

**MEMORANDUM OF UNDERSTANDING
AMONG
BUFFALO BILLS, INC.
ERIE COUNTY STADIUM CORPORATION
AND
COUNTY OF ERIE**

This memorandum, which is entered into this 21st day of December, 2012 among Buffalo Bills, Inc. (the “Bills”), County of Erie (the “County”), and the New York State Urban Development Corporation d/b/a Empire State Development, the sole shareholder of Erie County Stadium Corporation (“ECSC”), sets forth the principal understandings of the parties and the actions planned by each regarding improvements to be made to, and a new lease for the use of, the County's professional football stadium known as Ralph Wilson Stadium and located in Orchard Park, New York (the “Stadium”).

I. INTRODUCTION

A. It is the desire of the Bills, the County, ECSC, the State of New York (the “State”) and the numerous fans of the Buffalo Bills, that the National Football League (“NFL”) franchise known as the Buffalo Bills (the “Team”), remain in Erie County.

B. The Team has been an important part of New York for more than 52 years, having entered the American Football League in 1960. The Team brings pride, distinction, and a sense of community to New York.

C. The County leases the Stadium Complex, which includes the Stadium, to ECSC pursuant to a Master Lease dated as of August 1, 1998. ECSC in turn subleases the Stadium Complex to the Bills pursuant to a Stadium Lease dated as of August 1, 1998, the term of which expires on July 30, 2013 (as amended, the “1998 Stadium Lease”).

D. The Stadium turns forty years old this lease year. The parties entered into a series of agreements in 1998 leading to a renovation of the Stadium Complex that extended its structural and economic useful life. At forty years old many of the elements of the Stadium are dated and do not function adequately to serve the public's interest in today's marketplace. A broad based renovation that refurbishes virtually all areas of the Stadium, improves the ingress, egress and circulation around the Stadium and updates the technological elements of the Stadium Complex are necessary for it to conform to the accepted standards of an NFL franchise.

E. In connection with the foregoing, the Bills have, directly or indirectly, retained the services of (i) the architectural firm Populous® to prepare a master plan for the Stadium Complex, (ii) the construction firms Mortenson and LPCiminelli Inc. to evaluate the construction and project delivery methods, costs and calendar to carry out the master plan, (iii) the design firms DiDonato Associates, Kideney Architects, P.C., and Carmina Wood Morris, P.C. to advance the specific designs of certain elements of the

master plan and (iv) certain other third parties ((i) through (iv) collectively, the "Project Team") in connection with the provision of certain pre-construction services related to architectural, design, engineering, surveying, environmental, code compliance, ADA compliance and construction planning (collectively, the "Pre-Construction Work") relative to the planned improvements to the Stadium described in the attached Schedule A (the "Improvements").

F. The Improvements are expected to further extend the structural and economic life of the Stadium and support the continued use of it as the home field for the Team.

G. The parties hereto are engaged in negotiations in connection with a new Stadium lease between the Bills and ECSC with respect to the Bills' use of the Stadium to play its NFL home games (the "2013 Stadium Lease"), such 2013 Stadium Lease to include the terms and conditions set forth in this Memorandum of Understanding.

H. All capitalized or defined terms herein shall have the same meaning ascribed to them in the 1998 Stadium Lease unless otherwise modified herein.

II. OBLIGATION OF THE BILLS TO REMAIN IN BUFFALO

Except as otherwise provided in this paragraph, the 2013 Stadium Lease will be non-terminable for its entire ten-year term and will not be subject to a buyout right. The Bills will be subject to specific performance rights and covenants in favor of the State, ECSC and the County pursuant to a Non-Relocation Agreement among the Bills, the County, ECSC and the State, which is attached hereto and incorporated herein as Exhibit 1 (the "Non-Relocation Agreement"). In the event injunctive relief is not granted or available to the County, ECSC or the State for a breach of the Non-Relocation Agreement during the term of the 2013 Stadium Lease, the Bills will be subject to liquidated damages in the amount of \$400,000,000. The Bills will have a one-time option to terminate the 2013 Stadium Lease and the Non-Relocation Agreement on the seventh anniversary of the 2013 Stadium Lease, upon notice to ECSC and the County and payment of a termination fee of \$28,363,500. Notwithstanding anything to the contrary contained herein, the Non-Relocation Agreement shall be of no force or effect should the 2013 Stadium Lease be properly terminated in accordance with its terms, including in the case of the exercise by the Bills of their one-time termination right as set forth above, or any other termination right or termination remedy available to the Bills under the 2013 Stadium Lease.

III. 2013 STADIUM LEASE TERM

A. The Bills currently occupy the Stadium pursuant to the 1998 Stadium Lease. Because the 1998 Stadium Lease expires on July 30, 2013, ECSC and the County wish to secure the commitment of the Bills to continue to present the Team's NFL contests at the Stadium and the Bills wish to secure certain Improvements to the Stadium and certain changes in the terms of the 1998 Stadium Lease that shall be contained in the

2013 Stadium Lease.

B. The parties intend to negotiate and execute the 2013 Stadium Lease for the use of the Stadium by the Team for a ten (10) year term beginning on July 31, 2013 on the terms and conditions outlined herein.

IV. STADIUM IMPROVEMENTS

A. Prior to the execution of the 2013 Stadium Lease, the Bills have entered, or will enter, into contracts directly with members of the Project Team to perform the Pre-Construction Work. The costs incurred prior to the execution of the 2013 Stadium Lease: (i) are included in the Project Budget described below; (ii) shall be subject to the approval of ECSC and the County (such approvals not to be unreasonably withheld); and (iii) shall, to the extent paid directly by the Bills, be treated as a credit towards the contribution that the Bills will be required to make to fund its portion of the cost of the Improvements, as further specified below in IV(B).

B. The cost of constructing the Improvements, including Pre-Construction Work, additional design, engineering, management, bond and other soft costs and the Project Contingency Reserve referenced below, but excluding any interest expense which will be the separate obligation of each party in addition to their obligations herein, is estimated to be \$130,000,000 (the "Project Budget"). The allocation of the Project Budget amongst the various Improvements and the scope of those Improvements is specifically set forth on Schedule A attached hereto. The parties shall contribute capital, pursuant to a payment schedule to be set forth in the 2013 Construction Coordinating Agreement (as defined below), to pay for work put in place toward completion of the Improvements, pro-rata to their share of the investment which is agreed to be as follows:

Bills:	\$35,455,000
ECSC & County:	\$94,545,000

The parties agree to perform a cost segregation study, at the expense of the Bills, in connection with the construction of the Improvements (the "Study"). The Study shall identify the qualifying personal property assets included in the Improvements. The parties agree that (i) the qualifying personal property assets shall be allocated to the Bills, to the extent of the Bills' contribution, and (ii) the cost of the Improvements classified as land shall be allocated to the County and ECSC; provided, however, that the foregoing allocations shall be effective only to the extent that the County receives an opinion from its bond counsel that such allocations will not adversely affect the exclusion from gross income of any outstanding tax-exempt bond of the County and will not jeopardize the County's ability to issue tax-exempt bonds to finance its share of the Improvements. To the extent that the County's bond counsel is unable to give such opinions, the County, ECSC and the Bills shall mutually agree to alternative allocations.

C. Upon execution of the 2013 Stadium Lease, Non-Relocation Agreement and other related documents including a new master lease and new construction

coordination agreement (the "2013 Construction Coordinating Agreement"), the Bills, County and ECSC will, pursuant to terms set forth in such 2013 Construction Coordinating Agreement, make their pro rata shares of funding available to a disbursement account to fund all work related to the completion of the Improvements (the "Construction Work").

D. Each party's obligation to bear the monetary risk related to cost overruns encountered during the construction of the Improvements is set forth on Schedule B attached hereto.

E. All Construction Work shall be done in compliance with all applicable laws (including, but not limited to, the Americans with Disabilities Act).

F. The parties believe that completion of the Construction Work may benefit from a Project Labor Agreement (PLA). Given the collective scope of the Improvements, the length of the construction period and the relatively short construction seasons as influenced by weather and the NFL schedule, a PLA could be an efficient delivery system for the Construction Work. Such an agreement could prove to be effective if its terms are designed to avoid delays and to contribute to necessary cost efficiencies.

Simultaneously with negotiations of definitive agreements to carry out the objectives of this MOU, the Bills' construction manager will endeavor to negotiate a PLA on behalf of the Bills with the Building and Construction Trades Council of Buffalo, New York and Vicinity, AFL-CIO, on behalf of its affiliated local unions. In the event that a PLA satisfactory to the Bills is negotiated, it is anticipated that it would be incorporated into the 2013 Construction Coordinating Agreement governing the construction of the Improvements.

V. 2013 STADIUM LEASE TERMS AND CONDITIONS

The parties will continue to negotiate and prepare the 2013 Stadium Lease on terms substantially similar to the terms and conditions set forth in the 1998 Stadium Lease with the following exceptions and such other exceptions as are negotiated amongst the parties in the 2013 Stadium Lease:

- A. The Working Capital Assistance will be \$3,000,000 for the 2013 lease year and will be adjusted annually thereafter as per the formula for that assistance in the 2013 Stadium Lease.
- B. The Operating Expense Reimbursements will be up to \$2,913,000 for the 2013 lease year and will be adjusted annually thereafter as per the formula for that reimbursement in the 2013 Stadium Lease.
- C. The Game Day Expense Reimbursements will be up to \$1,818,000 for the 2013 lease year and will be adjusted annually thereafter as per the formula for

that reimbursement in the 2013 Stadium Lease. The Bills will only be eligible for Game Day Expense Reimbursements for games played at the Stadium.

- D. The Annual Capital Improvement Allowance (“ACIA”) will be \$4,600,000 for the 2013 lease year and will be adjusted annually thereafter as per the formula for that reimbursement in the 2013 Stadium Lease. \$3,800,000 of the allowance for 2013 will be provided by ECSC and the County (collectively), and \$800,000 will be provided by the Bills (as annual base rent – see paragraph J). In subsequent lease years, ECSC and the County (collectively) and the Bills will pay the adjusted allowances in the same proportions (82.61% and 17.39%, respectively). The cumulative annual adjustment to the ACIA will be subject to a pre-approved, scheduled cap. With the consent of ECSC, the County will have the right to use its contribution to the ACIA to defray expenses related to its structural repair obligations.
- E. Each lease year during the 2013 Stadium Lease term, the Bills shall authorize ECSC to make use of Team logos and trademarks valued at \$800,000 per lease year in connection with materials and goods sold, distributed and otherwise used in connection with the promotion of the Buffalo, New York area by ECSC. Such use shall be subject to the prior approval of the Bills, in each instance, which approval may not be unreasonably withheld or delayed. In addition, during each lease year, the State of New York (the “State”) shall be given access to that portion of the Stadium (to be depicted in the 2013 Stadium Lease) to be used by the State for purposes of encouraging and fostering economic development, tourism and public awareness for the State and Western New York, and for other charitable or public functions during events that are scheduled at the Stadium (the “I ♥ New York Hospitality Center”).
- F. The County shall provide police presence on game day for traffic control around the Stadium grounds, support for security in the parking lots, and support for security within the Stadium during the game, all as to be described in greater detail in the 2013 Stadium Lease prior to its execution.
- G. The provisions reflected in Schedule C relating to regional and international games will be incorporated into the 2013 Stadium Lease.
- H. The Improvements and repair work to the Improvements performed during construction shall be performed in accordance with all applicable laws (including, without limitation, the Americans with Disabilities Act), and will comply with the affirmative action plan agreed upon by ECSC, the County and the Bills. The party responsible for any given item of the Improvements or repair work to the Improvements during construction, shall be responsible for ensuring such aforementioned compliance.
- I. The 2013 Stadium Lease shall contain substantially the same terms and

conditions regarding naming rights of the Stadium and Stadium Complex as set forth in Section 4.2 of the 1998 Stadium Lease; provided; however, the 2013 Stadium Lease shall provide that the County and ECSC specifically consent to and permit the existing names: (i) the Stadium as Ralph Wilson Stadium; and (ii) the Bills' Fieldhouse as the "Healthy Zone Fieldhouse" or such other names for the Fieldhouse as the Bills may designate.

- J. The Bills shall pay a base rent of \$800,000 on an annual basis. Such rent, when paid, shall be credited to the Bills' portion of the Annual Capital Improvement Allowance.
- K. Substantially similar to past practices, the Bills shall have exclusive control over advertising rights at the Stadium and Stadium Complex; provided, however, that the Bills shall not be required to solicit or obtain County approval for existing or future advertising signage at the Stadium, as long as such signage shall: (i) not violate any applicable law; (ii) not cause unreasonable embarrassment to the State, County or ECSC; and (iii) not contain slang, barbarisms, profanity, encourage use of alcohol by minors or tobacco by anyone, or reference illegal drugs or sexually oriented businesses.
- L. The references in the 1998 Stadium Lease and that certain Construction Coordinating Agreement dated as of August 1, 1998, among the County, ECSC and the Bills, to the marketing plan and the need for the Bills to be satisfied with a certain level of premium seat commitments were relevant only to the prior arrangements and shall not be included in the 2013 Stadium Lease or 2013 Construction Coordinating Agreement.
- M. In those instances in which ECSC or the County seeks to sell admission to any Civic Event, ECSC or the County must use the Bills' authorized ticket vendor to complete such sales, at ECSC's or the County's sole cost.
- N. The 2013 Stadium Lease shall contain updated insurance requirements to the extent mutually agreed upon by the County, ECSC and the Bills.

VI. STADIUM REVIEW COMMITTEE

The Bills, ECSC and the County will form a Stadium Review Committee (the "SRC"). The SRC shall be comprised of members appointed by each of the parties hereto. The SRC shall meet on a regular basis, but at least semi-annually, to discuss the condition of the Stadium and regulatory and legislative matters affecting the operation of the Stadium.

VII. NEW STADIUM WORKING GROUP

ECSC, the County, and the Bills, in consultation with the NFL, will form an advisory New Stadium Working Group (the "NSWG") to explore the potential for the construction of a new stadium on the existing Stadium land or at another location. The NSWG members will be (i) representatives from ECSC, (ii) representatives from the County, (iii)

representatives from the Bills, and (iv) representatives from the NFL (as appropriate). All expenditures made by ECSC and the County, at the recommendation of the New Stadium Working Group, will be subject to the consent of ECSC and the County. Beginning in the 6th lease year of the 2013 Stadium Lease term, ECSC and the County, in their joint discretion, may apply up to 50% of their contributions to the ACIA to a fund established for new stadium design or development (the "New Stadium Fund"). At the joint discretion of ECSC, the County and the Bills, additional amounts from the ACIA may be contributed to the New Stadium Fund in any lease year of the 2013 Stadium Lease term.

VIII. APPROVAL OF STADIUM WORK

With respect to the Construction Work, the Bills shall have the right to control the selection of the members of the Project Team as well as to approve all construction bids, documents and the construction schedule pursuant to the terms of the 2013 Construction Coordinating Agreement.

IX. ENVIRONMENTAL MATTERS

The County shall be designated as the lead agency under the New York State Environmental Quality Review Act ("SEQRA") and responsible for coordinating review of all permits and approvals required under SEQRA, and any applicable state or local building codes and zoning ordinances. The County shall also be the responsible party to coordinate any non-environmental permitting, regulatory and construction matters.

X. COMPETITIVE BIDDING

All Construction Work shall be subject to the competitive bidding rules of the County, including appropriate provisions for the participation of qualified MBE/WBE subcontractors, as modified by the 2013 Construction Coordinating Agreement and the alternative competitive bidding process substantially similar to the aforementioned one utilized in 1998.

XI. CALENDAR OF ACTIVITIES

Schedule D attached hereto reflects the calendar of key dates and activities necessary for each of the parties to secure appropriate approvals for the commitments they intend to make.

XII. NONBINDING AGREEMENT

The foregoing does not constitute a binding agreement between the Bills, ECSC and the County, as numerous (a) approvals and consents, including, without limitation, consent by the NFL Owners in form satisfactory to the Bills, must be obtained and (b) agreements containing significant terms and conditions not mentioned herein must be negotiated and executed. Nothing herein shall be construed as committing the County or ECSC to

approve the acquisition, construction, equipping or financing of the Improvements and other construction matters contemplated hereunder until such time as all of the requirements of SEQRA have been satisfied. Further, the foregoing does not constitute a final agency action for the purposes of the SEQRA and all relevant environmental laws will be complied with as appropriate. Nevertheless, this memorandum will serve as the basis upon which all of the parties intend to proceed to expend time and resources to obtain such necessary approvals and consents and to negotiate and execute the agreements required to accomplish the tasks outlined herein.

XIII. COUNTY AND ECSC ACTION AND OBLIGATIONS

- A. Upon execution of this Agreement, each of the County and ECSC shall use reasonable efforts to secure all legislative, executive and regulatory approvals and budgetary allocations from, and similar actions of, the applicable governmental authorities as are necessary to meet the County’s and ECSC’s respective obligations hereunder, including the State of New York; provided, however, that in no event shall either the County or ECSC implement any such legislative, executive or regulatory approvals until such time as the Bills have executed the 2013 Stadium Lease, the Non-Relocation Agreement and the 2013 Construction Coordinating Agreement. It is anticipated that construction will commence not later than January 2014.
- B. The respective contributions of ECSC and the County to such parties’ collective share of the Project Budget set forth in Section IV shall be 57% and 43%, respectively. The respective contributions of ECSC and the County to such parties’ collective share of any amount described in Section V shall be as follows:

<u>Lease Year(s)</u>	<u>ECSC Contribution to Public Share of Section V Amounts</u>	<u>County Contribution to Public Share of Section V Amounts</u>
1	57%	43%
2	56%	44%
3	55%	45%
4	54%	46%
5	53%	47%
6	52%	48%
7	51%	49%
8-10	50%	50%

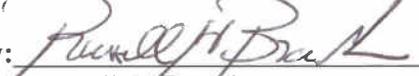
- C. Any liquidated damages received by ECSC or the County as contemplated by Section II above and any lease termination fee received by ECSC or the County shall be shared between them in accordance with their pro rata shares of the aggregate amounts actually contributed by them pursuant to Section XIII.B prior to receipt of such liquidated damages or lease termination fee, as the case may be.

XIV. COUNTERPARTS

This Agreement may be executed in counterparts, and each counterpart, once executed, shall have the efficacy of a signed original. True and correct copies of signed counterparts may be used in place of originals for any purpose. A facsimile or a PDF copy of an original signature transmitted to the other party is effective as if it was an original.

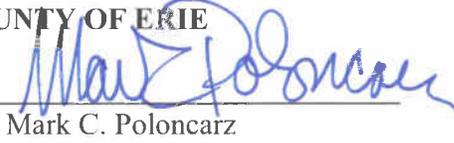
[Signature page follows immediately]

BUFFALO BILLS, INC.

By: 
Russell H. Brandon

Its: Chief Executive Officer

COUNTY OF ERIE

By: 
Mark C. Poloncarz

Its: County Executive

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT
(sole shareholder of Erie County Stadium Corporation)**

By: _____
Kenneth Adams

Its: President & CEO

BUFFALO BILLS, INC.

COUNTY OF ERIE

By: _____

Russell H. Brandon

Its: Chief Executive Officer

By: _____

Mark C. Poloncarz

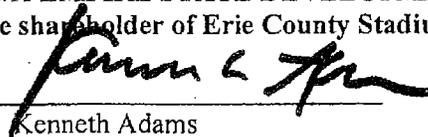
Its: County Executive

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

D/B/A EMPIRE STATE DEVELOPMENT

(sole shareholder of Erie County Stadium Corporation)

By: _____


Kenneth Adams

Its: President & CEO

SCHEDULE A

Improvements

Technology:

1. Expansion of live game sound into concourse restrooms	\$	601,000
2. New HD Video Display system to east end zone		8,764,000
3. Expanded video control room including full conversion to High Definition		5,092,000
4. Upgraded Tele/Data infrastructure to meet modern requirements		6,604,000
5. New data distribution system to support IPTV and distributed TV monitors		<u>4,194,000</u>
	\$	25,255,000

Upgrades – Ingress, Egress, Circulation, Restrooms and Food Service:

6. East End Zone Renovation including main concourse expansion and addition of a new commissary building	\$	8,331,000
7. Intentionally Omitted.		
8. Intentionally Omitted.		
9. New destination concession and restroom areas on the upper concourse		<u>4,442,000</u>
	\$	12,773,000

Branding - Front Profile, Team Store, Way finding and Sponsor Activations Plaza:

10. Relocation and expansion of Team Store to the new west end plaza	\$	2,641,000
11. New stadium entry plazas including wrought iron security fence		7,108,000
12. Steel canopies for new stadium entry plazas		1,083,000
13. Enhanced graphics and way finding throughout entire stadium and gates		<u>3,197,000</u>
	\$	14,029,000

Thorough Renovation of Present Space:

Schedule A

14. Various infrastructure repairs and maintenance items	\$ 10,451,000
15. Refurbish and enhance existing press box area	706,000
16. Concourse life safety improvements to enhance code compliance	1,195,000
17. Install galvanized intermediate aisle rails in upper bowl	954,000
18. New fire alarm detection and notification system in Training Facility	210,000
19. Add ADA compliant wheelchair seating in 300 level seating areas	165,000
20. Add ADA compliant wheelchair seating in east and west end zones	609,000
21. Install handrails on both sides of vomitory ramps on main concourse	1,011,000
22. Cosmetically upgrade and refurbish all existing toilet rooms	3,938,000
23. Renovate concession stands to meet modern requirements	4,067,000
24. New equipment for renovated concession stands	3,923,000
25. Deploy full POS system for all existing and new concession stands	1,564,000
26. Renovation of post-game interview room, field tunnel and storage areas	835,000
27. Intentionally Omitted	
28. Upgraded lighting throughout the main concourse	797,000
29. Relocate writing press to tower club and convert old press box to 50 yard line club	2,256,000
30. Repurpose operations area to field level staging area	1,012,000
31. Cosmetically upgrade stadium suites	5,760,000
32. Add radiant heat to sideline club seats and newly added areas of main and upper concourse	966,000
33. Renovation of Time Warner tower club area	1,606,000
34. Intentionally Omitted	
35. Enhanced tailgate experience in parking lots	<u>637,000</u>
	\$ 42,662,000
<u>Team Areas:</u>	
36. Training facility modernization through expansion and upgrades	\$ 7,684,000
37. New operations and storage complex	<u> </u>

Schedule A

	3,707,000
	<u>3,707,000</u>
	\$ 11,391,000
SUB - TOTAL:	\$ 106,110,000
A/E Fees:	\$ 8,519,000
Other Soft Costs:	\$ 2,371,000
PROJECT CONTINGENCY RESERVES:	\$ <u>13,000,000</u>
TOTAL:	\$ <u><u>130,000,000</u></u>

***CHANGE IN SCOPE**

The parties acknowledge that given the fast-track nature of the Improvements and the late elimination of projects #7 and #8, the Bills reserve the right, with the prior approval of the County and ECSC (such approvals not to be unreasonably withheld or delayed) to make reasonable reallocations of funds among the above-referenced projects and to change the scope of the various projects comprising the Improvements, while preserving the general scope and character of the Improvements.

Notwithstanding the foregoing, any change to the scope of the items listed in this Schedule A comprising the Improvements as a result of cost overruns must be approved by the County and ECSC, which approval may not be unreasonably withheld or delayed. For the avoidance of doubt, and not as a limitation or exclusion on the foregoing, any request by the Bills to change the scope of a particular item listed in this Schedule A, which request is made as the result of cost overruns related to such item caused solely by a physical condition at the Stadium Complex unknown by the Bills as of the date hereof and which the Bills could not have discovered by commercially reasonable means prior to the start of construction of such item, shall be per se reasonable; provided, however, that such requested change of scope must be limited to the item(s) actually and materially impacted by the aforementioned Stadium Complex physical condition, and otherwise narrowly tailored so as to change said scope to the smallest extent possible.

SCHEDULE B

Distribution of Project Construction Risk

- A. **Project Contingency Reserve:** The Project Budget contains a contingency reserve of \$13,000,000 for the Improvements (the "Project Contingency Reserve").
- B. **Bills Contingency Reserve:** The Bills will establish an internal (unfunded) reserve of \$4,600,000, (which shall not be funded by any proceeds from the Project Contingency Reserve or the Annual Capital Improvement Allowance and shall not reduce the Bills' annual base rental obligation for any year) for use as needed to fund its share of Project Budget cost overruns as determined below (the "Bills Contingency Reserve"). The Bills Contingency Reserve will be available to contribute additional funds, in the order of priority from paragraph D below, and subject to the sub-limits described in paragraph D below.
- C. **ACIA Reserve:** The parties will set aside those amounts of the 2013 and 2014 ACIA remaining after accounting for maintenance and repair obligations under the 2013 Stadium Lease ("Accessible ACIA Funds") to be used for cost overruns as set forth in Paragraph D of this Schedule B. Should it become necessary, pursuant to Paragraph D of this Schedule B, to expend Accessible ACIA Funds, the Bills shall, in each instance of a cost overrun, fund two-thirds of such cost overrun with Accessible ACIA Funds and one-third of such cost overrun out of pocket (the sum of which shall be referred to herein, collectively, as "ACIA Reserve"). Any Accessible ACIA Funds not expended pursuant to Paragraph D of this Schedule B shall be allocated in the same fashion as unspent ACIA funds under the 2013 Stadium Lease.
- D. **Cost Overruns:** Cost overruns incurred in connection with the construction of the Improvements shall be funded from the following sources in order of priority:
1. Project Contingency Reserve: To the extent such funds have not been previously expended.
 2. Bills Contingency Reserve: To the extent such funds have not been previously expended.
 3. ACIA Reserve: To the extent such funds have not been previously expended.
 4. Reduction in the scope of the Project, subject to the approval of the County and ECSC, which approval shall not be unreasonably withheld or delayed, as more specifically set forth in Schedule A. For the avoidance of doubt, and not as a limitation or exclusion on the foregoing, any request by the Bills to change the scope of a particular item listed in Schedule A, which request is made as the result of cost overruns related to such item caused solely by a physical condition at the Stadium Complex unknown by the Bills as of the date hereof and which the Bills could not have discovered by commercially reasonable means prior to the start of construction of such item, shall be per se reasonable; provided, however, that such requested change of scope must be limited to the item(s) actually and materially impacted by the aforementioned Stadium Complex physical condition, and otherwise narrowly tailored so as to change said scope to the smallest extent possible.

SCHEDULE C

REGIONAL & INTERNATIONAL GAMES

Except as otherwise agreed to by ECSC, the County and the Bills:

- A. The Team will have the right to play one (1) home pre-season game in every other NFL Season at the Rogers Centre in Toronto or at another facility located in the Southern Ontario/Western New York region.
- B. The Team will continue to have the right to play one (1) home regular-season game per NFL Season at the Rogers Centre in Toronto or at another facility located in the Southern Ontario/Western New York region.
- C. In addition to the foregoing, should the Team be selected by the NFL to play a home game at an international venue other than Ontario, Canada, the Team will have the right to play one (1) home regular-season game at such international venue once during the term of the 2013 Stadium Lease.

SCHEDULE D

CALENDAR

For the Bills:

December 21, 2012 – Execution of the Memorandum of Understanding.

March 2013 – Special League Meeting: Approval of the definitive agreements.

For the County:

December 21, 2012 – Execution of the Memorandum of Understanding by County Executive, the effectiveness of which is subject to County legislative approval.

For ECSC and State:

December 21, 2012 – Execution of the Memorandum of Understanding, the effectiveness of which is subject to any necessary approvals.

EXHIBIT 1

NON-RELOCATION AGREEMENT

See attached.

NON-RELOCATION AGREEMENT

THIS NON-RELOCATION AGREEMENT (this "Agreement") is entered into as of the _____ day of _____, 20____ (the "Effective Date"), by and among **THE COUNTY OF ERIE**, a New York municipal corporation having an office and principal place of business at Rath County Office Building, 95 Franklin Street, Buffalo, New York 14202 (the "County"), **ERIE COUNTY STADIUM CORPORATION**, a New York business corporation and wholly-owned subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development, which subsidiary is a public benefit corporation having an office and principal place of business at 633 Third Avenue, New York, New York 10017-6754 (the "ECSC"), and **BUFFALO BILLS, INC.**, a New York business corporation having an office and principal place of business at One Bills Drive, Orchard Park, New York 14127 (the "Bills"), and, solely with respect to Sections 4 and 5(a) hereof, **THE STATE OF NEW YORK** (the "State").

RECITALS:

WHEREAS, the County is the owner of an approximately 197.65 acre parcel of real property situated in the Town of Orchard Park, New York, which parcel is improved by a football stadium and related amenities (the "Stadium Complex"); and

WHEREAS, under the New York State Urban Development Act, Chapter 174 of the 1968 Laws of New York, as amended (the "Act"), the New York State Urban Development Corporation d/b/a Empire State Development (the "ESDC") is empowered to lease real property from municipalities and to rehabilitate and improve such real property; and

WHEREAS, pursuant to Section 12 of the Act, the ESDC is empowered to create subsidiary corporations and to confer upon such subsidiary corporations all "privileges, immunities, tax exemptions and other exemptions" which the ESDC enjoys, including, without limitation, such privileges, immunities, tax exemptions and other exemptions which inure to the ESDC by virtue of the ESDC's status as a public benefit corporation; and

WHEREAS, on February 6, 1998, the ESDC filed a Certificate of Incorporation with the New York Secretary of State forming the ECSC; and

WHEREAS, paragraph seven of such Certificate of Incorporation provides that the ECSC shall enjoy all of the "privileges, immunities, tax exemptions and other exemptions" of the ESDC; and

WHEREAS, pursuant to its rights as a National Football League franchisee, the Bills owns the "Buffalo Bills" football team (the "Team"); and

WHEREAS, pursuant to a certain Agreement of Lease, dated as of October 15, 1971, between the County and the Bills' predecessor in interest (as amended, the "1971 Original Lease"), the Team used and occupied the Stadium Complex for its home games from 1973, through the expiration of the term of the 1971 Original Lease on July 31, 1998; and

WHEREAS, upon the expiration of the 1971 Original Lease, the County and the ECSC entered into that certain lease dated as of August 1, 1998 (together with all renewals, replacements, modifications and amendments thereof, the "1998 Master Lease"), which expires on July 31, 2013, pursuant to which the County leased the Stadium Complex to the ECSC; and

WHEREAS, pursuant to the 1998 Master Lease, the ECSC and the Bills entered into that certain sublease dated as of August 1, 1998 (together with all renewals, replacements, modifications and amendments thereof, the “1998 Stadium Lease”), for the use and occupancy of the Stadium Complex, through July 30, 2013; and

WHEREAS, the County, the State and the Bills have determined that the Team, by playing its Games at the Stadium Complex and otherwise being associated with the Western New York area, encourages and fosters economic development and prosperity for the citizens of Erie County and Western New York, enhances the image of Erie County and Western New York and provides recreational and other opportunities for the citizens of Erie County and Western New York; and

WHEREAS, the citizens of Western New York have supported and enjoyed the Team since its inception such that the Team has become an integral part of the Western New York community; and

WHEREAS, the State has benefited from the presence of the Team at the Stadium Complex through, among other things, receipt of income taxes from Bills employees, increased tourism in Western New York and related revenues and national reputational impacts from the location of an NFL franchise in the region; and

WHEREAS, the parties hereto desire to continue the use by the Bills of the Stadium Complex beyond the expiration date of the 1998 Stadium Lease provided that certain improvements are made to the Stadium Complex; and

WHEREAS, to implement the refurbishment, renovation and improvement of the Stadium Complex, the ECSC, the County and the Bills have entered into that certain Construction Coordinating Agreement dated as of the Effective Date (the “2013 Construction Coordinating Agreement”); and

WHEREAS, pursuant to the terms of the 2013 Construction Coordinating Agreement, the ECSC, the Bills and the County have agreed to pay for such refurbishment, renovation and improvement; and

WHEREAS, the County has leased the Stadium Complex to the ECSC pursuant to that certain lease, dated as of the Effective Date, between the County, as lessor, and the ECSC, as lessee (“2013 Master Lease”); and

WHEREAS, the ECSC has agreed to simultaneously sublease the Stadium Complex to the Bills pursuant to that certain lease dated as of the Effective Date, between the ECSC, as lessor, and the Bills, as lessee (the “2013 Stadium Lease”), with an initial term coincident with the term of the 2013 Master Lease, permitting the Bills to utilize the Stadium Complex for the exhibition of Games; and

WHEREAS, as a material inducement for the County to enter into the 2013 Master Lease, the ECSC to enter into the 2013 Stadium Lease, and the State to provide financial and other support for renovation of the Stadium Complex, the Bills have agreed to enter into this Agreement to assure that the Bills will, during the entire term of the 2013 Stadium Lease, play substantially all of the Games at the Stadium on the terms and conditions as set forth herein; and

WHEREAS, the County, the ECSC and the State have each committed to invest a substantial amount of funds and other resources for the refurbishment, renovation and improvement of the Stadium Complex and each of the County, the ECSC and the State would not do so without assurances from the Bills that the Team will play substantially all of the Games at the Stadium during the entire term of the 2013 Stadium Lease; and

WHEREAS, the refurbishment, renovation and improvement of the Stadium Complex will provide significant economic benefits to the County and the State and their residents and businesses.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County, the ECSC and the Bills agree as follows:

1. Recitals and Definitions. The recitals set forth above are true and correct in all respects and are incorporated herein by this reference. All capitalized terms not otherwise defined herein shall have the meanings set forth below:

(a) Affiliate: (i) As to any Person other than a Governmental Authority, any other Person which directly or indirectly controls, or is under common control with, or is controlled by, such Person, and (ii) as to any Governmental Authority, any agency, department, board or authority thereof. As used in this definition, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise).

(b) Alternate Site: The Team shall use good faith efforts to locate a facility in New York State that meets NFL criteria. If no such facility exists, then the Team shall be permitted to arrange for an Alternate Site outside of the State. Notwithstanding the foregoing, any Alternate Site shall be subject to the prior approval of the NFL, in its sole and absolute discretion.

(c) Applicable Law: Any applicable constitutional provision, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by a Governmental Authority now or hereafter in effect.

(d) Force Majeure: Any of the following events: strikes, lockouts, labor disputes, embargoes, fire, earthquake, flood, natural disaster, adverse weather conditions that cannot reasonably be anticipated, acts of God, war, national emergency, civil disturbance or disobedience, riot, sabotage, terrorism, threats of sabotage or terrorism, restraint by court order or order of any Governmental Authority and similar occurrence beyond the reasonable control of any Party which, in any event, are not foreseeable or a result of the acts or omissions of, or in the control of, any Party. "Force Majeure" shall not include any Party's financial inability to perform.

(e) Franchise: The franchise granted by the NFL to the Bills pursuant to which the Bills own and operate an NFL Team.

(f) Game: Any Home Game or Home Playoff Game.

(g) Governmental Authority: Any federal, state or local government, or any political subdivision of any of the foregoing, or any court, agency or other entity, body, organization or group, exercising any executive, legislative, judicial, quasi-judicial, regulatory or administrative function of government, whether now or hereafter in existence.

(h) Home Game: Any Pre-Season Game or Regular Season Game between the Team and any other NFL Team, which is designated by the NFL in its official schedule as a "home game" for the Team.

(i) Home Playoff Game: Each Post-Season Game between the Team and any other NFL Team, which is designated by the NFL in its official post-season schedule as a "home game" for the Team.

(j) Lease Year: The twelve (12) month period beginning on the 31st day of July, 2013 and ending on the last day of the twelfth (12th) successive calendar month, and each succeeding twelve (12) month period thereafter during the Stadium Lease Term.

(k) Lien: Any mortgage, deed of trust, pledge, hypothecation, assignment, security interest, lien, charge, claim or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature, including, without limitation, any conditional sale or other title retention agreement and the filing of, or agreement to file, any financing statement under the Uniform Commercial Code as adopted in any jurisdiction.

(l) NFL: The National Football League, an unincorporated, nonprofit association, having an office and principal place of business at 345 Park Avenue, New York, New York 10017, and any successor or substitute association or entity of which the Team is a member or joint owner and which engages in professional football competition in a manner comparable to the National Football League.

(m) NFL Rules and Regulations: The Constitution and Bylaws of the NFL, the Articles of Association and Bylaws of the NFL Management Council, any amendments to any such document, any interpretations of any such document issued from time to time by the NFL Commissioner, and all other applicable rules, resolutions or policies as the NFL, the NFL Management Council, or the NFL Commissioner may issue from time to time.

(n) NFL Season: The period of time beginning on the day on which the first Pre-Season Game is played through the date on which the last Post-Season Game is played in a given Lease Year, encompassing, therefore, all Pre-Season Games, Regular Season Games and Post-Season Games in a given Lease Year.

(o) NFL Team: A professional football team operated pursuant to a franchise granted by the NFL.

(p) Non-Relocation Covenants: The collective covenants made by, and obligations imposed on, the Bills pursuant to Sections 2, 3 and 4 of this Agreement.

(q) Non-Relocation Default: A breach by the Bills of any of the terms, covenants or agreements of Sections 2, 3 and 4 of this Agreement.

(r) Non-Relocation Term: The term of this Agreement, beginning on July 31, 2013, and ending on the Stadium Lease Expiration Date.

(s) Party: Any one of the County, the ECSC or the Bills, and, solely as to Sections 4 and 5(a), the State.

(t) Person: Any Governmental Authority, individual, association, joint venture, partnership, corporation, limited liability company, trust or other entity.

(u) Post-Season Games: The total schedule of all playoff, championship and "Super Bowl" football games played by NFL Teams.

(v) Pre-Season Games: The total schedule of all football games played by NFL Teams in a given NFL Season prior to the commencement of the Regular Season Games.

(w) Regular Season Games: The total schedule of all football games played by NFL Teams used by the NFL to determine which NFL Teams participate in Post-Season Games.

(x) Stadium: The football stadium situated at the Stadium Complex and currently known as "Ralph Wilson Stadium".

(y) Stadium Lease Expiration Date: July 31, 2023, or such earlier date provided for in the 2013 Stadium Lease upon which the Stadium Lease Term shall expire.

(z) Stadium Lease Term: The term of the 2013 Stadium Lease, beginning on July 31, 2013 and ending on the Stadium Lease Expiration Date.

(aa) Untenantable Condition: The existence of any one of the following conditions, including due to any Force Majeure, but only to the extent that the same (if not due to any Force Majeure) is not the direct proximate result of the failure of the Team to perform its obligations as required under this Agreement:

(i) The condition of the Stadium is such that the NFL Rules and Regulations prohibit the playing of Games at the Stadium or will not reasonably permit the Team to continue to use, occupy and operate the Stadium in the manner customarily used, and occupied by NFL Teams or their Affiliates having rights comparable to those set forth in this Agreement; or

(ii) The use or occupancy of any material portion of the Stadium is not permitted or is materially restricted beyond customary levels by Applicable Law or otherwise is unsuitable for customary usage, including any denial of access; or

(iii) The playing field within the Stadium is unavailable, unsuitable or unsafe for its intended purpose; or

(iv) More than twenty percent (20%) of the total seating capacity of the Stadium is not available for use or is otherwise unsuitable or unsafe for use for Games.

2. Games to be Played at Stadium.

(a) Playing of Games. Bills covenant and agree that at all times during the Non-Relocation Term, at least fifty percent (50%) of the Team's Regular Season Games will be designated as Home Games. Subject to the exceptions specified in Section 2(b) herein, unless each of the County and ECSC shall have given prior written consent to the playing of any Game at a different location or locations (other than the Stadium), which consent shall be within the sole and absolute discretion of each of the County and ECSC, all Games shall be played at the Stadium.

(b) Exceptions to Home Games Played at Stadium. Notwithstanding the provisions of Section 2(a), Bills shall have the right, without first obtaining the ECSC or County's prior consent, to: (i) cause the Team to play any Game at an Alternate Site if there exists an Untenantable Condition at the Stadium, provided that the Bills shall promptly furnish notice to each of the County and ECSC in the event of the existence of an Untenantable Condition, which notice shall identify the Untenantable Condition and the number of days and Games expected to be played at such Alternate Site, and provided further that the length of time such relocation may continue may be no longer than is commercially reasonable to eliminate the existence of the Untenantable Condition; (ii) for each Lease Year, cause the Team to play one (1) Regular Season Home Game at Rogers Centre in Toronto, Ontario, or such other location in Southern Ontario or Western New York (other than the Stadium) as determined by the Bills; (iii) in every alternate Lease Year, cause the Team to play one (1) Pre-Season Home Game at Rogers Centre in Toronto, Ontario, or such other location in Southern Ontario or Western New York (other than the Stadium) as determined by Bills; and (iv) if the Team is selected by the NFL to play a Home Game at an international venue, other than as contemplated by Section 2(b)(ii) herein, cause the Team to play one (1) Regular Season Home Game at such international venue once during the Non-Relocation Term.

3. Maintenance of the Team and the Franchise.

(a) During the Non-Relocation Term, the Bills shall: (i) keep and maintain the Team as a validly existing and participating NFL Team under NFL Rules and Regulations; (ii) keep and maintain the Franchise as a validly existing and participating NFL Team under NFL Rules and Regulations; (iii) keep and maintain the Stadium as the facility designated to and by the NFL as the home facility for the Team; (iv) except as otherwise provided in Section 2(b), continuously operate the Team at the Stadium in accordance with the NFL Rules and Regulations; and (v) maintain its principal place of business in the State of New York as a domestic or duly qualified foreign business in good standing under all Applicable Law.

(b) Subject to the provisions of Section 2(b), during the Non-Relocation Term, without the prior written consent of the County and the ECSC, which consent shall be within the sole and absolute discretion of each of the County and the ECSC, the Bills shall not: (i) apply to the NFL for, or otherwise seek, approval to allow the Team to play any Games during the Non-Relocation Term anywhere other than the Stadium; (ii) relocate, transfer or otherwise move the Team (or attempt to relocate, transfer or otherwise move the Team except as permitted by clause (iv) of this paragraph) to a location other than the Stadium; (iii) sell, assign or otherwise transfer the Team to any Person who, to the Bills' knowledge, has an intention to relocate, transfer or otherwise move the Team during the Non-Relocation Term to a location other than the Stadium; (iv) (A) entertain any offer or proposal to relocate the Team to a location other than the Stadium, (B) solicit an offer or proposal from any Person to enter into discussions regarding moving the Team to a location other than the Stadium, (C) enter into

negotiations or agreements with third parties concerning the relocation of the Team to a location other than the Stadium, or (D) otherwise attempt to cause the playing of Games at a location other than the Stadium except in the case of clause (A), (B), (C) and/or (D) above, (x) during the pendency of an arbitration proceeding in which the Bills are seeking to terminate the Stadium Lease in accordance with its terms or (y) to the extent that the relocation or other action described in such clause would first take effect after the Non-Relocation Term; (v) (A) complete a transfer, assignment or surrender of the Franchise that results in the Team playing any of its Games outside of the Stadium in violation of Section 2(a), or (B) complete a transfer, assignment or surrender of the Franchise that results in the Team not playing any Games; or (vi) enter into any contract or agreement to sell, assign or otherwise transfer the Team to any Person who, to the Bills' knowledge, intends to relocate, transfer or otherwise move the Team during the Non-Relocation Term to a location other than the Stadium.

4. Transfer of Franchise. The Bills may, at their sole election and at any time or from time to time, assign, sell or otherwise transfer, or grant or place a Lien upon, the Franchise and/or any ownership rights therein; provided, however, that any such assignment, sale or transfer, or grant or placement of a Lien, shall be (a) conditioned on the Person who acquires the Franchise and/or any rights therein being approved by the NFL in accordance with the NFL Rules and Regulations as the owner of the Franchise or the holder of a Lien thereon and (b) made or granted subject to the requirements and obligations of the Bills under this Agreement, including compliance in all respects with the Non-Relocation Covenants, so that any Person who acquires all or any portion of the Franchise either (i) pursuant to any such assignment, sale or transfer, or (ii) pursuant to any foreclosure or other action against any such Lien, shall acquire and take the Franchise and/or any ownership rights therein, subject to all of the Non-Relocation Covenants and the other terms of this Agreement, and such Person shall thereafter be deemed to be the Bills for purposes of this Agreement.

5. Specific Enforcement; Liquidated Damages.

(a) The Parties acknowledge that: (i) the Bills' obligations under the Non-Relocation Covenants are unique, are the essence of the bargain and are essential consideration for this Agreement and the other agreements being entered into by the Parties as relate to the renovation and operation of the Stadium Complex; (ii) the Team, as property, is extraordinary and unique and that under the organization of professional football by and through the NFL, none of the County, the ECSC or the State may be able to replace the Team; and (iii) the determination of damages caused by a Non-Relocation Default, the effects of which would be suffered by the State, the County, the ECSC and the Western New York community would be difficult, if not impossible, to ascertain. Therefore, the Parties acknowledge and agree that there exists no adequate and complete remedy at law to enforce this Agreement against the Bills, and that equitable relief by way of a decree of specific performance or an injunction (such as a prohibitory injunction barring the Bills from relocating or playing the Games in a facility other than the Stadium or a mandatory injunction requiring the Bills to play the Games at the Stadium) is the only appropriate remedy for the enforcement of this Agreement notwithstanding the provisions for liquidated damages provided elsewhere in this Section 5. In amplification and not in limitation of the foregoing, the County, the ECSC and the State acknowledge and agree that, in the event of a Non-Relocation Default, or the threat of a Non-Relocation Default, the County, the ECSC and/or the State, as the case may be, shall seek equitable relief before attempting to avail itself or themselves of the liquidated damages provisions set forth in Section 5(b), provided that equitable relief is a remedy available and enforceable at the time of the Non-Relocation Default. Additionally, based on the foregoing, the Bills hereby agree as follows:

(i) The County, the State and/or the ECSC shall be entitled to obtain injunctive relief prohibiting action, directly or indirectly, by the Bills that causes or would reasonably be expected to cause a Non-Relocation Default, or mandating action that averts or will avert a Non-Relocation Default, or enforcing any covenant, duty or obligation of the Bills through specific performance. The County, the State and/or the ECSC shall further be entitled to seek declaratory relief with respect to any matter under this Agreement.

(ii) That obligations are being incurred to make the Stadium available for Games during the term of the 2013 Stadium Lease and that any Non-Relocation Default shall constitute irreparable harm to the County, the ECSC and the State for which monetary damages or other remedies at law will not be an adequate remedy.

(iii) That the rights of the County, the ECSC and/or the State to injunctive relief as a result of a Non-Relocation Default, as set forth in this Section 5 and otherwise allowed under Applicable Law, shall not constitute a claim pursuant to Section 101(5) of the United States Bankruptcy Code, as it may be amended from time to time, or any substitute therefor, and shall not be subject to discharge or restraint of any nature in any bankruptcy, reorganization or insolvency proceeding involving the Bills, and that this Agreement is not an "executory contract" as contemplated by Section 365 of the United States Bankruptcy Code.

(iv) That in any proceeding seeking relief for a Non-Relocation Default, any requirement for the County, ECSC and/or the State to post any bond or other security or collateral as a condition of any relief sought or granted is hereby waived.

(b) The Bills acknowledge and agree that, if upon the occurrence of a Non-Relocation Default, equitable relief is not granted by a court of competent jurisdiction for any reason, or is otherwise unavailable, the payment by the Bills of liquidated damages is the next most appropriate remedy. Therefore, in the event of a Non-Relocation Default, and the failure of any court to grant the equitable relief described in Section 5(a) above, the Bills shall pay liquidated damages to the County and the ECSC, in the aggregate, in the amount of Four Hundred Million (\$400,000,000) Dollars; provided, however, that in no event may the County or the ECSC seek or obtain such liquidated damages or any portion thereof, if the actions taken by the Bills in contravention of the Non-Relocation Covenants occur after the expiration of the Non-Relocation Term. It is specifically contemplated by the Parties that in the event the Non-Relocation Term expires, this Agreement and the Non-Relocation Covenants herein shall be terminated as of the Stadium Lease Expiration Date without affecting any obligation, for liquidated damages or otherwise, arising from any Non-Relocation Default which occurred prior to such Stadium Lease Expiration Date.

(c) In determining the amount of liquidated damages provided for in Section 5(b) herein, it is acknowledged and agreed that the Parties have exercised great care to make a reasonable forecast of direct damages allowable by law that may arise from the breach of this Agreement by the Bills, taking into due consideration: (i) the loss of taxes attributable to Team operations; (ii) the extraordinary involvement, covenants and expense of the public in securing the Team's commitment to play the Games at the Stadium for the Non-Relocation Term; (iii) the consequent reduction in value of the Stadium Complex arising from the absence of the Team; (iv) the substantial economic benefit conferred

upon the Team through the 2013 Stadium Lease intended to assure that the Team will play all of its Games in the Stadium for the Non-Relocation Term; (v) the detrimental effects of a breach on the Western New York community; and (vi) the loss of revenues to the Western New York community and the State. Upon a Non-Relocation Default, if injunctive relief or specific performance as provided in Section 5(a) is not granted or available to either the County, the ECSC or the State, liquidated damages shall be paid by the Bills in immediately available funds in a lump sum not later than thirty (30) days from the date of the Non-Relocation Default. The Parties acknowledge that the reasonable forecast of direct damages provided in Section 5(b) is not an exact measure of actual damages, as such an exact measure would be infeasible to estimate or forecast with precision.

(d) If, upon a Non-Relocation Default, equitable relief fashioned to require the Team to play Games in the Stadium is not granted by a court of competent jurisdiction for any reason, or is not otherwise available, the Bills, for themselves and their successors, assigns and Affiliates, hereby waive any right, arising hereunder, at law, in equity or otherwise, to object to or otherwise challenge the validity, appropriateness or legitimacy of liquidated damages as the remedy for such Non-Relocation Default.

(e) Notwithstanding anything to the contrary set forth herein, the County and the ECSC specifically consent to and agree that neither Party shall be permitted to enforce the provisions of this Agreement against the Bills, including, without limitation, the equitable remedies or liquidated damages provisions set forth in Sections 5(a) or 5(b) herein, except with respect to conduct engaged in by the Bills prior to the Stadium Lease Expiration Date constituting or resulting in a Non-Relocation Default.

6. **All Remedies.** If, upon a Non-Relocation Default, the equitable remedies and liquidated damages provided for in Section 5 herein are unavailable for any reason, each of the County and the ECSC shall be entitled to pursue all other legal and equitable remedies against the Bills, whether or not such other remedies are specifically set forth in this Agreement; provided, however, that any damages or money judgment obtained in any such legal or equitable proceedings shall not exceed the amount of liquidated damages that the County and the ECSC would have been entitled to receive pursuant to Section 5(b) herein but for such unavailability. All such other legal and equitable remedies are cumulative and may be exercised concurrently, successively, or in any order.

7. **Termination of Agreement.** This Agreement shall terminate upon the Stadium Lease Expiration Date; provided, however, that no such termination or cancellation shall relieve the Bills of any obligation for liquidated damages arising or accruing pursuant to this Agreement prior to the effective date of such termination. Notwithstanding the foregoing, for clarity the County and the ECSC specifically consent and agree that neither Party shall be permitted to enforce the provisions of this Agreement against the Bills, including, without limitation, the equitable remedies or liquidated damages provisions set forth in Sections 5(a) or 5(b) herein, except with respect to any conduct engaged in by the Bills prior to the expiration of the Non-Relocation Term, which conduct constitutes or results in a Non-Relocation Default.

8. Miscellaneous.

(a) No Construction Against Drafting Party. The Parties acknowledge that each such Party and its respective counsel has had the opportunity to review this Agreement and that this Agreement will not be construed against any Party merely because its counsel prepared this Agreement.

(b) Notices. Any notice, request, instruction or other communication to be given hereunder by any Party to another shall be in writing and (i) delivered personally (such delivered notice to be effective on the date it is delivered); (ii) mailed by certified mail, postage prepaid (such mailed notice to be effective four (4) days after the date it is mailed); (iii) sent by recognized overnight courier (such couriered notice to be effective one (1) day after the date it is delivered to such courier); or (iv) sent by facsimile transmission, with a confirmation sent by way of one of the above methods, addressed to the Party for whom it is intended at its address as set forth in Schedule 8(b) attached hereto (such facsimile notice to be effective on the date that confirmation of such facsimile transmission is received); provided that any Party may designate in a writing to any other party any other address or telecopier number to which, and any other Person to whom or which, a copy of any such notice, request, instruction or other communication should be sent.

(c) Severability. If any provision of this Agreement proves to be illegal, invalid, or unenforceable, the remainder of this Agreement will not be affected by such finding. Without limiting the generality of the foregoing, the covenant of the Bills in Section 2(a) is separate and independent from each other covenant contained herein.

(d) Written Amendment Required. No course of performance or other conduct hereafter pursued, accepted or acquiesced in, and no oral agreement or representation made in the future, by any Party, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall modify or terminate this Agreement, impair or otherwise affect any right or obligation of any Party or otherwise operate as a waiver of any such right or remedy. No modification of this Agreement or waiver of any such right or remedy shall be effective unless made in writing duly executed by the duly authorized representatives of the Parties, including, solely as to modifications to Sections 4 or 5(a), the State.

(e) Entire Agreement. This Agreement represents the entire agreement among the Parties with respect to the matters set forth herein and supersedes all prior negotiations, representations or agreements, written or oral, pertaining to the subject matter of this Agreement. To the extent that there are any discrepancies between any other agreement and this Agreement, the terms and provisions of this Agreement shall control.

(f) Captions. The captions of the various articles and sections of this Agreement are for convenience only and do not define, limit, describe, or construe the contents of such articles or sections.

(g) Governing Law; Jurisdiction and Venue.

(i) This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of New York, without giving effect to conflict of laws provisions except for Sections 5-1401 and 5-1402 of the New York General Obligations Law.

(ii) Each Party hereby agrees that all actions or proceedings arising directly or indirectly out of this Agreement shall be litigated only in the Supreme Court of the State of New York, Erie County, or the United States District Court for the Western District of New York. Each Party expressly submits and consents in advance to such jurisdiction and waives any claim that Erie County, New York or the Western District of New York is an inconvenient forum or an improper forum based on improper venue. Each Party agrees to service of process in any form or manner permitted by law, addressed to it as set forth in Section 8(b). Each Party agrees not to institute suit arising out of this Agreement against any other Party in a court in any jurisdiction, except as stated above, without the consent of such other Party. Each Party agrees that a true, correct and complete copy of this Agreement kept in the County's, the ECSC's or the Bills' course of business may be admitted into evidence as an original.

(h) Binding Effect. The covenants, conditions and agreements contained in this Agreement will bind and inure to the benefit of the Parties and their respective successors and/or permitted assigns. This Section shall not affect or reduce the obligations of the Bills under Section 4.

(i) No Assignment. Except to a transferee of the Franchise in accordance with Section 4, neither this Agreement nor any of the rights, responsibilities, or obligations hereunder can be transferred or assigned, whether by operation of law or otherwise, without the prior written consent of all the non-assigning Parties; provided, however, that ECSC may assign this Agreement to an Affiliate or to another public benefit corporation of the State upon two (2) business days' prior to written notice to the Bills.

(j) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Any Party may execute this Agreement by facsimile or PDF signature and the other Parties shall be entitled to rely on such facsimile signature or a PDF copy of an original signature transmitted to the other party is effective as if it was an original, as evidence that this Agreement has been duly executed by such Party. Without limiting the foregoing, any Party executing this Agreement by facsimile or PDF signature shall immediately forward to the other Parties an original signature page by overnight mail.

(k) Applicable Standard. Any approval, consent, decision or election to be made or given by a Party may be made or given in such Party's sole judgment and discretion, unless a different standard (such as reasonableness) is provided for explicitly.

(l) Authority. The Bills, the ECSC, the County and, solely as to Sections 4 and 5(a), the State each represent and warrant that (i) it has full power and authority to enter into this Agreement and to perform and carry out all obligations, covenants and provisions hereof; and (ii) this Agreement constitutes the legal, valid and binding obligations of said Party in accordance with the terms hereof and has been duly authorized by all necessary board, director, shareholder, manager, legislative, executive, committee and/or agency action, as the case may be, of such Party.

(m) No Third Party Beneficiaries. This Agreement is solely for the benefit of the Parties, and their successors and permitted assigns, and no provisions of this Agreement shall be deemed to confer upon any other Person, other than the State as specified herein, any remedy, claim, liability, reimbursement, cause of action or other right.

IN WITNESS WHEREOF, the Parties have executed this Non-Relocation Agreement as of the date and year first above written.

COUNTY OF ERIE

By: _____
Mark C. Poloncarz, County Executive

APPROVED AS TO FORM:

By: _____
Name: _____
County Attorney

APPROVED AS TO CONTENT:

By: _____
Name: _____
Deputy County Executive

[*Signatures continue on following page*]

ERIE COUNTY STADIUM CORPORATION

By: _____
Name:
Title:

[*Signatures continue on following page*]

BUFFALO BILLS, INC.

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED
AS TO SECTION 4 & SECTION 5(a) ONLY:

STATE OF NEW YORK

By: _____
Name:
Title:

STATE OF NEW YORK)

: SS.

COUNTY OF NEW YORK)

On the ____ day of _____, in the year 20____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)

: SS.

COUNTY OF NEW YORK)

On the ____ day of _____, in the year 20____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

SCHEDULE 8(b)

[To be confirmed]

To the County:

County Executive
Rath County Office Building
95 Franklin Street
Buffalo, New York 14202
Telephone: (716) 858-8400
Telecopier: (716) 858-4911

with a copy at the same time and in the same manner to:

Department of Public Works
Rath County Office Building
95 Franklin Street
Buffalo, New York 14202
Attention: Commissioner of Public Works
Telephone: (716) 858-8306
Telecopier: (716) 858-8303

with a copy at the same time and in the same manner to:

Erie County Attorney's Office
Rath County Office Building
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Attention: County Attorney
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Telecopier: (716) 858-2299

To the ECSC and State:

c/o Empire State Development
633 Third Avenue
New York, New York 10017-6754
Attention: General Counsel
Telephone: (212) 803-3750
Telecopier: (212) 803-3775

To the Bills:

63 Kercheval Avenue, Suite 200
Grosse Pointe Farms, Michigan 48236
Attention: Jeffrey C. Littmann, Treasurer
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With a copy at the same time and in the same manner to:

Lipsitz Green Scime Cambria LLP
42 Delaware Avenue, Suite 120
Buffalo, New York 14202-3924
Attention: Michael Schiavone, Esq.
Telephone: (716) 849-1333, ext. 309
Telecopier: (716) 854-3013