upon the other any Notice with respect thereto or the Premises, each such Notice shall be in writing and, any law or statute to the contrary notwithstanding, shall be effective for any purpose if given or served as follows:

(a) If by the Authority, by mailing the same to Tenant by registered or certified mail postage prepaid, return receipt requested, by hand delivery, or by overnight United States Express Mail, or other national-recognized overnight carrier for delivery on the next Business Day, addressed to:

Darby Development LLC
25 Reckless Place
Red Bank, NJ 07701
Attention: _____
Email: _____

With a copy to:

Drazin and Warshaw
25 Reckless Place

Red Bank, NJ 07701
Attention: Thomas DiChiara, Esquire
Email: tjdichiara@drawinandwarshaw.com
Attention: Dennis Drazin, Esquire
Email: ddrazin@drazinandwarshaw.com

or at such other address as Tenant may from time to time designate by Notice given to the Authority.

(b) If by Tenant, by mailing the same to the Authority by registered or certified mail, postage prepaid, return receipt requested, by hand delivery, or by overnight United States Express Mall or recognized overnight carrier for delivery on the next Business Day, addressed to:

New Jersey Sports and Exposition Authority
One DeKorte Park Plaza
Lyndhurst, New Jersey 07071
Attention: President & CEO

With a copy to:

New Jersey Sports and Exposition Authority
One DeKorte Park Plaza
Lyndhurst, New Jersey 07071
Attention: General Counsel

or such other address as the Authority may from time to time designate by Notice given to Tenant.

(c) Every Notice hereunder shall be deemed to have been given or served three (3) Business Days after the same shall be deposited in the United States mails, postage prepaid, in the manner aforesaid or one (1) Business Day after deposit with a nationally recognized overnight courier for delivery on the next Business Day (except that a notice designating the name and address of a person to whom any notice or other communication or copy thereof, shall be sent shall be deemed to have been given when same is received).

ARTICLE 23
CONDEMNATION

Section 23.01 Effect of Taking.

(a) If there shall be a Taking of (i) the whole or substantially all of the Premises (excluding a Taking of the Fee Estate, if after such Taking, Tenant's rights under this Agreement are not affected) or (ii) any other portions of the Premises (including roadways, access rights, parking rights and easements and appurtenances benefiting the Premises) and, as a result of such Taking, the Tenant shall determine in the exercise of its reasonable discretion that

the continued use of the Premises for the Permitted Uses is not economically feasible, then, upon notice to the Authority, (A) the Tenant's covenants and obligations to pay Rent and perform any other obligations under this Agreement shall terminate and expire on the date of such Taking, (B) the Rent payable by Tenant hereunder shall be equitably apportioned as of the date of such Taking, and (C) the Tenant and the Authority shall, be entitled to pursue all claims and awards arising out of such Taking as set forth below.

(b) If there shall be a Taking that does not result in a termination notice under Section 23.01(a), the Term shall not be reduced, the Parties' rights and obligations shall remain unmodified (except to the extent affected by the Taking) and any awards shall be payable in accordance with Section 23.01(c) below.

(c) If there is a Taking, the award, awards or damages in respect thereof shall be apportioned as follows (it being recognized that if, under Legal Requirements, the Governmental Authority initiating the Taking is not required to provide for separate awards in recognition of the interests of the Authority and the Tenant in the Fee Estate and Premises, respectively, each of the Authority and the Tenant may pursue a share of such award in a separate proceeding subject to the priority of interests set forth below): (i) as to Tenant, so much of the award attributable to the value of Tenant's Estate (or in the case of a Taking that does not result in a termination notice under Section 23.01(a), the value of that part of the Tenant's Estate the subject of the Taking) and (ii) the balance to the Authority.

(d) Each of the Parties shall execute any and all documents that may be reasonably required in order to facilitate collection by them of such awards.

Section 23.02 Date of Taking. For purposes of this Article 23 the "date of Taking" shall be deemed to be the earlier of (a) the date of which actual possession of the whole or substantially all, of the Premises, or a part thereof, as the case may be, is acquired by any lawful power or authority pursuant to the provisions of the applicable federal or State law or (b) the date on which title to the Premises or the aforesaid portion thereof shall have vested in any lawful power or authority pursuant to the provisions of the applicable federal or State law.

Section 23.03 Temporary Taking. If the temporary use (i.e., for a period of less than twelve months) of the whole or any part of the Premises shall be part of a Taking for any public or quasi-public purpose by any Governmental Body or by agreement between Tenant and those authorized to exercise such right, Tenant shall give prompt notice thereof to the Authority and the Term shall not be reduced or affected in any way and Tenant shall continue to pay in full the Rent payable by Tenant hereunder, provided that Tenant shall be entitled to receive for itself any award or payment for such use; except that if the Taking is for a period extending beyond the Term, the Authority shall be entitled to such award or payment attributable to periods, after the expiration of the Term.

Section 23.04 Other Compensation. In case of any governmental action not resulting in the Taking of any portion of the Premises but creating a right to compensation therefor, such as the changing of the grade of any street upon which the Premises abut, this Agreement shall continue in full force and effect without reduction or abatement of Rent and the award shall be paid to Tenant.

Section 23.05 Negotiated Sale. In the event of a negotiated sale of all or a portion of the Premises in lieu of a Taking, the proceeds shall be distributed as provided in cases of Taking.

Section 23.06 Participation; Tenant Consent. The Authority and the Tenant shall be entitled to file a claim and otherwise participate in any condemnation or similar proceeding and all hearings, trials and appeals in respect thereof. So long as no Tenant Event of Default has occurred and is continuing that would entitle the Authority to exercise its termination rights under Section 21, the Authority shall not settle or compromise any Taking or other governmental action creating a right of compensation in Tenant with respect to the Premises prior to the expiration of the Term or enter into a sale of all or a portion of the Premises to occur prior to the expiration of the Term in lieu of condemnation without the consent of Tenant, which consent shall not be unreasonably withheld, conditioned or delayed if and to the extent such settlement, compromise or sale does not adversely affect or prejudice Tenant's right to compensation with respect to such taking or governmental action.

Section 23.07 Tenant Rights. Notwithstanding anything to the contrary contained in this Article 23 in the event of any permanent or temporary Taking of all, or any part of the Premises, Tenant shall have the exclusive right to assert claims for the value of Capital Improvements made at the Premises by Tenant, the personalty of Tenant taken or damaged as a result of the Taking, any damage to, or relocation costs of Tenant's business and the businesses of its Permittees incurred as a result of the Taking and any other damages to which Tenant may be entitled under Legal Requirements.

Section 23.08 Notice. If the Authority or the Tenant shall receive any notice of any proposed or pending condemnation proceeding affecting the Premises, the party receiving such notice shall promptly furnish a copy thereof to the other party.

Section 23.09 New Development Subleases. The Authority and Tenant acknowledge and confirm that the terms of this Article 23 shall be subject to the rights of a Subtenant under any Sublease that has been Approved by the Authority pursuant to Section 34.04(f).

ARTICLE 24

EASEMENTS

Section 24.01 Grant of Future Easements. With the prior written consent of the Authority, Tenant shall have the right to enter into reasonable agreements with Governmental Authorities and utility companies creating such easements as are reasonably required in order to service the Premises, including ingress, egress, and access easements and the Authority covenants and agrees to execute any and all such reasonable documents, agreements and instruments, and to take all other reasonable actions, in order to effect the same, all at no monetary expense or liability to the Authority.

ARTICLE 25

SURRENDER AT END OF TERM

Section 25.01 Title to Improvements. Any Improvements now or hereafter erected upon the Premises, including the New Development, and any Leased Equipment replaced by Tenant, shall become property of the Authority upon the expiration or sooner termination of this Agreement without the payment of any consideration therefor.

Section 25.02 Surrender of Premises. (a) Upon the expiration or earlier termination of this Agreement, Tenant shall peaceably and quietly surrender, vacate and deliver up possession of the Premises and the Leased Equipment to the Authority in good condition as required by this Agreement, subject to normal wear and tear, Casualty and Taking that Tenant is not required to repair, restore or replace under this Agreement, and free and clear of all occupancies, lettings, liens and encumbrances. Upon such surrender, Tenant shall deliver to the Authority all keys to any locked or secured areas of the Premises and make known to the Authority the combination of all locks, safes and vaults then remaining in the Premises. In the event Tenant does not so surrender the Premises, the Authority, upon or at any time after any such expiration or termination, may (in addition to any other rights or remedies provided in this Agreement) without further notice, enter upon and re-enter upon the Premises and possess and repossess itself thereof, by any legal means then available, may dispossess Tenant and, subject to Section 25.02(b) of this Agreement, remove Tenant and all other persons and moveable personal property of Tenant or others from the Premises and may have, hold and enjoy the Premises, may (at the Authority's option) consider any property of Tenant or others remaining in the Premises (or any part thereof whether or not owned by Tenant) to have been abandoned, and the Authority may keep, sell, discard, destroy, remove, retain, gift or dispose of the aforesaid abandoned items, or any part thereof; without any liability, obligation or responsibility to Tenant or to any other person whatsoever. Tenant hereby releases, holds harmless and indemnifies the Authority and its agents, employees, representatives, contractors, subcontractors, auctioneers, and vendees of, from and for all losses, damages, injuries, obligations, liabilities, judgments, awards, fines, penalties, costs and expenses including attorneys' fees and related costs and disbursements, arising out of or relating to Tenant's failure to timely vacate and surrender of the Premises upon the expiration or termination of this Agreement, or the Authority's retention, disposition or sale of any item of property left in, at or upon the Premises at the expiration or sooner termination of this Agreement in violation of this Agreement.

(b) Trade Fixtures and Personal Property. Tenant shall remove Tenant's furniture and other items of movable personal property (excluding the Leased Equipment and Authority Personalty) of every kind and description from the Premises and restore any damage to the Premises caused thereby, such removal and restoration to be performed prior to the end of the Term or thirty (30) days following termination of this Agreement and Tenant's right of possession, whichever might be earlier. If Tenant fails to remove such items, the Authority may do so and thereupon the provisions of Section 25.02(a) above of this Agreement shall apply, and Tenant shall pay to the Authority upon demand the cost of such removal and restoration of the Premises.

(c) Survival. All obligations of Tenant under this Article shall survive the expiration of the Term or sooner termination of this Agreement.

ARTICLE 26

CERTIFICATES BY AUTHORITY AND TENANT

Section 26.01 By Tenant. Tenant agrees, at any time, and from time to time, upon not less than ten (10) Business Days' prior notice from the Authority, to execute, acknowledge and deliver to the Authority or any other party specified by the Authority a statement in writing certifying that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect as modified and identifying the modifications) and stating whether or not, to the best knowledge of Tenant, the Authority is in breach or default in the performance of any covenant, agreement or condition contained in this Agreement on the Authority's part to be performed, and, if so, specifying each such default of which Tenant may have knowledge.

Section 26.02 By the Authority. The Authority agrees at any time and from time to time upon not less than ten (10) Business Days' prior notice from Tenant to execute, acknowledge and deliver to Tenant a statement in writing certifying that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect as modified and identifying the modifications) and the dates to which the Rents have been paid, and stating whether or not to the best knowledge of the Authority, Tenant is in breach or default in the performance of any covenant, agreement or condition contained in this Agreement on Tenant's part to be performed, and, if so, specifying each such default of which the Authority may have knowledge.

ARTICLE 27

CONSENTS

Section 27.01 No Waiver. It is understood and agreed that the granting of any consent by the Authority or Tenant to the other to perform any act of the other requiring consent under the terms of this Agreement, or the failure on the part of a Party to object to any such action taken by the other without consent, shall not be deemed a waiver by the Party of its rights to require such consent for any further similar act, and the Parties hereby expressly covenant and warrant that as to all matters requiring consent under the terms of this Agreement, each Party shall secure such consent for each and every happening of the event requiring such consent, and shall not claim any waiver of the requirement to secure such consent. All consents and Approvals required to be delivered under this Agreement must be in writing to be effective.

Section 27.02 Cooperation Covenant. Each Party hereby covenants and agrees to execute, acknowledge and deliver any instrument(s) and take all commercially reasonable actions required of it to effectuate the provisions of this Agreement, promptly after that Party receives such instrument(s). In addition to any other rights that a Party has to pursue as a result of the other Party's default, if a Party fails or refuses to execute, acknowledge and/or deliver any instrument(s) or take such actions hereinabove required, then upon an additional five (5) days'

notice to that Party, the other Party may apply to a court of competent jurisdiction for injunctive relief All costs and expenses, including reasonable attorney fees, shall be paid by the Party that failed or refused to execute, acknowledge and/or deliver the instrument(s) or take the actions in question.

Section 27.03 No Fees. Except as specifically provided in this Agreement, no fees or charges of any kind or amount shall be required by either Party hereto as a condition of the grant of any consent or Approval which may be required under this Agreement.

ARTICLE 28

ENTIRE AGREEMENT

This Agreement, its schedules, its exhibits, the June 2017 Letter, and any other Racetrack Agreements to which the Authority and Tenant are parties, contain all the promises, agreements, conditions, inducements and understandings between the Authority and Tenant relative to the Premises and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, oral or written, expressed or implied, between them other than as herein set forth.

ARTICLE 29

QUIET ENJOYMENT

The Authority covenants that Tenant shall and may (subject, however, to the exceptions, reservations, terms and conditions of this Agreement) peaceably and quietly have, hold and enjoy the Premises for the Term, without molestation or disturbance directly or indirectly by or from the Authority or any party claiming by, through or under the Authority and free of any encumbrance created or suffered by the Authority, except those to which this Agreement is subject and except those encumbrances, liens or defects of title created or suffered by Tenant.

ARTICLE 30

ARBITRATION

Section 30.01 Scope. Except for Article 7, but otherwise notwithstanding anything to the contrary elsewhere in this Agreement, the alternative dispute resolution processes provided for in this Article 30 ("Arbitration") shall be the exclusive means for resolution of disputes between the Parties arising under or relating to this Agreement, any other Racetrack Agreement solely between the Parties and, to the extent applicable, any other Racetrack Agreements that contain this, or a similar, arbitration provision ("Arbitration Provision") the interpretation thereof or the performance or breach by any party thereto, including but not limited to, original disputes as well as all disputes asserted as cross-claims, counterclaims, third party claims, or claims for indemnity or subrogation, if such disputes involve parties and claims that are subject to an Arbitration Provision (collectively "Arbitration Claims" individually an "Arbitration Claim"); provided, however, that these Arbitration processes shall not apply to, and the term Arbitration Claim shall exclude any claim arising or relating to any matter asserted as an issue in any

litigation brought by a third party that was not brought in violation of the exclusivity of an Arbitration Provision. In such event, the Parties shall be free to pursue all available actions at law or in equity, subject to the restrictions and limitations provided herein and to the provisions of Section 30.08.

Section 30.02 Arbitration Procedures. The following provisions shall apply to Arbitration Claims that are not Construction Disputes:

(a) Demand for Arbitration. Notice of a demand for arbitration of any Arbitration Claim by one Party shall be delivered in writing to the other Party in accordance with Section 22.01.

(b) Selection of Arbitrator. The arbitration shall be conducted by a panel (the "Arbitration Panel" consisting of three (3) persons (each an "Arbitrator"), who shall be selected in accordance with the AAA's Commercial Arbitration Rules. The Parties will request that the AAA take into account the Parties' desire to obtain potential Arbitrators with experience in the construction' or operation of comparable sports or entertainment facilities or in the sports or entertainment business generally. None of the candidates shall be a current or former employee, officer, director, trustee, owner, Affiliate, attorney or agent of any Party or of the State.

(c) Rules. Except as set forth below, the Arbitration shall be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules and conducted pursuant to such rules, as such rules are in effect as of the time the dispute is submitted to the AAA for Arbitration. Neither the AAA's Expedited Procedures, nor the AAA's Optional Procedures for Large, Complex, Commercial Disputes, nor the AAA's Optional Rules for Emergency Measures of Protection will be applicable to any such Arbitration unless each of the Parties involved in the Arbitration agrees in writing to utilize such rules for the particular Arbitration. Unless the affected Parties otherwise agree, the Arbitration shall take place in Newark, New Jersey. Each Party irrevocably consents to the delivery of service of process with respect to any Arbitration in any manner permitted for the giving of notices under Section 22.01.

(d) Discovery. The Arbitration Panel shall determine the nature and scope of discovery, if any. No discovery may be had of privileged materials or information, unless an exception exists under Legal Requirements. The Arbitration Panel, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary or sensitive materials or information from public disclosure or other misuse. Either Party may make application to the Superior Court of the State of New Jersey to have a protective order entered as may be appropriate to confirm such order of the Arbitration Panel.

(e) Hearing. The Parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this Article. To that end, either Party can petition the Arbitration Panel for an expedited hearing if circumstances justify it. In any event, the hearing of any dispute not expedited will commence as soon as practicable, but in no event later than thirty (30) days after selection of the Arbitration Panel. This deadline can be extended only with the consent of the parties to the dispute, or by decision of the Arbitration Panel upon a showing of emergency circumstances. The hearing, once commenced, will proceed from Business Day to Business Day until concluded.

(f) Award. The Arbitration Panel shall, within fifteen (15) days from the conclusion of any hearing, issue its award. Any award providing for deferred payment shall include interest at a reasonable rate. The award is to be rendered in accordance with this Agreement (or, to the extent applicable, the other Racetrack Agreements) and Legal Requirements.

(g) Scope of Award. The Arbitration Panel shall be without authority to award punitive damages or any other form of damages expressly disclaimed in Section 30.06 below, and any such damage award shall be void. If an award is made against any Party in excess of $200,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and a statement as to how damages were calculated.

(h) No Modification. The Arbitration Panel shall not have the authority to alter, change, amend, modify, waive, add to or delete from any provision of this Agreement. All provisions of this Agreement applicable to disputes generally, including limitations on damages, shall apply to the Arbitration.

(i) Entry of Judgment. Either party can make application to the Superior Court of the State of New Jersey or any other state or federal court of competent jurisdiction for confirmation of an award, and for entry of judgment on it. Payment of such judgment shall be made following receipt of a final non-appealable decision or order of the Court.

(j) Severance and Joinder. To reduce the possibility of inconsistent adjudication, (i) an identical or substantially similar Arbitration Provision must be included in all other Racetrack Agreements, except that if third-parties are also party to any other Racetrack Agreement, the Parties shall be obligated only to use commercially reasonable efforts to include similar Arbitration Provisions, (ii) at the request of either Party (but subject to the right of the other Party to object and have the matter decided by the Arbitration Panel), the Arbitration Panel may join and/or sever any Party or Parties, and consolidate or sever claims arising under other contracts containing this Arbitration Provision and (iii) the Arbitration Panel may, on its own authority, join or sever parties and claims subject to the Arbitration process as it deems necessary for a just resolution of the dispute, consistent with the Parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by either Party to assert claims against another Party not recognized under the substantive law applicable to the dispute. The Arbitration Panel is not authorized to join in the proceeding parties not in privity with the Authority or Tenant unless such parties, the Authority and Tenant consent.

(k) Appeal. Any award rendered in any Arbitration pursuant to this Article 30 shall be final and binding upon the Parties and non-appealable, and a judgment of any court having jurisdiction may be entered on any such award.

(l) Statutory Arbitration Provisions. Except as otherwise provided herein, arbitration pursued under this provision shall be governed by N.J.S.A. 2A:24-l f.

Section 30.03 Emergency Relief. Notwithstanding any provision of this Agreement to the contrary, each Party may seek temporary or preliminary injunctive relief at any time from a

court of competent jurisdiction, including with respect to any Arbitration Claim, and each Party hereby waives any requirement that the other Party post a bond or other security in connection with such temporary or preliminary injunctive relief. If an Arbitration Claim (including a Construction Dispute) requires temporary or preliminary injunctive relief before the matter may be resolved by Arbitration, the procedures set forth in Section 30.02 or Section 30.07, as the case may be, shall still govern the ultimate resolution of the Arbitration Claim notwithstanding the fact that a court of competent jurisdiction may have entered an order providing for temporary or preliminary injunctive relief.

Section 30.04 Fees and Costs. All fees and costs associated with any Arbitration pursuant to Section 30.02, and any fees and costs associated with any Arbitration under Section 30.07, including without limitation the Arbitration Panel's fees and the prevailing party's reasonable attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party. The determination of prevailing party and non-prevailing party, and the appropriate allocation of fees and costs, will be included in the award by the Arbitration Panel (or the Construction Arbitrator or Secondary Arbitrator, as the case may be).

Section 30.05 Confidentiality. Any proceeding initiated under this Article 30 shall be deemed confidential to the maximum extent allowed by New Jersey law and no party shall make any disclosure related to the disputed matter or the outcome of any proceeding except to the extent required to seek interim equitable relief or to enforce an agreement reached or award made hereunder.

Section 30.06 No Indirect Damages. IN NO EVENT SHALL ANY PARTY BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT, WHETHER IN ARBITRATION, A JUDICIAL PROCEEDING OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, TREBLE OR PUNITIVE DAMAGES, IN CONTRACT, TORT OR OTHERWISE, WHETHER OR NOT CAUSED BY OR RESULTING FROM THE SOLE OR CONCURRENT NEGLIGENCE OF SUCH PARTY OR ANY OF ITS AFFILIATES (AS DEFINED HEREIN) OR RELATED PARTIES, NOTWITHSTANDING THE FOREGOING, THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO ANY INDEMNIFICATION FOR CLAIMS ASSERTED BY PERSONS OTHER THAN THE PARTIES AND THEIR RESPECTIVE AFFILIATES (AS DEFINED HEREIN). THE PRECEDING LIMITATION SHALL NOT BE A BASIS FOR ANY CLAIM OR ARGUMENT THAT AN ARBITRATION CLAIM SHOULD NOT BE ARBITRATED.

Section 30.07 Construction Disputes. Notwithstanding anything to the contrary in this Article 30 any Construction Dispute shall be submitted to the following expedited dispute arbitration process (the "Expedited Arbitration Process").

(a) Not later than the Commencement of Construction, the Parties shall agree upon a single individual to serve as the initial arbitrator (the "Construction Arbitrator") of any Construction Dispute, as well as the individual who initially shall serve as the secondary arbitrator (the "Secondary Arbitrator") If the Parties cannot agree on the selection of any such individuals by such date, the Parties shall jointly request the AAA (or such other organization as the parties may agree upon) to submit to the Parties a list of eight (8) potential arbitrators, each of whom shall have significant experience in the design or construction of projects having an

aggregate cost of at least $50,000,000 (not more than three (3) of whom shall be practicing attorneys, and none of whom shall be a current or former employee, officer, director, trustee, owner, attorney or agent of any Party, any Affiliate thereof or of the State. If the Parties cannot, within seven (7) days from the receipt of such list, agree to the identity of the prospective Construction Arbitrator and Secondary Arbitrator from among the names on such list, they shall meet and alternate striking one (1) name at a time from the list until two (2) names remain on the list. (The order in which the parties shall strike shall be determined by coin flip, with the representative of the Authority having the right to call heads or tails). If the Parties cannot agree which of the two (2) persons shall be the Construction Arbitrator and Secondary Arbitrator, respectively, the Construction Arbitrator shall be determined by coin flip, with the person whose name comes first in alphabetical order being assigned to heads and the other to tails. The person not selected as Construction Arbitrator shall be the Secondary Arbitrator.

(b) Any Party may invoke the provisions of this Section 30.07 by notice to the Construction Arbitrator and the other Party, which shall be given as contemporaneously as practicable. The notice may be by facsimile, hand delivery, telephone or other means providing actual notice and shall identify the subject matter of the Construction Dispute.

(c) Authorized representatives of the Parties and the Construction Arbitrator shall convene in person within forty-eight (48) hours of the aforementioned notice at such time and place at or in the vicinity of the Premises as may be established by the Construction Arbitrator. At or before such time, each Party shall present such information to the Construction Arbitrator (with copies to the other Party) as deemed necessary or appropriate to substantiate such Party's position. The Construction Arbitrator shall be entitled to request additional information in order to render its award with respect to the Construction Dispute, but in no event shall the providing of or failure to provide such information delay the rendering of the Construction Arbitrator's award without the consent of both Parties. Absent agreement by the Parties to extend the time for a decision or the Construction Arbitrators decision to extend the time for a decision not in excess of the AAA rules, the Construction Arbitrator shall render his or her decision with respect to the Construction Dispute within forty-eight (48) hours after the Parties and the Construction Arbitrator first convened. Any award rendered in any arbitration pursuant to this Section 30.07 shall be final and binding upon the Parties and non-appealable, and a judgment of any court having jurisdiction maybe entered on any such award.

(d) If the Construction Arbitrator is unavailable or unable to serve with respect to any given Construction Dispute, then the Secondary Arbitrator shall serve as the Construction Arbitrator. Each of the Construction Arbitrator and Secondary Arbitrator shall serve as such until he or she resigns or is replaced by written agreement of the Parties. Either party may terminate each of the Construction Arbitrator or the Secondary Arbitrator by notice to the other Party and the applicable arbitrator, but such termination right can only be exercised (i) once in any twelve-month (12) period with respect to each of the Construction Arbitrator and Secondary Arbitrator positions and (ii) after such Construction Arbitrator or Secondary Arbitrator has issued at least three (3) decisions. Absent other agreement by the Parties, in the event of the resignation or termination of the Construction Arbitrator, the Secondary Arbitrator shall be deemed the Construction Arbitrator, and the parties shall agree as soon as possible thereafter on the identity of a person to assume the role of Secondary Arbitrator. If the Parties cannot agree on a new Secondary Arbitrator within thirty (30) days, or both the Construction

Arbitrator and Secondary Arbitrator positions shall become vacant for more than fifteen (15) days without the Parties agreeing on successors, the successor(s) shall be selected pursuant to Section 30.07(a) The costs of any Expedited Arbitration Process, if any, shall be borne equally by the Parties.

(e) Any fees and expenses due to the Construction Arbitrator or the Secondary Arbitrator that are not subject to award under Section 30.04 such as annual service fees, shall be paid equally by the Parties.

Section 30.08 Court Proceedings. Any claim or dispute that is not an Arbitration Claim shall only be brought in the Courts of the State of New Jersey or the Federal District Court for the District of New Jersey. By execution and delivery of this Agreement, the Authority and Tenant each hereby irrevocably accepts and submits generally and unconditionally for itself and with respect to its properties, to the jurisdiction of any such court in any such action or proceeding, and hereby waives in the case of any such action or proceeding brought in the courts of the State of New Jersey; or Federal District Court for the District of New Jersey, any defenses based on jurisdiction, venue or forum non conveniens. In furtherance of the foregoing, Tenant hereby agrees that its address for notices given by the Authority and service of process for in personam jurisdiction under this Agreement shall be the Premises. Notwithstanding the foregoing, any matter that seeks confirmation of any award rendered in any Arbitration Claim, may be brought by suit, action or proceeding at law or in equity before any federal or state court of competent jurisdiction.

ARTICLE 31

INVALIDITY OF CERTAIN PROVISIONS

If any term or provision of this Agreement or the application thereof to any Person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE 32

RECORDING OF MEMORANDUM

On or at any time after the Closing Date, the Parties will, at the request of either one, promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form or memorandum of lease, setting forth a description of the Premises, the Term of this Agreement, and any other portions thereof, excepting the Rent provisions, as Tenant may request. Any such instrument shall provide that it expires on the earlier of the termination of this Agreement, or a date certain, which shall reflect the Term as then extended. If the Term is thereafter extended an amendment of the instrument reflecting the extension shall thereafter be filed.

ARTICLE 33

MISCELLANEOUS

Section 33.01 Limitation of Liability.

(a) Authority's Liability. The liability of the Authority hereunder for damages or otherwise shall be limited to the Authority's interest in the Premises and it is specifically understood and agreed that there shall be absolutely no personal liability on the part of the Authority or its successors in interest (or any members or partners of the Authority) beyond its interest in the Premises.

(b) No Personal Liability. All costs, obligations and liabilities under this Agreement on the part of the Authority or Tenant are solely the responsibility of the respective entity, and no partner, stockholder, member, director, officer, official, employee or agent of any Party to this Agreement shall be personally or individually liable for any costs, obligations or liabilities of such Party under this Agreement. Except as any Party to this Agreement may otherwise agree in writing with regard to its liability, all Persons extending credit to, contracting with or having any claim against any Party to this Agreement may look only to the funds and property of such Party for payment of any such suit, contract or claim to the extent such Party is liable therefor, or for the payment of any costs that may become due or payable to them from any Party to this Agreement.

Section 33.02 Headings. The captions of this Agreement are for convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 33.03 Table of Contents. The table of contents preceding this Agreement is for the purpose of convenience of reference only and is not to be deemed or construed in any way as part of this Agreement or as supplemental thereto or amendatory thereof.

Section 33.04 No Joint Venture. Nothing in this Agreement shall be construed to create a joint venture, partnership, or joint employer relationship between the Authority and Tenant.

Section 33.05 Interpretation. The use herein of the words "successors and assigns" or "successors or assigns" of the Authority or Tenant shall be deemed to include the heirs, legal representatives and assigns of any individual landlord or tenant. The words "include," "includes" and "including" shall be deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import. Pronouns of any gender shall include natural Persons, corporations, limited liability companies, partnerships and associations of every kind and character. References to any gender include, unless the context otherwise requires, references to all genders. The words "shall" and "will" have equal force and effect. Unless specified to the contrary, any reference to a Party having a "right" shall not create an obligation on the part of such Party to exploit such right.

Section 33.06 Authority Sponsorship. The Authority and Tenant acknowledge and agree that this Agreement constitutes a project of the Authority under the Enabling Legislation and Tenant's use and operation of the Premises for Racing Events and other Permitted Uses, is in

furtherance of and substantially related to the Authority's interests and responsibilities under, and the specific legislative purpose of, the Enabling Legislation and as such, Tenant's use and operation thereof shall be deemed to be sponsored by the Authority.

Section 33.07 Amendment. This Agreement cannot be changed or terminated orally, but only by an instrument in writing executed by the Party against whom enforcement of any waiver, change, modification or discharge is sought. This agreement shall not be modified or cancelled except by a writing executed and delivered by the Authority and Tenant.

Section 33.08 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without regard to the principles of conflict of laws.

Section 33.09 Successors and Assigns. The agreements, terms, covenants and conditions herein shall bind and inure to the benefit of the Authority and Tenant and their respective heirs, personal representatives, successors and (except as otherwise provided herein) assigns.

Section 33.10 Third Party Benefit. Except as expressly provided herein with regard to the Authority Indemnified Parties and Tenant Indemnified Parties, the Authority and Tenant hereby agree and acknowledge that the covenants, undertakings and agreements set forth in this Agreement are not intended as benefiting, or as enforceable in any way or manner by, any Person not a party to this Agreement and nothing in this Agreement shall be construed to constitute, create or confer rights, remedies or claims in or upon any Person (as alleged third party beneficiary or otherwise) not a Party hereto, or to create obligations or responsibilities of the Parties to such Persons. Except as expressly provided herein with regard to the Authority Indemnified Parties and Tenant Indemnified Parties, the Parties hereto agree that they shall not assist, foster or promote or cause to be assisted, fostered or promoted any Claims by any Person not a Party to this Agreement against the Authority or Tenant arising out of the terms and provisions of this Agreement and performance by the Authority or Tenant of their rights and obligations set forth in this Agreement.

Section 33.11 Expenses. Unless otherwise provided in any of the Racetrack Agreements, each Party shall bear its own expenses in connection with the negotiation and preparation of this Agreement, the other Racetrack Agreements, and the performance of all of its obligations under this Agreement and the other Racetrack Agreements.

Section 33.12 Incorporation of Schedules and Exhibits. All Schedules and Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement in their entirety.

Section 33.13 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one Agreement. All signatures need not be on the same counterpart.

Section 33.14 Purse Supplements.

(a) Each of the Parties acknowledges and agrees that it is expected there will be no "purse money" distributed pursuant to P.L. 2011, C. 18.

(b) In the event that, notwithstanding the foregoing clause (a), the State of New Jersey or any of its agencies or authorities appropriate funds for "purse enhancement" at either the Racetrack or at the Meadowlands Racetrack, the Parties agree to negotiate in good faith with each other and with Gural in order to determine a fair and reasonable allocation of any such appropriation.

Section 33.15 Authority's Waiver. If requested by Tenant, Authority agrees to waive its distraint of rent rights against any and all Tenant's personalty in connection with any of Tenant's purchase money financing related to equipment purchases by Tenant.

Section 33.16 Force Majeure. If a Force Majeure Event prohibits, prevents or delays a Party, whether directly or indirectly, from performing any of its obligations under this Agreement, then (whether or not Force Majeure Events are expressly referred to in any provision of this Agreement relating to such obligation) such Party shall be excused from performance to the extent, but only to the extent necessary by the Force Majeure Event and only until such time as the Force Majeure Event terminates or is removed or resolved. During such period of prevention, prohibition or delay, the Parties shall at all times act diligently and in good faith to bring about the termination or removal of the Force Majeure Event as promptly as reasonably possible.

ARTICLE 34

PRE-CONSTRUCTION OBLIGATIONS

Section 34.01 New Development – Phase 1. Subject to the terms, conditions and limitations provided herein and in the Approved Master Plan, Tenant shall have the exclusive right to improve, develop, design, permit, construct and operate (collectively, "Develop," "Developed," or Development") the areas of the Premises designated in Exhibit Y attached hereto with the New Development – Phase I, as more particularly described in the definition of "New Development – Phase I."

Section 34.02 New Development – Future. Subject to the terms, conditions and limitations provided herein and the Approved Master Plan, Tenant shall have the exclusive right to further Develop portions of the Premises in the areas designated in Exhibit Y attached hereto, in addition to the portion of the Premises that is the subject of the New Development – Phase I, with buildings, structures and other improvements necessary or appropriate for any Permitted Use.

Section 34.03 New Development Construction in Multiple Phases. Tenant shall Develop the New Development and related Capital Improvements necessary to the operation of the New Development in multiple phases and parts in conformance with the Approved Master Plan. The Parties acknowledge that Tenant plans to enter into Subleases to permit and authorize Subtenants to Develop the New Development and related Capital Improvements.

Section 34.04 Conditions Precedent to Construction. Tenant shall have no right to Commence Construction unless and until each of the conditions set forth in this Section 34.04 (the "Construction Conditions") shall have been satisfied or waived in writing by the Authority. Tenant, at its own cost and expense, shall cause to be satisfied each of the Construction Conditions (other than a Construction Condition which the Authority in its sole discretion elects to waive). Tenant shall, from time to time upon the request of the Authority, promptly advise the Authority whether any Construction Condition identified in such request has been satisfied. Nothing herein shall require the Authority to expend any third party out-of-pocket costs or incur any liabilities of any kind or nature to facilitate the Development of the New Development (or any part thereof) or any related Capital Improvements. The Construction Conditions are:

(a) All New Development - Development Approvals (as described in the Approved Master Plan or amendment thereto submitted to and approved by the Authority pursuant to this Section 34) shall have been obtained and shall be in full force and effect, and all applicable appeal periods shall have expired without an appeal being filed, or, if an appeal has been filed, that such appeal has been decided by issuance of a final non-appealable order or decision by a court of competent jurisdiction upholding and affirming the validity of the New Development - Development Approval(s) that is the subject of such appeal and/or if any such appeal period has not expired, such pending appeal cannot, in the reasonable judgment of the Authority, be resolved in a manner preventing Development of the New Development substantially in the manner contemplated by the New Development - Development Approvals, this Agreement or the Approved Master Plan.

(b) If and to the extent that any administrative proceeding or other proceeding, action, hearing or determination described in this Section 34.04(b) is not subsumed by the Construction Condition described in Section 34.04(a), (A) any such administrative proceeding which is required in order to carry out Development of the New Development shall have been completed, and all such other actions, hearings, proceedings or determinations required to be taken, held and/or rendered, as the case may be, by the NJDEP and/or any other Governmental Authority in order for the New Development to be Developed in the manner contemplated by the Approved Master Plan and this Agreement shall have been undertaken and completed and a favorable determination rendered so as to permit Development of the New Development and the related Capital Improvements, as reflected in such Approved Master Plan and this Agreement, (B) order(s), finding(s) and/or resolution(s), as applicable, shall have been issued by an appropriate Governmental Authority, such order(s), finding(s) and/or resolution(s) determining that the New Development proposed to be Developed complies with or is consistent with all planning, land use and/or environmental requirements applicable to the Premises, and (C) such order(s), finding(s) and/or resolution(s) evidencing such Governmental Approvals shall be in full force and effect and all applicable appeal periods shall have expired without an appeal being filed, or, if an appeal has been filed, that such appeal has been decided by issuance of a non-appealable order or decision of a court of competent jurisdiction upholding and affirming the validity of the order(s), finding(s) or resolution(s) that is the subject of such appeal or if any such appeal has not been decided, such pending appeal cannot, in the reasonable judgment of Authority, be resolved in a manner preventing or materially affecting the Development of the New Development substantially in the manner contemplated by the New Development - Development Approvals, this Agreement or the Approved Master Plan.

(c) An Approved Master Plan that permits Development of the New Development (or part thereof) shall have been approved by the Authority and the resolution evidencing such approval shall be in full force and effect and all applicable appeal periods shall have expired without an appeal being filed, or, if an appeal has been filed, that such appeal has been decided by issuance of a non-appealable order or decision of a court of competent jurisdiction upholding and affirming the validity of the resolution that is the subject of such appeal or if such appeal has not been decided, such pending appeal cannot, in the reasonable judgment of Authority, be resolved in a manner preventing or materially affecting Development of the New Development substantially in the manner contemplated by the New Development - Development Approvals, this Agreement or such Approved Master Plan.

(d) All easements, rights of access, licenses and other rights and/or the termination or modification of existing easements, rights of access, licenses and other rights required in order to permit the Development of the New Development (or part thereof) in the manner contemplated by this Agreement, the Approved Master Plan and the New Development - Development Approvals shall have been obtained and shall be in full force and effect and such easements, rights of access, licenses and other rights and/or modifications or terminations shall be in form and content reasonably acceptable to Authority.

(e) No action, suit, proceeding or governmental investigation shall be pending or threatened against Tenant, the Authority, the Premises or the proposed New Development (and no unexpired right shall exist to appeal from previously issued decisions, orders or injunctions binding on Tenant, the Authority, the Premises or the New Development) which challenges the validity of this Agreement and/or the legal right and power of Tenant or the Authority to enter into same or to carry out the transactions contemplated herein with respect to the Premises and/or the proposed New Development.

(f) Tenant shall have provided the Authority with (i) copies of the executed sublease(s) with Tenant's developer(s) of the New Development (or part thereof), (ii) evidence that the Tenant (or its developer(s)) have sufficient available funds to complete the New Development (or part thereof) in accordance with the Approved Master Plan and Construction Schedule, (iii) detailed financial proformas showing the Tenant's development budget and the anticipated revenues from the New Development, (iv) copies of the principal documents relating to the hotel and entertainment components of the New Development, including any sublease, development agreement, management agreement or franchise agreement, and (v) a Construction Schedule, all in form and content reasonably acceptable to the Authority.

Section 34.05 Failure of Construction Conditions. As to the New Development – Phase I Residential, if any Construction Condition has not been satisfied or waived in accordance with the provisions of Section 34.04 hereof on or prior to December 31, 2025 (subject to extension as provided in this Section 34.05), and as to the other portions of New Development – Phase I and any New Development – Future, if any Construction Condition has not been satisfied or waived in accordance with the provisions of Section 34.04 hereof on or prior to the Commencement of Construction dates contemplated for the other portions of New Development – Phase I and New Development – Future, and so long as no Construction Dispute exists and is continuing in arbitration in accordance with the provisions of this Agreement, then the Authority may elect to terminate the Tenant's rights to Develop the New Development by delivery of written notice of

termination to Tenant, provided that such election (A) shall not be effective for a period of one hundred eighty (180) days following delivery of such termination notice to the Tenant, and (B) shall be deemed withdrawn and of no force and effect if, prior to the expiration of such one hundred eighty (180) day period, all such Construction Conditions are satisfied or waived by the Authority. Notwithstanding anything to the contrary contained in this Section 34.05, provided that Tenant in good faith and with best efforts is diligently pursuing the satisfaction of the Construction Conditions, the date set forth herein shall be reasonably extended for delays directly attributable to the Authority, the issuance of any New Development – Development Approvals, litigation and/or appeals and Force Majeure Events. Notwithstanding anything to the contrary, all dates set forth in this Section 34.05 shall be extended by the length of time in which the appeals contemplated in Section 34.04(a) and Section 34.04(b), if filed, are pending and not fully and finally adjudicated, or until the Authority determines that such pending appeal cannot, in the reasonable judgment of Authority, be resolved in a manner preventing or materially affecting the Development of the New Development substantially in the manner contemplated by the New Development - Development Approvals, this Agreement or the Approved Master Plan (collectively, the "Appeals Period").

Section 34.06 Procedures Governing Review and Approval of Master Plan.

(a) General; Approved Master Plan. (i) Tenant shall Develop the New Development in a manner that complies with Legal Requirements, and as shall permit Tenant to proceed with the Development of the New Development in a timely, cost-effective and efficient manner in accordance with this Agreement.

(ii) In order to proceed with the development of a mutually acceptable design and site plan for, and the Development of the New Development, the Parties have established the procedures set forth below for the preparation of a master plan for the New Development (the "Master Plan") by Tenant for submittal to and review and approval by the Authority.

(b) Purpose of the Master Plan. (i) Subject to the terms and conditions of this Agreement, Tenant shall cause the New Development to be Developed in substantially the manner shown and described in the Approved Master Plan, as may be modified and supplemented from time to time to reflect changes in the New Development in accordance with the procedures in this Section 34.06, the New Development - Development Approvals, Legal Requirements and Insurance Requirements.

(ii) The Master Plan is intended to provide the Authority with sufficient reasonable information so as to enable the Authority to achieve its goals and prerogatives and to carry out its obligations with respect to the ownership of the Premises, while balancing the legitimate rights, obligations and prerogatives of Tenant under this Agreement. Subject to the provisions of this Agreement (and the exercise of any regulatory or similar powers granted to it by the Enabling Legislation), the Authority may exercise its rights and prerogatives in furtherance of its policy goals and contractual obligations in such manner as it determines subject to applicable Legal Requirements.

(c) Master Plan Requirements. The Master Plan shall address the proposed New Development and related Capital Improvements necessary to Develop the New Development. The required Master Plan information shall include the following, unless the Authority otherwise agrees:

(i) Reasonably detailed plans depicting existing rights-of-way and easements, as well as temporary and proposed rights-of-way and easements, and use of the wastewater and stormwater management systems.

(ii) Reasonably detailed plans noting the use, location, total gross floor area, plan area, setbacks, height and bulk of all existing and proposed structures within the New Development, including elevation drawings.

(iii) A reasonably detailed plan showing vehicular parking and loading areas and a layout of pedestrian and vehicular circulation patterns in relation to buildings and public facilities within the New Development.

(iv) Landscape plans reasonably sufficient to show general design concepts.

(v) Preliminary Plans and Specifications in reasonably sufficient detail to support New Development - Development Approvals applications.

(vi) Reasonably detailed preliminary design criteria to be followed for exterior building finishes. Such criteria shall address exterior architectural standards, including expectations as to acceptable materials, non-acceptable materials in highly-visible areas, fenestration requirements, required glazing, tints, etc. In addition, preliminary design criteria shall address amenities to be constructed for the convenience of the occupants of and invitees to the New Development.

(vii) A narrative and graphic description of the New Development, and related proposed Capital Improvements configuration, including spatial relationships of the buildings to each other, location of parking and service areas and the amount of landscaping to be provided in pedestrian courtyards, parking areas and around the buildings.

(viii) Reasonably detailed design criteria to be followed for exterior signage and preliminary criteria for graphics packages for exterior signage.

(ix) Reasonably detailed architectural design criteria to be followed with respect to each of the buildings and structures that comprise the New Development.

(x) Such additional documents as the Authority may request in connection with its review of the Master Plan, all in reasonable detail and consistent in form and substance with the terms of this Agreement.

To the extent any of the foregoing items (i) through (x) were not included in the Approved Master Plan for the New Development – Phase I, they shall be submitted by Tenant as Post-Approval Items.

(d) Procedures. (i) Master Plan Delivery. The conceptual Master Plan for the New Development – Phase I was previously submitted to the Authority and approved, as more specifically set forth in the definition of "Approved Master Plan." Tenant shall submit to the Authority a new Master Plan for any New Development – Future in accordance with the provisions of this Agreement.

(ii) Administrative and Technical Completeness. Within ten (10) Business Days of submission by Tenant of the Master Plan for any New Development - Future, the Master Plan will be reviewed by the Authority staff for administrative and technical completeness to determine that the Master Plan submitted complies with the requirements of this Agreement. If the Master Plan is deemed to be administratively and technically complete, the Authority will notify Tenant in writing within such ten (10) Business Day period. To the extent that the Master Plan is deemed to be administratively or technically incomplete, the Authority shall advise Tenant in writing, within ten (10) Business Days of the Authority's receipt of the Master Plan, such notice to set forth a detailed explanation of the deficiencies. In the event that the Master Plan is deemed to be administratively or technically incomplete, Tenant shall submit or resubmit such information as shall fully address the matters described in the Authority's deficiency notice. Thereafter, the Authority shall review such new information only (as opposed to additional review of previously submitted and accepted information) and shall complete such review of the Master Plan within ten (10) Business Days following such submittal, provided, however, that the Authority may notify Tenant prior to the end of the initial ten (10) Business Day period that the Authority requires an additional ten (10) Business Days to complete the review, and upon such notice, the relevant review period shall be extended by an additional ten (10) Business Days. The foregoing procedures shall be repeated until such time as the Master Plan is deemed to be administratively and technically complete. If the Authority fails to respond to a submission by Tenant within the applicable time period described in this Section 34.06(d)(ii) (subject to extension as provided herein) and such failure continues for three (3) Business Days after notice of such failure to the Authority (which notice shall include on the first page thereof, in bold capital letters, the following legend "**THE AUTHORITY'S FAILURE TO RESPOND TO THIS NOTICE WITHIN THREE (3) BUSINESS DAYS SHALL BE DEEMED THE AUTHORITY'S CONFIRMATION THAT THE MASTER PLAN DESCRIBED HEREIN IS ADMINISTRATIVELY AND TECHNICALLY COMPLETE**"), then the Authority shall be deemed to have determined the Master Plan described in such notice is administratively and technically complete.

(e) Review and Approval of Master Plan. (i) Within fifteen (15) Business Days after the Authority determines (or is deemed to have determined) that a Master Plan for any New Development - Future is administratively and technically complete, the staff of the Authority shall either (A) determine that it will recommend to the Authority's Board of Commissioners approval of the Master Plan or (B) disapprove the Master Plan; provided, however, that the Authority may notify Tenant prior to the end of the initial fifteen (15) Business Days period that the Authority requires an additional fifteen (15) Business Days to complete the review, and upon such Notice, the relevant review period shall be extended by an additional fifteen (15) Business Days. If the Authority staff disapproves the Master Plan, the Authority staff shall advise Tenant of such determination, in writing within such fifteen (15) Business Day period (as the same may be extended) ("Disapproval Notice"). The Disapproval Notice shall set forth a detailed explanation of the reasons for such disapproval. If the Authority staff

recommends approval of the Master Plan, such determination shall be evidenced by a written notice from the Authority delivered to Tenant within such fifteen (15) Business Day period (subject to extension as provided herein) (such notice, together with a Notice approving a Resubmitted Master Plan Information, a Post-Approval Item or any Resubmitted Post-Approval Item Information, is referred to herein as an "Approval Notice"). If the Authority fails to respond to a submission by Tenant within the applicable time period described in this Section 34.06(e)(i) and such failure continues for three (3) Business Days after notice of such failure to the Authority (which notice shall include on the first page thereof; in bold capital letters, the following legend "**THE AUTHORITY'S FAILURE TO RESPOND TO THIS NOTICE WITHIN THREE (3) BUSINESS DAYS SHALL BE DEEMED RECOMMENDED APPROVAL BY THE AUTHORITY OF THE PROPOSED MASTER PLAN**"), then the Authority shall be deemed to have recommended approval of the proposed Master Plan.

(ii) In the event that the Authority staff disapproves the Master Plan for any New Development - Future, Tenant shall prepare and submit to the Authority for its approval such additional information that addresses or responds to the deficiencies in the Master Plan and/or the reasons given by the Authority staff for its disapproval ("Resubmitted Master Plan Information") Tenant may, but shall not be required to, resubmit the Master Plan in its entirety in response to the Authority's Disapproval Notice or, alternatively, Tenant may submit responsive information only. In either event, the Authority shall only review the Resubmitted Master Plan Information, except to the extent that an element of the Master Plan that was not previously deficient is adversely affected thereby.

(iii) Following submittal of the Resubmitted Master Plan Information, the Authority staff shall, within fifteen (15) Business Days, either recommend approval of or disapprove the Resubmitted Master Plan Information and such determination shall be set forth in writing. If the Resubmitted Master Plan Information is recommended for approval, such determination shall be evidenced by an Approval Notice. If the Authority staff disapproves the Resubmitted Master Plan Information, the Parties shall follow the procedures set forth in this Section 34.06(e) until such time as the Authority approves such Resubmitted Master Plan Information and has issued an Approval Notice. If the Authority staff fails to approve or disapprove any Resubmitted Master Plan Information within the applicable time period described in this Section 34.06(e) and such failure continues for three (3) Business Days after notice of such failure to the Authority (which notice shall include on the first page thereof, in bold capital letters, the following legend "**THE AUTHORITY'S FAILURE TO RESPOND TO THIS NOTICE WITHIN THREE (3) BUSINESS DAYS SHALL BE DEEMED RECOMMENDED APPROVAL BY THE AUTHORITY OF THE RESUBMITTED MASTER PLAN INFORMATION DESCRIBED HEREIN**"), then the Authority staff shall be deemed to have recommended approval of the Resubmitted Master Plan Information described in such notice.

(iv) If the Authority determines that the scope of the Master Plan (whether initially or with respect to the Resubmitted Master Plan Information) creates a need for the Authority to seek outside consulting services, the time needed to secure such services shall not be included within the review periods set forth above, but shall be added thereto; provided, however, that such review period extension shall not exceed thirty (30) Business Days in the aggregate.

(v) The Parties acknowledge that the Master Plan and any Post-Approval Item that constitutes a Major Modification requires a vote of the Authority's Board of Commissioners. As such, following receipt of the Authority staff's recommendation and Approval Notice regarding the Master Plan or a Major Modification (or following deemed recommended approval thereof by the Authority's staff as described herein), as the case may be, the Authority's Board of Commissioners shall adopt or reject the staff recommendation within forty-five (45) days following issuance of the related Approval Notice to Tenant (or, if applicable, within forty-five (45) days following deemed approval thereof by the Authority's staff as described herein). The Master Plan or Major Modification shall not be deemed approved by the Authority until approved by the legally binding vote of a majority of the Authority's Board of Commissioners and the approval of the minutes of the Board meeting at which the approval is given by the Governor of the State.

(vi) Any Post-Approval Item that does not constitute a Major Modification shall not require action by the Authority's Board of Commissioners and shall be deemed to have been approved by the Authority as of the date of the related Approval Notice to Tenant from the Authority's President (or other authorized official) (or when deemed approved by the Authority's staff as described herein) or as of the date of approval determined in accordance with Section 34.06(f) below.

(f) Approval of Modifications to Master Plan. (i) After the Master Plan is approved, Tenant may request a modification of the Master Plan by submitting a revised Master Plan to the Authority (in its entirety or, at Tenant's option, by submission of one or more revisions to the Approved Master Plan). In its submittal for approval of a modification of the Approved Master Plan, Tenant shall (in the exercise of its reasonable discretion taking into account all relevant factors) characterize the proposed modification as either a Minor Modification or a Major Modification. Any dispute over the characterization of a modification shall be resolved by the Authority in its sole and exclusive judgement. Any proposed amendment or modification of the Approved Master Plan (whether constituting a Minor Modification or Major Modification) ("Post-Approval Items") shall be subject to the Authority's approval or disapproval, which shall not be unreasonably withheld, conditioned or delayed. The Authority shall follow the procedures set forth in this Section 34.06(f) in reviewing any Post-Approval Item (whether constituting a Minor Modification or a Major Modification). The Authority agrees to approve or disapprove any Post-Approval Items in writing to Tenant as soon as practicable but no later than within thirty (30) days (with respect to any Minor Modification) or sixty (60) days (with respect to any Major Modification) after receipt of such Post-Approval Item and all information that the Authority reasonably determines necessary to render an informed decision (the "Response Period"). If the Authority fails to approve or disapprove any Post-Approval Item within the applicable time period described in the preceding sentence and such failure continues for three (3) Business Days after notice of such failure to the Authority (which notice shall include on the first page thereof, in bold capital letters, the following legend "**THE AUTHORITY'S FAILURE TO RESPOND TO THIS NOTICE WITHIN THREE (3) BUSINESS DAYS SHALL BE DEEMED APPROVAL BY THE AUTHORITY OF THE POST-APPROVAL ITEM DESCRIBED HEREIN**"), then the Authority staff shall be deemed to have approved the Post-Approval Item described in such notice.

(ii) In the event that the Authority disapproves any Post-Approval Item, the Authority agrees to notify Tenant in writing setting forth (in reasonable detail) the reasons for such disapproval and thereafter, within five (5) days of such notice, the Authority shall confer (in person or by telephone) with Tenant to discuss the reasons for such response and how Tenant can address the Authority's concerns. Tenant shall thereafter prepare and submit to the Authority for its approval such additional information that addresses or responds to the stated deficiencies in the Post-Approval Item and/or the reasons given by the Authority for its disapproval of the Post-Approval Item ("Resubmitted Post-Approval Item Information"). Tenant may, but shall not be required to, resubmit the Post-Approval Item in its entirety in response to the Authority's Disapproval Notice or, alternatively, Tenant may submit responsive information only. In either event, the Authority shall only review the Resubmitted Post-Approval Item Information, except to the extent that an element of the Master Plan or any Post-Approval Item that was not previously deficient is adversely affected thereby. If the Authority fails promptly to approve or disapprove any Resubmitted Post-Approval Item Information and such failure continues for three (3) Business Days after notice of such failure to the Authority (which notice shall include on the first page thereof, in bold capital letters, the following legend "**THE AUTHORITY'S FAILURE TO RESPOND TO THIS NOTICE WITHIN THREE (3) BUSINESS DAYS SHALL BE DEEMED APPROVAL BY TEE AUTHORITY OF THE RESUBMITTED POST-APPROVAL ITEM INFORMATION DESCRIBED HEREIN**"), then the Authority staff shall be deemed to have approved the Resubmitted Post-Approval Item Information described in such notice.

(iii) Following submittal of the Resubmitted Post-Approval Item Information, the Authority shall either approve or disapprove same in accordance with the standards set forth in Section 34.06(g) hereof. If the Resubmitted Post-Approval Item Information is approved (as evidenced by an Approval Notice, or as deemed approved as described herein), then the Master Plan shall be deemed to have been approved by the Authority in its entirety as of the date of the Approval Notice (or as of such deemed approval, if applicable). If the Authority disapproves the Resubmitted Post-Approval Item Information, the Parties shall follow the procedures in this Section 34.06(f) until such time as the Authority approves (or is deemed to have approved) such Resubmitted Post-Approval Item Information; provided, however, if the Resubmitted Post-Approval Item Information is not approved within three (3) months following the original submittal by Tenant of the Post-Approval Item the dispute shall be resolved in accordance with the provisions of Article 30.07 (Construction Disputes) hereof. In any event, the Authority shall only review and have a right to disapprove the Resubmitted Post-Approval Item Information, except to the extent that an element of the Master Plan or any Post-Approval Item that was not previously deficient is adversely affected thereby.

(iv) The Parties shall use diligent and commercially reasonable efforts and endeavor in good faith to consult, cooperate and coordinate in an effort to streamline and expedite the approval of any Post-Approval Item.

(g) Standards of Review. (i) Master Plan Review. In connection with its review of the Master Plan or any Resubmitted Master Plan Information, the Authority may approve or disapprove such submittal in its discretion, utilizing the standards of review applied by the Superior Court of the State of New Jersey, Appellate Division, to the review of final

agency actions or determinations (i.e., arbitrary and capricious standard). Such standards shall be applied to take into consideration the consistency of or conformance of the Master Plan or the Resubmitted Master Plan Information to Permitted Uses as described in this Agreement.

(ii) Post-Approval Items.

Major Modifications. In connection with its review of a Post-Approval Item or any Resubmitted Post-Approval Item Information that constitutes a Major Modification, the Authority may approve or disapprove such submittal utilizing the same standards of review set forth in Section 34.06(g)(i) above, but applied to determine whether such Post-Approval Item or such Resubmitted Post-Approval Item Information is consistent with or conforms to the Approved Master Plan.

Minor Modifications. In connection with its review of a Post-Approval Item or any Resubmitted Post-Approval Item Information that constitutes or relates to, as the case may be, a Minor Modification, the Authority may approve or disapprove such submittal in the exercise of its reasonable discretion. The exercise of such reasonable discretion shall take into consideration the consistency of or conformance of such Post-Approval Item or such Resubmitted Post-Approval Item Information to the Approved Master Plan.

(h) Effect of Authority Approval. The review, comment, approval or acceptance by the or on behalf of the Authority of any documents, work, plans, budget, schedule or other matters (including, without limitation, the Master Plan) submitted for its review or approval is not a review for accuracy, constructability, compliance with Legal Requirements, cost efficiency or the like, and shall not constitute a representation, warranty or guaranty by the Authority as to the substance or quality of the documents, work, plans, budget, schedule or other matters reviewed, commented on, approved or accepted. At all times, Tenant shall use Tenant's judgment as to the accuracy and quality of all such documents, work and other matters. Unless the subject of a Construction Dispute for which arbitration is ongoing, the final written approval (including any approval with respect to a Major Modification) by the Authority of any matter submitted for the Authority's approval shall be final, binding and conclusive upon the Authority, and Tenant shall be entitled to rely upon the approval.

Section 34.07 New Development - Development Approvals.

(a) Authority Review. Tenant shall obtain the New Development - Development Approvals for Development of the New Development, in accordance with this Agreement. Procurement of the New Development - Development Approvals shall be at Tenant's sole cost and expense, although the Authority shall employ good faith, commercially reasonable efforts to assist Tenant in obtaining the New Development - Development Approvals, including without limitation its support for the New Development. Tenant shall timely prepare such necessary reports, studies, schematic documents, design development documents, and construction documents required for the issuance of the New Development - Development Approvals ("Development Approval Documents"). A copy of the relevant Development Approval Documents shall be promptly provided to the Authority as required by Section 34.07(c) below. If any Development Approval Document is presented to the Authority for signature because Tenant requests that the Authority execute as co-permittee, then, the

Authority shall provide its disapproval or signature to Tenant within five (5) Business Days of receipt of such Development Approval Document. The Authority shall not disapprove unless the Development Approval Document is inconsistent with the Approved Master Plan, and if the Authority disapproves based on the foregoing, it shall state its reasons therefor. The foregoing shall not limit or diminish the Authority's rights of review provided under Section 34.06 hereof with respect to modifications of the Approved Master Plan. In the event that the Authority fails to provide its Approval, disapproval or signature within such period, such Approval shall be deemed to have been granted and Tenant may (to the extent that the Authority's signature is not required as a condition of such submittal) submit such documentation to the appropriate regulatory agency without Authority comment or Approval. In the event that the Authority's signature is required as a condition to such submittal, the Authority hereby consents to the submission of such documentation and shall execute the appropriate application or submittal documentation, notwithstanding that the Authority has failed to provide its Approval, disapproval or signature within the applicable review period (and such consent shall be equally applicable to any resubmission, as herein contemplated, if the Authority fails to provide its Approval, disapproval or signature within the applicable review period). Upon any resubmission of Development Approval Documents, the Authority shall review only those elements of the Development Approval Documents that the Authority has not previously reviewed. All submissions and responses hereunder shall be made through the respective Designated Representatives of the Authority and Tenant.

(b) No Warranty. The review, comment, approval or acceptance by the or on behalf of the Authority of any documents, work, plans, budget, schedule or other matters (including, without limitation, any Development Approval Document) submitted for its review or approval is not a review for accuracy, constructability, compliance with Legal Requirements, cost efficiency or the like, and shall not constitute a representation, warranty or guaranty by the Authority as to the substance or quality of the documents, work, plans, budget, schedule or other matters reviewed, commented on, approved or accepted. At all times Tenant shall use its own judgment as to the accuracy and quality of all such documents, work and other matters.

(c) Copies of Submissions. Tenant and the Authority shall each provide to the other Party a complete copy of each and every application for New Development - Development Approvals submitted by Tenant or the Authority, as the case may be, to Governmental Bodies, which copy shall be provided substantially at the same time as those applications are submitted to those agencies.

(d) Cooperation with Governmental Officials. In connection with obtaining the New Development - Development Approvals, Tenant shall cooperate with all Governmental Bodies, including but not limited to the NJDEP.

(e) Authority Cooperation. The Authority shall use diligent and commercially reasonable efforts to cooperate with Tenant in obtaining the New Development - Development Approvals and, to the extent reasonably requested by Tenant shall join in applications for the New Development - Development Approvals unless the Authority has a reasonable basis for refusing to join; provided, however, that (i) the Authority shall not be required to incur any cost or expense in joining in such applications absent Tenant's agreement to reimburse the Authority for the Authority's costs or expenses, and (ii) the Authority shall not be required to take any

action that, in the judgment of the Authority, constitutes an ultra vires act or will cause a breach or default under any other agreement.

(f) Subtenant. The Authority acknowledges that the covenants and obligations of Tenant under this Section 34.07 may be undertaken and satisfied directly by a Subtenant in accordance with the terms of a Sublease.

ARTICLE 35

CONSTRUCTION OF NEW DEVELOPMENT

Section 35.01 New Development Construction.

(a) Construction. Following satisfaction or waiver of the Construction Conditions, Tenant shall, at Tenant's sole cost and expense, construct the New Development and any and all Capital Improvements which are necessary to complete the New Development or any portion thereof; provided that (i) upon Commencement of Construction of the New Development, no Tenant Event of Default shall then exist, and (ii) the New Development and all Capital Improvements related thereto shall be constructed in accordance with the Construction Schedule, the terms of this Agreement, the Approved Master Plan, Legal Requirements and the New Development - Development Approvals. All costs and expenses of construction of the New Development and any related Capital Improvements and all other costs and expenses related thereto, including without limitation, (i) costs to secure any necessary permit or approval, (ii) costs to comply with conditions of permits and approvals, (iii) costs to comply with other requirements of any Governmental Authority, and (iv) all charges for public and private utilities, including all sewer-related fees, gas, electricity, power and telephone and other communication services, shall be borne solely by Tenant.

(b) Relocation and/or Construction of Utility Facilities. Tenant shall, to the extent approved in the Approved Master Plan, at its sole cost and expense, relocate existing utility infrastructure facilities and/or construct new infrastructure improvements in preparation for Commencement of Construction of the New Development ("Preliminary Utility Construction"), provided that (i) Tenant has obtained such Governmental Approvals as are required to engage in such Preliminary Utility Construction and Tenant otherwise complies with applicable Legal Requirements in connection therewith, (ii) Tenant provides insurance coverage with respect to such Preliminary Utility Construction in accordance with Section 35.09 hereof, (iii) the Authority shall have approved the plans and specifications for the Preliminary Utility Construction, (iv) such Preliminary Utility Construction is performed in a manner which is consistent, with the Approved Master Plan, and (v) such Preliminary Utility Construction does not violate the terms of any existing Authority agreements. Tenant shall have the right, subject to the approval of the Authority, in connection with any Preliminary Utility Construction, to cause any utilities that will be used in connection with the construction of the New Development to be separately metered. Prior to the commencement of any Preliminary Utility Construction, Tenant shall provide Plans and Specifications therefor to the Authority for its review and approval in accordance with the provisions of Section 34 and this Section 35.

(c) Commencement of Construction and Completion Dates.

(i) Unless the Authority fails to provide the required actions contemplated hereunder as a condition precedent to Commencement of Construction, and the Authority has no basis under this Agreement to refrain from taking such action, Tenant (itself or through its Subtenants) must: (A) Commence Construction of one or more parts of the New Development – Phase I within twelve (12) calendar months of the satisfaction of the Construction Conditions applicable to the New Development – Phase I Residential; (B) Commence Construction of all of the remaining parts of the New Development – Phase I within thirty-six (36) months (or forty-eight (48) months for the hotel component) of the satisfaction of the Construction Conditions referred to in subpart (A) above; (C) Commence Construction of one or more parts of the New Development – Future within forty-eight (48) months of the satisfaction of the Construction Conditions referred to in subpart (A) above; and (D) Commence Construction of all of the parts of the New Development – Future within sixty (60) months of the satisfaction of the Construction Conditions referred to in subpart (A) above.

(ii) Unless the Authority fails to provide the required actions contemplated hereunder as a condition precedent to Completion of the New Development (or any part thereof), and the Authority has no basis under this Agreement to refrain from taking such action, Tenant (itself or through its Subtenants) shall use its reasonable, good faith efforts to achieve Completion of any applicable parts or phases of the New Development that have satisfied the Construction Conditions within thirty (30) months after the date of the Commencement of Construction of such part or phase, provided, however, that Tenant must achieve Completion of the New Development, in its entirety, prior to the tenth (10^{th}) anniversary of the Effective Date, provided, further, that if on said tenth (10^{th}) anniversary Tenant has not achieved Completion of the New Development in its entirety, but has secured financing for, and in good faith and with best efforts is diligently in the process of constructing the last remaining part of the New Development, the Authority agrees to Approve a reasonable extension of said tenth (10^{th}) anniversary date to allow completion of said last remaining part of the New Development.

(iii) If any of the above deadlines to Commence Construction or Completion of the New Development have not been satisfied or waived by the Authority prior to such deadline, and so long as no Construction Dispute exists and is continuing in arbitration in accordance with the provisions of this Agreement, then the Authority may elect to terminate the Tenant's rights to Develop the New Development, in its entirety, or any part or phase thereof, by delivery of written notice of termination to Tenant, provided that such election (A) shall not be effective for a period of one hundred eighty (180) days following delivery of such termination notice to the Tenant, (B) shall be deemed withdrawn and of no force and effect if, prior to the expiration of such one hundred eighty (180) day period, Tenant (or a Subtenant) has Commenced Construction or Completed the applicable part or phase of the New Development, and (C) shall not apply to any part (but not the entire phase) of the New Development that is subject to a Sublease that has been approved by the Authority. Notwithstanding anything to the contrary contained in this Section 35.01(iii), provided that Tenant or Subtenant, as applicable, in good faith and with best efforts is diligently pursuing to Commence Construction of the relevant part or phase of the New Development, the deadlines set forth above shall be reasonably extended for delays directly attributable to the Authority, the issuance of any New Development – Development Approvals, litigation, any Appeals Period (which has not already been taken into account under Section 34.05 or elsewhere in this Agreement), and Force Majeure Events

Section 35.02 Project Professionals; Plans and Specifications. Tenant shall select and negotiate contracts with, and shall supervise and coordinate the services of, all architects, engineers, land planners and other experts and consultants (collectively, the "Project Professionals") necessary to provide architectural, engineering, land planning and other services for the Development of the New Development and any related Capital Improvements, including the preparation by such Project Professionals of detailed plans, specifications and drawings for the New Development and any related Capital Improvements (such plans, specifications and drawings, being herein collectively referred to as the "Plans and Specifications"). The Plans and Specifications shall materially conform to and comply with the Approved Master Plan and Legal Requirements.

Section 35.03 Authority's Construction Representative. The Authority shall appoint, and at all times during the Construction Period shall maintain, a qualified construction consultant as the Authority's Construction Representative to review and inspect the work performed by Tenant and advise the Authority in connection therewith (the "Authority's Construction Representative"). The Authority hereby initially appoints John Duffy, Vice President of Engineering, as the Authority's Construction Representative, subject to the Authority's right to substitute same in its sole discretion.

Section 35.04 Review of Plans and Specifications. Tenant shall consult with the Authority with respect to the design and construction of the New Development and any related Capital Improvements, and shall provide the Authority with copies of Plans and Specifications from time to time as and when available for its review, such review to be carried out in accordance with the provisions of this Section 35. Tenant shall review any comments received from the Authority and shall incorporate the Authority's comments and proposed changes to the extent necessary to cause the Plans and Specifications to conform to the Approved Master Plan and applicable Legal Requirements. To the extent that Tenant elects not to incorporate into the Plans and Specifications modifications proposed by the Authority, Tenant shall provide a written explanation to the Authority as to the reasons that such proposed modifications are not to be so incorporated. Further, in such event, Tenant shall confer with the Authority to determine whether the Authority's proposed modifications could be incorporated in some other fashion such that the adverse effects anticipated by Tenant are minimized or avoided.

Section 35.05 Timing of Review. The Authority and Tenant acknowledge and agree that the scope and volume of certain Plans and Specifications to be made available to the Authority for review and comment hereunder are substantial and varied, so that it may not be possible for the Authority to review and comment on such Plans and Specifications within five (5) Business Days. At the time Tenant delivers any Plans and Specifications to the Authority for review hereunder, Tenant shall simultaneously set forth in writing a requested response date if other than five (5) Business Days, stating with specificity any significant dates or events for the approval of the Authority is required or desirable including, without limitation, hearing dates, expiration of appeal periods or similar matters designated in the Construction Schedule. The Authority shall exercise diligent and commercially reasonable efforts to complete the review and deliver written comments to Tenant prior to the expiration of any such period. Tenant shall deliver all documents and materials to the Authority at such times, in such a manner and in such detail as to permit the Authority to undertake a thorough review consistent with its obligations hereunder. Upon the reasonable request of the Authority, Tenant shall furnish such additional

plans, specifications, documents, reports, studies or information as the Authority shall reasonably require in evaluating the Plans and Specifications. In the event that the Authority fails to provide Tenant with its comments within the identified time for its review and comments, then Tenant may submit such Plans and Specifications and any related documents to the appropriate regulatory agency without the Authority's comments; provided, however, that in such event, nothing herein shall be construed to prohibit the Authority from subsequently providing comments to the Governmental Body having competent jurisdiction for issuance of such New Development - Development Approvals to the extent the documents submitted in support of such New Development - Development Approvals are inconsistent with the Approved Master Plan. The Authority acknowledges that prompt responses to matters submitted for its review, comment or, to the extent applicable, its Approval during the Construction Period are necessary to maintain the Construction Schedule. For that reason, the Authority will not unreasonably withhold, condition or delay its review or, to the extent applicable, its Approval of any such construction-related matter submitted to the Authority during the Construction Period. If the Authority has not responded to Tenant's request for review or, to the extent applicable, Approval within five (5) Business Days following the date that Tenant has requested such review, comment or, to the extent applicable, Approval in writing, and provided the Authority with copies of the applicable materials reasonably required or related thereto, Tenant may give the Authority's Construction Representative written notice of such failure to respond. If the Authority does not give Tenant written notice objecting to the matter in question within five (5) Business Days after the date Tenant gives this notice (which notice shall state that the Authority's failure to respond within such five (5) Business Days shall be deemed Approval of the Authority), the Authority's review or, if applicable, Approval, of the matter in question shall be deemed given. The foregoing shall not limit or diminish the Authority's rights of review provided under Section 34 hereof with respect to modifications to the Approved Master Plan.

Section 35.06 Notice of Commencement of Construction. At least thirty (30) days prior to the Commencement of Construction of the New Development (or any part thereof) or any related Capital Improvement for which a Construction Schedule has not been provided to the Authority, Tenant shall provide written notice to the Authority of its intent to Commence Construction (the thirty-day period following such notice, the "Construction Notice Period"). On or prior to the last day of the Construction Notice Period, the Authority shall review any updates to the Plans and Specifications and such other documents as the Authority may reasonably request to confirm that construction of the New Development or related Capital Improvement, as applicable, is consistent with this Agreement and the Approved Master Plan. Unless the Authority provides written notice to Tenant at least ten (10) Business Days prior to the last day of the Construction Notice Period that an inconsistency exists and the Authority has determined that construction cannot commence, and provided that no Event of Default shall have occurred and be continuing, Tenant may Commence Construction at the end of the Construction Notice Period.

Section 35.07 Compliance with Master Plan and New Development - Development Approvals. The New Development and any Capital Improvements shall be constructed in the manner and at the locations shown and described, as applicable, (i) in the Approved Master Plan or any Approved Post-Approval Item, (ii) the New Development - Development Approvals, and (iii) the Plans and Specifications provided to the Authority.

Section 35.08 Certificate of Completion of Construction.

(a) Promptly after (i) completion of construction of the New Development, other than Punchlist Items, if any, and (ii) issuance of a Certificate of Occupancy for the New Development by an appropriate Governmental Body (or such similar or equivalent written determination issued by DCA), Tenant shall provide written notice thereof to the Authority together with a certification to the Authority by Tenant stating that the New Development has been substantially completed in accordance with (x) the Approved Master Plan or any Approved Post-Approval Item, (y) the New Development - Development Approvals, and (z) the Plans and Specifications provided to the Authority. Following receipt of such notice from Tenant, the Authority shall (following inspection by the Authority, to the extent necessary, as determined by the Authority, in its reasonable discretion, but for the sole purpose of ensuring that Tenant has satisfied the criteria set forth in clauses (i) and (ii) above inclusive, which unless the Authority determines the Tenant shall have failed to meet, the Authority shall have no discretion in issuing the following) issue to Tenant a certificate in recordable form certifying that Tenant has fulfilled its obligation to complete the New Development in accordance with the terms of this Agreement (a "Certificate of Completion"). The Authority shall respond to Tenant's written request for a Certificate of Completion within thirty (30) days by issuing either a Certificate of Completion or a written statement detailing the manner in which the New Development does not conform to this Agreement or has not been satisfactorily completed, and also stating the measures which must be taken by Tenant in order to obtain the Certificate of Completion. Tenant may resubmit a written request for a Certificate of Completion upon completion of such measures. The Authority shall not be obligated to undertake the inspection required under this Section 35.08 or provide such Certificate of Completion if it has a reasonable basis to believe that completion of the New Development has not occurred. In such case, the Authority shall provide Tenant with written notice thereof setting forth, at a minimum, the basis for such determination. A Certificate of Completion may be issued for the New Development and shall be addressed to Tenant. Any dispute under this Section 35.08 shall be subject to resolution in accordance with Article 30.07 (Construction Disputes).

(b) A Certificate of Completion issued pursuant to Section 35.08(a) hereof shall not constitute a representation or warranty of the Authority for any purpose. All the terms and conditions of this Agreement and all representations, agreements and covenants contained herein shall survive the issuance of a Certificate of Completion and will continue to remain in full force and effect. The issuance of the Certificate of Completion shall not be construed as a waiver by the Authority of any of its rights and remedies under this Agreement or a waiver of any concealed issues or other issues discovered after the issuance of a Certificate of Completion.

Section 35.09 Tenant's Insurance-Obligations During the Construction Period.

(a) Without limiting the Tenant's obligations to provide insurance in accordance with Article 9 and Section 16.06 hereof, at all times during the Construction Period, Tenant and its Contractors shall maintain or cause to be maintained, the following kinds and the following amounts of insurance:

(i) Commercial General Liability (CGL) in an amount not less than $2,000,000 per occurrence. The policy shall cover liability arising from the New Development, operations, independent contractors, personal injury and advertising injury and liability assumed under an insured contract including, but not limited to, this Agreement. If the policy contains a

pollution exclusion, Tenant and its Contractors shall maintain or cause its general contractor to maintain a separate pollution legal liability policy in such amount covering clean-up costs, bodily injury and property damage.

(ii) Automobile liability insurance for all owned, non-owned and hired vehicles insuring against bodily injury, including death, and property damage in an amount not less than $1,000,000 per occurrence.

(iii) Umbrella and/or Excess Liability insurance sufficient to provide total liability limits of $50,000,000 for General Liability, Auto Liability and Employer's Liability. The coverage of the excess liability policy shall follow the form or otherwise correspond to the form of the primary policy.

(iv) Statutory Worker's Compensation coverage including Employer's Liability limits of not less than $1,000,000 each accident for bodily injury by accident and $1,000,000 per employee for bodily injury by disease.

(v) Builder's Risk insurance covering the Improvements in an amount not less than the full completed value of the New Development. The policy shall be written on an "All Risk" form and provide coverage for the perils of Flood and Earthquake, separately in an aggregate amount not less than $25,000,000. The policy shall include, coverage for debris removal, demolition and increased cost of construction, interruption by civil or military authority and ingress/egress.

(vi) Boiler & Machinery insurance covering all boilers and mechanical equipment when connected and ready for use and following electrical, hydrostatic, pneumatic or gas pressure acceptance tests, in an amount not less than $25,000,000.

(vii) Owners Protective Professional Indemnity insurance with a minimum limit of $4,000,000 for each claim and annual aggregate applicable solely to the New Development. The policy shall be endorsed to provide for an extended reporting period on claims for three (3) years past the relevant Completion Date and shall include the Authority Indemnified Parties as additional insureds. Tenant shall also furnish (or cause to be furnished) to the Authority evidence reasonably satisfactory to the Authority that any Project Professional with whom it has contracted for the design of the New Development carries errors and omissions insurance, with a minimum limit of $1,000,000 for each claim and annual aggregate. Tenant will not include in any agreement with any Project Professional any provision which would limit the coverage available to the Authority and the additional insureds under the insurance required under this paragraph. Tenant will obtain the approval of the carrier providing such insurance of any agreement with a Project Professional.

(b) All insurance shall be taken out and maintained with generally recognized responsible insurance companies qualified to do business in the State of New Jersey, shall at all times be subject to the approval of the Authority and shall be written with deductible amounts comparable to those on similar policies by other businesses of like size and character. Upon request by the Authority, Tenant or the Contractor shall provide the Authority with copies of all insurance policies. Each insurance policy shall name the Authority as an additional insured by endorsement, with reasonable and customary evidence thereof provided to the Authority. Tenant and each Contractor shall not permit any condition to exist with respect to the Premises which would wholly or partially invalidate the insurance thereon. Each policy shall contain an

undertaking by the insurer that such policy shall not be modified adversely to the interest of the Authority or cancelled without at least thirty (30) days' prior notice to the Authority. All insurance hereunder shall be primary insurance and the insurer shall be liable for the full amount of the loss without any right of contribution of any insurance coverage held by the Authority. Tenant and each Contractor shall include a waiver of subrogation clause in each of its insurance policies, and agrees to such waivers and releases for the benefit of the Authority.

Section 35.10 Completion Guaranty. Prior to the Commencement of Construction of the New Development (or any part thereof), Tenant, or a Subtenant, or an Affiliate of the Subtenant or any majority member, partner or shareholder thereof, shall obtain from its major Contractors payment and performance bonds (or Subcontractor Default Insurance) from the Contractors in an amount not less than one hundred percent (100%) of the contract price for the Development in question, in form Approved in advance by the Authority, and issued by surety companies Approved in advance by the Authority, and naming the Authority as a dual obligee; provided, however, that as an alternative, Tenant may procure, or a Subtenant may procure, or an Affiliate of the Subtenant or any majority member, partner or shareholder thereof, may procure, for the benefit of the Authority, in a form Approved in advance by the Authority, a guaranty of Completion of Construction, which form the Authority acknowledges may be substantially in the same form required by the construction lender(s).

Section 35.11 Termination of Development Rights For Foreclosure. If any part of the New Development has been foreclosed or is the subject of a deed-in-lieu of foreclosure or conveyance in a bankruptcy proceeding, then the Authority may elect to terminate the Tenant's rights to Develop the New Development by delivery of written notice of termination to Tenant, provided that such election does not apply to any parts or phases of the New Development that are subject to a Sublease that has been Approved by the Authority pursuant to Section 34.04(f).

[Signatures on following page]

IN WITNESS WHEREOF, the Authority and Tenant have executed this Agreement as of the day and year first above written.

AUTHORITY:	**TENANT:**
NEW JERSEY SPORTS AND EXPOSITION AUTHORITY	DARBY DEVELOPMENT LLC
By:_____	By:_____
Name:	Name:
Title:	Title:

EXECUTIVE SESSION

RESOLUTION 2024-55

RESOLUTION AUTHORIZING THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO CONDUCT A MEETING TO WHICH THE GENERAL PUBLIC SHALL NOT BE ADMITTED

WHEREAS, the Open Public Meetings Act, NJSA 10:4-12 (b), permits the holding of closed sessions by public bodies in certain circumstances; and

WHEREAS, the New Jersey Sports and Exposition Authority (NJSEA) is of the opinion that those circumstances presently exist.

BE IT RESOLVED by the New Jersey Sports and Exposition authority ("Authority') that it shall conduct a meeting to which the general public shall not be admitted to discuss:

- Legal Counsel regarding Monmouth Park Redevelopment Project

This resolution shall become effective immediately.

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Sports and Exposition Authority at their meeting of January 18, 2024.

Christine Sanz
Secretary