

DEVELOPMENT AND CONSTRUCTION CONTRACT
FOR
PUBLIC IMPROVEMENTS

(Public Parking and Town Plaza Expansion Improvements)

(City Contract No. _____)

This DEVELOPMENT AND CONSTRUCTION CONTRACT FOR PUBLIC IMPROVEMENTS ("Agreement") is made and entered into as of this ____ day of _____, _____, by and between the CITY OF CULVER CITY, a charter city of the State of California ("City"), and COMBINED/HUDSON 9300 CULVER LLC, a Delaware limited liability company ("Developer"). The City and Developer are also referred to herein individually as a "Party" and collectively as the "Parties". This Agreement is dated, for reference purposes, as of the last date on which this Agreement is signed by both the City and Developer. The City and the Developer agree as follows:

RECITALS

The following recitals are a substantive part of this Agreement.

A. The City is the owner of the City Parcel, which is legally described in Exhibit "A-1" attached hereto and incorporated herein by this reference.

B. The City and the Developer entered into that certain Disposition and Development Agreement dated as of January 31, 2012, as subsequently amended by letter agreements (collectively, the "DDA"). The DDA as used herein shall mean, refer to and include the DDA, as well as any riders, exhibits, addenda, implementation agreements, amendments and attachments thereto or other documents expressly incorporated by reference in the DDA, and the three (3) separate Reimbursement Agreements entered into by the Parties for the planning and design work, construction observation services and other related services for the proposed Public Improvements. Any capitalized term not herein defined shall have the same meaning ascribed to such term in the DDA.

C. On or about the date of this Agreement, in accordance with the DDA, the Successor Agency to the Culver City Redevelopment Agency conveyed title to the Developer Parcel to the Developer. The Developer Parcel is legally described in Exhibit "A-2" attached hereto and incorporated herein by this reference. The City Parcel and the Developer Parcel are each individually identified and depicted on the Site Map attached hereto as "Exhibit B" and incorporated herein by this reference. The Developer Parcel and the City Parcel are collectively referred to as the "Site".

D. Pursuant to, and in accordance with the terms of the DDA, Developer has agreed to develop and construct the Parcel B Improvements, as more fully described in the DDA. In addition, as required by the DDA and subject to the approval of the City, the Developer has agreed, in conjunction and concurrent with the development of the Parcel B Improvements, to

develop and cause the construction of the Public Parking Improvements and the Town Plaza Expansion Improvements, as more fully described in this Agreement and in the DDA. The Public Parking Improvements and the Town Plaza Expansion Improvements are collectively referred to as the "Public Improvements".

E. This Agreement is entered into in furtherance of the DDA and is the "Development and Construction Contract for Public Improvements" referred to in the DDA.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:

1.0 DEFINITIONS

Capitalized terms used herein unless otherwise defined herein or in the DDA shall have the meanings set forth below:

"Additional Contracts" means contracts, in addition to the Construction Contract, entered into by the Developer after the Effective Date of this Agreement pursuant to Section 2.1(i) of this Agreement with additional consultants and/or contractors for the development and construction of the Public Improvements, or a portion thereof.

"Agreement" means this Development and Construction Contract for Public Improvements and all attachments and exhibits hereto, (which are incorporated by this reference), and any amendments or modifications which may be entered into by the Parties in accordance herewith.

"Assignment of Construction Contract" means an assignment signed by the Developer, and consented to by the General Contractor, delivered to and for the benefit of the City, substantially in the form attached to the DDA as Attachment No. 8.

"Assignment of Plans, Reports and Data" means an assignment signed by the Developer, and consented to by the Architect, delivered to and for the benefit of the City, substantially in the form attached to the DDA as Attachment No. 9.

"Bonds" means the tax-exempt bonds, the proceeds of which are intended to be used by the City to primarily fund the development and construction of the Public Improvements.

"Building Permit/Construction Drawings" or **"Construction Drawings"** means the building permit ready construction drawings for the Public Improvements previously approved by the City in accordance with the DDA, including the Landscaping and Grading Plans, and more specifically described on Exhibit "C" attached hereto. The Construction Drawings shall include sufficient detail and specifications as necessary to allow separate or segregated computation and documentation of the costs to Complete each of the following Public Improvement components: (i) the Public Parking Improvements excluding the Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements and (iii) the Culver Boulevard Access Improvements.

“City” means the City of Culver City, a charter city of the State of California, having its offices at 9770 Culver Boulevard, Culver City, California 90232-0507, and any assignee or nominee of, or successor to, the rights, powers, and responsibilities of the City.

“City Funds” means the funds to be used by the City to pay for all costs, fees and expenses for the development and construction of the Public Improvements, which funds include (i) the proceeds of the Bonds and (ii) third party funds to be deposited with the City for development and construction of the Culver Boulevard Access Improvements.

“City Manager” means the City Manager of the City or designee.

“City’s Proportionate Share” has the meaning ascribed to such term in Section 2.5.1(b) of this Agreement.

“Completion” or **“Complete”** means, with regard to development of the Public Improvements, the satisfaction of each of the following events: (i) the City shall have determined that development and construction of the Public Improvements have been completed in substantial compliance with the DDA, this Agreement, and the Plans approved by the City, (ii) a certificate of occupancy shall have been issued for the Public Parking Improvements and the Town Plaza Expansion Improvements to the extent a certificate of occupancy is required by the City prior to commencing use of those Public Improvements, (iii) provided that the City promptly commences and diligently pursues such action following the satisfaction of the event described in (i) above, the City has officially accepted ownership of the Public Improvements or any portion thereof in the manner prescribed by the City for acceptance of public improvements to the extent such official acceptance is required by the City, (iv) a notice of completion pursuant to Civil Code Section 8186 has been duly recorded in the Official Records for the Public Improvements, (v) the time for Developer’s contractor, suppliers and subcontractors to file a claim pursuant to Civil Code Sections 8412 and 8414 in connection with the Public Improvements has expired or Developer has delivered to the City unconditional lien releases for its contractor, suppliers and subcontractors, and any mechanic’s liens that have been recorded or stop notices that have been delivered have been paid, settled or otherwise extinguished, discharged, released, waived, bonded around or insured against.

“Construction Contract” has the meaning ascribed to such term in Section 2.1(a) of this Agreement.

“Culver Boulevard Access Improvements” means that portion of the Public Parking Improvements to be located on and within the City Parcel depicted on the City-approved Construction Drawings as the “Culver Blvd. Access Improvements” and comprising the ramp, access, roadway, structural and other related improvements providing ingress and egress to and from Culver Boulevard through the City Parcel to a potential access point at The Culver Studios property and to an access point at the Developer Parcel to connect such improvements to the remaining Parking Improvements and including, without limitation, gating, signage, subterranean access road improvements, off-site improvements related to the ramp including any measures to address ramp ingress/egress requirements such as traffic lights and median

improvements, and connections from such improvements to the Parking Improvements at the Developer Parcel and, to the extent required, streetlights, traffic signals and all utility relocations, including, but not limited to, storm drains, sewers, water, electricity and telephone, all in accordance with the Plans approved by the City. The costs incurred by the Developer to Develop and Cause Construction of the Culver Boulevard Access Improvements to Completion shall be paid by the City pursuant to the Disbursement Procedures and in accordance with this Agreement, as said costs are to be calculated and determined pursuant to and in accordance with this Agreement.

"Days" means calendar days and the statement of any time period herein shall be calendar days and not working or business days, unless otherwise specified. With respect to any provision in this Agreement that places an obligation on the City or involves noticing the City within a certain number of business days, a general business day on which the Culver City City Hall is closed shall not constitute a business day in that provision for purposes of calculating business days.

"Default" has the meaning ascribed to such term in Section 6.1 of this Agreement.

"Design Development Drawings" means the design development drawings for the Public Improvements as previously approved by the City in accordance with the DDA.

"Develop and Cause Construction" means, with respect to any component of the Project, including the Public Improvements, that Developer shall develop and cause a qualified and licensed contractor to construct such component. As used in the immediately preceding sentence, "cause" shall include without limitation the Developer taking all necessary steps and signing all necessary documents to effectuate such construction activities to be performed by duly licensed construction contractors or to otherwise be done in compliance with all applicable contractor licensing requirements of the State of California. The Parties acknowledge that Developer is not a licensed general contractor, and do not intend, and nothing in this Agreement shall be interpreted to mean, that the Developer or its guarantor is or is acting as a general contractor.

"Developer" means COMBINED/HUDSON 9300 CULVER LLC, a Delaware limited liability company, whose address for purposes of this Agreement is set forth in Section 8.0 below, and any permitted assignees or nominees of Developer in accordance with the DDA.

"Disbursement Procedures" means the provisions setting forth the timing and conditions for the disbursement of City Funds to the Developer to Develop and Cause Construction of the Public Improvements, including payment of the Management Fee and all other costs, fees and expenses relating to the construction of the Public Improvements, substantially in the form attached to this Agreement as Exhibit "E".

"Effective Date" means the last date on which this Agreement is signed by both the City and Developer.

“Environmental Law(s)” means, as amended from time to time, (i) Sections 25115, 25117, 25122.7 or 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law)), (ii) Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) Article 9 or Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (vi) Section 311 of the Clean Water Act (33 U.S.C. Sec.1317), (vii) Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Sec.6901 *et seq.* (42 U.S.C. Sec.6903) or (viii) Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sec. 6901 *et seq.*

“Escrow Agent” means the escrow agent of the Escrow Company.

“Escrow Company” means First American Title Company acting out of its Los Angeles, California office located at 777 South Figueroa Street; Suite 400, Los Angeles, California 90017 or such other escrow company as may be designated by the City Manager and approved by Developer.

“Event of Default” has the meaning ascribed to such term in Section 6.1 of this Agreement.

“Exit Ramp Credit” means the credit to the City’s costs of the Public Parking Improvements, excluding the Culver Boulevard Access Improvements, to reflect the portion of shared cost savings to the Parties that is allocable to the City resulting from the removal of the originally contemplated exit driveway providing egress to West Washington Boulevard, as described in Section 2.5.1(a) of this Agreement, which credit shall be a total amount equal to the sum of (i) Two Hundred Fifty Thousand Dollars (\$250,000) plus (ii) an amount, not to exceed Two Hundred and Four Thousand Dollars (\$204,000), equal to the Management Fee paid to Developer under this Agreement for the construction of the Culver Boulevard Access Improvements. For example, if such Management Fee actually paid to Developer was \$204,000, the total amount of the Exit Ramp Credit would be \$454,000.

“Force Majeure” has the meaning ascribed to such term in Section 9.18 of this Agreement.

“Governmental Requirements” means all laws, ordinances, statutes, codes, rules, orders, decrees, requirements, resolutions, policy statements and regulations (including, without limitation, those relating to land use, subdivision, zoning, the environment, labor relations, prevailing wage, notification of sale to employees, Hazardous Materials, occupational health and safety, water, earthquake hazard reduction and building and fire codes; and including all Environmental Laws and Labor Laws) of the United States, the State of California, the County of Los Angeles, the City and of any other political subdivision, agency or instrumentality exercising jurisdiction over the City, the Developer or the Site.

“Hazardous Materials” means any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, asbestos; polychlorinated biphenyls (whether or not highly chlorinated); radon gas; radioactive materials; explosives; chemicals known to cause cancer or reproductive toxicity; hazardous waste, toxic substances or related materials; petroleum and petroleum product, including, but not limited to, gasoline and diesel fuel; those substances defined as a “Hazardous Substance”, as defined by Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, *et seq.*, or as “Hazardous Waste” as defined by Section 6903 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*; an “Extremely Hazardous Waste,” a “Hazardous Waste” or a “Restricted Hazardous Waste”, as defined by The Hazardous Waste Control Law under Section 25115, 25117 or 25122.7 of the California Health and Safety Code, or is listed or identified pursuant to Section 25140 of the California Health and Safety Code; a “Hazardous Material”, “Hazardous Substance,” “Hazardous Waste” or “Toxic Air Contaminant” as defined by the California Hazardous Substance Account Act, laws pertaining to the underground storage of hazardous substances, hazardous materials release response plans, or the California Clean Air Act under Sections 25316, 25281, 25501, 25501.1 or 39655 of the California Health and Safety Code; “Oil” or a “Hazardous Substance” listed or identified pursuant to 311 of the Federal Water Pollution Control Act, 33 U.S.C. 1321; a “Hazardous Waste,” “Extremely Hazardous Waste,” or an “Acutely Hazardous Waste” listed or defined pursuant to Chapter 11 of Title 22 of the California Code of Regulations Sections 66261.1-66261.126; chemicals listed by the State of California under Proposition 65 Safe Drinking Water and Toxic Enforcement Act of 1986 as a chemical known by the State to cause cancer or reproductive toxicity pursuant to Section 25249.8 of the California Health and Safety Code; a material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, materially damages or threatens to materially damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or government agency requires in order for the property to be put to the purpose proposed by this Agreement; any material whose presence would require remediation pursuant to the guidelines set forth in the California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank; pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. 136 *et seq.*; asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. 2601 *et seq.*; any radioactive material including, without limitation, any “source material,” “special nuclear material,” “by-product material,” “low-level wastes,” “high-level radioactive waste,” “spent nuclear fuel” or “transuranic waste” and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. 2011 *et seq.*, the Nuclear Waste Policy Act, 42 U.S.C. 10101 *et seq.*, or pursuant to the California Radiation Control Law, California Health and Safety Code, Sections 25800 *et seq.*; hazardous substances regulated under the Occupational Safety and Health Act, 29 U.S.C. 651 *et seq.*, or the California Occupational Safety and Health Act, California Labor Code, Sections 6300 *et seq.*; and/or regulated under the Clean Air Act, 42 U.S.C. 7401 *et seq.* or pursuant to the California Clean Air Act, Sections 3900 *et seq.* of the California Health and Safety Code; or any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, which by any Governmental Requirements either requires special handling in its use, transportation, generation, collection, storage, handling,

treatment or disposal, or is defined as “hazardous” or harmful to human health or the environment.

“Hazardous Materials Activity” means any actual, proposed or threatened storage, holding, existence or suspected existence, release or suspected release, emission, discharge, generation, processing, abatement, removal, disposition, treatment, handling or transportation of any Hazardous Materials from, under, into, on, above, or across the Site or surrounding property or any other use of or operation on the Site or the surrounding property in violation of Environmental Laws that creates a risk of Hazardous Materials contamination of the Site.

“Labor Laws” means any applicable federal, state and local labor standards which such standards shall include, without limitation and if applicable: (a) the payment of not less than the wages prevailing in the locality as determined by the Secretary of Labor pursuant to the Davis Bacon Act (40 U.S.C. 276a to 276a-5), to all laborers and mechanics employed in the development of any part of the Project; (b) the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 332); (c) Labor Code Section 1720 *et seq.*, including without limitation the payment of prevailing wage and maintenance of payroll records in accordance with Labor Code Sections 1776 and 1812, and employment of apprentices in accordance with Labor Code Section 1777.5; and (d) applicable requirements of Senate Bill No. 854 signed into law on June 20, 2014.

Any work performed pursuant to this Agreement (the “work”) shall comply with the requirements of Labor Code Section 1720 *et seq.*, including without limitation the payment of prevailing wage and maintenance of payroll records in accordance with Labor Code Sections 1776 and 1812, employment of apprentices in accordance with Labor Code Section 1777.5, and compliance with applicable requirements of Senate Bill No. 854 signed into law on June 20, 2014. In all bid specifications for any such public work, and contracts and subcontracts for that work, Developer (or its general contractor, in the case of subcontracts) shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of worker needed to perform the work, and shall include such rates in the bid specifications, contract or subcontract. Such bid specifications, contract or subcontract for any such public work must contain the following provision:

“It shall be mandatory for the contractor to pay not less than the said prevailing rate of wages to all workers employed by the contractor in the execution of this contract. The contractor expressly agrees to comply with the penalty provisions of Labor Code Section 1775 and the payroll record keeping requirements of Labor Code Section 1776.”

The provisions of Labor Code Sections 1775 and 1813 regarding penalties to be paid upon the failure to pay prevailing wage and for failure to comply with the hours laws respectively shall be enforced. As set forth in Labor Code Section 1810, eight (8) hours labor constitutes a legal day’s work. In accordance with the provisions of Labor Code Section 3700, Developer is required to secure payment of compensation to its employees. Developer shall include or cause to be included in every contract for the Public Parking Improvements and the Town Plaza Expansion Improvements: (a) a statement that in accordance with the provisions of

Labor Code Section 3700, the contractor will be required to secure the payment of compensation to its employees; and (b) copies of Labor Code Sections 1771, 1775, 1776, 1777.5, 1813 and 1815.

“Landscaping and Grading Plans” means the landscaping and grading plans for the Public Improvements as previously approved by the City in accordance with the DDA and more specifically described on Exhibit “C” attached hereto.

“Losses and Liabilities” means and includes all claims, causes of action, liabilities (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or cost of any kind, whether actual, alleged or threatened, including attorneys’ fees and costs, court costs, interest or defense costs, and expert witness fees), losses, damages (including, without limitation, penalties, fines and monetary sanctions), injuries, expenses, charges, penalties or costs of whatsoever character, nature and kind, including reasonable attorney’s fees and costs incurred by the indemnified party with respect to counsel of its choice, whether to property or to person, whether by direct or derivative action, and whether known or unknown, suspected or unsuspected, latent or patent.

“Management Fee” means the fee to be paid to the Developer by the City for all construction management services, including construction observation and administration and Developer overhead, performed by the Developer or third parties engaged by the Developer solely to provide the same construction management services in conjunction with the activity necessary to Develop and Cause Construction of the Public Parking Improvements and the Town Plaza Expansion Improvements, as set forth in the DDA and this Agreement. The Management Fee shall be equal to the sum of the total costs, hard and soft, of 4% of the Public Improvements design and construction costs as such costs are calculated pursuant to the Reimbursement Agreements and this Agreement and paid in accordance with the Disbursement Procedures and this Agreement; provided, however, that as to the portion of the Management Fee allocable to the Culver Boulevard Access Improvements such Management Fee shall not exceed the amount of Two Hundred and Four Thousand Dollars (\$204,000). The payment of the Management Fee will be due and payable by the City to the Developer in monthly installments based upon the percentage of completion of the work on the Public Improvements. The portion, if any, of the Management Fee in fact paid to Developer in connection with a reimbursement to Developer under any of the Reimbursement Agreements shall be deducted from any overlapping Management Fee payable under this Agreement so that, in no event, shall there be any double payment of the same portion of the Management Fee.

“Material Timing Impact” means, as to any City requested modification or modifications to the Plans, any change or changes which could be expected, using commercially reasonable standards, to delay the outside critical path timing of the Project set forth in the Construction Contract for the Project by more than two (2) weeks cumulatively as a result of all such modification or modifications.

“Maximum Public Parking Improvements Price” means a fixed price to be paid by the City to the Developer for the Developer to Develop and Cause Construction of, and for the Completion of, the Public Parking Improvements excluding the Culver Boulevard Access

Improvements, determined in accordance with the procedures set forth in Section 2.5.1(b) of this Agreement.

“Notice” means a notice in the form prescribed by Section 8.0 of this Agreement.

“Parcel B Improvements” means a four level high quality office and retail complex with an Elevated Plaza and Grand Stairs, providing approximately 115,108 square feet of gross building area consisting of a minimum of 32,654 square feet dedicated to retail and restaurant uses and a minimum of 55,470 gross square feet dedicated to office use and including public restrooms and a storage area, in addition to approximately 18,990 square feet of open space, to be developed on the Developer Parcel and owned by the Developer, and certain related off-site improvements and subterranean Private Parking Improvements, as more thoroughly described in the approved Plans, and which the Developer shall Develop and Cause Construction to Completion in accordance with the DDA and the approved Plans.

“Parking Improvements” means collectively, the Private Parking Improvements and the Public Parking Improvements.

“Party” means either Developer or City.

“Parties” means both Developer and City.

“Plans” means any and all final construction, architectural, design, landscaping and grading plans, drawings and specifications prepared for the Public Improvements in accordance with the DDA and previously approved by the City, including the Building Permit/Construction Drawings, which incorporates to the extent applicable the Public Parking Design Specifications prepared by the City, and including the Landscaping and Grading Plans. As to the Culver Boulevard Access Improvements, the Plans are consistent with or a logical evolution of that certain Concept Design for the Culver Boulevard Access Improvements more particularly described in Exhibit D. The Plans may be modified at the request of the Developer after the date of this Agreement, upon and with the express written approval of the City, subject to the Developer complying with the procedure for the modification of Plans in the DDA and with any applicable City regulatory land use and entitlement requirements. The Plans may be modified with respect to the City Parcel or the Public Improvements at the request of the City after the date of this Agreement; provided however that solely as to any modifications which would relate to or affect the Public Parking Improvements, including the Culver Boulevard Access Improvements, or to that portion of the Town Plaza Expansion Improvements involving the size and/or location of the stage, the City’s requested modification shall require the written approval of the Developer to proceed if such modification would result in the occurrence of any of the following events: (i) there is more than a de minimus change in the location of the ramp and tunnel of the Culver Boulevards Access Improvements, (ii) the proposed change would have a material impact to the look, quality, costs, or operations of the City Parcel or Public Improvements, and (iii) the proposed change would result in a Material Timing Impact to the Project. The costs of any modification described above shall be solely borne by the Developer if such modification reflects a Developer elective modification, shall be solely borne by the City if such modification reflects a City elective modification, and, if such modification results solely

from a Contractor change order or is otherwise established by neutral determination pursuant to the provisions of the Construction Contract, then, subject to and without limiting or amending the provisions of this Agreement relating to City approval required for payments, funding and change orders, shall be allocated between the Parties in accordance with the provisions of this Agreement for cost allocation as discussed in Section 2.5.4 below.

“Post Closing Funding Escrow” has the meaning ascribed to such term in Section 3.1(a) of this Agreement.

“Private Parking Improvements” shall mean the portion of the Parcel B Improvements pertaining to the subterranean private parking spaces to serve the Parcel B Improvements, a portion of which parking improvements shall be located within the Developer Parcel and be owned by the Developer and a portion of which shall be located within the City Parcel with irrevocable and perpetual easement rights of use and access by the Developer, and of which the Developer shall Develop and Cause Construction to Completion in accordance with the DDA and the approved Plans, as more fully shown in the approved Plans. The Private Parking Improvements shall include not less than 100 parking spaces, as approved in accordance with the approved Plans.

“Project” means the Parcel B Improvements (including, without limitation, the Private Parking Improvements comprised therein), the Public Parking Improvements (including the Culver Boulevard Access Improvements comprised therein), and the Town Plaza Expansion Improvements, as generally described in the DDA, and as depicted on the Plans approved by the City.

“Public Improvements” means collectively, the Public Parking Improvements (including the Culver Boulevard Access Improvements comprised therein) and the Town Plaza Expansion Improvements.

“Public Improvements Project Budget” means the sources and uses of City Funds for development and construction of the Public Improvements under this Agreement and the DDA (but excluding funds budgeted for planning, design, and construction observation services to be paid under the Reimbursement Agreements and for any design phase contingency) as set forth in Exhibit “G” and incorporated herein by this reference. The Public Improvements Project Budget shall provide, without limitation, separate maximum construction amounts budgeted and allocated for development and construction of each of (i) the Public Parking Improvements but excluding the Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements, and (iii) the Culver Boulevard Access Improvements, each of the above referred to individually as a “Maximum Budgeted Construction Amount” and collectively as “Maximum Budgeted Construction Amounts”. The Public Improvements Project Budget shall also provide, without limitation, separate maximum contingency amounts budgeted, authorized and allocated for development and construction of each of (a) the Public Parking Improvements but excluding the Culver Boulevard Access Improvements, (b) the Town Plaza Expansion Improvements, and (c) the Culver Boulevard Access Improvements, each of the above referred to individually as a “Maximum Budgeted Contingency Amount” and collectively as “Maximum Budgeted Contingency Amounts”.

“Public Parking Improvements” means certain subterranean public parking improvements, including without limitation the driveway and ramp to provide access to the Parking Improvements, which includes the Culver Boulevard Access Improvements, to be located on and within the City Parcel and be owned by the City, certain related off-site improvements to be owned by the City, and certain subterranean public parking spaces and related access improvements to be located within the Developer Parcel with irrevocable and perpetual easement rights of use and access by the City pursuant to the Reciprocal Easement Agreement, which Public Parking Improvements the Developer shall Develop and Cause Construction to Completion on and within and adjacent to the City Parcel and the Developer Parcel, in accordance with the DDA, the approved Plans, and this Agreement. The costs incurred by the Developer to Develop and Cause Construction of the Public Parking Improvements to Completion shall be paid by the City pursuant to the Disbursement Procedures and in accordance with this Agreement, as said costs are to be calculated and determined pursuant to and in accordance with this Agreement. The costs to be funded by the City with respect to the Public Parking Improvements (i) shall not include Developer’s pro rata share of the cost to construct the Parking Improvements, which Developer pro rata share shall not include any portion of the costs attributable to the Culver Boulevard Access Improvements, and (ii) shall be net of the Exit Ramp Credit to be provided to the City. The Public Parking Improvements shall include one hundred (100) parking spaces, as approved in accordance with the Plans.

“Reimbursement Agreement (Past Costs)” means that certain Reimbursement Agreement for Costs to Date entered into by and between the Parties and dated July 13, 2015.

“Reimbursement Agreement (Plaza Design)” means that certain Reimbursement Agreement Relating to Design Services for the Town Plaza Expansion Improvements entered into by and between the Parties and dated on or about the date of the City Council’s approval of the form of this Agreement.

“Reimbursement Agreement (Project Improvements)” means that certain Reimbursement Agreement Relating to Design Services for the Parcel B Project and Public Improvements entered into by and between the Parties and dated on or about the date of the City Council’s approval of the form of this Agreement.

“Reimbursement Agreements” means collectively, the Reimbursement Agreement (Past Costs), the Reimbursement Agreement (Plaza Design) and the Reimbursement Agreement (Project Improvements).

“Representatives” means the agents, staff, employees, members, independent contractors, affiliates, principals, shareholders, officers, officials, council members, board members, committee members, and planning and other commissioners, partners, attorneys, accountants, representatives, and staff of the referenced entity and the predecessors, heirs, successors and assigns of all such persons.

“Rider” means those City-required terms and provisions substantially in the form as set forth in Exhibit “H” attached hereto.

“Schedule of Performance” means that certain Schedule of Performance, attached to the DDA as Attachment No. 4, as has been amended in writing executed by the Parties, setting forth the dates and/or time periods by which certain obligations set forth in the DDA and this Agreement must be accomplished by the respective Party. The Schedule of Performance is subject to revision from time to time in accordance with terms of the DDA, the Schedule of Performance and City approvals of the DDA.

“Schematic Drawings” means the schematic drawings for the Project as previously approved by the City in accordance with the DDA.

“Scope of Development” means that certain Scope of Development, attached to the DDA as Attachment No. 3, that describes the development details of the Project.

“Site” is a component of the Town Plaza Project and consists of the Developer Parcel and the City Parcel, as depicted in the Site Map attached hereto as Exhibit “B”.

“Town Plaza Expansion Improvements” means certain public improvements relating to the expansion of the Town Plaza Project, which shall be located on the City Parcel adjacent to the Parcel B Improvements and be owned by the City (excluding the Culver Boulevard Access Improvements) and certain related off-site improvements to be owned by the City, and of which the Developer shall Develop and Cause Construction to Completion on the City Parcel, in accordance with the DDA, the approved Plans, and this Agreement. The costs incurred by the Developer to Develop and Cause Construction of the Town Plaza Expansion Improvements to Completion shall be paid by the City pursuant to the Disbursement Procedures and in accordance with this Agreement, as said costs are to be calculated and determined pursuant to and in accordance with this Agreement.

“Town Plaza Project” means the Town Plaza/Screenland cinema, restaurant, retail and office project located at 9530 Washington Boulevard and 9300-9310 Culver Boulevard, Culver City.

2.0 CONSTRUCTION OF PUBLIC IMPROVEMENTS

2.1 Construction Contracts for Town Plaza Expansion Improvements and Public Parking Improvements

(a) Prior to or concurrent with the date of this Agreement, the Developer has entered into the guaranteed maximum cost construction contracts for the construction of the Project listed on “List of Construction Contracts” attached hereto as Exhibit K (hereinafter referred to as the “Construction Contract”) with contractors approved by the City as shown on said Exhibit K (hereinafter referred to as the “Contractor”). Prior to the Developer’s execution of the Construction Contract, the City shall have approved the Contractor selected by the Developer and the form of the Construction Contract. The Developer’s selection of the Contractor shall have been made after the City has reviewed no less than three (3) general contractor bids for the development and construction of the Public Improvements that separately

identify a detailed cost estimate for each of the Public Parking Improvements (excluding the Culver Boulevard Access Improvements), the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements, as obtained and presented by the Developer, and the City has reviewed and approved the general contractor bid desired to be selected by the Developer for the development and construction of the Public Improvements as provided in the DDA prior to the Developer making its selection of such general contractor. The Construction Contract shall include (i) a guaranteed maximum price for the Parcel B Improvements and the Public Parking Improvements (exclusive of the Culver Boulevard Access Improvements) as a single project, (ii) a guaranteed maximum price for each of the Culver Boulevard Access Improvements and the Town Plaza Expansion Improvements, and (iii) the Maximum Public Parking Improvements Price for the Public Parking Improvements excluding the Culver Boulevard Access Improvement as further provided in Section 2.5.1(b) below; provided however that utility relocation costs may be contracted for on a cost-plus basis subject to the reasonable approval of the City as to the form and substance and the methods of calculation of the costs.

(b) The Developer shall have ensured that, except as otherwise approved in writing by the City, prior to execution, the Construction Contract with the Contractor sufficiently includes in its written terms or incorporates by reference (as applicable) the terms and provisions reasonably required by the City, consistent with the terms and provisions set forth in Section 2.1(l) below, including, without limitation, the Rider, with only such modifications therein as reasonably approved by the City, and including, without limitation, the Third Party Insurance Requirements set forth in Exhibit "I" attached hereto and incorporated herein by this reference, with only such modifications therein as reasonably approved by the City, which insurance requirements shall not limit any indemnification obligations of the Contractor for the benefit of the City. Each Construction Contract with a Contractor shall be delivered to the City in its final executed form prior to or concurrent with commencement of any payments by the City under this Agreement and the Disbursement Procedures with respect to such Construction Contract.

(c) The costs incurred by the Developer to Develop and Cause Construction of the Public Improvements and other costs, fees and expenses relating to construction of the Public Improvements as approved by the City pursuant to the terms of the DDA and this Agreement, including all such costs incurred pursuant to the terms of the approved Construction Contract, the Management Fee, and Additional Contracts (defined below in Section 2.1(g)) shall be paid by the City with City Funds pursuant to the Disbursement Procedures, consistent with the Public Improvements Project Budget, and in accordance with this Agreement, and as said costs are calculated, determined and allocated pursuant to and in accordance with this Agreement. Except as may be authorized by further action of the City, payment of all such costs, fees and expenses due and payable to Developer for Developer to Develop and Cause Construction of the Public Improvements to Completion in accordance with this Agreement and the Disbursement Procedures shall be no greater than the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget, which amounts are within the City's current budget and within an available, unexhausted and unencumbered appropriation of the City. Any funds needed to make payments for any additional costs, fees or expenses in excess of the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget would first need either (i) to be budgeted and appropriated by further action of the City Council of the City or (ii) authorized by the City to be paid from available contingency funds that have been

budgeted and allocated by the City to the development and construction of (i) the Public Parking Improvements excluding the Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements, and (iii) the Culver Boulevard Access Improvements, respectively, as shown in the Public Improvements Project Budget and up to the "Maximum Budgeted Contingency Amounts" identified therein, before any such additional costs, fees or expenses are obligated to be paid by the City and paid by the City; otherwise, this Agreement shall cover only those costs, fees and expenses incurred up to the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget and the City shall not be liable or responsible for any additional costs, fees or expenses related to the Public Improvements.

(d) In connection with the foregoing and consistent with Section 9.22 below, the City Manager or the Community Development Director for the City is expressly authorized to and is hereby delegated the administrative authority to authorize the City's use of available contingency funds currently budgeted and allocated by the City to the development of the Town Plaza Expansion Improvements, the Public Parking Improvements excluding the Culver Boulevard Access Improvements, and the Culver Boulevard Access Improvements, respectively, from the authorized contingency amounts separately shown on the Public Improvements Project Budget, to pay for any prior City-approved cost and expense overruns or work change orders incurred with respect to the Public Improvements that are outside the fixed price or guaranteed maximum cost for construction of the Project and which are attributable and allocable to the City's share of construction of the Public Improvements as calculated and determined in accordance with this Agreement. Notwithstanding anything in this Agreement to the contrary, such administrative authority shall include the authority to approve the use of such available contingency funds designated for the Town Plaza Expansion Improvements being used to pay for the cost of the Public Parking Improvements, excluding the Culver Boulevard Access Improvements, and the authority to approve the use of such available contingency funds designated for the Public Parking Improvements, excluding the Culver Boulevard Access Improvements, being used to pay for the cost of the Town Plaza Expansion Improvements. In the event the City elects not to approve funding above the Maximum Budgeted Construction Amounts for cost or expense overruns or requested change order work required by the Contractor to perform its obligations under the Construction Contract for the Public Improvements or by any other applicable Developer consultant or contractor approved by the City for the Public Improvements from available contingency amounts, then the meet and confer procedure set forth in Subsections (f) and (g) below and the Parties' obligations thereunder shall apply. Developer shall diligently perform its obligations hereunder and in the DDA to ensure that the Contractor and any other applicable Developer consultants and contractors approved by the City construct the Public Improvements in substantial compliance with the approved Plans and pursuant to the terms of the guaranteed maximum cost provisions set forth in their applicable contracts with the Developer.

(e) Unless additional funding is authorized by the City Council, the Developer hereby acknowledges and agrees that the amounts set forth in the Public Improvements Project Budget for development and construction of the Town Plaza Expansion Improvements, the Public Parking Improvements excluding the Culver Boulevard Access Improvements, and the Culver Boulevard Access Improvements in accordance with the DDA and this Agreement, including the contingency amounts shown therein, shall be the total costs and fees which the City

shall be obligated to fund for the development and construction of the Town Plaza Expansion Improvements, the Public Parking Improvements excluding the Culver Boulevard Access Improvements, and the Culver Boulevard Access Improvements to Completion under the DDA and this Agreement, and Developer hereby acknowledges and agrees that the City shall have no obligation to fund any additional costs and expenses not otherwise contemplated herein and as provided in the Public Improvements Project Budget. In the event any such additional work will require funding by the City and if the City has not elected to budget and appropriate the required funds and provided Developer with the City's confirmation of authority for the same, then the meet and confer procedure set forth in Subsections (f) and (g) below and the Parties' obligations thereunder shall apply.

(f) Without modifying or limiting any other provision of this Agreement, if (i) the City and Developer agree (or it is otherwise established by neutral determination pursuant to the provisions of the applicable Construction Contract) that the costs of constructing to Completion the Public Improvements, excluding the Culver Boulevard Access Improvements, determined in accordance with the DDA and this Agreement exceed the Maximum Budgeted Construction Amounts and the Maximum Budgeted Contingency Amounts, if any, that have been made available for construction of such improvements due to reasons other than an Event of Default of Developer, and (ii) the City has not elected to appropriate any additional funds to pay such costs, then the City and the Developer shall promptly meet and diligently confer in good faith and shall make commercially reasonable efforts to bring about the Completion of such improvements without the expenditure of additional funds by either the City or the Developer, such as considering modifications to the Plans, modifications to the specifications, introduction of new materials or treatments, reduction in scope and nature of the improvements, including, without limitation, a reduction in the number of parking spaces to be included in the Public Parking Improvements, and/or such other modifications or adjustments to the affected improvements as reasonably necessary to bring the costs of the Public Improvements back within budgeted and available funds. So long as the Developer continues to perform its obligations under this Subsection (f) to promptly meet and diligently confer in good faith and make such commercially reasonable efforts to identify alternate solutions, (i) the City will not assert that Developer is in default under this Agreement or any agreement related hereto, for failure to proceed with the construction of the improvements that has occurred by reason of such funding shortfall and the Schedule of Performance shall be extended by the period of any such delay, and (ii) City will not assert any Claim against Developer for any delay in Completion of the Improvements that has occurred by reason of such funding shortfall, this meet and confer procedure, and/or the implementation thereof. City and Developer acknowledge and agree that in implementing the meet and confer process set forth in this Subsection (f) and the resolution thereof, the City and Developer shall cooperate reasonably and in good faith to attempt to avoid any material delay in the Completion of the Parcel B Improvements or the ability of Developer to proceed with the Parcel B Improvements pending resolution of the meet and confer process. The parties shall cooperate reasonably and in good faith to attempt to meet the requirements of any affected construction lender with respect to progress and completion of the Project.

(g) Without modifying or limiting any other provision of this Agreement, if (i) the City and Developer agree (or it is otherwise established by neutral determination pursuant to the provisions of the applicable Construction Contract) that due to reasons other than an Event

of Default of Developer the costs of constructing to Completion the Culver Boulevard Access Improvements (as determined in accordance with the Agreement) exceed the Maximum Budgeted Construction Amount and the Maximum Budgeted Contingency Amount, if any, that have been made available for construction of the Culver Boulevard Access Improvements, (ii) the City is unable, after and despite diligent efforts, to obtain additional third party funds for such purposes, and (iii) the City has not elected to appropriate any additional funds to pay such costs, then the City and the Developer shall promptly meet and diligently confer in good faith and shall make commercially reasonable efforts to bring about the Completion of the Culver Boulevard Access Improvements without the expenditure of additional funds by either the City or the Developer, such as considering modifications to the Plans, modifications to the specifications, introduction of new materials or treatments, reduction in scope and nature of the improvements, and/or such other modifications or adjustments to the Culver Boulevard Access Improvements as reasonably necessary to bring the costs of the Culver Boulevard Access Improvements back within budgeted and available funds. In the event that despite Developer performing its obligations under this Subsection (g) to promptly meet and diligently confer in good faith and make such commercially reasonable efforts to identify alternate solutions, the meet and confer procedure required by this Subsection (g) does not promptly result in bringing the costs of the Culver Boulevard Access Improvements back within budgeted and available funds, then the Developer shall have the right to elect, in its discretion, to segregate the remainder of the Project from the uncompleted Culver Boulevard Access Improvements by installing adequate and reasonably secured screening and fencing of the Culver Boulevard Access Improvements in accordance with City approved plans and permits therefor. Standard screening and fencing costs shall be at the City's expense and the costs of all upgraded screening and fencing requested by Developer shall be at the Developer's expense. In any event, Developer shall proceed with the development of the Project (other than the Culver Boulevard Access Improvements) in accordance with the DDA and this Agreement with ingress and egress to and from the Project provided by access to Washington Boulevard via Ince Boulevard. Upon such election, Developer shall be released from, and this Agreement shall be administered, interpreted and applied in a manner that excludes, any further obligation of Developer to Develop and Cause Construction of the Culver Boulevard Access Improvements, and the City shall not withhold a Release of Construction Covenants under the DDA by reason of the lack of Completion of the Culver Boulevard Access Improvements upon Completion of the remainder of the Project. The City shall continue to be responsible to fund from the Culver Boulevard Access Improvement subaccount established pursuant to Section 3.1(a) of this Agreement all costs incurred under the Construction Contract with respect to the Culver Boulevard Access Improvements through the date of such election by Developer, including retention under the Construction Contract for work performed on the Culver Boulevard Access Improvements. The City may at its option complete the development of the Culver Boulevard Access Improvements when and if the City appropriates or obtains the necessary funds therefor. In the event the Culver Boulevard Access Improvements are completed in such manner by the City, then upon Completion of the Culver Boulevard Access Improvements the Washington Boulevard access shall continue to be used as a second access to the Project along with the Culver Boulevard Access Improvements. So long as the Developer continues to perform its obligations under this Subsection (g) to promptly meet and diligently confer in good faith and make commercially reasonable efforts to identify alternate solutions, (i) the City will not assert that Developer is in default under this Agreement or any agreement related hereto, for failure to proceed with the construction of the Culver

Boulevard Access Improvements that has occurred by reason of such funding shortfall and the Schedule of Performance shall be extended by the period of any such delay, and (ii) City will not assert any Claim against Developer for any delay in Completion of the Improvements that has occurred by reason of such funding shortfall, this meet and confer procedure, and/or the implementation thereof. City and Developer acknowledge and agree that in implementing the meet and confer process set forth in this Subsection (g) and the resolution thereof, the City and Developer shall cooperate reasonably and in good faith to attempt to avoid any material delay in the Completion of the Parcel B Improvements or the ability of Developer to proceed with the Parcel B Improvements pending resolution of the meet and confer process. The parties shall cooperate reasonably and in good faith to attempt to meet the requirements of any affected construction lender with respect to progress and completion of the Project.

(h) The City's approval of the Construction Contract or any Additional Contract for the development and construction of the Public Improvements shall not in and of itself constitute a waiver by the City of any breach or violation of this Agreement or the DDA by the Developer, and the Developer shall refrain from claiming that any such approval constitutes such a waiver; provided, that such approval shall constitute City's acknowledgment and agreement that such contract meets the applicable requirements of this Agreement and the DDA with respect to the form of that contract and the City provisions required to be included therein, including the requirements of Section 2.1(l) below. In connection with the foregoing, at the time of submitting any proposed contract for final approval by the City, Developer shall submit a redline of the required form of City rider against the rider attached to the applicable Contract reflecting any proposed differences, unless City elects, at its sole discretion, to waive in writing such requirement for any minor short form contracts.

(i) Should the Developer desire to enter into any Additional Contracts, the Developer shall submit to the City, and the City Manager shall reasonably review and approve, the proposed consultant and/or contractor, and the form of proposed Additional Contract to be entered into by the Developer with such consultant and/or contractor prior to Developer's execution of such Additional Contract. The Additional Contracts to be executed by the Developer shall be consistent with the requirements of this Agreement and the DDA, and shall not, taken together with the Construction Contract, in the aggregate exceed the Maximum Budgeted Construction Amounts provided for each of the Public Parking Improvements (excluding the Culver Boulevard Access Improvements), the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements, respectively, as set forth in the Public Improvements Project Budget, increased by the amount of any available contingency funds that the City has elected to make available toward the development and construction of such improvements as of the date such calculation is being made. Each such Additional Contract shall be delivered to the City in its final executed form prior to or concurrent with commencement of any payments by the City under this Agreement and the Disbursement Procedures with respect to such Additional Contract.

(j) The Developer, in performance of this Agreement, shall plan for and budget all contracts to be entered into for the development and construction of the Public Improvements such that their aggregate stated contractual amount does not, without the prior approval of the City, exceed the Maximum Budgeted Construction Amounts set forth in the

Public Improvements Project Budget. The Developer shall frequently consult with the City regarding all reasonably anticipated costs to develop and construct the Public Improvements and promptly notify the City in writing of any known potential increase in line item costs from those amounts set forth in the Public Improvements Project Budget.

(k) Each of the Additional Contracts, if any, shall be entered into with a duly licensed, insured, reputable, qualified, and financially responsible contractor or consultant.

(l) Without limiting the Developer's obligations and the City's rights set forth in the DDA with respect to the subject matters discussed below pertaining to the development and construction of the Project and set forth in this Agreement with respect to the development and construction of the Public Improvements, Developer shall require that the Additional Contracts sufficiently include and/or incorporate the terms and provisions set forth or referenced below, except as otherwise reasonably approved in writing by the City:

(1) Provide in the contract's written terms or incorporate by reference as an attachment the Rider, with only such modifications therein as have been reasonably approved by the City. The Parties shall cooperate in good faith with each other in the exercise of any remedies provided in the applicable Rider to the contract or under the contract, including without limitation, providing necessary documents or participating in any administrative or court proceeding as needed.

(2) Provide in the contract's written terms or incorporate by reference as an attachment the Third Party Insurance Requirements substantially in the form as set forth in Exhibit "I" attached hereto, with only such modifications therein as have been reasonably approved by the City, which insurance requirements shall not limit any indemnification obligations of the applicable contractor or consultant for the benefit of the City. The Developer shall obtain evidence of the applicable contractor's or consultant's compliance with the Third Party Insurance Requirements prior to execution of any contract by the Developer, and shall provide such evidence to the City upon its request.

(3) Provide a reasonably detailed schedule for completion of each stage of construction or other service performed pursuant to such contract.

(4) Provide the City with the right, but not the obligation, to cure defaults thereunder and to assume Developer's obligations and rights under the contract; provided, that such right to cure and assume that contract shall be subject to the rights, if any, of Developer's Construction Lender with respect to such contract.

(5) Require the applicable contractor or consultant and any subcontractors and/or subconsultants of such contractor or consultant to indemnify the City and its Representatives and the Developer for any liabilities incurred by the City, the City's Representatives or the Developer, respectively, as a result of a breach of the contract, negligence, intentional acts, failure to comply with applicable laws, and similar actions by the applicable contractor, subcontractors, consultant or subconsultants.

(6) Provide that the City shall be an express third party beneficiary of the contract entered into by the Developer with respect to the Public Improvements, including without limitation a third party beneficiary of all guarantees, warranties, remedies, indemnifications, and defend and hold harmless provisions accruing to Developer thereunder. Developer shall be obligated to provide evidence to the City that the contract contains adequate and appropriate express third party beneficiary language in form and content acceptable to the City Attorney, which may be established by the attachment and incorporation of the Rider attached hereto as Exhibit "H".

(7) Provide the City with rights of ownership or an irrevocable, nonexclusive license to obtain, retain and use any and all Plans and materials produced as a result of construction services applicable to the Public Improvements and paid for by the City under this Agreement upon a termination of this Agreement for any reason, at no further cost, expense or obligation to the City. Nothing in this Agreement or in the Rider attached hereto as Exhibit "H" shall (or shall be deemed or considered to) limit, waive, reduce or impact in any way the obligations of the Developer or the rights of the City with respect to the City's use and ownership of all Plans, drawings, studies and related documents concerning the "Project" (as defined in the DDA), including without limitation the City's rights under the Assignment of Plans, Reports and Data to be executed at the Close of Escrow for the sale of the Developer Parcel, in accordance with and as provided in Section 807 of the DDA, and the City hereby reserves all such rights for its benefit.

(8) Require the applicable contractor or consultant to perform all preparation of the Site for construction of the Public Improvements within the scope of its contract in accordance with Environmental Laws.

(9) Require the applicable contractor or consultant to take or cause to be taken all reasonably necessary precautions to prevent the release of any Hazardous Materials onto the Site or into the environment by or on behalf of such contractor or consultant in connection with the use or development thereof in violation of applicable Governmental Requirements. Such precautions shall include complying with and causing all of its activities on the Site to comply with all Governmental Requirements with respect to Hazardous Materials.

(10) Require the applicable contractor or consultant, in connection with its work, to install, or shall cause to be installed, and utilize such equipment and implement and adhere to all procedures, requirements and restrictions imposed by Governmental Requirements pertaining to the disclosure, storage, use, removal and disposal of Hazardous Materials.

(11) Except for customary materials used and applied in accordance with all Governmental Requirements and in the ordinary course of completing, maintaining and operating the Public Improvements or customarily utilized by households for domestic purposes in accordance with all Governmental Requirements, require the applicable contractor or consultant not to: (i) deposit Hazardous Materials in, on or upon the Site or Public Improvements, in violation of any applicable Governmental Requirements, or (ii) permit the deposit of Hazardous Materials in, on or upon the Site or Public Improvements by its employees,

agents, subconsultants and subcontractors in violation of any applicable Governmental Requirements.

(12) Require the contract to provide that, prior to and during construction of the Public Improvements, the applicable contractor or consultant shall not engage in any Hazardous Materials Activity on the Site, except in strict compliance with all Environmental Laws, and shall comply with all Governmental Requirements and Environmental Laws in connection with any activity on or about the Site by such contractor or consultant.

(13) Require the applicable contractor or consultant to, at its expense, procure and maintain all permits, licenses and certificates which may be required at any time in connection with the performance of any work or services on the Public Improvements performed by, through or behalf of such contractor or consultant, including, without limitation, a Culver City business tax certificate.

(14) Require the applicable contractor or consultant to maintain that portion of the Site relating to their services under the Additional Contract upon which any Public Improvements are to be constructed in good condition free from graffiti and from any accumulation of debris or waste materials with respect to the work being performed by such contractor or consultant.

(15) Require the applicable contractor or consultant to keep and maintain the Site, or the portion thereof upon which its work is being performed, in conformity with the Culver City Municipal Code and all other applicable Governmental Requirements.

(16) Require the applicable contractor or consultant to carry out the scope of its work for the development and construction of the Public Improvements in conformity with all applicable Governmental Requirements, including without limitation all Labor Laws, City zoning and development standards, building, plumbing, mechanical and electrical codes, all applicable provisions of the Culver City Municipal Code, and all applicable disabled and handicapped access requirements (including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

(17) Require the applicable contractor or consultant to carry out the scope of its work for development and construction of the Public Improvements on the Site, including, without limitation, any and all public works (as defined by applicable law), in conformity with all applicable Federal and State Labor Laws, including, without limitation, the payment of State prevailing wages for the Public Improvements.

(18) Because the Public Improvements are a "public work," as defined in Section 1720 of the Labor Code, require the applicable contractor or consultant (i) to provide any and all disclosures, representations, statements, rebidding, and/or identifications which may be required by Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law, (ii) to provide and maintain any and all

bonds to secure the payment to contractors (including the payment of wages to workers performing any public work) with respect to its scope of work which may be required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law, and (iii) at their sole cost, risk and expense, to obligate any subcontractors and subconsultants to perform such obligations as may be required by Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law.

(19) Require the applicable contractor or consultant to perform the scope of its work on the Public Improvements in accordance with applicable laws and regulations for the payment of prevailing wages and to indemnify, protect, defend and hold harmless the City and its elected officials, officers, employees, agents, consultants and attorneys, with counsel reasonably acceptable to the City, from and against all Losses and Liabilities and "increased costs" arising in any manner out of, or in connection with, any prevailing wage or related claim or litigation resulting from contractor's or consultant's failure to do so with respect to its scope of work, including, without limitation, any of the following: (1) the noncompliance by the applicable contractor or consultant of any applicable Federal and/or State Labor Laws (including, without limitation, the requirement to pay state prevailing wages); (2) the implementation of Sections 1726 and 1781 of the Labor Code with respect to work performed by the contractor or consultant on the Public Improvements, as the same may be enacted, adopted or amended from time to time, or any other applicable law; (3) the failure by the applicable contractor or consultant to provide any required disclosure, representation, statement, rebidding and/or identification which may be required by Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law; (4) the failure by the applicable contractor or consultant to provide and maintain any and all bonds to secure the payment to contractors (including the payment of wages to workers performing any public work) with respect to its scope of work which may be required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law; and/or (5) the failure by the applicable contractor or consultant to obligate any of its subcontractors and subconsultants to perform such obligations as may be required by Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, or any other applicable law. The applicable contractor or consultant shall bear all risks of payment or non-payment of State prevailing wages and/or the implementation of Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, and/or any other applicable provision of law, as they relate to the work performed by such contractor or consultant. "Increased costs" as used in this Section above shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time. The applicable contractor or consultant shall demonstrate to the City's reasonable satisfaction its continuing compliance with the requirements regarding prevailing wages and all applicable Governmental Requirements, including, without limitation, all applicable labor laws. The foregoing contractor or consultant indemnity shall survive expiration or termination of its Additional Contract for any reason with respect to obligations which have accrued under this Agreement as of the date of such expiration or termination.

(20) Require that all persons employed or applying for employment by the applicable contractor or consultant and all subcontractors, subconsultants, bidders and

vendors of such contractor or consultant, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, sexual orientation, pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000, *et seq.*, the Federal Equal Pay Act of 1963, 29 U.S.C. Section 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. Section 621, *et seq.*, the Immigration Reform and Control Act of 1986, 8 U.S.C. Section 1324b, *et seq.*, 42 U.S.C. Section 1981, the California Fair Employment and Housing Act, Cal. Government Code Section 12900, *et seq.*, the California Equal Pay Law, Cal. Labor Code Section 1197.5, Cal. Government Code Section 11135, the Americans with Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, and all other antidiscrimination laws and regulations of the United States and the State of California as they now exist or may hereafter be amended. Such contractor or consultant shall allow representatives of the City access to its employment records related to its applicable contract during regular business hours to verify compliance with these provisions when so requested by the City.

(21) Require that all change orders, if any, under such Additional Contract that are related to or impact the Public Improvements in any manner must be approved in advance by the City, except where such approval is expressly exempt under Section 2.5.4(a)(5) below. City shall respond to change orders within ten (10) business days of its receipt thereof. A failure of the City to respond to a requested change order within ten (10) business days of receipt shall not be deemed the approval of the City.

(m) Developer agrees that, without the prior written approval of the City, it shall not enter into any contract or supplemental agreement which would in any way alter the quality or character of the Public Improvements from that in any City approved Plans or which is inconsistent with the DDA or this Agreement.

2.2 Construction Management

(a) In consideration of the City's payment of the Management Fee to Developer, Developer shall exercise good faith and reasonable efforts to manage, coordinate and administer all aspects of the development and construction of the Public Improvements, including all aspects of the Construction Contract and other applicable Developer contracts approved by the City for the development of the Public Improvements in accordance with their terms, including without limitation, the following: (i) coordinate all regulatory processes including inspection, plan application, permits, and the like, (ii) coordinate with the Contractor and other Developer and City consultants and contractors to evaluate performance and constructability issues and make cost savings recommendations to the City as may be identified by Developer without reducing the aesthetic or quality of construction of the Public Improvements intended by the design, (iii) review construction related documents for completeness with the Contractor and other Developer and City consultants and contractors, (iv) select contractors and consultants that are responsible and reasonably qualified, (v) coordinate with the Contractor and other Developer and City consultants and contractors with regard to accuracy, feasibility, availability and cost of materials, labor and building systems, as necessary and applicable, (vi) coordinate with the Contractor and other Developer and City consultants and

contractors for construction of the Public Improvements, including without limitation the progression of the services performed by the Contractor and such other consultants and contractors, (vii) monitor and manage a master schedule to Develop and Cause Construction of the Public Improvements complete with milestones consistent with the DDA, the Schedule of Performance, and this Agreement, (viii) manage, in consultation with the City, the Contractor's management, conduct and completion of all bid, bid negotiations and bid conferences as may be required during construction of the Public Improvements and applicable to the Public Improvements including, without limitation, the purchase of equipment and materials for the Public Improvements, and negotiation and execution of applicable contracts; (ix) coordinate the approved Plans and specifications and any clarifications to same for the Public Improvements in concert with the City, the Contractor and other Developer and City consultants and contractors, (x) administer the Construction Contract and other Developer consultant and contractor contracts including communications, payments, monitoring of construction document interpretations, changes in scope and other procedural aspects for the Public Improvements, (xi) monitor, coordinate and supervise the day-to-day work of the Contractor and other Developer consultants and contractors working on the Project, (xii) maintain construction documentation for, review and monitor schedule adherence, and remain available to meet with the City on all aspects of construction of the Public Improvements, (xiii) review, investigate and submit for City approval proposed change orders affecting the Public Improvements and consult with the City with regard to potential cost and schedule impact for the Public Improvements, (xiv) monitor, coordinate and supervise the procurement, delivery and installation services for any furniture, fixture and equipment purchases for the Public Improvements, (xv) oversee punch-list completion, organize and cause to be delivered to the City all documentation and releases applicable to the Public Improvements and required from the Contractor and other Developer consultants and contractors pursuant to their applicable contracts with Developer and this Agreement, (xvi) coordinate with the Contractor and other Developer consultants and contractors on the delivery to the City of maintenance and operation manuals, warranties, and final close-out reports applicable to the Public Improvements pursuant to their applicable contracts with Developer and this Agreement, (xvii) monitor, in consultation with the City, compliance of Contractor and other Developer consultants and contractors with applicable prevailing wage requirements, and (xviii) exercise good faith efforts to manage and, at the City's request, report on the compliance by the Contractor and other Developer consultants and contractors with the requirements of their contracts pertaining to Hazardous Materials Activity, Hazardous Materials, Environmental Laws, Governmental Requirements, Labor Laws, and maintenance of the Site, and use its reasonable efforts (including, in the event Developer elects to initiate litigation, to pursue such litigation for the benefit of the City as well as the Developer so long as Developer elects to pursue same for its own benefit, at no cost to the City, but otherwise without obligation under this Agreement to initiate or conduct litigation on the City's behalf or for its benefit) to cause the Contractor and other applicable contractor and consultant to comply therewith. Further, Developer shall be responsible for the coordination of the Contractor and all other Developer and City consultants and contractors involved in the construction of the Project so as to achieve the integrated and coordinated development of the Project in substantial compliance with the approved Plans, including without limitation the progression of the services performed by the Contractor and other such consultants and contractors for the construction of the Project Improvements.

(b) The foregoing obligations of Developer shall be performed in accordance with the DDA and this Agreement. In connection with its supervision and management of the development and construction of the Public Improvements, Developer shall use good faith and reasonable efforts to supervise and coordinate the construction of the Public Improvements in accordance with the Construction Contract, any other applicable Developer consultant and contractor contracts, and all other applicable requirements and laws, including Governmental Requirements, and in substantial compliance with the approved Plans.

(c) Notwithstanding any other provisions contained in this Agreement, it is agreed, understood and acknowledged by the City that Developer is not a licensed general contractor, and is not licensed as an architect, engineer or environmental expert and Developer is not expected to personally act as a licensed general contractor, construction contractor, architect, engineer or environmental expert with regard to the construction management services to be provided pursuant to this Agreement. Nothing contained in this Agreement shall be deemed to require Developer to personally perform any act which would constitute the rendering of professional architectural, engineering, laboratory testing, or other licensed professional services.

2.3 Public Works Project

Developer acknowledges and agrees that the construction and completion of the Public Improvements constitutes a public work under applicable California law, and Developer agrees to, and to require that the Contractor and other Developer consultants and contractors for the Public Improvements, abide by all applicable Governmental Requirements and City policies in the performance of this Agreement and the DDA.

2.4 Conditions Precedent; Completion and Operation of the Public Improvements

2.4.1 General

(a) Prior to the execution of this Agreement by the Parties, all preconditions to the Close of Escrow (as defined in the DDA) for the sale of the Developer Parcel to the Developer and the effectiveness of this Agreement have been satisfied or waived by the applicable Party, including without limitation:

(1) The City has reviewed and approved, in accordance with the DDA, all Plans, including, in connection therewith, review and approval of Schematic Drawings, Design Development Drawings, Landscaping and Grading Plans and Building Permit/Construction Drawings, prior to Developer seeking contractor bids, and, based thereon, Developer has entered into the Construction Contract(s) listed in Exhibit K for the construction and development of the Public Improvements.

(2) The design of the Public Parking Improvements has been based on the parking plan prepared by or on behalf of the City in connection with the Public Improvements, the Public Parking Design Specifications provided by the City and attached to the Reimbursement Agreement (Project Improvements), and Plans and designs approved by the City in accordance with the DDA.

(3) The design of the Town Plaza Expansion Improvements has been based on Plans and designs approved by the City in accordance with the DDA.

(4) The City has reviewed no less than three (3) general contractor bids based on the City approved Plans for the construction and development of the Public Improvements as obtained and presented by the Developer. The City has reviewed and approved the general contractor bid desired to be selected by the Developer for the development and construction of the Public Improvements prior to the Developer making the selection of the general contractor, and, except as otherwise approved by the City in its sole discretion, the stated fixed price or guaranteed maximum price amount of such general contractor bid is within the Maximum Budgeted Construction Amounts set forth in the Public Improvements Project Budget and includes (i) a guaranteed maximum price for the Parcel B Improvements and the Public Parking Improvements (exclusive of the Culver Boulevard Access Improvements) as a single project, (ii) a guaranteed maximum price for each of the Culver Boulevard Access Improvements and the Town Plaza Expansion Improvements, and (iii) the Maximum Public Parking Improvements Price for the Public Parking Improvements excluding the Culver Boulevard Access Improvement as further provided in Section 2.5.1(b) below. Such Construction Contract may satisfy this condition precedent by being structured as two or three parallel construction contracts, one covering the Parcel B Improvements and the Parking Improvements excluding the Culver Boulevard Access Improvements, and one combined or two separate contracts covering the Culver Boulevard Access Improvements, and the Town Plaza Expansion Improvements. Whether the Culver Boulevard Access Improvements and the Town Plaza Expansion Improvements will be covered in two separate contracts or combined into one single contract shall be determined by the Parties through reasonable consultation and cooperation and based upon which form of documentation (i) will enable the Parties to obtain separate guaranteed maximum prices for each of those improvements, (ii) will facilitate the efficient segregated accounting for the cost of constructing each of the improvements, and (iii) will maximize the overall efficient, practicable and coordinated implementation of the Project. Each of the general contractor bids submitted to the City for review separately identified a detailed cost estimate for each of the Parking Improvements (excluding the Culver Boulevard Access Improvements), the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements.

(5) Developer has provided to the City satisfactory evidence of financing for the development and construction of the Parcel B Improvements, including the Private Parking Improvements, to Completion, in accordance with the DDA, this Agreement and the City approved Plans, which Parcel B Improvements shall be developed and constructed to Completion at no cost to the City in accordance with the DDA.

(6) The City has provided to the Post Closing Funding Escrow (as described in Section 3.1(a) below) funding for the development and construction of the Public Improvements to Completion in the amounts set forth in the Public Improvements Project Budget, in accordance with the DDA, this Agreement and the City approved Plans, which Public Improvements shall be developed and constructed to Completion at no cost to the Developer; provided, that nothing in this paragraph is intended to limit Developer's obligation to pay for

Developer's pro rata share of the cost to construct the Parking Improvements (excluding the Culver Boulevard Access Improvements), in accordance with the DDA and this Agreement.

(7) Developer has executed, or is, concurrently herewith, executing the Construction Contract with the Contractor for development and construction of the Public Improvements meeting the requirements of the DDA and this Agreement.

(8) Developer has obtained all performance, payment and completion bonds as may be required by the City for construction of the Public Improvements, in the form and in the amount as reasonably approved by the City, naming the City and Developer as co-obligees. The costs to obtain the performance, payment and completion bonds for construction of the Public Improvements shall be paid by the City, at no cost to the Developer. Developer acknowledges that the cost to the City for Developer to obtain the performance, payment and completion bonds for the Public Improvements will be paid by the City from City Funds and is included as a cost of construction item set forth in the Public Improvements Project Budget.

(9) Developer has secured and obtained all approvals and permits required by the City and any other governmental agency that are necessary and required for development and construction of the Public Improvements (or such approvals and permits are in a ready to issue condition) in accordance with the requirements of applicable law, the DDA and this Agreement and within the times set forth in the Schedule of Performance.

(10) The procedure to determine the City's cost for the Developer to Develop and Cause Construction of the Public Parking Improvements and the Town Plaza Expansion Improvements and the City's funding of such Public Improvements are based on reliable, responsible and accurate general contractor bids as set forth in Section 2.4.1(a)(4) above, and such costs shall be determined and allocated in accordance with the calculations described in more detail in Section 2.5 of this Agreement. The City has provided final approval of the general contractor bid selected by Developer, and any objection thereto by the City has been addressed and resolved to the City's reasonable satisfaction, including any rebidding required in connection therewith, and such determination and allocation is now final and binding on the Parties, in accordance with the DDA and this Agreement.

(b) In accordance with the provisions set forth herein, the Developer shall Develop and Cause Construction of the Public Improvements to Completion in accordance with the approved Plans, all permits and City and other governmental approvals for the Project, the DDA and this Agreement. Developer agrees, at the City's sole cost and expense and in accordance with Section 2.4.1(a)(8) above, to comply with all applicable performance, payment and completion bonding and insurance requirements with respect to the development and construction of the Public Improvements.

(c) Upon Completion of the Public Improvements, the Public Parking Improvements (but, unless and except as otherwise provided in the Reimbursement Agreement (Project Improvements) and as set forth below, excluding the Culver Boulevard Access Improvements) and the Town Plaza Expansion Improvements shall be subject to the requirements of the Reciprocal Easement Agreement ("REA") executed by and between the

Parties and, except as otherwise provided in the Reimbursement Agreement (Project Improvements) and as set forth below, the Culver Boulevard Access Improvements shall be subject to the requirements of the Shared Use Agreement ("SUA") executed by and among the City, Developer and The Culver Studios; provided however that if Developer has complied with its obligations relating to Developer negotiating and entering into the SUA as set forth in the Reimbursement Agreement (Project Improvements) but, notwithstanding Developer compliance with those obligations, no SUA has been entered into prior to the date scheduled in the DDA for the Close of Escrow (as defined in the DDA), then in lieu of the SUA, the REA between the City and the Developer will apply to and incorporate appropriate provisions relating to the Culver Boulevard Access Improvements. Concurrent with the Close of Escrow (as defined in the DDA) for the sale of the Developer Parcel to the Developer the REA shall be recorded in the Official Records against the Site and the SUA shall be recorded in the Official Records against the Developer Parcel, The Culver Studios property benefitting from or burdened by the SUA and the City Parcel, each as a covenant senior to any monetary lien and encumbrance (other than non-delinquent taxes and assessments). The Public Parking Improvements (but excluding the Culver Boulevard Access Improvements) will be operated and maintained in accordance with, at the City's option in its sole discretion, either the REA or, in lieu thereof solely as to such operation and maintenance, the terms of a separate Operations and Maintenance Agreement ("Parking O&M Agreement") mutually agreed to and executed by and between the City and the Developer, which will be subject to the REA and provide for City's management and operation of the Public Parking Improvements in coordination with the Developer's management and operation of the remaining Parking Improvements. The Parties agree that the Public Parking Improvements (but excluding the Culver Boulevard Access Improvements) shall be operated as transient parking available for hourly public use under and in accordance with and as further provided in the REA and such Parking O&M Agreement if applicable. Notwithstanding the general limitation of the Public Parking Improvements to transient use as described above, the Public Parking Improvements shall be operated so as to make the public parking available to the City for scheduled use in connection with short-term City-approved movie crew parking, exhibitions and special events within or in the vicinity of the Project, so long as the frequency, extent or duration thereof does not unreasonably interfere with their primary intended use as transient parking. The Culver Boulevard Access Improvements will be operated and maintained in accordance with the SUA. The City and Developer acknowledge and agree (i) that the City Parcel is solely owned by the City and that the Public Parking Improvements (a) will be solely owned by the City with regard to the Public Parking Improvements including the Culver Boulevard Access Improvements located on and within the City Parcel and (b) will be subject to the City's irrevocable and perpetual easement rights of use and access with regard to the portion of the Public Parking Improvements located on and within the Developer Parcel pursuant to the REA, and (ii) that the Developer does not have any ownership rights or exclusive interest in and to the City Parcel or such Public Parking Improvements including the Culver Boulevard Access Improvements located on and within the City Parcel or exclusive interest in and to any such Public Parking Improvements located on and within the Developer Parcel, and (iii) that the City may, at any time, subject to the Developer's rights expressly set forth in the Parking License Agreement entered into by the Parties concurrently with this Agreement for parking use of the City's parking spaces, allow and contract with third parties to use all or portions of such Public Parking Improvements including the Culver Boulevard Access Improvements and the City

Parcel, which uses shall not require the consent or approval of the Developer at any time so long as they are consistent with and meet the provisions, requirements and restrictions of the REA.

(d) Upon Completion of the Town Plaza Expansion Improvements, the Town Plaza Expansion Improvements will be subject to the requirements of the REA executed by the Parties and recorded in the Official Records against the Site. Upon Completion, the operation and control of the Town Plaza Expansion Improvements shall be turned over to the City regardless of the status and progress of the construction of the remainder of the Project. Following such transfer of operation and control to the City, the City shall be responsible for all further costs of operation and maintenance of the Town Plaza Expansion Improvements, unless as otherwise agreed to in writing by the City and the Developer, and City shall cause those improvements to be operated and maintained in accordance with, at the City's option in its sole discretion, the REA or the terms of a separate Operations and Maintenance Agreement ("Plaza O&M Agreement") mutually agreed to and executed by and between the City and the Developer. The City and the Developer acknowledge that the Parties may hereafter mutually agree in writing to the Plaza O&M Agreement, subject to the City's review and approval rights in its municipal and regulatory capacity, in order to allow Developer to license for use a portion of the Town Plaza Expansion Improvements and, in that event, for Developer to maintain the Town Plaza Expansion Improvements or to pay or cause to be paid the costs of maintenance of the Town Plaza Expansion Improvements, in accordance with the terms and conditions to be set forth in more detail in such written agreement. The City and Developer acknowledge and agree (i) that the City Parcel is solely owned by the City and that the Town Plaza Expansion Improvements will be solely owned by the City, and (ii) that the Developer does not have any ownership rights or exclusive interests in and to the City Parcel or the Town Plaza Expansion Improvements, and (iii) consistent with and subject to the provisions of the REA and the SUA, that the City may, at any time, allow and contract with third parties to use all or portions of the Town Plaza Expansion Improvements and the City Parcel, which uses shall not require the consent or approval of the Developer at any time.

(e) The Public Improvements shall be completed not later than the date specified therefor in the Schedule of Performance, as such date may be extended pursuant to the terms of the DDA.

(f) The Town Plaza Expansion Improvements shall be operated in a manner to allow flexibility with the pedestrian access to and from The Culver Studios property and to not preclude such access.

2.5 Public Improvements Costs; Method of Financing

(a) The City cost of developing and constructing the Public Parking Improvements and the Town Plaza Expansion Improvements to Completion, including all site development work and off-site improvements related to the Public Improvements on the City Parcel, shall be paid for with City Funds without any cost to the Developer, subject to the terms and conditions of this Agreement, the DDA and the Disbursement Procedures and consistent with the Public Improvements Project Budget.

(b) Intentionally Omitted.

(c) All costs of developing and constructing the Parcel B Improvements, including the Private Parking Improvements, and including all site development work on the Developer Parcel and off-site improvements related to the Parcel B Improvements and the Developer Parcel, shall be funded solely by the Developer without any cost to the City.

(d) The City shall have no obligation to pay Developer for the costs of development and construction of the Public Improvements except as expressly specified in this Agreement from the City Funds described herein, and except as other funds may be authorized by further action of the City Council of the City.

(e) All costs of planning, designing, developing and constructing the Culver Boulevard Access Improvements shall be funded by the City from third party funds on deposit as the City Funds, without any cost to the Developer.

(f) The City shall be responsible for all site preparation costs pertaining to the City Parcel, subject to and in accordance with this Agreement, the Public Improvements Project Budget, and Disbursement Procedures, at no cost to Developer. The Developer shall be responsible for all site preparation costs pertaining to the Developer Parcel, subject to and in accordance with this Agreement, at no cost to the City.

2.5.1 Public Parking Improvements

(a) The costs incurred by the Developer to Develop and Cause Construction of the Public Parking Improvements to Completion shall be paid by the City in accordance with and subject to the terms and conditions of this Agreement, the DDA and the Disbursement Procedures and consistent with the Public Improvements Project Budget, as said costs are to be calculated and determined pursuant to and in accordance with this Agreement, which costs (i) shall exclude Developer's pro rata share of the costs to construct the Parking Improvements, (which Developer pro rata share shall be exclusive of the Culver Boulevard Access Improvements, to be funded solely by City Funds) and (ii) shall be reduced by the Exit Ramp Credit.

(b) The City's costs to construct to Completion the Public Parking Improvements shall be equal to the sum of (i) the total actual costs incurred by the Developer for services performed by the Contractor and any other applicable Developer consultants and contractors approved by the City for the development and construction of the Culver Boulevard Access Improvements in accordance with their applicable contracts as approved by the City and (ii) the City's proportionate share of the total actual costs incurred by the Developer for services performed by the Contractor and any other applicable Developer consultants and contractors approved by the City for the development and construction of the remaining Parking Improvements in accordance with their applicable contracts as approved by the City, including meetings with City staff and actual out-of-pocket costs incurred in performing such services, that are apportioned and allocable to the Public Parking Improvements, up to the Maximum Budgeted Construction Amounts for the Culver Boulevard Access Improvements and the remaining Public

Parking Improvements shown in the Public Improvements Project Budget, and subject to the City's approval for use of any available contingency funds budgeted and allocated by the City to the development of the Public Parking Improvements, in the amounts of those contingency funds for the Culver Boulevard Access Improvements and the remaining Public Parking Improvements identified in the Public Improvements Project Budget. With respect to the Public Parking Improvements excluding the Culver Boulevard Access Improvements, unless the City approves the use of available contingency funds as provided above or approves change orders as provided in Section 2.5.4(a) below, the City's proportionate share of total actual costs for development and construction of the Parking Improvements excluding the Culver Boulevard Access Improvements shall not exceed the Maximum Public Parking Improvements Price and shall be equal to _____ (____%) of total actual costs ("City's Proportionate Share").

The Maximum Public Parking Improvements Price shall be determined as follows: Once the design of the Parking Improvements is finalized by the Parties and final Plans are approved by the City, and once the guaranteed maximum price has been obtained and approved by the City for the Construction Contract which includes the construction of the Parking Improvements, the Developer shall (i) submit to the City for the City's approval prior to the Developer executing the Construction Contract a detailed analysis showing how a portion of the guaranteed maximum price of the Construction Contract has been allocated to a fixed price for the Parking Improvements; and (ii) the amount of the allocated Parking Improvements construction costs approved by the City in the immediately preceding clause (i) shall be multiplied by the City's Proportionate Share, and the result shall be the Maximum Public Parking Improvements Price. The City's Proportionate Share will be set at a fraction with the numerator being the number of proposed public parking spaces, which are required by this Agreement to be one hundred (100), and the denominator being the total aggregate number of parking spaces in the integrated Parking Improvements; provided, that, even if the Developer elects to construct Parking Improvements containing less than 240 total parking spaces, the cost to the City of its one hundred (100) public parking spaces shall not exceed the cost that would have been funded by the City for one hundred (100) public parking spaces located in Parking Improvements in fact containing 240 total parking spaces. As an illustrative example of a calculation of the City's Percentage Share, if 100 parking spaces out of a total 271 parking spaces of the Parking Improvements will be constructed and allocated to the City as the City's public parking spaces, then the City's Proportionate Share of the costs of developing and constructing the Parking Improvements, but excluding the Culver Boulevard Access Improvements, to Completion will equal thirty seven percent (37%) (e.g. 100 city spaces divided by 271 total spaces) of all such total actual costs incurred by the Developer for services performed by the Contractor and any other applicable Developer consultants and contractors approved by the City for the development and construction of the Parking Improvements, but excluding the Culver Boulevard Access Improvements, in accordance with their applicable contracts as approved by the City. The costs apportioned and allocated to the City for the Public Parking Improvements, but excluding the Culver Boulevard Access Improvements, shall be reduced by the Exit Ramp Credit.

(c) Except as costs for the Parking Improvements are apportioned above, in no event shall the City pay for any costs incurred by the Developer for services performed by the Contractor or other Developer consultants and contractors for the development and construction of the Parcel B Improvements, including the Private Parking Improvements and in no event shall

the Developer be responsible for any costs incurred for services performed by the Contractor or other Developer consultants and contractors for the development and construction of the Public Improvements, including the Public Parking Improvements.

2.5.2 Town Plaza Expansion Improvements

(a) The cost of developing and constructing the Town Plaza Expansion Improvements to Completion shall be funded by the City in accordance with and subject to the terms and conditions of this Agreement, the DDA and the Disbursement Procedures and consistent with the Public Improvements Project Budget.

(b) The City's cost to construct to Completion the Town Plaza Expansion Improvements shall be equal to the costs incurred by Developer for services performed by the Contractor and any other applicable Developer consultants and contractors approved by the City for the development and construction of the Town Plaza Expansion Improvements in accordance with their applicable contracts as approved by the City, including meetings with City staff for the Town Plaza Expansion Improvements, and all site development work, on-site improvements and off-site improvements attributable to the Town Plaza Expansion Improvements, up to the Maximum Budgeted Construction Amount shown in the Public Improvements Project Budget, and subject to the City's approval for use of any available contingency funds allocated by the City to the development and construction of the Town Plaza Expansion Improvements, in the amount identified in the Public Improvements Project Budget. In no event shall the City's payment of the costs of the Town Plaza Expansion Improvements require the City to pay for any costs incurred by the Developer for services performed by the Contractor or other Developer consultants and contractors for the development and construction of the Parcel B Improvements.

2.5.3 Public Improvements Project Budget

The estimated Project Budget for the Public Improvements, including the Maximum Budgeted Construction Amounts and Maximum Budgeted Contingency Amounts for the Public Parking Improvements exclusive of the Culver Boulevard Access Improvements, the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements, respectively, are set forth in the Public Improvements Project Budget.

2.5.4 Allocation of Costs and Work Change Orders Under the Construction Contracts

(a) Change Orders

(1) All change orders that have the effect of increasing the stated amount of Developer's Construction Loan (as defined in the DDA) set forth in City-approved Construction Loan documents (as defined in the DDA) or that are related to or impact the Public Improvements in any manner must be approved in advance by the City. The City shall respond to change orders within ten (10) business days of its receipt thereof. A failure of the City to respond to a requested change order within ten (10) business days of receipt shall not be deemed the approval of the City.

(2) If there exists a dispute among the Parties with any proposed change order, the Parties shall promptly meet and discuss in good faith the disputed matter and reasonably attempt in good faith to resolve any difference in position with respect thereto, and, in that event, the City and the Developer shall each make itself available for such meeting(s) and reasonably negotiate in good faith to resolve any difference between the Parties.

(3) In order to facilitate timely processing of change orders, the City, Developer and Contractor shall each attend construction contract progress meetings at least once a week to assist in implementing the timely construction of the Project.

(4) City further acknowledges and agrees, that with respect to customary and minor change orders responding to such matters as field conditions or implementation of the Plans, the Developer and/or Contractor will need to authorize such work on the job site as a part of the ordinary and customary construction process, and City agrees that notwithstanding anything herein to the contrary, advance approval of such change orders by the City shall not be required, and City will not unreasonably withhold, delay or condition its approval of any such change order solely because such work was authorized or performed prior to processing of the related change order with the City.

(5) A change order involving an increase in costs and expenses of up to Fifteen Thousand Dollars (\$15,000) for any individual change order to the Public Improvements, but not to exceed a cumulative total for all such change orders of an increase in costs and expenses of Seventy Five Thousand Dollars (\$75,000), shall only require the review but not the approval of the City, and notwithstanding anything herein to the contrary, City shall fund the cost thereof out of available contingency. Once such cumulative total of \$75,000 is reached in such change orders, City approval as well as review shall be required of all subsequent change orders regardless of the amount of any increase in costs and expenses involved.

(b) Allocation of Costs of Change Orders

(1) The costs of any change order described above shall be solely borne by the Developer if such change order reflects a Developer elective change order, shall be solely borne by the City if such change order reflects a City elective change order, and, if such modification results solely from a Contractor change order or is otherwise established by neutral determination pursuant to the provisions of the Construction Contract, then, subject to and without limiting or amending the provisions of this Agreement relating to City approval required for payments and funding and change orders, shall be allocated between the Parties in accordance with the provisions of this Agreement for cost allocation.

(2) Notwithstanding anything to the contrary in this Agreement, the costs resulting from any change order pertaining solely to surface and subsurface conditions of the City Parcel and/or the Developer Parcel shall be allocated between the Parties as follows:

(i) Surface Conditions

(a) If the change order pertains solely to the surface conditions of the City Parcel, then the City shall be solely responsible for paying the costs of such change order.

(b) If the change order pertains solely to the surface conditions of the Developer Parcel, then the Developer shall be solely responsible for paying the costs of such change order.

(ii) Subsurface Conditions

(a) If the change order pertains solely to the subsurface conditions of the City Parcel, including the property on and within which the Culver Boulevard Access Improvements are to be located and does **not** include any portion of the property on and within which the other Parking Improvements are to be located, then the City shall be solely responsible for paying the costs of such change order.

(b) If the change order pertains solely to the subsurface conditions of the City Parcel and/or the Developer Parcel and solely includes any portion of the property on and within which the Parking Improvements are to be located, but excluding any portion of the City Parcel on and within which the Culver Boulevard Access Improvements are to be located, then the City and the Developer shall meet and confer and each reasonably negotiate in good faith to resolve and agree on the allocation of the costs of such change order in proportion to each of the Party's interest in the specific property impacted by the subsurface condition. The meet and confer shall occur within five (5) business days of a Party's notice of the change order to the other Party (a general business day on which the Culver City City Hall is closed shall not constitute a business day in this subsection).

(c) If the change order pertains solely to the subsurface conditions of the Developer Parcel and does **not** include any portion of the property on and within which the Parking Improvements are to be located, then the Developer shall be solely responsible for paying the costs of such change order.

(d) As to any other change order, if any, then the City and the Developer shall meet and confer and each reasonably negotiate in good faith to resolve and agree on the extent to which such change order is included within Sections 2.5.4(b)(2)(ii)(a)-(c) inclusive and on the equitable allocation of the costs of such change order in proportion to each of the Party's interest in the specific property impacted by the subsurface condition consistent with the allocation principles set forth in (a)-(c) above. The meet and confer shall occur within five (5) business days of a Party's notice of the change order to the other Party (a general business day on which the Culver City City Hall is closed shall not constitute a business day in this subsection).

2.6 Nondiscrimination in Employment

Consistent with Section 410 of the DDA, Developer certifies and agrees that all persons employed or applying for employment by it and all general contractors, subcontractors, bidders and vendors, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, sexual orientation, pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000, *et seq.*, the Federal Equal Pay Act of 1963, 29 U.S.C. Section 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. Section 621, *et seq.*, the Immigration Reform and Control Act of 1986, 8 U.S.C. Section 1324b, *et seq.*, 42 U.S.C. Section 1981, the California Fair Employment and Housing Act, Cal. Government Code Section 12900, *et seq.*, the California Equal Pay Law, Cal. Labor Code Section 1197.5, Cal. Government Code Section 11135, the Americans with Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, and all other antidiscrimination laws and regulations of the United States and the State of California as they now exist or may hereafter be amended. Developer shall allow representatives of the City access to its employment records related to this Agreement during regular business hours to verify compliance with these provisions when so requested by the City.

2.7 Rights of Access

Prior to the issuance of the Release of Construction Covenants (as defined in the DDA), for purposes of assuring compliance with this Agreement, representatives of the City shall have the right of access to all portions of the Site, without charges or fees, at normal construction hours during the period of construction for the purpose of ensuring compliance with this Agreement, including but not limited to, the inspection of the work being performed in the construction of the Improvements so long as the City representatives comply with all safety rules and, at Developer's option in connection with access to the Developer Parcel are escorted by a representative of Developer. The City (or its Representatives) shall, except in emergency situations and except in connection with access to the City Parcel, notify Developer prior to exercising its rights pursuant to this Section. The City shall have unrestricted authority and absolute right to enter upon and inspect the City Parcel prior to or after the issuance of the Release of Construction Covenants, without charges or fees, at any hour on any day during the period of construction for the purpose of ensuring compliance with this Agreement, including but not limited to, the inspection of the work being performed in the construction of the Improvements. The City shall indemnify, defend and hold harmless Developer for any third party Losses and Liabilities (including, without, limitation, attorneys' fees and costs) arising out of any of the foregoing inspection activities, except those arising out of the negligence or misconduct of the Developer or its employees, officers, agents, representatives, or contractors.

2.8 Levies and Attachments on Site

Consistent with Section 411 of the DDA, Developer shall remove or have removed any levy or attachment made on the Site or any part thereof, or assure the satisfaction thereof within a reasonable time to the extent arising from Developer's direct or indirect actions, including the performance of contractor and consultant services. Nothing herein shall be deemed to prohibit Developer from contesting the validity or amount of any levy or attachment or to limit the remedies available to Developer or the City with respect thereto.

2.9 No Modification or Limit of City Requirements or Regulatory or Municipal Power

Nothing in this Agreement is intended to or shall limit, modify, impact or otherwise affect any regulatory or municipal power or authority of the City or any City standard, rule, law, regulation, ordinance or requirement, including, without limitation, any City permitting, planning, or inspecting requirement, and the City expressly reserves all such requirements, power and authority.

2.10 City Step In Rights

While expressly reserving all City rights set forth in the DDA for a failure of Developer to commence or complete the Project including, without limitation, the City's right of reverter set forth in Section 712 of the DDA and the City's right to cure Developer defaults set forth in Section 412 of the DDA, and for the Assignment of Construction Contract and Assignment of Plans, Reports and Data as defined and provided in the DDA, in the event this Agreement is terminated by the City as a result of an Event of Default by Developer hereunder, then, in addition to any other remedies the City may have at law or in equity, the City shall have the right, but not the obligation, to elect, upon written notice to Developer, to undertake or cause the commencement and/or Completion of the City Parcel Public Improvements (as defined in the immediately following sentence) or any portion thereof. The City Parcel Public Improvements shall refer to the Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements. In negotiation and documentation of the Construction Contract and in order to contemplate the possible exercise of the foregoing rights, Developer has caused the Construction Contract to be documented as either two or three parallel, separate contracts. That Construction Contract consists of the following: one or two separate construction contracts covering the Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements, respectively, as determined appropriate by the Parties in accordance with Section 2.4.1(a)(4) (collectively referred to herein as the "Culver Boulevard Access Improvement Contracts"), and another construction contract (the "Remaining Site Contract") concerning the remaining Project Improvements. In the event the City makes such election to exercise its step-in rights, with written notice to Developer, Developer agrees to cooperate with the City in good faith to effectuate the purposes of this Section and the Completion of the City Parcel Public Improvements by the City, including, without limitation, granting any necessary right of entry upon the Developer Parcel or any portion thereof as necessary to effectuate the purposes of this Section. Neither the City nor the Developer shall unreasonably disrupt, respectively, construction under the Remaining Site Contract or the City Parcel Public Improvements Contracts. If, pursuant to its step in rights, the City elects to undertake or cause the commencement and/or Completion of the City Parcel Public Improvements, or any portion thereof, then, in addition to any other rights or remedies the City may have at law or in equity, the City shall have the right to require and obtain an Assignment to the City of the City Parcel Public Improvements Contracts and Developer shall execute a separate form of Assignment of Construction Contract with respect to such Assignment. Such rights of the City for such Assignment of Construction Contract and the exercise of the City's rights hereunder shall be implemented in a manner consistent with the lender protection provisions of the DDA.

2.11 Defects in Plans

Developer hereby waives and releases any Losses and Liabilities it may have against the City or its officers, employees, agents, representatives and volunteers, for any monetary damages or compensation as a result of defects or errors in the Plans, including without limitation the violation of any laws, and for defects or errors in any work done according to the approved Plans. The City shall not be responsible to the Developer, Contractor, other Developer contractors and consultants, and any other third parties in any way for any defects or errors in the Plans, nor for any structural or other defects or errors in any work done according to the approved Plans. Developer makes such release with full knowledge of Civil Code Section 1542 and hereby waives any and all rights thereunder to the extent of this release, if such Section 1542 is applicable. Section 1542 of the Civil Code provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

2.12 Disclaimer of Responsibility of City

Except as expressly provided in this Agreement, by execution of this Agreement, the City neither undertakes nor assumes nor will have any responsibility or duty to Developer, the Contractor, any other Developer contractor or consultant, or any third party to review, inspect, supervise, pass judgment upon or inform Developer, the Contractor, any other Developer contractor or consultant, or any third party of any matter in connection with the design, development or construction of the Project Improvements, whether regarding the quality, adequacy or suitability of the Plans, whether or not approved by the City, any labor, service, equipment or material furnished to the City Parcel or Project Improvements in connection with or in furtherance of the work done, any person furnishing the same, or otherwise. Developer, the Contractor, any other Developer contractors or consultants, and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Developer, the Contractor, any other Developer contractors or consultants, or any third party by the City in connection with such matter is for the public purpose of redeveloping the Site, and neither the Developer nor the Contractor, any other Developer contractors or consultants, or any third party is entitled to rely thereon. Except upon exercise of any City step-in rights as to any design, construction, improvement or development done by or on behalf of the City after such exercise of such step-in rights, the City shall not be responsible for the manner of performance of any of the work of design, construction, improvement or development of the City Parcel or any part of the Project Improvements.

3.0 CITY PAYMENTS

3.1 Disbursement of City Funds for Public Improvements

(a) In accordance with the requirements of Section 901.1(h) of the DDA and concurrent with the Close of Escrow for the sale of the Developer Parcel to the Developer and the effectiveness of this Agreement, the City shall have deposited the City Funds into an escrow account ("Post Closing Funding Escrow") in an amount equal to the total Maximum Budgeted Construction Amounts and the Maximum Budgeted Contingency Amounts for each of the Public Parking Improvements excluding the Culver Boulevard Access Improvements, the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements as provided in the Public Improvements Project Budget, which amount represents the City's share of the projected costs to develop and construct the Parking Improvements excluding the Culver Boulevard Access Improvements, the costs of the Town Plaza Expansion Improvements, and the costs of the Culver Boulevard Access Improvements, as each is calculated and determined pursuant to and in accordance with this Agreement. The Post Closing Funding Escrow shall be established and maintained as two separate and segregated primary accounts, one for each of the portion of City Funds allocated toward the Public Parking Improvements and the portion of City Funds allocated toward the Town Plaza Expansion Improvements, respectively. The primary account held for the Public Parking Improvements shall establish and maintain two separate and segregated subaccounts with a first subaccount for the City Funds consisting solely of the City's bond proceeds to be used solely for payment of Public Parking Improvements excluding the Culver Boulevard Access Improvements and a second subaccount for the City Funds consisting solely of the City's third party funds to be used solely for payment of the Culver Boulevard Access Improvements. As set forth in Section 2.1(d) above, City approved contingency funds may be reallocated with the administrative approval of the City between the contingency accounts for the Public Parking Improvements (excluding the Culver Boulevard Access Improvements) and the Town Plaza Expansion Improvements, but not from the contingency fund for the Culver Boulevard Access Improvements to any other account.

(b) Monthly payments from the Post Closing Funding Escrow will be made to Developer in accordance with this Agreement and the Disbursement Procedures. The Post Closing Funding Escrow shall be opened with the Escrow Agent (or a reputable and qualified financial institution or other escrow services entity as mutually agreed upon by both the City and the Developer to serve as the Escrow Agent for the Post Closing Funding Escrow including the lender providing the Developer's Construction Loan (as defined in the DDA) or its disbursing agent, subject to City's reasonable approval of same). Upon the City's written request, the Escrow Agent shall deposit the City Funds in interest-bearing accounts as described above, and as interest accrues or becomes payable thereon, such interest shall be and remain the sole property of the City and shall be disbursed to the City from time to time as requested in writing by the City Manager. The City Funds, together with any accrued interest thereon that has not been released to the City but instead has been budgeted and appropriated by the City for use toward the costs of the Public Improvements, shall be held and applied to pay for the City's share of costs for the development and construction of the Public Parking Improvements and the Town Plaza Expansion Improvements consistent with the approved Plans and the amounts set forth in the Public Improvements Project Budget, and in accordance with the terms of this Agreement and the Disbursement Procedures. The principal of the City Funds and any accrued interest thereon held in the Post Closing Funding Escrow are not pledged to any lender, the Escrow Agent, the Developer, or any Developer contractor or consultant, and the principal of the City

Funds and any accrued interest thereon held in the Post Closing Funding Escrow do not constitute security for any loan, including without limitation the Developer's Construction Loan (defined in the DDA), or any portion of the Developer funding allocated toward the Project. Up until disbursement of any City Funds from the Post Closing Funding Account to the Developer pursuant to and in accordance with the terms of this Agreement and the Disbursement Procedures, the principal of the City Funds and any accrued interest thereon held in the Post Closing Funding Escrow shall be owned by the City, subject to the custody and control of the Escrow Agent in accordance with the rights of the City and Developer as provided in this Agreement and the Disbursement Procedures. Developer hereby acknowledges and agrees that neither the Developer nor the Escrow Agent, the Contractor, any other Developer contractors or consultants, or any third party has any lien on or security interest in, or right of setoff in respect of, the City Funds deposited and held in the Post Closing Funding Escrow, including any accrued interest thereon, for the payment of any fees, costs and/or expenses or for any other purpose whatsoever. Except for the City's rights to close the Post Closing Funding Escrow and/or withdraw and receive remaining City Funds held in the Post Closing Funding Escrow including accrued interest, as provided below in Section 3.1(c), nothing in the foregoing shall otherwise give the City the right to withdraw the City Funds from the Post Closing Funding Escrow or to alter the disbursement instructions of the Escrow Agent without the written consent of both the City and Developer.

(c) As described in the Disbursement Procedures, any disbursements of the City Funds from the Post Closing Funding Escrow by the Escrow Agent to or for the benefit of Developer shall require written instructions or authorization from the City Manager. The City shall pay all reasonable and customary costs associated with the Post Closing Funding Escrow. The Post Closing Funding Escrow shall be closed and any and all City Funds remaining in the Post Closing Funding Escrow (including principal and accrued interest thereon if any) shall be promptly disbursed by the Escrow Agent to the City and all such funds shall be retained by the City as its sole and separate property, upon the Escrow Agent's and Developer's receipt of written notice from the City notifying of the occurrence of any of the following events: (i) a termination of this Agreement by either the City or Developer; (ii) the City's successful exercise of the right of reverter described in Section 712 of the DDA reverting title of the Developer Parcel in the City thereby terminating any further interest of Developer in the Project; (iii) Completion of the Public Improvements and payment in full of all costs of the Public Improvements due and payable by the City under this Agreement and the DDA; (iv) the successful exercise of the City's Right of First Offer and purchase of the Developer Parcel as described in Section 600 of the DDA and the close of escrow for that purchase; or (v) Developer's written agreement with the City to close the Post Closing Funding Escrow and disburse all remaining funds therein to the City. Without limiting and in addition to the foregoing, any and all City Funds remaining in the Post Closing Funding Escrow (including principal and accrued interest thereon if any) for the development and construction of the Culver Boulevard Access Improvements shall be promptly disbursed by the Escrow Agent to the City and all such funds shall be retained by the City as its sole and separate property, upon the Escrow Agent's and Developer's receipt of written notice from the City notifying of the Completion of the Culver Boulevard Access Improvements and payment in full of all costs of the Culver Boulevard Access Improvements due and payable by the City under this Agreement, regardless

of whether or not the remaining Public Improvements have been developed and constructed to Completion.

(d) As provided in the Disbursement Procedures, Developer shall cause to be submitted to the City, once each month, a payment request, together with any and all supporting documentation as required by the Disbursement Procedures. Developer shall pre-approve all third party invoices submitted to the City for payment, before submittal to the City. Developer shall include as separate line items on each monthly payment request the specific amounts due and payable for construction of each of the Public Parking Improvements excluding the Culver Boulevard Access Improvements, the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements, respectively, consistent with the specificity required for such costs by the Disbursement Procedures, the Management Fee payment then due to the Developer, the City's Proportionate Share of the Parking Improvements excluding the Culver Boulevard Access Improvements, the City's costs of the Town Plaza Expansion Improvements, the City's costs of the Culver Boulevard Access Improvements, and the City's share, as shown on the Public Improvements Project Budget, of the property and liability insurance maintained by or on behalf of the Developer and the City during the course of the construction of the Project. For the Management Fee, the City shall pay the line item amount of the Management Fee each month until such time as the City has paid Developer in the aggregate the total Management Fee in accordance with this Agreement and the DDA. All payment requests shall be subject to the review and reasonable approval of the City Manager. The City Manager shall determine whether the payment request is consistent with and meets all applicable requirements of the terms and conditions of this Agreement and the Disbursement Procedures. The City Manager shall have the right to condition approval of any payment request and disbursement of City Funds from the Post Closing Funding Escrow upon receipt and approval of such documentation, evidence or information that the City may reasonably request from Developer as provided in the Disbursement Procedures. Within ten (10) business days (a general business day on which the Culver City City Hall is closed shall not constitute a business day in this subsection) following the receipt of any payment request, subject to the terms and conditions of this Agreement and the Disbursement Procedures, the City shall notify the Escrow Agent to pay to Developer, or such third party(ies) as may be requested by Developer, the amount requested in the payment request or portion thereof which has been approved by the City Manager, less a retention of 10 percent (10%) ("Retention") of the amount of the payment request. If the City Manager does not approve all or a portion of the amount requested in the payment request, then the City or designee shall provide written Notice to Developer and Escrow Agent setting forth in specific detail the amount at issue and the reason(s) for such disapproval within said 10 business day period. If Escrow Agent fails to receive any written objection from the City within that 10 business day period, then Escrow Agent shall proceed with disbursement of the requested payment. If Escrow Agent receives timely written objection from the City, then Escrow Agent shall proceed with disbursement to Developer of the portion of the payment, if any, that is not contested. If any portion of the payment request is disputed by the City, the Parties shall promptly meet and discuss in good faith the disputed matter and reasonably attempt in good faith to resolve any difference in position with respect thereto, and, in that event, the City and the Developer shall each make itself available for such meeting(s) and reasonably negotiate in good faith to resolve any difference between the Parties.

(e) Upon Completion of the Public Improvements, or sooner as may be required by applicable law or the provisions set forth in subsection (d) above, and consistent with the provisions of the Construction Contracts and any Additional Contracts, the City shall pay the Retention to Developer.

(f) As a condition precedent to any City payment hereunder or under the Disbursement Procedures, the Assignment of Construction Contract and the Assignment of Plans, Reports and Data shall each have been signed by the Developer and consented to by the General Contractor and Architect, respectively, and any other applicable Developer contractor for the development and construction of the Public Improvements shall have also consented to an assignment of its contract in the same general form as the Assignment of Construction Contract, as required by the DDA.

3.2 Management Fee

(a) In consideration of Developer's management of the construction process of the Public Improvements as provided herein, the City agrees to pay Developer the Management Fee. The payment of the Management Fee will be due and payable by the City to the Developer in monthly installments in accordance with the terms of this Agreement and the Disbursement Procedures, except as to any portion of the Management Fee paid to Developer under the Reimbursement Agreements.

(b) It is acknowledged by the Parties that any payments by the City to the Developer for Developer's Management Fee provided for herein and in the Disbursement Procedures will only be paid in those periods in which the Developer is not in Default of this Agreement or the DDA. Therefore, the failure of the City to make any payments during any period of such Default shall not cause the acceleration of any future payments by the City to the Developer for its Management Fee, but, following the cure of any such Default, any withheld or deferred portion of the Management Fee otherwise due and payable to Developer but for the occurrence of the Default shall be immediately released to Developer in such amount as necessary to bring current the payments of the Management Fee due and payable to Developer.

3.3 Inspection of Books and Records; Audit

(a) For a period of four (4) years following the later of (a) payment by the City for costs that are payable by the City under this Agreement or (b) Completion of the Public Improvements, the Developer shall maintain in a commercially reasonable form its books, records and related documents of all costs incurred in connection with the Public Parking Improvements, including the Culver Boulevard Access Improvements, and the Town Plaza Expansion Improvements and shall provide true and correct copies of all such books, records and/or related documents to the City promptly upon the City's request, at the sole cost and expense of the City. Such books, records and related documents shall be maintained by the Developer at its principal business offices.

(b) The City may inspect and audit Developer's books, records and related documents pertaining to costs incurred in connection with the Public Improvements, at the City's

sole cost and expense, upon providing at least five (5) business days prior Notice to Developer. In the event that any audit by the City reveals any overpayment by the City, then Developer shall repay to the City the overpaid amount within ten (10) Days following the City's written demand therefor; in the event that any such audit reveals an underpayment by the City, then the City shall pay the additional amount owed to the Developer (i) within ten (10) Days following the City's budget and appropriation of funds equal to the amount of the underpayment or (ii) within ten (10) Days following the discovery of such underpayment if funds are available within the Public Improvements Project Budget to make such underpayment to Developer.

4.0 INDEMNITY AND INSURANCE

4.1 Indemnity

(a) Developer shall indemnify, defend and hold harmless the City and the Successor Agency to the Culver City Redevelopment Agency and their Representatives (collectively, "Indemnified Parties") from and against any and all Losses and Liabilities for any third party claims against the Indemnified Parties for damages to property or injuries to persons, including personal injury and accidental death, which are caused by any of the Developer's activities under this Agreement, whether such activities or performance thereof be by the Developer or by anyone directly or indirectly employed or contracted by the Developer, including Consultants, and whether such Losses or Liabilities shall accrue or be discovered before or after termination of this Agreement, except to the extent caused by the willful misconduct or active negligence of the Indemnified Parties.

(b) Developer's obligation to indemnify, defend and hold harmless the Indemnified Parties as set forth herein supplements and in no way limits, and is in no way limited by, the scope of indemnifications set out elsewhere in this Agreement or the City's rights to or contractor/consultant obligations for indemnification to the City provided by the Rider attached hereto as Exhibit "H".

(c) Developer's obligation to indemnify, defend and hold harmless the Indemnified Parties as set forth herein shall not be limited by amounts of insurance held by the Developer.

(d) The Indemnified Parties have no obligation to monitor compliance with these requirements. Failure of Indemnified Parties to monitor compliance with these requirements imposes no obligations on the Indemnified Parties and will in no way act as a waiver of any rights hereunder; provided that the foregoing shall not waive or excuse the express obligations of the Indemnified Parties for notification of a Claim (defined below) and cooperation in defense set forth in this Section. This obligation to indemnify, defend and hold harmless the Indemnified Parties as set forth herein is binding on the successors, assigns, nominees, or heirs of the Developer and shall survive the expiration or termination of this Agreement or this Section for Claims accrued as of the date of such expiration or termination..

(e) The City shall promptly notify the Developer of any claim asserted against the Indemnified Parties and within the scope of this Section (a "Claim"). The Indemnified

Parties shall tender their defense to the Developer, and assist the Developer, as may be reasonably requested, in such defense. In the event of Claims against multiple parties, the Developer shall provide a joint defense with respect to any such Claims, including, if applicable, defense of the Developer, and shall, without cost to the Indemnified Parties, defend, indemnify and hold the Indemnified Parties harmless with respect to such joint Claim. Upon Developer's failure to defend, indemnify and hold the Indemnified Parties harmless from such Claims as required above, the Indemnified Parties subject to such Claim may employ their own defense counsel at Developer's cost. Upon such notification and tender, Developer shall have independent duties to defend (at its cost) such Claim, and to indemnify the Indemnified Parties with respect to such Claim, except to the extent that such injury, death or damage is determined by a court of competent jurisdiction to have been caused by the active negligence or willful misconduct of the Indemnified Parties. Payment of a Claim shall not be a condition precedent to an Indemnified Party's right to defense and indemnity.

(f) The Developer shall not settle or compromise the defense of such claim or action on behalf of the Indemnified Parties, or permit a default judgment to be taken against the Indemnified Parties, without the prior written approval of the affected Indemnified Parties, which shall not unreasonably be withheld, conditioned or delayed. Nothing in this indemnity shall be construed or applied to waive, limit or reduce the express contractual obligations of the Indemnified Parties under any agreements to which they are a party or to transfer any such contractual obligations of an Indemnified Party to another party.

4.2 Insurance

4.2.1 Contractor(s) Requirements

Without limiting the indemnification obligations described in this Agreement, and as required in Section 2.1 above, Developer shall require that the Contractor and any other contractor or consultant retained by Developer for the development and construction of the Public Improvements to procure and maintain, at no cost and expense to the City, insurance coverage for all work provided by such contractor or consultant under its respective contract with the Developer, in accordance with the "Third Party Insurance Requirements" attached hereto as Exhibit "I", subject to any modifications therein that may be reasonably approved by the City with respect to an individual contractor or consultant, which insurance requirements shall not limit any indemnification obligations of the applicable contractor or consultant for the benefit of the City.

4.2.2 Developer Requirements

Without limiting the indemnification obligations described in this Agreement, Developer shall procure and maintain, at no additional cost and expense to the City beyond the City's reimbursement obligations set forth herein, insurance coverages in types, amounts, and form as required by the DDA and consistent with the sample Certificate of Liability Insurance attached hereto as Exhibit "J" and incorporated by this reference into this Agreement, with respect to Developer's performance of its obligations set forth in this Agreement and the

development and construction of the Project, effective prior to or as of the Effective Date of this Agreement.

5.0 REPRESENTATIONS AND WARRANTIES

(a) As of the Effective Date of this Agreement, Developer and City each represents and warrants to the other that the representations and warranties made to each other in Section 208 of the DDA remain accurate.

(b) Without limiting the Developer's obligations described in Section 208.2 of the DDA, until the Completion of the Public Improvements, Developer and City shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section to be materially false or misleading, immediately give written Notice of such fact or condition to the other Party.

6.0 DEFAULTS, REMEDIES AND TERMINATION

6.1 Defaults – General; Notice of Default; Event of Default

(a) Subject to the extensions of time set forth in Section 9.18 of this Agreement, the failure by either Party to timely perform any term or provision of this Agreement constitutes a "Default" under this Agreement.

(b) Without limiting the generality of the foregoing, each of the following shall constitute a Default of Developer:

(1) The occurrence of any Developer default under the Construction Contract or any other contract entered into by the Developer for the development and construction of the Public Improvements following the expiration of any applicable notice or cure period set forth therein; or

(2) Due to Developer's Default, a court of competent jurisdiction enters an order enjoining construction of the Public Improvements, or, due to Developer's Default, such a court or an authorized governmental agency orders that construction of the Public Improvements be suspended or halted, or any required approval, license or permit is withdrawn or suspended, and the order, withdrawal or suspension remains in effect for a period of more than thirty (30) Days; or

(3) Construction of the Public Improvements is abandoned, or, subject to the provisions of Section 9.18 of this Agreement, Completion of the Public Improvements does not occur within the time provided in the Schedule of Performance; or

(4) Following commencement of construction of the Public Improvements, construction of the Public Improvements is halted prior to Completion for a period of forty-five (45) consecutive Days for any cause other than a Force Majeure delay described in Section 9.18 of this Agreement; or

(5) Developer (i) knows or should reasonably know that is unable to pay its respective debts as they become due, or files a petition in bankruptcy (or otherwise commences bankruptcy or a similar proceeding), or (ii) has filed by or against it (or, with respect to Developer, any guarantor of Developer and a comparable replacement guarantor is not provided), under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, a petition in bankruptcy or other commencement of a bankruptcy or similar proceeding and such petition or proceeding is not dismissed within ninety (90) Days after filing.

(c) In addition and without limiting the generality of the foregoing, the following shall also constitute a Default by the applicable Party under this Agreement: the occurrence of a "Default" (as defined in the DDA) by such Party under the DDA which is not cured within the applicable cure period provided by that agreement and not otherwise excused under the terms of the DDA.

(d) Prior to exercising any right or remedy because of a Default and as a condition thereto, the Party not in Default shall give written Notice of default ("Notice of Default") to the Party in Default, specifying the Default complained of by the injured Party. Failure or delay in giving such Notice of Default shall not constitute a waiver of any Default, nor shall it change the time of Default.

(e) If the Default is not cured or commenced to be cured and thereafter diligently pursued to completion by the Party in Default within thirty (30) Days after service of the Notice of Default, such failure shall constitute an "Event of Default" under this Agreement.

(f) Without limitation of any other holder rights under Section 9.15 below, any holder of a mortgage or deed of trust granted by the Developer and secured by the Developer Parcel for the development of the Parcel B Improvements as provided for in the DDA shall have the right, at its option, within the time periods provided to Developer herein, to cure or remedy or commence to cure or remedy and thereafter to pursue with due diligence the cure or remedy of any such Default and to add the cost thereof to the mortgage debt and the lien of its mortgage on the Developer Parcel.

(g) Except as required to protect against further damages, and except as otherwise expressly provided in this Agreement, the Party not in Default may not institute proceedings against the Party in Default until the expiration of the cure period provided herein with respect to such Default.

6.2 Institution of Legal Actions

In addition to any other rights or remedies available at law or in equity as a result of an Event of Default, either Party may institute legal action to cure, correct or remedy any Default, or to recover damages, subject to the limitations set forth in Section 6.6 of this Agreement, for any Event of Default, or to obtain any other legal or equitable remedy consistent with the purpose of this Agreement. To the extent permitted by law, such legal actions must be

instituted in the Superior Court of the County of Los Angeles, State of California, or in the Federal District Court in the Central District of California.

6.3 Termination

(a) The City shall have the right to terminate this Agreement in the event Developer commits an Event of Default, including, without limitation, occurrence of the following events which are not timely cured following delivery of a Notice of Default to Developer:

(1) Developer fails to commence construction of the Public Improvements as required by this Agreement for a period of ninety (90) Days after written Notice from the City, provided that the Developer shall not have obtained an extension or postponement to which the Developer may be entitled pursuant to Section 9.18 of this Agreement; or

(2) Developer abandons or substantially suspends construction of the Public Improvements for a period of ninety (90) consecutive Days after written Notice has been given by the City to the Developer, provided the Developer has not obtained an extension or postponement to which the Developer may be entitled to pursuant to Section 9.18 of this Agreement; or

(3) Developer otherwise materially Defaults under this Agreement, and such Default is not cured within the time provided in this Agreement.

(b) Upon the occurrence of an Event of Default as described above under this Section 6.0, this Agreement may, at the City's option, be terminated by written Notice ("Termination Notice") to Developer. From the date of delivery of the Termination Notice by the City to Developer, this Agreement shall be deemed terminated and there shall be no further rights or obligations between the Parties, except that the obligations and rights of the Parties under this Agreement that expressly continue after termination of this Agreement shall continue in effect. In the event of a termination as a result of a Developer Event of Default, the City shall have remedies provided by applicable law, subject to the limitations on damages set forth in Section 6.6 of this Agreement.

(c) This Agreement may also be terminated by the mutual, written consent of the City and the Developer, in which event the City may let contracts for any remaining work related to the Public Improvements which remains uncompleted following such termination.

(d) Upon a termination of this Agreement as a result of a Developer Event of Default, Developer shall have no claim or right to any further payments hereunder with respect to further performance by Developer under this Agreement after the effective date of such termination, but such termination shall not affect the City's obligations with respect to Developer's performance prior to the effective date of that termination to make payments for actual costs incurred prior to the termination date that comply with the payment request procedures set forth in this Agreement and the Disbursement Procedures, including disbursement

to Developer of any retention payable to the Contractor under the Construction Contract applicable to work performed prior to the effective date of that termination. All indemnities under this Agreement shall survive the termination of this Agreement with respect to any obligations which have accrued under this Agreement as of the date of such termination. Notwithstanding anything herein to the contrary, termination of this Agreement shall not waive, limit or otherwise affect the provisions of the DDA or any other agreements executed by the Parties pursuant thereto, which shall remain applicable in accordance with their terms.

6.4 Acceptance of Service of Process

(a) If any legal action is commenced by Developer against the City, service of process on the City shall be made by personal service upon the City Manager or in such other manner as may be provided by law.

(b) If any legal action is commenced by the City against Developer, service of process on the Developer shall be made by personal service upon an officer or member of the Developer or in such other manner as may be provided by law, and shall be valid whether made within or without the State of California.

6.5 Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other Party.

6.6 Damages

Upon the occurrence of an Event of Default, the Party in Default shall be liable to the other Party not in Default for any damages caused by such Event of Default. Neither Party, however, shall have any right to indirect or consequential, punitive or special damages against the other under any provision of this Agreement or arising from or related to any Event of Default, and each Party hereby waives the right to claim the same against the other.

6.7 Specific Performance

(a) Upon the occurrence of an Event of Default, the Party not in Default at its option (and not as an election of remedies) may institute an action for specific performance of the terms of this Agreement.

(b) The rights established in this Section are not intended to be exclusive of any other right, power or remedy, but each and every such right, power, and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy authorized herein or now or hereafter existing at law or in equity.

6.8 Inaction Not a Waiver of Default

Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies at any time.

7.0 RESTRICTION ON ASSIGNMENT

This Agreement is for the specific obligations of the City and the Developer as described in this Agreement. Except for an assignment of this Agreement by Developer (i) concurrent with an assignment of the DDA to an assignee which is permitted by or approved by the City pursuant to the DDA, or (ii) which is reasonably required to comply with any applicable licensing requirements and is made to an affiliate of Developer in which Developer or one of the members of Developer executing this Agreement owns a controlling interest, any attempt by either Party to assign the benefits or burdens of this Agreement without written approval of the other Party shall be prohibited and shall be null and void. No such permitted assignment of this Agreement by Developer shall release Developer from its obligations under this Agreement.

8.0 NOTICES, DEMANDS AND OTHER COMMUNICATIONS BETWEEN THE PARTIES

(a) All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Agreement shall be in writing and shall be given by personal delivery, certified mail, return receipt requested, or overnight guaranteed delivery service and addressed as follows:

To City: City of Culver City
Attn: Sol Blumenfeld, Community Development Director
9770 Culver Boulevard
Culver City, California 90232-0507

Copy to: City of Culver City
Attn: Carol Schwab, City Attorney/General Counsel
9770 Culver Boulevard
Culver City, California 90232-0507

Copy to: Kane, Ballmer & Berkman, Special Counsel
Attn: Kendall D. Levan, Esq.
515 S. Figueroa Street; Suite 780
Los Angeles, California 90071

To Developer: Combined/Hudson 9300 Culver, LLC
c/o Combined Properties, Incorporated
Attn: Marianne Lowenthal,
Executive Vice President, Development & Acquisitions
9320 Wilshire Boulevard; Suite 310

Beverly Hills, California 90212

- Copy to: General Counsel
Combined Properties, Incorporated
1025 Thomas Jefferson Street NW; Suite 700 East
Washington, DC 20007-5201
- Copy to: Combined/Hudson 9300 Culver, LLC
c/o Hudson Pacific Properties, Inc.
Attn: Alex Vouvalides
Senior Vice President, Acquisitions
11601 Wilshire Boulevard; Suite 1600
Los Angeles, California 90025
- Copy to: Chris Barton
Executive Vice President, Operations and Development
Hudson Pacific Properties, Inc.
11601 Wilshire Boulevard; Suite 1600
Los Angeles, California 90025
- Copy to: General Counsel
Hudson Pacific Properties, Inc.
11601 Wilshire Boulevard; Suite 1600
Los Angeles, California 90025
- Copy to: Liner LLP
Attn: Dennis S. Roy, Esq.
1100 Glendon Avenue; 14th Floor
Los Angeles, California 90024-3503

(b) Any Notice shall be deemed received immediately if delivered by hand and shall be deemed received on the fifth (5th) Day from the date it is postmarked if delivered by registered or certified mail or on the next business day following deposit with the overnight mail carrier. For purposes of this Section, a general business day on which the Culver City City Hall is closed shall not constitute a business day.

9.0 GENERAL PROVISIONS

9.1 Governing Law

This Agreement shall be governed by the laws of the State of California.

9.2 Successors and Assigns

All of the terms, covenants and conditions of this Agreement shall be binding upon the Parties and their permitted successors and assigns.

9.3 Conflicts of Interest

No member, official or employee of the City shall have any direct or indirect interest in this Agreement, nor shall such member, official or employee participate in any decision relating to this Agreement which is prohibited by law.

9.4 Warranty Against Payment of Consideration for Agreement

Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as project managers, architects, engineers, attorneys, and public relations consultants.

9.5 Approvals by City and Developer

Approvals required of the Parties shall be given within the time set forth in the Schedule of Performance or, if no time is given, within a reasonable time. Wherever this Agreement requires the City or Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not be unreasonably withheld, conditioned or delayed. In the event that a Party declines to approve any contract, document, plan, proposal, specification, drawing or other matter, such denial shall be in writing and shall include the reasons for such denial. The Party considering the request for such approval shall use commercially reasonable efforts to respond to such request for approval within ten (10) Days of receipt unless a different period for response is expressly provided herein.

9.6 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same instrument.

9.7 Titles and Captions

Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. References to section numbers are to sections in this Agreement, unless expressly stated otherwise. The defined terms in this Agreement apply equally to the singular and plural forms thereof. The words "include", "includes" and "including" are deemed to be followed by the phrase "without limitation."

9.8 Interpretation

This Agreement shall be interpreted as a whole and in accordance with its fair meaning and as if each Party participated in its drafting. Captions are for reference only and are not to be used in construing meaning.

9.9 Amendment of Agreement; Merger

No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the Developer and the City. This Agreement merges all negotiations, stipulations and provisions relating to the subject matter of this Agreement which preceded or may accompany the execution of this Agreement except for the terms and conditions of the DDA.

9.10 Severability

If any term, provision, condition or covenant of this Agreement or its application to any Party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

9.11 Attorneys' Fees

In the event of a dispute between the Parties with respect to the terms or conditions of this Agreement, the prevailing party shall be entitled to collect from the other its reasonable attorneys' fees as established by the judge or arbitrator presiding over such dispute.

9.12 Legal Advice

Each Party represents and warrants to the other Party the following: it has carefully read this Agreement, and in signing this Agreement, it does so with full knowledge of any right which it may have; it has received independent legal advice from its respective legal counsel as to the matter set forth in this Agreement, or has knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, it has freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party or its respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

9.13 Time of Essence

Time is expressly made of the essence with respect to the performance by the City and Developer of each and every obligation and condition of this Agreement.

9.14 Mutual Cooperation

Each Party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful or appropriate to carry out the purposes and intent of this Agreement.

9.15 Lender Protection Provisions

(a) To the extent that any lender to or equity investor in the Project as permitted by the DDA requires modifications to this Agreement or any attachment hereto, the City agrees to reasonably consider such modifications. Notwithstanding anything herein to the contrary, any termination of this Agreement shall be subject to and conditioned upon prior satisfaction of all applicable lender protections with respect to lenders permitted by the DDA, including without limitation Sections 412.2 and 412.3 of the DDA modified in their terminology so as to be applicable to this Agreement (rather than the DDA) and the defined terms used herein, and the City hereby acknowledges Developer's right to collaterally assign this Agreement and Developer's rights hereunder to such a lender on the Project or a portion thereof as permitted by the DDA.

9.16 Non-Liability of City Officials and Employees

No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest or assignee, in the event of any Event of Default by the City or for any amount which may become due to the Developer or successor in interest or assignee on any obligation under the terms of this Agreement.

9.17 Plans and Data

(a) Without limiting the City's rights to Plans and other work as provided for under the Reimbursement Agreements, if this Agreement is terminated by the City, then, upon the written request of the City, Developer shall promptly, and no later than ten (10) Days from receipt of such request, deliver to the City copies of any and all plans, drawings, studies and related documents concerning the City Parcel Public Improvements within Developer's possession and control, without representation or warranty and subject to all third party rights therein, for the City's use in connection with Completion of the City Parcel Public Improvements.

(b) Upon delivery to the City pursuant to this Section, the City shall have an irrevocable, nonexclusive license and the right to use such materials as it deems necessary and appropriate to complete the City Parcel Public Improvements without cost, expense or obligation to Developer but subject to all third party rights therein.

9.18 Enforced Delay; Extension of Times of Performance

(a) Failure by either Party to perform shall not be deemed a Default hereunder and times for performance shall be extended as provided herein where delays are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation by a third party; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor or supplier; acts of the other Party; acts or failure to act of any public or governmental agency or entity (other than that acts or failure to act of the City shall not excuse performance by the City); delays in the

issuance of any governmental approvals or authorizations or similar causes beyond the control and without the fault of the Party claiming an extension of time to perform (collectively, a "Force Majeure" delay); provided, however, that the Party claiming the existence of a Force Majeure delay and an extension of its obligation to perform shall notify the other Party in writing of the nature of the matter causing the delay and such Notice shall be provided to the other Party within sixty (60) Days from the date of knowledge of the commencement of the cause of the delay. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure delay unless and until the Party claiming such delay and interference with obligations hereunder delivers written Notice to the other Party within the time period stated above which Notice shall describe the event, its cause, when and how such Party obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom.

(b) The extension of time to perform shall commence to run from the time of the commencement of the cause and shall continue only for the period of the Force Majeure delay; provided, however, in no event shall performance be excused pursuant to this Section for any Force Majeure delay for a cumulative period of more than eighteen (18) months. If said Force Majeure delay extends for more than eighteen (18) months, then either Party may terminate this Agreement upon fifteen (15) Days written Notice to the other Party. Upon such termination, the obligations and rights of the Parties under this Agreement that expressly continue after termination of this Agreement shall continue in effect.

(c) Notwithstanding the foregoing, Developer shall be entitled to an extension of its obligation to complete development of the Project on the Site for up to six (6) additional months (for a total of up to twenty-four (24) consecutive months, but provided that any extension shall only be for the period of the Force Majeure delay if the period of such delay is less than six (6) months) if Developer demonstrates to the reasonable satisfaction of the City that solely as a result of a Force Majeure event, conditions are such that no commercially reasonable person or entity exercising timely and consistent commercially reasonable best efforts could obtain financing or complete construction of the Project. Developer shall notify the City in writing of its intention to seek such additional six (6) month period (including a description of the Force Majeure event causing such conditions and Developer's efforts to complete the development of the Project in spite of such conditions) not later than thirty (30) Days prior to the expiration of the eighteen (18) month period specified above. The City shall notify Developer of its approval or disapproval of such additional six (6) month period within ten (10) Days of the receipt of Developer's notice.

(d) Times of performance under this Agreement may also be extended in writing by mutual agreement of the City and Developer.

9.19 Relationship Between City and Developer

The Parties agree that Developer, in the performance of this Agreement, shall act as and be an independent contracting party and shall not act in the capacity of an agent, employee or partner of the City. It is hereby acknowledged that the relationship between the City and the Developer is not that of a partnership or joint venture and that the City and the Developer shall not be deemed or construed for any purpose to be the agent of the other. Each

Party agrees to indemnify, hold harmless and defend the other from any claim made against the indemnified Party arising from a claimed relationship of partnership or joint venture between the City and the Developer with respect to the construction of the Public Improvements and resulting from the actions or statements of the indemnifying Party inconsistent with the foregoing provision.

9.20 Third Party Beneficiaries

Except with respect to the express lender protection provisions set forth in Section 9.15 above for the benefit of the Developer's Parcel B Improvements lender(s) permitted by the DDA, this Agreement is made and entered into for the sole protection and benefit of the City, its successors and assigns, and Developer, its permitted successors and assigns, and no other person or persons shall have any right of action hereon or hereunder.

9.21 Computation of Time

The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens), and including the last day. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time. If the last day for an action to be performed, an event to occur or a condition to be satisfied falls on a Saturday, Sunday, legal or national holiday, or a day on which the Culver City City Hall is closed for business, then such outside date shall be automatically extended to the next business day.

9.22 Administration by Designated Representatives

(a) Scott Kend, Senior Director, Development & Acquisitions, Combined Properties, Incorporated shall be the designated Developer representative for purposes of administering the Developer's obligations under this Agreement, and shall be the contact point for Developer's responsibilities for the development and construction of the Project and for job performance, negotiations, contractual matters, and coordination with the City, the Contractor, and all other contractors and consultants retained to develop and construct the Project, including the Public Improvements. The Developer representative shall provide primary supervision of all such contractor and consultant performance. Developer may designate a successor or replacement Developer representative at any time, and from time to time, upon written notice to the City. Developer reserves the right to designate an alternative Developer Representative with comparable experience and abilities upon prior written notice to City.

(b) The City Manager or the Community Development Director of the City shall be the designated City representative for purposes of administering the City's obligations under this Agreement, and shall be the contact point for the City's responsibilities for performance, negotiations, contractual matters, and coordination with Developer, the Contractor and other contractors and consultants retained to develop and construct the Public Improvements, as necessary and applicable to the City, of the subject matters of this Agreement. The scope of the City Manager's and the Community Development Director's authority to act on behalf of the City is as set forth in Section 815 of the DDA. In accordance with said scope and Section 815 of

the DDA, the City Manager and the Community Development Director shall have the administrative authority to issue interpretations, waive provisions, and enter into amendments of this Agreement (including the attached exhibits) so long as such actions do not substantially change the uses or development permitted for the Project (as defined in the DDA) and contemplated by this Agreement, or materially add to the costs of the City as specified in this Agreement or as agreed to by the City Council. Without limitation of the foregoing, the City Manager or the Community Development Director for the City is expressly authorized to and is hereby delegated the administrative authority to authorize the City's use of available contingency funds budgeted and allocated by the City to the development and construction of the Town Plaza Expansion Improvements and the Public Parking Improvements, including the Culver Boulevard Access Improvements, respectively, from the authorized contingency amounts separately shown on the Public Improvements Project Budget for each the Public Parking Improvements excluding the Culver Boulevard Access Improvements, the Town Plaza Expansion Improvements, and the Culver Boulevard Access Improvements, to pay for any prior City-approved cost and expense overruns or work change orders incurred under the Construction Contract or Additional Contracts that are outside the fixed price or guaranteed maximum cost for construction of the Project or incurred by any other applicable Developer consultants or contractors approved by the City which are attributable and allocable to the City's share of costs of construction of the Public Improvements as calculated and determined in accordance with this Agreement. As set forth above, such administrative authority shall extend to reallocation of amounts between the contingency funds for the Town Plaza Expansion Improvements and the Public Parking Improvements (excluding the Culver Boulevard Access Improvements) upon the Developer's request. Any additional payments to be made by the City under this Agreement which would exceed the Public Improvements Project Budget must be first properly budgeted and appropriated by the City Council toward the development and construction of the Public Improvements.

10.0 CONTINUING RIGHTS AND OBLIGATIONS OF THE PARTIES

Except as otherwise expressly provided in this Agreement and the documentation and written approvals processed in accordance with the terms and conditions of this Agreement, the DDA and the obligations and rights of the Parties set forth in the DDA shall continue in full force and effect. With respect to the City in its municipal or regulatory capacity, nothing in this Agreement shall waive, modify, limit, reduce, or in any way affect any rights or requirements of the City.

11.0 SPECIAL LIMITED OBLIGATION LANGUAGE IS NOT APPLICABLE TO THIS AGREEMENT

The Developer and the City each acknowledge and agree that the limitation on the City's obligations and Developer's rights set forth in Section 713 of the DDA are not applicable to this Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, the City and Developer have signed this Agreement on the dates set forth below.

“DEVELOPER”

COMBINED/HUDSON 9300 CULVER LLC,
a Delaware limited liability company

By: Combined Culver Venture LLC,
a Delaware limited liability company,
its managing member

Date: _____

By: _____

Name: _____

Its: _____

By: Hudson 9300 Culver, LLC,
a Delaware limited liability company,
its managing member

By: Hudson Pacific Properties, L.P.,
a Maryland limited partnership,
its sole member

By: Hudson Pacific Properties, Inc.,
a Maryland corporation,
its general partner

Date: _____

By: _____

Name: _____

Title: _____

[Signatures Continue on Following Page]

“CITY”

CITY OF CULVER CITY,
a charter city of the State of California

Dated: _____

By: _____
John M. Nachbar
City Manager

APPROVED AS TO CONTENT:

By: _____
Sol Blumenfeld
Community Development Director

ATTEST:

By: _____
Martin R. Cole, City Clerk

APPROVED AS TO FORM:

By: _____
Carol Schwab
City Attorney

By: _____
KANE, BALLMER & BERKMAN
City Special Counsel

Exhibit "A-1"

City Parcel Legal Description

[behind this page]

LEGAL DESCRIPTION

CITY PARCEL

Real property in the City of Culver City, County of Los Angeles, State of California, described as follows:

PARCEL 2, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN OF PARCEL MAP NO. 66158, FILED ON APRIL 15, 2008 IN BOOK 355 PAGES 86 TO 88 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, CALIFORNIA.

EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, OR THAT MAY BE PRODUCED THEREIN, AS RESERVED BY GRACE POIX, ET AL, IN DEED RECORDED JUNE 30, 1950 AS INSTRUMENT NO. 1720 IN BOOK 33548 PAGE 208, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND MINERAL SUBSTANCES, TOGETHER WITH THE RIGHT TO EXPLORE FOR, AND EXTRACT SUCH SUBSTANCES, PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT OR OTHER MEANS OF EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE WASHINGTON-CULVER REIMPROVEMENT PROJECT NO. 3, AS RECORDED ON NOVEMBER 26, 1975 AS INSTRUMENT NO. 4313 OF LOS ANGELES COUNTY RECORDS, STATE OF CALIFORNIA AND SHALL NOT PENETRATE ANY PART OF OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED OCTOBER 12, 1979 AS INSTRUMENT NO. 79-1142453.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY ALICE R. SKOOG AND WILLIAM ARTHUR SKOOG, AS CO-TRUSTEES OF THE ESTATE OF JOHN L. SKOOG, DECEASED IN DEED RECORDED JULY 30, 1980 AS INSTRUMENT NO. 80-723166.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID

PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED AUGUST 20, 1980 AS INSTRUMENT NO. 80-799836, OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED OCTOBER 31, 1980 AS INSTRUMENT NO. 80-1090011, OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY HELEN GRIFFIN FORKE, STANLEY MOCK, ROBERT HEINEKEN, IN DEED RECORDED DECEMBER 11, 1981 AS INSTRUMENT NO. 81-1217854 OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY. BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED JANUARY 8, 1982 AS INSTRUMENT NO. 82-15621, OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, BY DEED RECORDED FEBRUARY 11, 1982 AS INSTRUMENT NO. 82-155496, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY WM J. MURPHY, RECORDED JANUARY 25, 1984 AS INSTRUMENT NO. 84-96507.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE THEREOF, AS RESERVED BY BILL MURPHY BUICK, INC., A CALIFORNIA CORPORATION, IN DEED RECORDED JANUARY 25, 1984 AS INSTRUMENT NO. 84-96508.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY ON ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED BY ROBERT F. HEINECKEN AND STANLEY J. MOCK, IN DEED RECORDED APRIL 6, 1984 AS INSTRUMENT NO. 84-416556.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT AND RIGHT TO PENETRATE USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY MAHENDRA LAL, NANCY LAL, NITENDRA PRASAD AND FAISUN N. PRASAD, IN DEED RECORDED DECEMBER 26, 1984 AS INSTRUMENT NO. 84-1500255.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY. BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF THE SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN THE DEED RECORDED JANUARY 24, 1986 AS INSTRUMENT NO. 86-98190, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF THE SAID PROPERTY OR ANY PORTION OF THE SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY FRANCISCO ALONSO AND MODESTA ALONSO, BY DEED RECORDED JUNE 23, 1986 AS INSTRUMENT NO. 86-778647.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF THE SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY FRANCISCO ALONSO, IN DEED RECORDED JULY 11, 1989 AS INSTRUMENT NO. 891097116, OFFICIAL RECORDS.

Exhibit "A-2"

Developer Parcel Legal Description

[behind this page]

LEGAL DESCRIPTION

DEVELOPER PARCEL

(9300 Culver Boulevard, Culver City, California)

Real property in the City of Culver City, County of Los Angeles, State of California, described as follows:

PARCEL 1, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON PARCEL MAP NO. 66158, FILED ON APRIL 15, 2008 IN BOOK 355 PAGES 86 TO 88 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, CALIFORNIA.

EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, OR THAT MAY BE PRODUCED THEREIN, AS RESERVED BY GRACE POIX, ET AL, IN DEED RECORDED JUNE 30, 1950 AS INSTRUMENT NO. 1720 IN BOOK 33548 PAGE 208, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND MINERAL SUBSTANCES, TOGETHER WITH THE RIGHT TO EXPLORE FOR, AND EXTRACT SUCH SUBSTANCES, PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT OR OTHER MEANS OF EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE WASHINGTON-CULVER REIMPROVEMENT PROJECT NO.3, AS RECORDED ON NOVEMBER 26, 1975 AS INSTRUMENT NO. 4313 OF LOS ANGELES COUNTY RECORDS, STATE OF CALIFORNIA AND SHALL NOT PENETRATE ANY PART OF OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED OCTOBER 12, 1979 AS INSTRUMENT NO. 79-1142453.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY ALICE R. SKOOG AND WILLIAM ARTHUR SKOOG, AS CO-

TRUSTEES OF THE ESTATE OF JOHN L. SKOOG, DECEASED IN DEED RECORDED JULY 30, 1980 AS INSTRUMENT NO. 80-723166.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED AUGUST 20, 1980 AS INSTRUMENT NO. 80-799836, OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED OCTOBER 31, 1980 AS INSTRUMENT NO. 80-1090011, OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING UNTO GRANTOR ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY HELEN GRIFFIN FORKE, STANLEY MOCK, ROBERT HEINEKEN, IN DEED RECORDED DECEMBER 11, 1981 AS INSTRUMENT NO. 81-1217854, OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY. BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED INDEED RECORDED JANUARY 8, 1982 AS INSTRUMENT NO. 82-15621, OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, BY DEED RECORDED FEBRUARY 11, 1982 AS INSTRUMENT NO. 82-155496, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY

PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY WM J. MURPHY, RECORDED JANUARY 25, 1984 AS INSTRUMENT NO. 84-96507.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE THEREOF, AS RESERVED BY BILL MURPHY BUICK, INC., A CALIFORNIA CORPORATION, IN DEED RECORDED JANUARY 25, 1984 AS INSTRUMENT NO. 84-96508.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY ON ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED BY ROBERT F. HEINECKEN AND STANLEY J. MOCK, IN DEED RECORDED APRIL 6, 1984 AS INSTRUMENT NO. 84-416556.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT AND RIGHT TO PENETRATE USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY MAHENDRA LAL, NANCY LAL, NITENDRA PRASAD AND FAISUN N. PRASAD, IN DEED RECORDED DECEMBER 26, 1984 AS INSTRUMENT NO. 84-1500255.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY. BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF THE SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN THE DEED RECORDED JANUARY 24, 1986 AS INSTRUMENT NO. 86-98190, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF THE SAID PROPERTY OR ANY PORTION OF THE SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY FRANCISCO ALONSO AND MODESTA ALONSO, BY DEED RECORDED JUNE 23, 1986 AS INSTRUMENT NO. 86-778647.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF THE SAID PROPERTY

OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY FRANCISCO ALONSO, IN DEED RECORDED JULY 11, 1989 AS INSTRUMENT NO. 891097116, OFFICIAL RECORDS.

EXHIBIT B

SITE MAP

(Developer Parcel identified as Parcel 1; City Parcel identified as Parcel 2)

[See Attached]

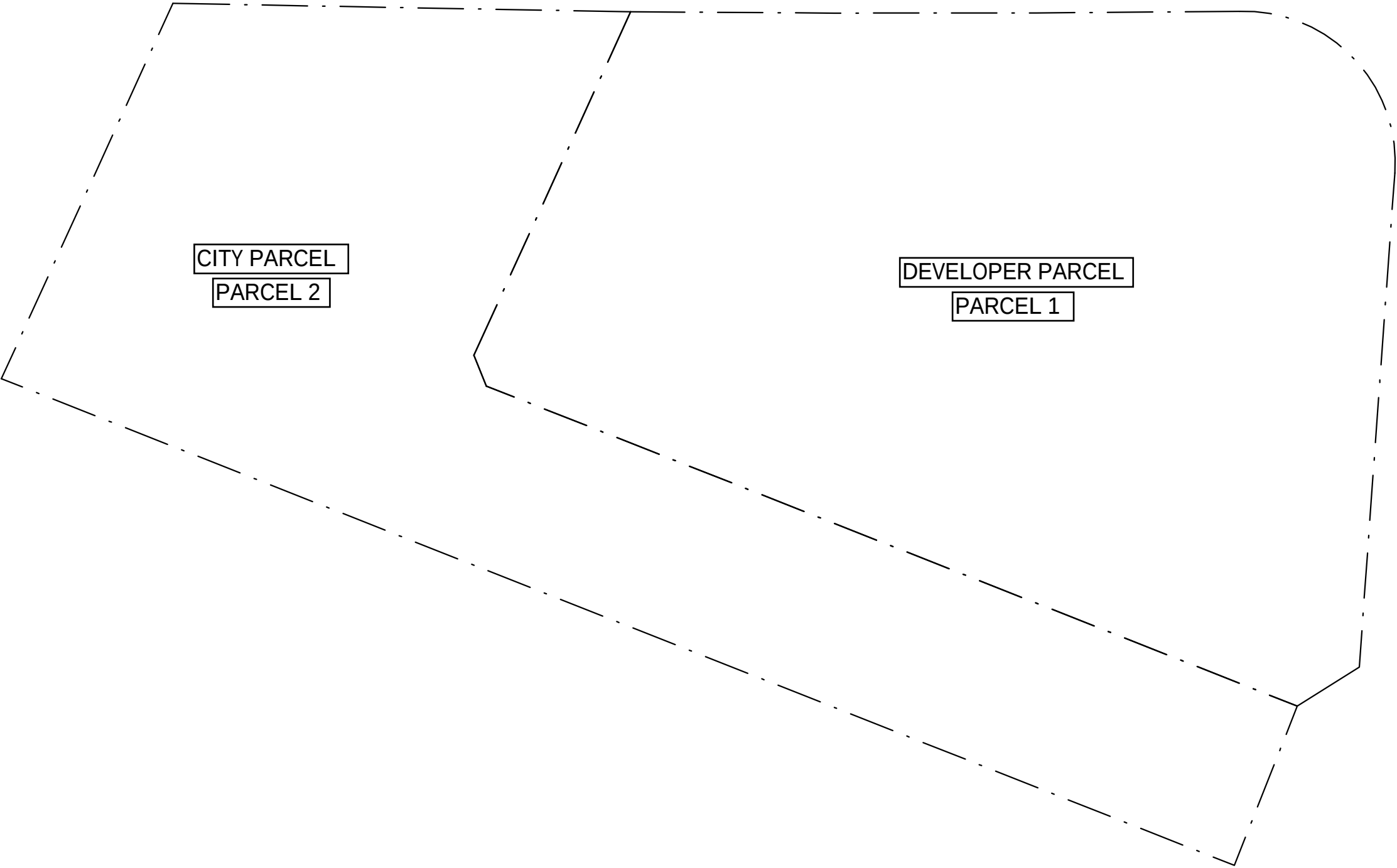


Exhibit "C"

Listing of Construction Drawings and Specifications

[behind this page]

GENERAL	
G0.00	COVER
G0.00a	COVER SHEET
G0.01	SHEET INDEX
G0.02	GENERAL NOTES
G0.03a	ACCESSIBILITY NOTES
G0.03b	ACCESIBILITY NOTES CONT.
G0.03c	ACCESSIBILITY NOTES CONT.
G0.03d	GENERAL NOTES, LEGEND AND SHEET INDEX
G0.07	ACCESSIBILITY DETAILS
G1.00	BUILDING AXONOMETRICS VIEWS
G1.01	BUILDING AXONOMETRIC VIEWS
G2.01	BUILDING CODE ANALYSIS - LEVEL P1+P2 PARKING
G2.02	BUILDING CODE ANALYSIS - LEVEL 1 GROUND
G2.03	BUILDING CODE ANALYSIS - LEVEL 2 ELEVATED PLAZA
G2.04	BUILDING CODE ANALYSIS - LEVEL 3+4 OFFICE

CIVIL	
C0.01	GENERAL NOTES, LEGEND AND SHEET INDEX
C0.02	EXISTING CONDITIONS PLAN (FOR REFERENCE ONLY)
C1.01	DEMOLITION PLAN
C2.01	HORIZONTAL CONTROL PLAN
C3.01	PAVING AND GRADING PLAN
C4.01	CIVIL UTILITY PLAN
C5.01	CIVIL DETAILS

ARCHITECTURAL	
A1.01	SITEPLAN
A2.01	LEVEL P3 LOWER PARKING
A2.02	LEVEL P2 PARKING
A2.03	LEVEL P1 PARKING
A2.04	LEVEL 1 GROUND
A2.05	LEVEL 2 ELEVATED PLAZA
A2.06	LEVEL 3 OFFICE
A2.07	LEVEL 4 OFFICE
A2.08	LEVEL 5 ROOF
A2.11	LEVEL P3 PARKING SLAB PLAN
A2.12	LEVEL P2 PARKING SLAB PLAN
A2.13	LEVEL P1 PARKING SLAB PLAN
A2.14	LEVEL 1 GROUND SLAB PLAN
A2.15	LEVEL 2 ELEVATED PLAZA SLAB PLAN
A2.16	LEVEL 3 OFFICE SLAB PLAN
A2.17	LEVEL 4 OFFICE SLAB PLAN
A2.18	LEVEL 5 ROOF SLAB PLAN
A3.01	RCP - LEVEL P3 LOWER PARKING
A3.02	RCP - LEVEL P2 PARKING
A3.03	RCP - LEVEL P1 PARKING
A3.04	RCP - LEVEL 1 GROUND
A3.05	RCP - LEVEL 2 ELEVATED PLAZA
A3.06	RCP - LEVEL 3 OFFICE
A3.07	RCP - LEVEL 4 OFFICE
A4.01	EXTERIOR ELEVATIONS
A4.02	EXTERIOR ELEVATIONS
A4.03	EXTERIOR ELEVATIONS
A5.01	BUILDING SECTIONS
A5.02	BUILDING SECTIONS
A5.03	BUILDING SECTIONS
A5.11	WALL SECTIONS
A5.12	WALL SECTIONS
A5.13	WALL SECTIONS
A5.14	WALL SECTIONS
A6.01	ENLARGED PLANS - PARKING
A6.02	ENLARGED PLANS - SERVICE AREA
A6.03	ENLARGED LOBBY - LEVEL 1
A6.04	ENLARGED LOBBY - INTERIOR ELEVATIONS
A6.05	ENLARGED LOBBY - LEVEL 2
A6.06	ENLARGED LOBBY - LEVEL 3, 4
A6.11	ENLARGED PLANS - RESTROOMS L1
A6.12	ENLARGED PLANS - RESTROOMS L2, L3, L4
A6.21	ENLARGED PLANS - STAIR 001
A6.22	ENLARGED PLANS - STAIR 002
A6.23	ENLARGED PLANS - STAIR 003
A6.24	ENLARGED PLANS - STAIR 004
A6.25	ENLARGED PLANS - STAIR 005 and 006
A6.26	ENLARGED PLANS - STAIR 007
A6.31	VERTICAL CIRCULATION - ELEVATOR 001/002
A6.32	VERTICAL CIRCULATION - ELEVATOR 003
A6.33	VERTICAL CIRCULATION - ELEVATOR 004
A7.01	WALL TYPES
A7.02	MATERIAL SCHEDULE
A7.03	DOOR SCHEDULE
A7.04	DOOR SCHEDULE
A7.05	WINDOW SCHEDULE
A7.06	WINDOW SCHEDULE
A7.07	WINDOW SCHEDULE
A7.08	WINDOW SCHEDULE
A7.09	WINDOW SCHEDULE
A8.01	TRELLIS DETAILS
A8.41	TYP. CEILING DETAILS
A.01	SITE PLAN

PLUMBING	
P2.00	PLUMBING UNDERGROUND PLAN
P2.01	PLUMBING PARKING LEVEL 2 PLAN
P2.02	PLUMBING PARKING LEVEL 1 PLAN
P2.03	PLUMBING LEVEL 1 GROUND PLAN
P2.04	PLUMBING LEVEL 2 ELEVATED PLAZ PLAN
P2.05	PLUMBING LEVEL 3 OFFICE PLAN
P2.06	PLUMBING LEVEL 4 OFFIC PLAN
P2.07	PLUMBING LEVEL 5 ROOF PLAN
P6.01	PLUMBING ENLARGED PLANS

STRUCTURAL	
S0.01	GENERAL NOTES
S0.02	GENERAL NOTES
S0.03	GENERAL NOTES
S0.11	TYPICAL CONCRETE DETAILS
S0.12	TYPICAL CONCRETE DETAILS
S0.13	TYPICAL CONCRETE DETAILS
S0.21	TYPICAL STEEL DETAILS
S0.22	TYPICAL STEEL DETAILS
S0.23	TYPICAL STEEL DETAILS
S0.24	TYPICAL STEEL DETAILS
S1.01	3D VIEWS
S1.11	LOADING DIAGRAM
S1.12	LOADING DIAGRAM
S2.01	LEVEL P2b PARKING FOUNDATION PLAN
S2.01R	LEVEL P2b - REINFORCING PLAN
S2.02	LEVEL P2 PARKING/ FOUNDATION PLAN
S2.02R	LEVEVEL P2 PARKING - REINFORCING PLAN
S2.03	LEVEL P1 PARKING FRAMING PLAN
S2.03R	LEVEL P1 PARKING - REINFORCING PLAN
S2.04	LEVEL 1 GROUND FRAMING PLAN
S2.04R	LEVEL 1 - REINFORCING PLAN
S2.05	LEVEL 2 ELEVATED PLAZA FRAMING PLAN
S2.05R	LEVEL 2 ELEVATED - REINFORCING PLAN
S2.06	LEVEL 3 OFFICE FRAMING PLAN
S2.06R	LEVEL3 OFFICE - REINFORCING PLAN
S2.07	LEVEL 4 OFFICE FRAMING PLAN
S2.07R	LEVEL 4 OFFICE - REINFORCING PLAN
S2.08	LEVEL 5 ROOF FRAMING PLAN
S2.08R	IEVEL 5 ROOF - REINFORCING PLAN
S3.01	COLUMN SCHEDULE AND DETAILS
S3.02	STUDRAIL SCHEDULE AND DETAILS
S3.11	FOUNDATION, GRADE BEAMS SCHEDULE AND DETAILS
S3.21	CONCRETE BEAM SCHEDULE AND DETAILS
S4.01	TYPICAL SMF DETAILS
S4.02	TYPICAL SMF FRAME ELEVATIONS
S4.11	MOMENT FRAME COLUMN SECTIONS AND DETAILS
S4.12	MOMENT FRAME ELEVATIONS
S4.13	MOMENT FRAME ELEVATIONS
S5.01	TYPICAL CONCRETE SHEAR WALL SECTIONS AND DETAILS
S5.02	SHEAR WALL ELEVATIONS
S5.11	BASEMENT WALL ELEVATIONS
S5.12	BASSEMENT WALL ELEVATIONS
S6.01	BUILDING SECTIONS
S7.01	WALL SECTIONS
S7.02	WALL SECTIONS

MECHANICAL	
M0.01	MECHANICAL LEAD SHET
M0.02	MECHANICAL BASIS OF DESIGN
M0.03	MECHANICAL SCHEDULES
M1.04	MECHANICAL LEVEL 1 GROUND ZONING
M1.05	MECHANICAL LEVEL 2 ELEVATED PLAZA ZONING
M1.06	MECHANICAL LEVEL 3 OFFICE ZONING
M1.07	MECHANICAL LEVEL 4 OFFIC ZONING
M2.02	MECHANICAL LEVEL P2 PARKING
M2.03	MECHANICAL LEVEL P2 PARKING
M2.04	MECHANICAL LEVEL 1 GROUND
M2.05	MECHANICAL LEVEL 2 ELEVATED PLAZA
M2.06	MECHANICAL LEVEL 3 OFFICE
M2.07	MECHANICAL LEVEL 4 OFFICE
M2.08	MECHANICAL ROOF PLAN
M5.01	MECHANICAL DETAILS
M5.02	MECHANICAL DETAILS
M5.03	MECHANICAL DETAILS
M6.01	MECHANICAL PIPING DIAGRAM

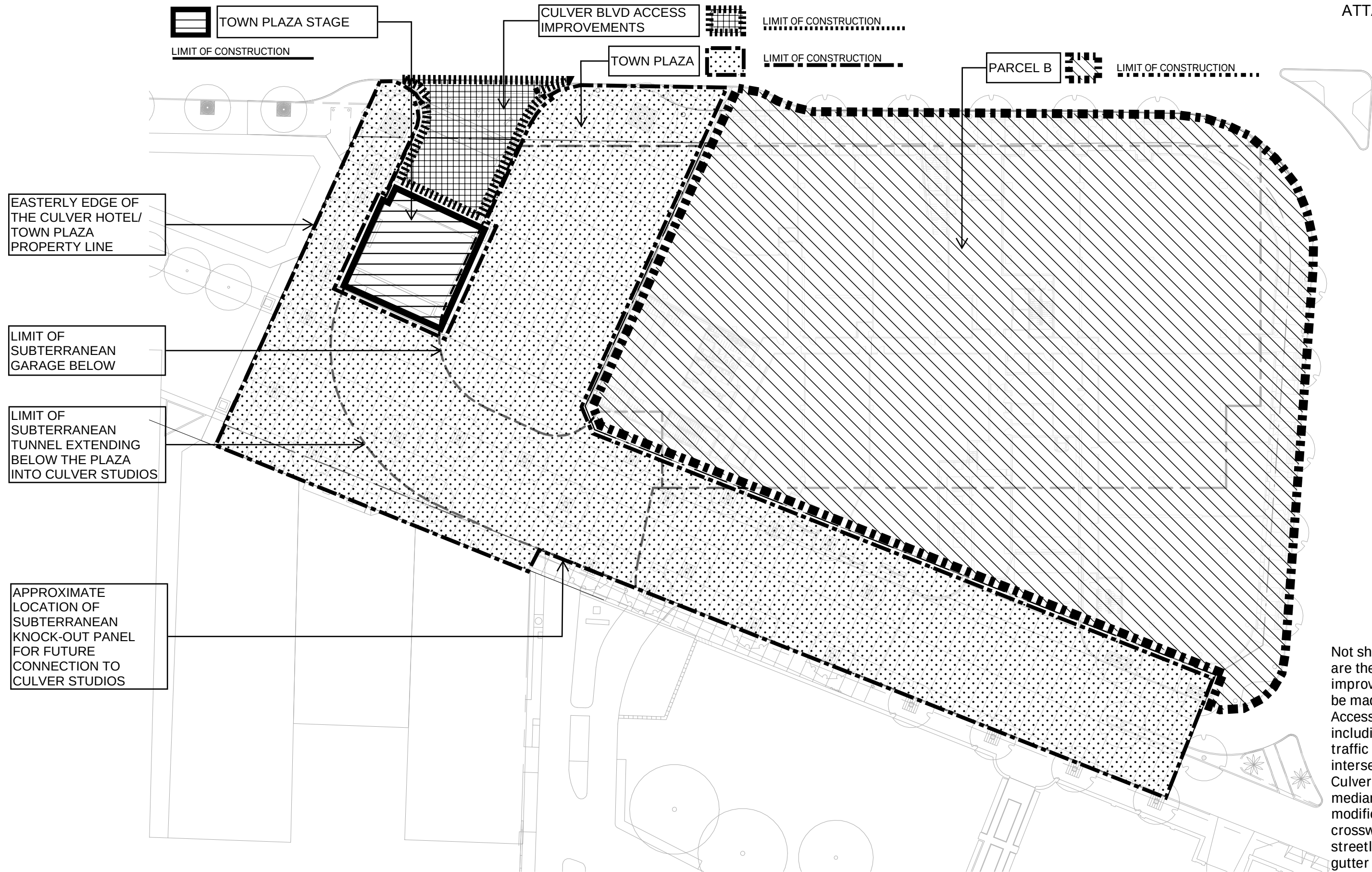
ELECTRICAL	
E0.00	ELECTRICAL LEGEND AND ABBREVIATIONS
E0.02	ELECTRICAL LUMINAIRE SCHEDULES
E0.03	ELECTRICAL SWITCHGEAR ELEVATION
E2.02	LIGHTING PARKING LEVEL 1 PLAN
E2.03	LIGHTING LEVEL 1 GROUND PLAN
E2.04	LIGHTING LEVEL 2 ELEVATED PLAZA PLAN
E2.05	LIGHTING LEVEL 3 OFFICE PLAN
E2.06	LIGHTING LEVEL 4 OFFICE PLAN
E2.07	LIGHTING LEVEL 5 ROOF PLAN
E3.01	POWER AND SIGNAL PARKING LEVEL 2 PLAN
E3.02	POWER AND SIGNAL PARKING LEVEL 1 PLAN
E3.03	POWER AND SIGNAL LEVEL 1 GROUND PLAN
E3.04	POWER AND SIGNAL LEVEL 2 ELEVATED PLAZA PLAN
E3.05	POWER AND SIGNAL LEVEL 3 OFFICE PLAN
E3.06	POWER AND SIGNAL LEVEL 4 OFFICE PLAN
E3.07	POWER AND SIGNAL LEVEL 5 ROOF PLAN
E5.01	SINGLE LINE DIAGRAM

Exhibit "D"

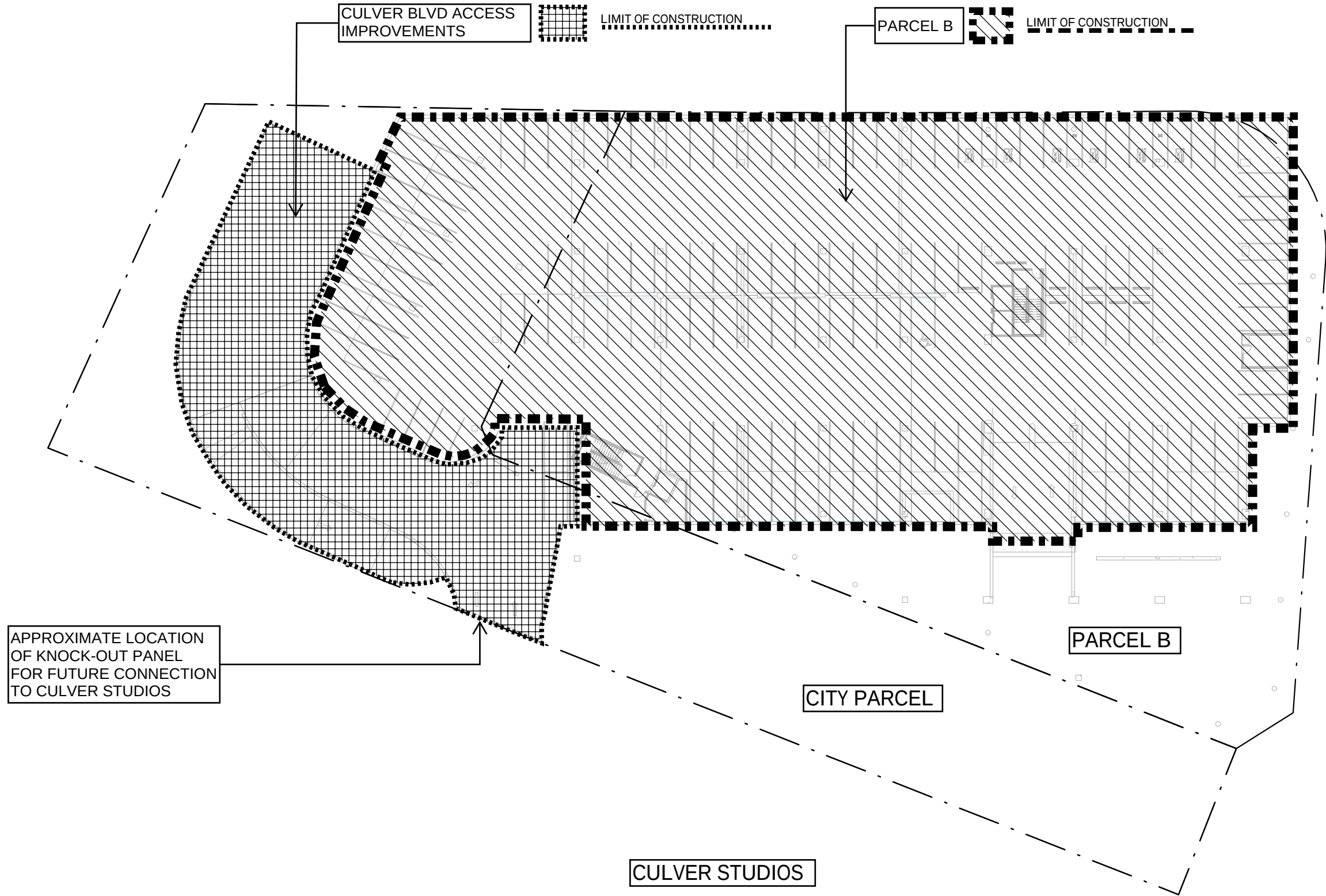
Culver Boulevard Access Improvements
Concept Design

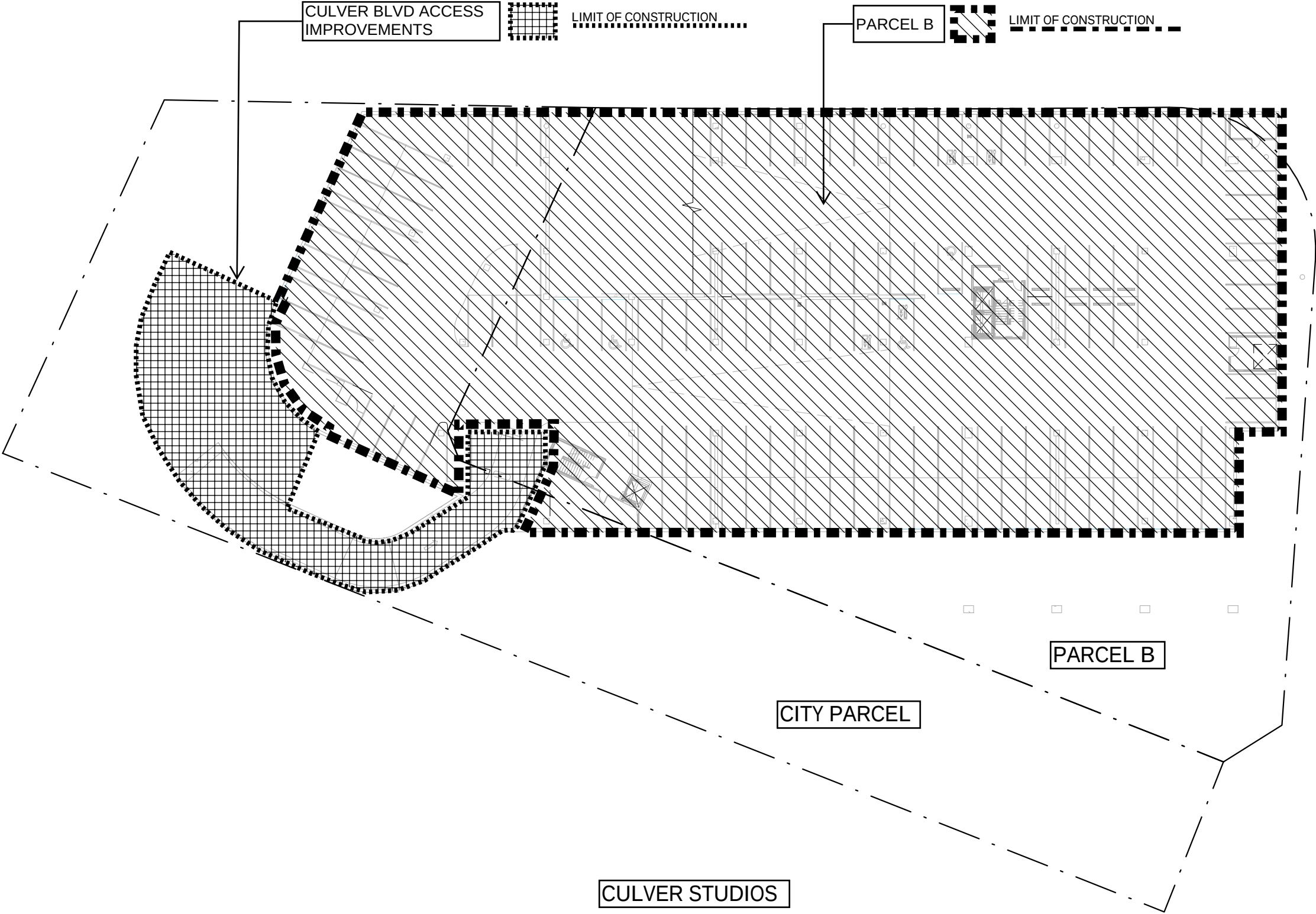
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TO BE UPDATED



Not shown on this site plan are the offsite improvements required to be made for the Culver Blvd Access Improvements, including the following: traffic signal at the intersection of Main and Culver, modifications to the median along Culver Blvd, modifications to the crosswalk and sidewalk, streetlights, curb and gutter work, and other work that may be required by the City of Culver City.





ENTRANCE/ EXIT OF
RAMP OFF OF CULVER
BLVD.

ENTRY

EXIT

EXIT

BICYCLE
STORAGE

STOP

DOWN TO
PARKING
LEVEL 2

EXIT FROM LEVEL P1 PARCEL B
PARKING GARAGE

EXIT FROM CULVER STUDIOS

ENTRANCE TO CULVER STUDIOS

KNOCK OUT PANEL FOR FUTURE
CONNECTION TO CULVER STUDIOS

1 Parking Level 1 - Auto Tunnel/ Ramp.
1" = 20'-0"

2 Parking Level 2 - Auto Tunnel/ Ramp
1" = 20'-0"

ENTRANCE
TO LEVEL P2
PARCEL B
PARKING
GARAGE

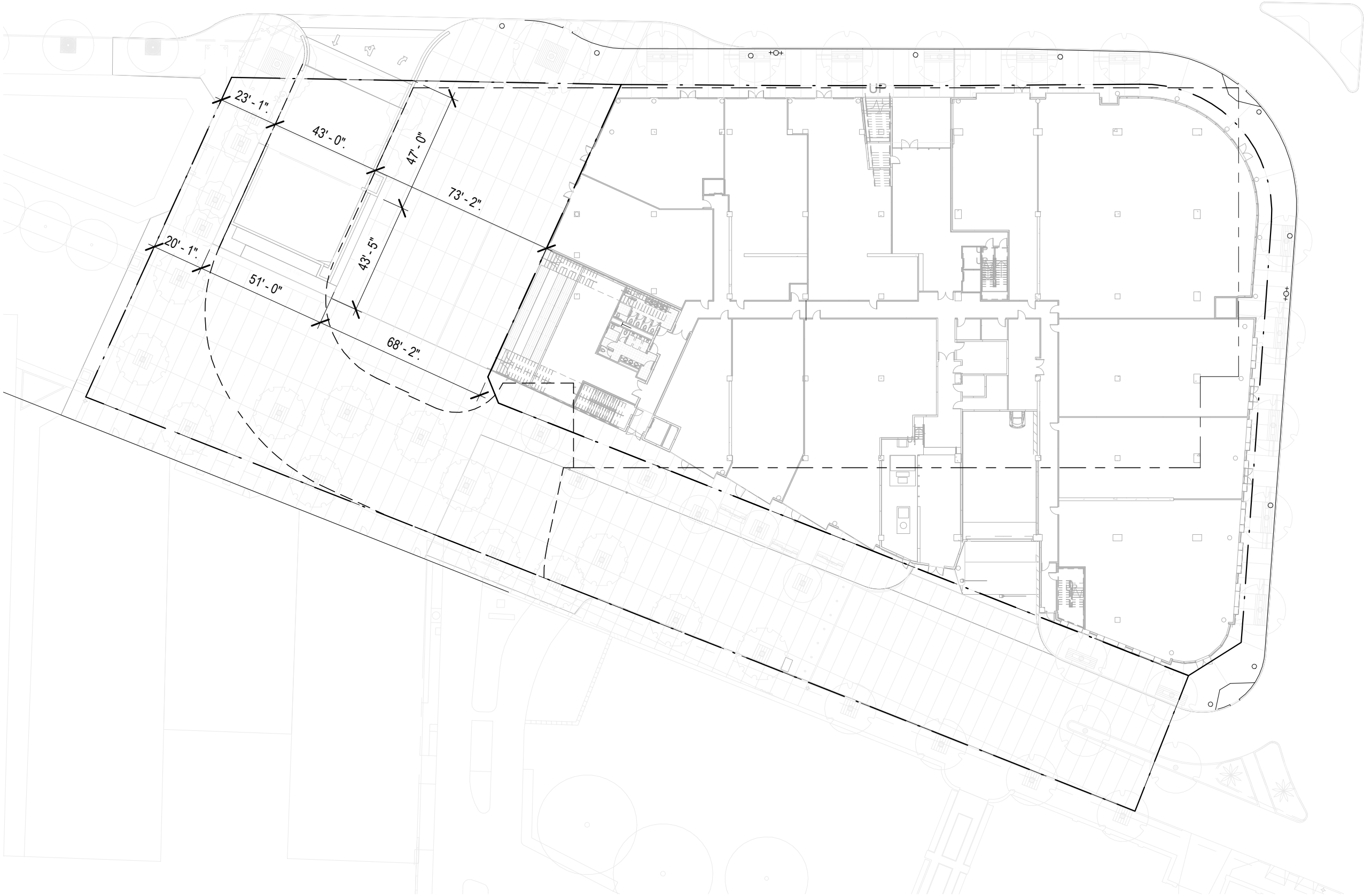


Exhibit "E"

Disbursement Procedures

[behind this page]

Exhibit "E"

DISBURSEMENT PROCEDURES

1. Defined Terms. As used in these Disbursement Procedures, capitalized terms shall have the meanings defined in the Development and Construction Contract for Public Improvements to which these Disbursement Procedures are attached as Exhibit "E", and all attachments and exhibits to the Development and Construction Contract for Public Improvements (which are incorporated by this reference), and any amendments or modifications which may be entered into in accordance thereto (collectively, the "Agreement").

2. Deposit and Use of Funds.

a. City Funds.

- (1) In accordance with the requirements of Section 901.1(h) of the DDA and concurrent with the Close of Escrow for the sale of the Developer Parcel to the Developer and the effectiveness of the Agreement, the City shall have deposited the City Funds into an escrow account ("Post Closing Funding Escrow") in an amount equal to the total Maximum Budgeted Construction Amounts and the Maximum Budgeted Contingency Amounts for each of (i) the Public Parking Improvements excluding the Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements, and (iii) the Culver Boulevard Access Improvements as provided in the Public Improvements Project Budget, which amount represents the City's share of the projected costs to develop and construct (a) the Parking Improvements excluding the Culver Boulevard Access Improvements, (b) the costs of the Town Plaza Expansion Improvements, and (c) the costs of the Culver Boulevard Access Improvements, respectively, as each is calculated and determined pursuant to and in accordance with the Agreement.
- (2) The costs incurred by the Developer to Develop and Cause Construction of the Public Improvements and other costs, fees and expenses relating to construction of the Public Improvements as approved by the City pursuant to the terms of the DDA and the Agreement, including all such costs incurred pursuant to the terms of the approved Construction Contract, the Management Fee, and Additional Contracts, shall be paid by the City with City Funds pursuant to these Disbursement Procedures, consistent with the Public Improvements Project Budget, and in accordance with the Agreement, and as said costs are calculated, determined and

allocated to the City pursuant to and in accordance with the Agreement.

- (3) The principal of the City Funds and any accrued interest thereon held in the Post Closing Funding Escrow are not pledged to any lender, the Escrow Agent, the Developer, or any Developer contractor or consultant, and the principal of the City Funds and any accrued interest thereon held in the Post Closing Funding Escrow do not constitute security for any loan or any portion of the Developer funding allocated toward the Project. Prior to disbursement of any City Funds pursuant to and in accordance with the terms of the Agreement and these Disbursement Procedures, the principal of the City Funds and any accrued interest thereon held in the Post Closing Funding Escrow shall be owned by the City, subject to the custody and control of the Escrow Agent in accordance with the rights of the City and Developer as provided in the Agreement and these Disbursement Procedures.
- (4) Developer acknowledges and agrees that neither the Developer nor the Escrow Agent, the Contractor, other Developer contractors or consultants, or any third party has any lien on or security interest in, or right of setoff in respect of, the City Funds deposited and held in the Post Closing Funding Escrow, including any accrued interest thereon, for the payment of fees, costs and/or expenses or for any other purpose whatsoever. Except for the City's rights to close the Post Closing Funding Escrow and/or withdraw and receive remaining City Funds held in the Post Closing Funding Escrow including accrued interest, as provided in the Agreement and these Disbursement Procedures, nothing in the foregoing shall otherwise give the City the right to withdraw the City Funds from the Post Closing Funding Escrow or to alter the disbursement instructions of the Escrow Agent without the written consent of both the City and Developer.

b. Post Closing Funding Escrow.

- (1) The Post Closing Funding Escrow shall be opened with the Escrow Agent (or a reputable and qualified financial institution or other escrow services entity as mutually agreed upon by both the City and the Developer to serve as the Escrow Agent for the Post Closing Funding Escrow including the lender providing the Developer's Construction Loan or its disbursing agent, subject to City's reasonable approval of same). The City shall pay all reasonable and customary costs associated with the Post Closing Funding Escrow.

- (2) The Post Closing Funding Escrow shall be established and maintained as two separate and segregated primary accounts, one for each of the proceeds of City Funds allocated toward the Public Parking Improvements and the proceeds of City Funds allocated toward the Town Plaza Expansion Improvements, respectively. The primary account held for the Public Parking Improvements shall establish and maintain two separate and segregated subaccounts with a first subaccount for the City Funds consisting solely of the City's bond proceeds to be used solely for payment of Public Parking Improvements excluding the Culver Boulevard Access Improvements and a second subaccount for the City Funds consisting solely of the City's third party funds to be used solely for payment of the Culver Boulevard Access Improvements.
- (3) Upon the City's written request, the Escrow Agent shall deposit the City Funds in interest-bearing accounts, and as interest accrues or becomes payable thereon, such interest shall be and remain the sole property of the City and shall be disbursed to the City from time to time as requested in writing by the City Manager.
- (4) The costs incurred by the Developer to Develop and Cause Construction of the Public Improvements and other costs, fees and expenses relating to construction of the Public Improvements, including all such costs incurred pursuant to the terms of the approved Construction Contract, the Management Fee, and Additional Contracts shall be paid by the City with City Funds pursuant to these Disbursement Procedures and the Agreement and as said costs are calculated, determined and allocated to the City pursuant to and in accordance with the Agreement. Except as may be authorized by further action of the City Council of the City, payment of all such costs, fees and expenses due and payable to Developer for Developer to Develop and Cause Construction of the Public Improvements to Completion in accordance with the Agreement and these Disbursement Procedures shall be no greater than the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget, which amounts are within the City's current budget and within an available, unexhausted and unencumbered appropriation of the City. Any funds needed to make payments for any additional costs, fees or expenses in excess of the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget would need either (i) to be budgeted and appropriated by further action of the City Council of the City or (ii) authorized by the City to be paid from any available contingency funds currently budgeted and allocated by the City to the development and construction of (i) the Public Parking Improvements excluding the

Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements, and (iii) the Culver Boulevard Access Improvements, respectively, as shown in the Public Improvements Project Budget and up to the "Maximum Budgeted Contingency Amounts" identified therein, before any such additional costs, fees or expenses are obligated to be paid by the City and paid by the City; otherwise, the Agreement shall cover only those costs, fees and expenses incurred up to the "Maximum Budgeted Construction Amounts" shown on the Public Improvements Project Budget and the City shall not be liable or responsible for any additional costs, fees or expenses related to the Public Improvements. The City Funds, together with any accrued interest thereon which has not been released to the City and has been currently budgeted and appropriated by the City for use toward the costs of the Public Improvements, shall be held and applied to pay for the City's share of costs for the development and construction of the Public Parking Improvements and the Town Plaza Expansion Improvements consistent with the approved Plans and the amounts set forth in the Public Improvements Project Budget, and in accordance with the terms of the Agreement and these Disbursement Procedures.

- (5) Monthly payments from the Post Closing Funding Escrow will be made to Developer in accordance with the Agreement and these Disbursement Procedures.
- (6) Escrow Agent shall maintain and keep accurate records regarding amounts on deposit in the Post Closing Funding Escrow, including any and all interest earned thereon, and shall provide monthly statements to the City of the Post Closing Funding Escrow, including all interest earned thereon and all disbursements made therefrom.

3. Disbursement of City Funds. The City Funds, together with any accrued interest thereon which has not been released to the City and has been budgeted and appropriated by the City for use toward the costs of the Public Improvements, shall be disbursed to pay for the City's share of costs for the development and construction of the Public Parking Improvements and the Town Plaza Expansion Improvements consistent with the approved Plans and the amounts set forth in the Public Improvements Project Budget, subject to the terms and conditions in the Agreement and these Disbursement Procedures. The City shall have no obligation to pay Developer for the costs of development and construction of the Public Improvements except as expressly specified in the Agreement from the City Funds described therein, and except as other funds may be authorized by further action of the City Council of the City.

- a. Conditions Precedent to Disbursement. Disbursement of any City Funds from the Post Closing Funding Escrow shall be subject to satisfaction of the following conditions precedent:

- (1) The Construction Contract with the Contractor and each such contract referenced in Section 2.1(a) in the Agreement shall have been delivered to the City in its final executed form prior to or concurrent with commencement of any payments by the City under the Agreement and these Disbursement Procedures;
- (2) The Assignment of Construction Contract and the Assignment of Plans, Reports and Data shall each have been signed by the Developer and consented to by the General Contractor and Architect, respectively, and all other applicable Developer contractors for the development and construction of the Public Improvements shall have also consented to an assignment of its contract in the same general form as the Assignment of Construction Contract, as required by the DDA and the Agreement;
- (3) Each Additional Contract shall have been delivered to the City in its final executed form prior to or concurrent with commencement of any payments by the City under the Agreement and these Disbursement Procedures with respect to such Additional Contract;
- (4) Developer shall have submitted a Payment Request (described in Section 4 below) to the City for each requested disbursement of City Funds, that includes all information required in Section 5 below, and the City Manager or designee shall have approved such Payment Request on behalf of the City and provided notice of such approval to Escrow Agent; and
- (5) There shall be no Default of Developer under the Agreement or DDA.

b. Disbursements.

(1) Upon satisfaction of all conditions precedent as set forth in Section 3.a. above, Escrow Agent shall disburse City Funds from each of the two separate and segregated primary accounts in the Post Closing Funding Escrow no greater than once per month. The amount disbursed from each account pursuant to a City-approved Payment Request shall be in accordance with the Public Improvements Project Budget such that costs attributable to the City's share of costs for the development and construction of the Public Parking Improvements shall be paid for with City Funds from the separate and segregated primary Public Parking Improvements account, as set forth in more detail below, and costs attributable to the City's share of costs for the development and construction of the Town Plaza Expansion Improvements shall be paid for with City Funds in the separate and segregated primary Town Plaza Expansion Improvements account. Escrow Agent shall make disbursements from the primary account held for the Public Parking Improvements from the two separate and segregated subaccounts such that

any portion of any Payment Request pertaining to the Public Parking Improvements excluding the Culver Boulevard Access Improvements shall be paid for solely from the subaccount created for the Public Parking Improvements excluding the Culver Boulevard Access Improvements and any portion of any Payment Request pertaining solely to the Culver Boulevard Access Improvements shall be paid for solely from the subaccount created for the Culver Boulevard Access Improvements.

(2) The City Manager or designee shall determine whether or not the conditions precedent to the City's obligation to disburse (or consent to disbursement of) City Funds have been satisfied.

4. Documentation of Costs of the Public Improvements. Disbursements of City Funds for the payment of the City's share of costs for the development and construction of the Public Improvements shall be conditioned upon submission to City of a written itemized statement or payment request substantially in the form described in Section 5 below ("Payment Request").

5. Submittal of Payment Requests. Developer shall submit and deliver a Payment Request to the City for each disbursement of City Funds from the Post Closing Funding Escrow, together with all supporting documentation required below. Each Payment Request shall consist of at least all of the following:

a. A cover letter signed by Developer and dated as of the date of the Payment Request. The letter must include the period covered by the Payment Request, the amount of the Payment Request, the amount of the Management Fee for the applicable monthly period, the description of work performed, material supplied and/or costs incurred or due for which disbursement is requested with respect to any City's share of costs for the development and construction of the Public Improvements as a line item in the Public Improvements Project Budget, and a request for payment. Developer shall pre-approve all third party invoices submitted to the City for payment, before submittal to the City. Developer shall include as separate line items on each monthly Payment Request the specific amounts due and payable for construction of each of (i) the Public Parking Improvements excluding the Culver Boulevard Access Improvements, (ii) the Town Plaza Expansion Improvements, and (iii) the Culver Boulevard Access Improvements, respectively, the Management Fee payment then due to the Developer, the City's Proportionate Share of the Parking Improvements excluding the Culver Boulevard Access Improvements, the City's costs of the Town Plaza Expansion Improvements, the City's costs of the Culver Boulevard Access Improvements, and the City's share, as shown on the Public Improvements Project Budget, of the property and liability insurance maintained by or on behalf of the Developer and the City during the course of the construction of the Project. Each Payment Request shall be sequentially numbered.

b. A spreadsheet including detailed line items conforming to the Public Improvements Project Budget. The spreadsheet must set forth the amounts of all disbursements of City Funds, including the current Payment Request, from each account and must show the remaining City Fund balances of each account.

c. A summary invoice for the total amount requested, with the amount of each backup invoice shown on the summary as a separate line item. Consultant fees, if any, must be shown as a separate line item.

d. Backup invoices or such other appropriate documentation including, without limitation, approved change order(s), as applicable, to evidence, document, justify and support each line item in the summary invoice, with each backup item approved in writing by Developer.

e. Conditional and unconditional lien releases as required by the City and such other additional backup documentation and information as may be reasonably required by the City to determine the appropriateness of the specific costs for which payment is requested.

The amount of each Payment Request shall, when added to the cumulative amount of previous disbursements for payment of costs, be an amount that does not exceed the amount of the line item for each respective cost set forth in the approved Public Improvements Project Budget, unless otherwise approved in writing by the City Manager or designee. Each Payment Request shall be subject to the approval of the City Manager or designee in accordance with these Disbursement Procedures. A Payment Request shall be submitted not more frequently than once monthly.

The payment of the Management Fee will be due and payable by the City to the Developer in monthly installments based upon the percentage of completion of the work on the Public Improvements. The portion, if any, of the Management Fee in fact paid to Developer in connection with a reimbursement to Developer under any of the Reimbursement Agreements shall be deducted from any overlapping Management Fee payable under the Agreement and these Disbursement Procedures so that, in no event, shall there be any double payment of the same portion of the Management Fee. Any payments by the City to the Developer for Developer's Management Fee provided for in the Agreement and in these Disbursement Procedures may only be paid in those periods in which the Developer is not in Default of the Agreement or the DDA. Therefore, the failure of the City to make any payments during any period of such Default shall not cause the acceleration of any future payments by the City to the Developer for its Management Fee, but following the cure of any such Default all withheld or deferred portion of the Management Fee otherwise due and payable to Developer but for the occurrence of the Default shall be immediately released to Developer in such amount as to bring current the payments of the Management Fee due and payable to Developer.

6. Approval of Payment Requests; Disbursement of City Funds.

a. Each Payment Request shall be subject to the review and reasonable approval of the City Manager or designee. Any disbursements from the Post Closing Funding Escrow shall require only written instructions or authorization from the City Manager or designee. Approval of each Payment Request shall be subject to satisfaction of the requirements of the Agreement and these Disbursement Procedures. The City Manager or designee shall determine whether the Payment Request is consistent with and meets all applicable requirements of the terms and conditions of the Agreement and these Disbursement Procedures. No

disbursement of any City Funds shall occur from the Post Closing Funding Escrow unless and until the City Manager or designee has approved in writing the corresponding Payment Request.

b. Within ten (10) business days (a general business day on which the Culver City City Hall is closed shall not constitute a business day in this subsection), subject to the terms and conditions of the Agreement and these Disbursement Procedures, the City Manager or designee shall notify the Escrow Agent to pay to Developer, or such third party(ies) as may be requested by Developer, the amount requested in the Payment Request or portion thereof which has been approved by the City Manager or designee, less a retention of ten percent (10%) ("Retention") of the amount of the Payment Request, which Retention shall be released to Developer for payment to the Contractor or other applicable Developer contractors not later than Completion of the Public Improvements, or sooner as may be required by applicable law, and consistent with the provisions of the Construction Contract or any Additional Contracts.

For the Management Fee, the City shall pay the line item amount of the Management Fee each month until such time as the City has paid Developer in the aggregate the total Management Fee in accordance with the Agreement and the DDA.

If the City Manager or designee does not approve all or a portion of the amount requested in the Payment Request, then the City Manager or designee shall provide written Notice to Developer and Escrow Agent setting forth in specific detail the amount at issue and the reason(s) for such disapproval within said ten (10) business day period. If Escrow Agent fails to receive any written objection from City within that ten (10) business day period, then Escrow Agent shall proceed with disbursement of the Payment Request. If Escrow Agent receives timely written objection from the City, then Escrow Agent shall proceed with disbursement to Developer of the portion of the Payment Request, if any, that is not contested. If any portion of the payment request is disputed by the City, the Parties shall promptly meet and discuss in good faith the disputed matter and reasonably attempt in good faith to resolve any difference in position with respect thereto, and, in that event, the City and the Developer shall each make itself available for such meeting(s) and reasonably negotiate in good faith to resolve any difference between the Parties.

c. Upon receipt of the City's written notification of approval of a Payment Request, Escrow Agent shall thereafter disburse City Funds from the applicable separate and segregated bank account in the Post Closing Funding Escrow (i) to Developer; or (ii) jointly to Developer and to the persons entitled to payment; or (iii) to those persons entitled to payment as provided in the Payment Request in the exact amounts authorized and approved in writing by the City within a reasonable period of time following the Escrow Agent's receipt of such written approval but not more frequently than on a monthly basis.

d. The City Manager or designee shall have the right to condition approval of any Payment Request and disbursement of City Funds from the Post Closing Funding Escrow upon receipt and approval of such documentation, evidence or information that the City Manager or designee may request from Developer, including, but not limited to, vouchers, invoices, and architect's inspector's and/or engineer's periodic certifications of the percentage and/or stage of construction that has been completed.

e. The City shall only be obligated to approve disbursement of City Funds in the Post Closing Funding Escrow after all conditions precedent have been satisfied as set forth in the Agreement and these Disbursement Procedures. Any City Funds so disbursed from the Post Closing Funding Escrow shall only be expended by the Developer for the City's share of costs for the development and construction of the Public Improvements as set forth in the approved Public Improvements Project Budget.

7. Inspection of the Public Improvements. The City shall have the right to inspect the Site during construction and agrees to deliver to the Developer copies of any inspection reports. Inspection of the Site hereunder is not to be construed as a representation by the City that there has been compliance with Plans or that the Site will be free of faulty materials or workmanship. The Developer may make or cause to be made such other independent inspections as the Developer may desire for its own protection.

8. Supervision of Construction. The City shall not be under any obligation to perform any of the construction or complete the construction of the Public Improvements on the Site, or to supervise any construction on the Site conducted by the Developer, and the City shall not be responsible for inadequate or deficient contractors, subcontractors, materials, equipment or supplies as a result of the construction of the Public Improvements on the Site by the Developer. The City is not the agent of the Developer, and neither is the City and the Developer partners or joint venturers with each other.

9. Termination of Post Closing Funding Escrow.

The Post Closing Funding Escrow shall be closed and any and all City Funds remaining in the Post Closing Funding Escrow (including principal and accrued interest thereon if any) shall be promptly disbursed by the Escrow Agent to the City upon the Escrow Agent's and Developer's receipt of written notice from the City notifying of the occurrence of any of the following events: (a) a termination of the Agreement by either the City or Developer; (b) the City's successful exercise of the right of reverter described in Section 712 of the DDA reverting title of the Developer Parcel in the City thereby terminating any further interest of Developer in the Project; (c) Completion of the Public Improvements and payment in full of all costs of the Public Improvements due and payable by the City under the Agreement and the DDA; (d) the successful exercise of the City's Right of First Offer and purchase of the Developer Parcel as described in Section 600 of the DDA and the close of escrow for that purchase; or (e) Developer's written agreement with the City to close the Post Closing Funding Escrow and disburse all remaining funds therein to the City. In such event of closure of the Post Closing Funding Escrow, all such City Funds, including principal and accrued interest, shall be retained by the City as its sole and separate property. Without limiting and in addition to the foregoing, any and all City Funds remaining in the Post Closing Funding Escrow (including principal and accrued interest thereon if any) for the development and construction of the Culver Boulevard Access Improvements shall be promptly disbursed by the Escrow Agent to the City and all such funds shall be retained by the City as its sole and separate property, upon the Escrow Agent's and Developer's receipt of written notice from the City notifying of the Completion of the Culver Boulevard Access Improvements and payment in full of all costs of the Culver Boulevard

Access Improvements due and payable by the City under the Agreement, regardless of whether or not the remaining Public Improvements have been developed and constructed to Completion.

10. Reservation of Rights. Nothing contained herein shall be construed as restricting, limiting, amending or modifying the rights of the Parties in the DDA or the Agreement.

Exhibit "F"

[Reserved]

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Exhibit "G"

Public Improvements Project Budget

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Exhibit G
Public Improvements Project Budget

	<u>Town Plaza Expansion Improvements</u>	<u>Public Parking Improvements</u>	<u>Culver Blvd Access Improvements</u>
<u>Hard Costs</u>			
Direct and Indirect Construction Costs	\$2,795,463	\$5,518,294 (see note 1)	\$3,689,854
Other Hard Costs	n/a	\$100,000	\$750,000 (see note 2)
Contingency	\$118,637	\$331,098	\$489,345
<u>Design Fees</u>			
Ehrlich Reimbursement Agreement	\$40,000	\$330,000	\$453,598
SWA Reimbursement Agreement	\$74,030	n/a	n/a
<u>Other Soft Costs</u>			
Insurance Package & Bond	\$48,793	\$110,862	\$75,000
Management Fee at 4% of above	\$123,077	\$255,610	\$204,000
<u>Total Cost</u>	\$3,200,000	\$6,645,864	\$5,661,797

Note 1

\$5,518,294 number calculated as follows:

Total direct & indirect construction cost to build the 240 space garage	\$13,243,906
City's proportion of spaces (100 City spaces / 240 total spaces)	41.67%
City's share of construction cost	\$5,518,294

Note 2

\$750,000 Other Hard Cost includes:

- \$250,000 Offsite Costs
- \$500,000 Utility Relocation Cost (placeholder)

	Reimbursement Agreement with SWA for work on Town Plaza Expansion	Reimbursement Agreement with Ehrlich and other consultants for work on Public Parking Improvements, the Town Plaza Expansion, and the Culver Blvd Access Improvements	
Simple <i>(work up to July 13, 2015)</i>	\$11,500	\$107,232 \$0 \$0	<----- 1. Ehrlich for public parking garage <----- 2. Ehrlich for other consultants work on the Town Plaza Expansion <----- 3. Ehrlich for Culver Blvd Access Improvements
Catch up <i>(work from July 14, 2015 to Dec. 21, 2015)</i>	\$23,300	\$24,146 \$16,000 \$24,000	<----- 1. Ehrlich for public parking garage <----- 2. Ehrlich for other consultants work on the Town Plaza Expansion <----- 3. Ehrlich for Culver Blvd Access Improvements
Amount of payment currently due to CPI <i>(Simple + Catch up)</i>	\$34,800	\$131,378 \$16,000 \$24,000	<----- 1. Ehrlich for public parking garage <----- 2. Ehrlich for other consultants work on the Town Plaza Expansion <----- 3. Ehrlich for Culver Blvd Access Improvements
Total Budget	\$74,030	\$330,000 \$40,000 \$453,598	<----- 1. Ehrlich for public parking garage <----- 2. Ehrlich for other consultants work on the Town Plaza Expansion <----- 3. Ehrlich for Culver Blvd Access Improvements
Amount remaning to expend	\$39,230	\$198,622 \$24,000 \$429,598	<----- 1. Ehrlich for public parking garage <----- 2. Ehrlich for other consultants work on the Town Plaza Expansion <----- 3. Ehrlich for Culver Blvd Access Improvements

Exhibit "H"

City Requirements Rider

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EXHIBIT H-1**TO****DEVELOPMENT AND CONSTRUCTION CONTRACT****(Applicable to Construction Services on Public Parking Improvements Excluding
Culver Boulevard Access Improvements)****CITY CONTRACT REQUIREMENTS
RIDER TO CONTRACT**

Unless such requirements are waived or modified by the City of Culver City ("City") in writing, each Construction Contract entered into by Developer for the Public Parking Improvements (excluding the Culver Boulevard Access Improvements which, if applicable to Contractor's services, shall be covered by a separate Rider to Contract) shall include in its written terms the following requirements or meet the following requirements by attachment to and incorporation into such Contractor Contract the following Rider to Contract.

RIDER TO CONTRACT

This Rider to Contract ("Rider") is attached to and incorporated in that certain Construction Contract ("Agreement") dated _____, _____, by and between COMBINED/HUDSON 9300 CULVER LLC, a Delaware limited liability company ("Developer") and _____, a California corporation ("Contractor"). This Rider shall form an integral part of the Agreement and the provisions set forth below shall be controlling notwithstanding anything to the contrary in the Agreement. Wherever possible, the provisions of this Rider and the Agreement shall be construed consistently so that each is given application to the fullest extent possible consistent with its intent. All defined terms used in this Rider and not otherwise defined herein, shall have the meaning prescribed for such term in the Agreement.

1. Contractor hereby agrees that, with respect to Services to be performed by Contractor for the proposed Public Parking Improvements (excluding the Culver Boulevard Access Improvements which, if applicable to Contractor's services, shall be covered by a separate Rider to Contract) (such Services hereinafter referred to as "Public Improvements Services"), the City shall be an express third party beneficiary of the Agreement, including without limitation a third party beneficiary of all guaranties, warranties, indemnities, defend and hold harmless provisions, and remedies provided to the Developer pursuant to the terms of the Agreement with the same right and authority to enforce the same either concurrently with or separate from the Developer. Loss, waiver or other limitation on such rights as to the Developer shall not affect or impact the City's rights under those provisions, nor shall any such loss, waiver or other limitation on such rights as to the City affect or impact the Developer's rights under such provisions, and each of Developer and City shall have the right to separately and independently exercise such rights as their interests may appear. Nothing herein shall limit Contractor's right to require Developer's timely performance of the Responsibilities of the Developer in accordance with the terms of the Agreement. Nothing in

this Rider 1 shall modify the provisions of the Agreement requiring and/or providing for the Contractor to take direction from or obtain the approvals of Developer, and Contractor shall rely and act upon such directions and approvals from Developer in accordance with the provisions of the Agreement.

2. Without limitation of Rider 1 above, Contractor specifically acknowledges that, with respect to the Public Improvements Services, the City shall be an express third party beneficiary of the indemnities by Contractor to Developer set forth in the Agreement. Contractor further acknowledges and agrees that the Contractor's indemnity obligations under those provisions to the City are not limited by the insurance coverages that Contractor is required to maintain and if, for any reason such insurance coverages are insufficient to cover all obligations under those indemnity provisions, Contractor shall nevertheless remain responsible to perform those indemnity obligations in full. Contractor further acknowledges and agrees that the Contractor's indemnity obligations under those provisions shall survive termination of the Agreement.

3. The City shall also be named as an additional insured in an endorsement to the insurance policies required the Agreement. Contractor shall furnish the City with evidence that such insurance has been obtained upon execution of this Rider by Contractor, Developer and City.

4. Contractor acknowledges that it is acting as an independent contractor in performing its obligations under the Agreement and that, notwithstanding anything in the Agreement, Contractor shall in no event be considered an agent or employee of the City, and in no event shall Contractor or any of its employees have any right to participate in any pension plan, insurance, bonus, worker's compensation or similar benefits the City provides for its employees. Contractor shall be responsible to pay and hold the City harmless from any and all payroll and other taxes and interest thereon and penalties therefor which may become due as a result of any obligations, services or other matters performed by Contractor or its agents or employees pursuant to the Agreement.

5. The City neither undertakes nor assumes nor will it have any responsibility or duty to Contractor or to any employee or agent of Contractor to review, inspect, supervise, pass judgment upon or inform Contractor or any such third party of any matter in connection with the design, development or construction of the Project Improvements, whether regarding the quality, adequacy or suitability of the plans, whether or not approved by the City, any labor, service, equipment or material furnished to or used in connection with the Public Improvements Services or the Project, any person furnishing the same, or other like matters. Contractor and all employees and agents of Contractor shall rely upon their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Contractor or to any such third party by the City in connection with such matters is for the public purpose of redeveloping the Site, and neither Contractor nor any third party is entitled to rely thereon. Nothing contained in this Rider shall abrogate, supersede, or nullify any right the Developer has to approve documents produced by the Contractor as set forth in the Agreement.

6. Any notices to the City pursuant to the Agreement shall be delivered to the City in the manner provided in the Agreement at the address set forth below. For purposes of this Rider 6, a general business day on which the Culver City City Hall is closed shall not constitute a business day:

To City: City of Culver City
 Attn: Sol Blumenfeld, Community Developer Director
 9770 Culver Boulevard
 Culver City, CA 90232-0507

With a Copy to: City of Culver City
 Attn: Carol Schwab, City Attorney
 9770 Culver Boulevard
 Culver City, CA 90232-0507

With a Copy to: Kane, Ballmer & Berkman, City Special Counsel
 Attn: Kendall D. Levan, Esq.
 515 South Figueroa Street, Suite 780
 Los Angeles, CA 90071

7. For the benefit of the City as well as Developer, the Contractor shall comply with all applicable laws, ordinances, rules, regulations and requirements governing the Project, including, without limitation, current California state laws regarding water consumption and stormwater and waste water retention and discharge. Contractor shall also, at its expense, procure and maintain all permits, licenses and certificates which may be required at any time in connection with the performance of any work or services performed by or through Contractor pursuant to the Agreement, including, without limitation, a Culver City business tax certificate. Without limitation of the foregoing, Contractor specifically acknowledges and agrees that it shall be responsible for complying with all prevailing wage requirements applicable to the Contractor's services under California Labor Code Section 1720 et. seq., including any work performed by employees, agents or contractors of Contractor pursuant to the Agreement, and including without limitation complying with applicable requirements of California Senate Bill No. 854 signed into law on June 20, 2014.

8. To the extent that applicable Public Improvements Services have been paid for under the Agreement, Contractor specifically acknowledges and agrees that with respect to the work performed, gathered and prepared by Contractor or caused to be performed, gathered and prepared in Contractor's performance of the Public Improvements Services, the City shall also have the right to exercise and enjoy the benefits of the irrevocable, nonexclusive license described therein, including the right to copy, retain, and use all computations, plans, drawings, studies, specifications, design documents, and any other instruments, data, computer media and materials gathered or prepared by Contractor or caused to be gathered or prepared in Contractor's performance of the Public Improvements Services, at no further cost to the City, and without cost, expense or obligation to Contractor, Developer or any third party, and whether or not the Agreement is terminated for any reason, and whether the Public Improvements or the Project for which they are provided are developed or not. All such work product shall be transmitted or caused to be transmitted to the City by Contractor within ten (10) calendar days after a written request therefor is made by the City. The City shall also have the right to exercise and enjoy the benefits of such an irrevocable, nonexclusive license, including the right to copy, retain, and use all such design or other work product produced by any third party contractor whose services are retained by Contractor for the Public Parking Improvements (excluding the Culver Boulevard Access Improvements which, if applicable to Contractor's Services, shall be covered by a separate Rider to Contract), and Contractor shall deliver such work product to the City within the time frame described in this Rider 8 when the City provides

Contractor a written request for such work product. All written documents that are intended for public review shall be provided to the City by Contractor in a format suitable for posting on the internet. Any reuse of such drawings, specifications, and other documents by the City for a purpose other than for the Public Improvements, or any portion thereof, without the written agreement of the Contractor shall be at the City's risk and expense, and without any liability or exposure to the Contractor; and the City shall indemnify and hold harmless the Contractor from any and all third party claims, damages, losses, and expenses arising out of or resulting therefrom.

9. In maintaining its records of Public Improvements Services and reimbursable expenses, Contractor shall maintain sufficiently detailed records of the Public Improvements Services performed by or on behalf of Contractor and resulting work that are attributable to the Public Parking Improvements (excluding the Culver Boulevard Access Improvements which, if applicable to Contractor's Services, shall be covered by a separate Rider to Contract) so that the calculations and resulting costs and expenses attributable to the portion of Contractor's Services for the Public Parking Improvements (excluding the Culver Boulevard Access Improvements which, if applicable to Contractor's Services, shall be covered by a separate Rider to Contract) shall be separately identified and distinguished from the remaining scope of work performed by or on behalf of Contractor pursuant to the Agreement.

10. Contractor acknowledges and agrees that Contractor shall have no rights or remedies against the City for any payments due by Developer to Contractor under the Agreement or for the performance of any of Developer's obligations under the Agreement, and the City's execution of this Rider shall not be construed or interpreted in any way as the City's agreement or consent to be subject to Developer's obligations under the Agreement or to be a guarantor for the performance of Developer's obligations under the Agreement. Except as expressly provided in the last sentence of Rider 8 above, the City shall have no liability whatsoever to Contractor due to the City's execution of this Rider or otherwise.

11. In connection with performance and implementation of the Agreement, Contractor agrees that there shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises. Without limitation of the foregoing, Contractor further certifies and agrees that all persons employed or applying for employment by it and all of its subcontractors, sub-consultants, bidders and vendors, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, sexual orientation, pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000, et seq., the Federal Equal Pay Act of 1963, 29 U.S.C. Section 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. Section 621, et seq., the Immigration Reform and Control Act of 1986, 8 U.S.C. Section 1324b, et seq., 42 U.S.C. Section 1981, the California Fair Employment and Housing Act, Cal. Government Code Section 12900, et seq., the California Equal Pay Law, Cal. Labor Code Section 1197.5, Cal. Government Code Section 11135, the Americans with Disabilities Act, 42 U.S.C. Section 12101, et seq., and all other antidiscrimination laws and regulations of the United

States and the State of California as they now exist or may hereafter be amended. Contractor shall allow representatives of the Developer and City access to its employment records related to the Agreement and this Rider during regular business hours to verify compliance with these provisions when so requested by the Developer or City.

12. In connection with performance and implementation of the Agreement, Contractor agrees to reasonably coordinate its performance of the Services as necessary with other consultants or contractors retained by Developer or the City for the Project.

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13. There shall be no modification, waiver or other alteration or change to the provisions of this Rider without the written consent of all of the parties hereto. In order to evidence their agreement to the provisions of this Rider and their incorporation into the Agreement in accordance with the terms above, Contractor, Developer and City have separately executed this Rider below.

“DEVELOPER”

COMBINED/HUDSON 9300 CULVER LLC,
a Delaware limited liability company

By: Combined Culver Venture LLC,
a Delaware limited liability company,
its managing member

Dated: _____

By: _____

Name: _____

Its: _____

By: Hudson 9300 Culver, LLC,
a Delaware limited liability company,
its managing member

By: Hudson Pacific Properties, L.P.,
a Maryland limited partnership,
its sole member

By: Hudson Pacific Properties, Inc.,
a Maryland corporation,
its general partner

Dated: _____

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“CITY”

CITY OF CULVER CITY,
a charter city of the State of California

Dated: _____

By: _____
John M. Nachbar
City Manager

APPROVED AS TO CONTENT:

By: _____
Sol Blumenfeld
Community Development Director

ATTEST:

By: _____
Martin R. Cole, City Clerk

APPROVED AS TO FORM:

By: _____
Carol Schwab
City Attorney

By: _____
KANE, BALLMER & BERKMAN
City Special Counsel

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“CONTRACTOR”

_____,
a California corporation
**see notes below*

Dated: _____ By: _____
Name: _____
Title: _____

Dated: _____ By: _____
Name: _____
Title: _____

*Notes: This document must be executed by the Corporation’s Chief Executive Officer, President or Vice-President, on the one hand, and the Corporations’ Chief Financial Officer, Treasurer, Assistant Treasurer or Secretary on the other hand.

EXHIBIT H-2**TO****DEVELOPMENT AND CONSTRUCTION CONTRACT**

**(Applicable to Construction Services on Town Plaza Expansion Improvements and
Culver Boulevard Access Improvements)**

**CITY CONTRACT REQUIREMENTS
RIDER TO CONTRACT**

Unless such requirements are waived or modified by the City of Culver City ("City") in writing, each Construction Contract entered into by Developer for the Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements (the remaining Public Parking Improvements, if applicable to Contractor's services, shall be covered by a separate Rider to Contract) shall include in its written terms the following requirements or meet the following requirements by attachment to and incorporation into such Construction Contract the following Rider to Contract.

RIDER TO CONTRACT

This Rider to Contract ("Rider") is attached to and incorporated in that certain Construction Contract ("Agreement") dated _____, 2015, by and between COMBINED/HUDSON 9300 CULVER LLC, a Delaware limited liability company ("Developer") and _____ ("Contractor"). This Rider shall form an integral part of the Agreement and the provisions set forth below shall be controlling notwithstanding anything to the contrary in the Agreement. Wherever possible, the provisions of this Rider and the Agreement shall be construed consistently so that each is given application to the fullest extent possible consistent with its intent. All defined terms used in this Rider and not otherwise defined herein, shall have the meaning prescribed for such term in the Agreement.

1. Contractor hereby agrees that, with respect to the Services to be performed by Contractor for the proposed Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements (collectively, the "Public Improvements Services"), the City shall be an express third party beneficiary of the Agreement, including without limitation a third party beneficiary of all guaranties, warranties, indemnitees, defend and hold harmless provisions, and remedies provided to the Developer pursuant to the terms of the Agreement with the same right and authority to enforce the same either concurrently with or separate from the Developer. Loss, waiver or other limitation on such rights as to the Developer shall not affect or impact the City's rights under those provisions, nor shall any such loss, waiver or other limitation on such rights as to the City affect or impact the Developer's rights under such provisions, and each of Developer and City shall have the right to separately and independently exercise such rights as their interests may appear. Nothing herein shall limit Contractor's right to require Developer's timely performance of the Responsibilities of the Developer in accordance with the terms of the Agreement. Nothing in this Rider 1 shall modify the

provisions of the Agreement requiring and/or providing for the Contractor to take direction from or obtain the approvals of Developer, and Contractor shall rely and act upon such directions and approvals from Developer in accordance with the provisions of the Agreement.

2. Without limitation of Rider 1 above, Contractor specifically acknowledges that, with respect to the Public Improvements Services, the City shall be an express third party beneficiary of the indemnities by Contractor to Developer set forth in the Agreement. Contractor further acknowledges and agrees that the Contractor's indemnity obligations under those provisions to the City are not limited by the insurance coverages that Contractor is required to maintain and if, for any reason such insurance coverages are insufficient to cover all obligations under those indemnity provisions, Contractor shall nevertheless remain responsible to perform those indemnity obligations in full. Contractor further acknowledges and agrees that the Contractor's indemnity obligations under those provisions shall survive termination of the Agreement.

3. The City shall also be named as an additional insured in an endorsement to the insurance policies required by the Agreement. Contractor shall furnish the City with evidence that such insurance has been obtained upon execution of this Rider by Contractor, Developer and City.

4. Contractor acknowledges that it is acting as an independent contractor in performing its obligations under the Agreement and that, notwithstanding anything in the Agreement, Contractor shall in no event be considered an agent or employee of the City, and in no event shall Contractor or any of its employees have any right to participate in any pension plan, insurance, bonus, worker's compensation or similar benefits the City provides for its employees. Contractor shall be responsible to pay and hold the City harmless from any and all payroll and other taxes and interest thereon and penalties therefor which may become due as a result of any obligations, services or other matters performed by Contractor or its agents or employees pursuant to the Agreement.

5. The City neither undertakes nor assumes nor will it have any responsibility or duty to Contractor or to any employee or agent of Contractor to review, inspect, supervise, pass judgment upon or inform Contractor or any such third party of any matter in connection with the design, development or construction of the Project Improvements, whether regarding the quality, adequacy or suitability of the plans, whether or not approved by the City, any labor, service, equipment or material furnished to or used in connection with the Public Improvements Services or the Project, any person furnishing the same, or other like matters. Contractor and all employees and agents of Contractor shall rely upon their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Contractor or to any such third party by the City in connection with such matters is for the public purpose of redeveloping the Site, and neither Contractor nor any third party is entitled to rely thereon. Nothing contained in this Rider shall abrogate, supersede, or nullify any right the Developer has to approve documents produced by the Contractor as set forth in the Agreement.

6. Any notices to the City pursuant to the Agreement shall be delivered to the City in the manner provided in the Agreement at the address set forth below. For purposes of this Rider 6, a general business day on which the Culver City City Hall is closed shall not constitute a business day:

To City: City of Culver City
Attn: Sol Blumenfeld, Community Development Director
9770 Culver Boulevard
Culver City, CA 90232-0507

With a Copy to: City of Culver City
Attn: Carol Schwab, City Attorney
9770 Culver Boulevard
Culver City, CA 90232-0507

With a Copy to: Kane, Ballmer & Berkman, City Special Counsel
Attn: Kendall D. Levan, Esq.
515 South Figueroa Street, Suite 780
Los Angeles, CA 90071

7. For the benefit of the City as well as Developer, the Contractor shall comply with all applicable laws, ordinances, rules, regulations and requirements governing the Project, including, without limitation, any current California state laws regarding water consumption and stormwater and waste water retention and discharge to the extent applicable to the scope of Contractor's services. Contractor shall also, at its expense, procure and maintain all permits, licenses and certificates which may be required at any time in connection with the performance of any work or services performed by or through Contractor pursuant to the Agreement, including, without limitation, a Culver City business tax certificate. Without limitation of the foregoing, Contractor specifically acknowledges and agrees that it shall be responsible for complying with all prevailing wage requirements applicable to the Contractor's services under California Labor Code Section 1720 et. seq., including any work performed by employees, agents or contractors of Contractor pursuant to the Agreement, and including without limitation complying with applicable requirements of California Senate Bill No. 854 signed into law on June 20, 2014.

8. To the extent that applicable Public Improvements Services have been paid for under the Agreement, Contractor specifically acknowledges and agrees that the City shall be the sole owner of any and all computations, plans, drawings, studies, and/or other pertinent data, documents and computer media, including disks and other materials gathered or prepared by Contractor or caused to be gathered or prepared in Contractor's performance of the Public Improvements Services under the Agreement. Such work product, including without limitation the originals thereof and copyright and intellectual property rights, shall be transmitted or caused to be transmitted to the City by Contractor within ten (10) calendar days after a written request therefor is made by the City, at no further cost to the City, and without cost, expense or obligation to Contractor, Developer or any third party, whether the Town Plaza Expansion Improvements, the Culver Boulevard Access Improvements, or the Project are developed or not, and whether or not the Agreement is terminated for any reason. Except for originals thereof, all such written documents shall be provided to City in digital and in hard copy form. The City shall be the owner of all design or other work product produced by any third party contractor whose services are retained by Contractor for the Town Plaza

Expansion Improvements and the Culver Boulevard Access Improvements, and Contractor shall deliver such work product to the City within the time frame described in this Rider 8 when the City provides Contractor a written request for such work product. All written documents that are intended for public review shall be provided to the City by Contractor in a format suitable for posting on the internet. Contractor shall be deemed to have irrevocably assigned to the City in perpetuity with no reserved or retained rights in any other persons or entities, all copyrights to such work product. The City hereby grants to Contractor a license, revocable at will of the City, to use and copy such documents during the term of the Agreement for the sole purpose of performing the Public Improvements Services required under the Agreement. Upon delivery of the work product to the City pursuant to this Rider 8, the City shall have the right to use such materials as it deems necessary and appropriate without obligation or additional cost or expense to Contractor or Developer. Any reuse of such drawings, specifications, and other documents by the City for a purpose other than for the Town Plaza Expansion Improvements or the Culver Boulevard Access Improvements, or any portion thereof, without the written agreement of the Contractor shall be at the City's risk and expense, and without any liability or exposure to the Contractor; and the City shall indemnify and hold harmless the Contractor from any and all third party claims, damages, losses, and expenses arising out of or resulting therefrom.

9. In maintaining its records of Public Improvements Services and reimbursable expenses, Contractor shall maintain sufficiently detailed records of the Public Improvements Services performed by or on behalf of Contractor and resulting work that are attributable to the Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements so that the calculations and resulting costs and expenses attributable to the portion of Contractor's Public Improvements Services for the Town Plaza Expansion Improvements and the Culver Boulevard Access Improvements shall be separately identified and distinguished from the remaining scope of work performed by or on behalf of Contractor pursuant to the Agreement.

10. Contractor acknowledges and agrees that Contractor shall have no rights or remedies against the City for any payments due by Developer to Contractor under the Agreement or for the performance of any of Developer's obligations under the Agreement, and the City's execution of this Rider shall not be construed or interpreted in any way as the City's agreement or consent to be subject to Developer's obligations under the Agreement or to be a guarantor for the performance of Developer's obligations under the Agreement. Except as expressly provided in the last sentence of Rider 8 above, the City shall have no liability whatsoever to Contractor due to the City's execution of this Rider or otherwise.

11. In connection with performance and implementation of the Agreement, Contractor agrees that there shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises. Without limitation of the foregoing, Contractor further certifies and agrees that all persons employed or applying for employment by it and all of its subcontractors, sub-consultants, bidders and vendors, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, sexual orientation, pregnancy, childbirth or related

medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000, et seq., the Federal Equal Pay Act of 1963, 29 U.S.C. Section 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. Section 621, et seq., the Immigration Reform and Control Act of 1986, 8 U.S.C. Section 1324b, et seq., 42 U.S.C. Section 1981, the California Fair Employment and Housing Act, Cal. Government Code Section 12900, et seq., the California Equal Pay Law, Cal. Labor Code Section 1197.5, Cal. Government Code Section 11135, the Americans with Disabilities Act, 42 U.S.C. Section 12101, et seq., and all other antidiscrimination laws and regulations of the United States and the State of California as they now exist or may hereafter be amended. Contractor shall allow representatives of the Developer and City access to its employment records related to the Agreement and this Rider during regular business hours to verify compliance with these provisions when so requested by the Developer or City.

12. In connection with performance and implementation of the Agreement, Contractor agrees to reasonably coordinate its performance of the Services as necessary with other consultants or contractors retained by Developer or the City for the Project.

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13. There shall be no modification, waiver or other alteration or change to the provisions of this Rider without the written consent of all of the parties hereto. In order to evidence their agreement to the provisions of this Rider and their incorporation into the Agreement in accordance with the terms above, Contractor, Developer and City have separately executed this Rider below.

“DEVELOPER”

COMBINED/HUDSON 9300 CULVER LLC,
a Delaware limited liability company

By: Combined Culver Venture LLC,
a Delaware limited liability company,
its managing member

Dated: _____

By: _____

Name: _____

Its: _____

By: Hudson 9300 Culver, LLC,
a Delaware limited liability company,
its managing member

By: Hudson Pacific Properties, L.P.,
a Maryland limited partnership,
its sole member

By: Hudson Pacific Properties, Inc.,
a Maryland corporation,
its general partner

Dated: _____

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“CITY”

CITY OF CULVER CITY,
a charter city of the State of California

Dated: _____

By: _____
John M. Nachbar
City Manager

APPROVED AS TO CONTENT:

By: _____
Sol Blumenfeld
Community Development Director

ATTEST:

By: _____
Martin R. Cole, City Clerk

APPROVED AS TO FORM:

By: _____
Carol Schwab
City Attorney

By: _____
KANE, BALLMER & BERKMAN
City Special Counsel

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“CONTRACTOR”

a _____
**see notes below*

Dated: _____ By: _____
Name: _____
Title: _____

Dated: _____ By: _____
Name: _____
Title: _____

*Notes: This document must be executed by the Corporation’s Chief Executive Officer, President or Vice-President, on the one hand, and the Corporations’ Chief Financial Officer, Treasurer, Assistant Treasurer or Secretary on the other hand.

Exhibit "I"

Third Party Insurance Requirements

[behind this page]

EXHIBIT I
TO
DEVELOPMENT AND CONSTRUCTION CONTRACT

THIRD PARTY INSURANCE REQUIREMENTS

For the benefit of the City of Culver City and the Successor Agency to the Culver City Redevelopment Agency, each Contractor retained by Developer for the development and construction of the Public Improvements shall furnish the following insurance with respect to the Project or the Services to be performed pursuant to its agreement with Developer ("Agreement").:

1.1 Professional Liability. If applicable to Contractor's Services due to required licensure for Contractor's profession, the Contractor shall obtain for the benefit of the Project or Services under the Agreement professional liability insurance, including contractual liability coverage, having a minimum limit in the aggregate of \$2,000,000 for each claim, and an aggregate limit of \$2,000,000 for all claims arising out of Services performed under the Agreement. Such insurance shall be maintained for a period of three (3) years after completion of the Services. The professional liability policy shall not exclude bodily injury or property damage, shall not have a residential/multi-family exclusion, and shall not have environmental restrictions. The professional liability deductible or SIR shall not exceed \$25,000.

1.2 Commercial Liability and Other Insurance. At all times while the Agreement is in effect, Contractor shall maintain in force at its expense:

1.2.1 General Liability. Commercial general liability insurance which affords coverage at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage form ISO CG 00 01, including coverage for Premises and Operations, Assumed and Contractual Liability, Personal Injury Liability, Products/Completed Operations Liability, Broad-Form Property Damage, and Independent Contractor's Liability, with a combined single limit for each occurrence of not less than \$25,000,000 (by combination of primary and excess coverage). The commercial general liability policy deductible or SIR shall not exceed \$100,000. The commercial general liability policy shall not have a Completed Operations exclusion.

1.2.2 Worker's Compensation. If and to the extent required by law, worker's compensation insurance or similar insurance in amounts, and in a form, as required by California law. Employer's Liability insurance shall also be provided with not less than a \$1,000,000 limit per accident or occupational illness for bodily injury or disease.

1.2.3 Business Auto. Comprehensive automobile liability insurance to insure Contractor for operations of all hired, owned, and non-owned vehicles with coverage at least as broad as ISO CA 00 01 covering Symbol 1 ("Any Auto") with limits for each accident of not less than \$5,000,000 Combined Single Limit.

1.2.4 Property. “All risk” property insurance with coverage at least as broad as “special causes of loss” form ISO CA 10 30, including loss by flood and earthquake, with coverage limits based on a Probable Maximum Loss Analysis reasonably acceptable to the City of Culver City. The policy shall include coverage for loss of business income in an amount not less than \$10,000,000. During construction of the Public Improvements, insurance for the property under construction shall be provided under an “all risk” course of construction policy (“builder’s risk”) with coverage at least as broad as ISO form CP 10 30 on a completed value basis. The builder’s risk insurance shall include coverage for delay in start-up in an amount based on a Probable Maximum Loss Analysis reasonably acceptable to the City of Culver City.

1.2.5 Contractor’s Pollution Liability. During construction of the Public Improvements, Contractor shall maintain Contractors Pollution Liability insurance covering bodily injury and property damage liability, and clean up expense with a limit no less than \$5,000,000 per incident.

1.2.6 All insurance required under this Section 1.2, with the exception of Section 1.2.2, shall name (a) City of Culver City, its elected and appointed officials, officers, agents, employees, and representatives and (b) Successor Agency to the Culver City Redevelopment Agency, its elected and appointed officials, officers, agents, employees, and representatives as Additional Insureds pursuant to the Additional Insured Endorsement on a form reasonably acceptable to the City of Culver City.

1.2.7 All insurance required under paragraphs 1.2.1, 1.2.3, 1.2.4, and 1.2.5 above, shall be primary, and any insurance carried by the Developer, the City of Culver City, or the Successor Agency to the Culver City Redevelopment Agency shall be non-contributory.

1.3 Intentionally Omitted.

1.4 Certificates of Insurance. At the time of commencement of Services under the Agreement, certificates of insurance and policy endorsements reflecting the actual maintenance and validity of the insurance policies required by these Third Party Insurance Requirements shall be filed by Contractor with the Developer and the City of Culver City for review and approval as to sufficiency and as to form. Additionally, Contractor shall file with the Developer and the City of Culver City the provision in the insurance policies that expressly allows, but does not require, third parties or additional insureds, as applicable, to pay the applicable deductible or SIR if Contractor fails to do so, as described below in Section 1.9. All certificates of insurance shall bear the endorsement “not to be canceled, allowed to lapse, or substantially modified without thirty (30) days’ prior written notice (ten (10) days’ prior notice for cancellation for nonpayment of premium) by Certified Mail, Return Receipt Requested, to the City of Culver City, Attn: Sol Blumenfeld, Community Development Director, 9770 Culver Boulevard, Culver City, California 90232-0507.”

1.5 Term of Insurance. The insurance to be obtained hereunder shall be effective beginning upon commencement of Services under the Agreement and shall end upon the date which is ten (10) years after Completion of the Public Improvements, and shall not limit the indemnity obligations of Contractor benefitting the City of Culver City and the Successor Agency to the Culver City Redevelopment Agency to the fullest extent permitted by law. Contractor shall have the right to change insurance carriers only if such change is without prejudice to any claim (asserted or

unasserted) of the Developer, the City of Culver City, or the Successor Agency to the Culver City Redevelopment Agency, and this is confirmed in writing to the City of Culver City by the new insurance carrier, whether asserted or unasserted, and Contractor shall deliver a certified copy of such proposed replacement insurance certificate to the City of Culver City at least thirty (30) days prior to the expiration date of Contractor's insurance policy then in effect. If the terms of coverage (other than limits as set forth above) of such policies are reasonably unacceptable to the City of Culver City, then Contractor shall at the City of Culver City's request, but at Contractor's expense, revise its coverage or obtain additional coverage, as the City of Culver City may deem appropriate. Any such changes in coverage requested by the City of Culver City shall not affect the terms for insurance coverage required for the benefit of the Developer without its respective written consent.

1.6 Waiver of Subrogation. All insurance listed in these Third Party Insurance Requirements, above, shall include an endorsement providing a waiver of subrogation stating that the insurer waives its rights of subrogation against the Developer, the City of Culver City, and the Successor Agency to the Culver City Redevelopment Agency.

1.7 Contractor Requirements. Contractor shall insure that each contractor or consultant retained by the Contractor on the Public Improvements maintains the same insurance coverage as required of the Contractor in these Third Party Insurance Requirements for the same period of time as is required of the Contractor, unless otherwise first approved in writing by the City Manager or designee on behalf of the City of Culver City in advance of such contractor's or consultant's entry on to the Site, and the Contractor shall provide the Developer and the City of Culver City with evidence of such insurance.

1.8 All insurance listed in these Third Party Insurance Requirements, above, shall be issued by companies licensed to do business in the State of California, with a claims paying ability rating of "BBB" or better by S&P (and the equivalent by any other Rating Agency) and a rating of A-:VII or better in the current A.M. Best's Insurance Reports.

1.9 All insurance listed in these Third Party Insurance Requirements, above, shall allow, but not require, third parties or additional insureds, as applicable, to pay the applicable deductible or SIR if Contractor fails to do so. Notwithstanding, however, for each insurance coverage listed above that has a deductible or SIR provision, Contractor shall be responsible for paying the applicable deductible and SIR for all insurance and be liable to the City of Culver City and the Successor Agency to the Culver City Redevelopment Agency for said payments, in the same manner as those interests would have been protected had the policies not contained a deductible or SIR provision. The deductible or SIR amount shall be shown on any "evidence of insurance" provided to the City of Culver City and Successor Agency to the Culver City Redevelopment Agency.

Exhibit "J"

Developer Certificate of Insurance

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TO BE UPDATED