

This Settlement Agreement entered into this 17th day of October, 2008, is by and among Washington Nationals Baseball Club, LLC and Washington Nationals Stadium, LLC (herein referred to as "Team"), The Government of the District of Columbia (herein referred to as the "City") and The District of Columbia Sports and Entertainment Commission (herein referred to as the "DCSEC").

In consideration of the promises and commitments set forth herein, the parties willingly enter into this Settlement Agreement and agree as follows:

1. Simultaneously with the execution of this Settlement Agreement, Team shall pay Basic Rent for the First Lease Year under the Lease Agreement ("Lease") in the amount of \$3.5 million dollars.
2. City and DCSEC shall cause Clark/Hunt/Smoot ("CHS") to complete all punchlist items set forth on Attachment 1 by December 31, 2008.
3. Team shall receive an immediate credit as herein provided of \$4.25 million dollars. The aforesaid sum shall first be credited against the total remaining Team Directed Change Order balance, which is \$3,078,546. The remaining credit balance of \$1,171,454 shall be placed in a separate escrow account held by DCSEC and used by the Team to complete the punchlist items set forth in Attachment 2, Parts 1 and 2 (or as set forth in the next succeeding sentence) for which the DCSEC shall have no further obligation or involvement than to issue payments as directed by Team in an amount not to exceed the separate escrow account. Any money remaining in such separate escrow account may be used by the Team in its reasonable discretion further to improve the Baseball Stadium Complex. DCSEC shall make payments as directed by Team within fifteen (15) working days upon presentation of each invoice from the Team.
4. The Team withdraws and irrevocably waives its demands for credits for work not performed under the Project Program Statement as set forth in Attachment 3 and for disputed scoreboard change orders. Team also withdraws and irrevocably waives its demand for third-party security costs, security camera work, and inefficiencies in electrical usage.
5. City and DCSEC hereby release and irrevocably waive the Team from liability for payment for any work in connection with the construction of the Baseball Stadium Complex for which City and/or DCSEC could possibly claim Team must pay prior to the date of this Agreement. Team releases any right it may have to recover amounts previously paid to DCSEC for Team Directed Change Orders or the \$20 million dollar Team contribution as required under the Lease.
6. DCSEC shall make or cause to be made its initial contribution of \$1.5 million dollars to the Capital Reserve Fund required by the Lease for the first Lease Year simultaneously with the execution of this Agreement. This provision is in no way intended to modify the amount or timing of payments to the Contingency Reserve Fund. City, DCSEC and the Team hereby pre-approve these funds from the Capital Reserve Fund to be used at any time to maintain, repair and/or improve the vertical transportation, escalators, elevators and concrete ramps (after initial repairs by CHS) and concourses at the Baseball Stadium, or for punchlist items not completed because the separate escrow fund set forth in Paragraph 3 above was insufficient, and/or for any



other purpose which the Team determines in its sole discretion would maintain, preserve or enhance the value of the Baseball Stadium Complex (provided however with regard to such "other purpose" the DCSEC shall have no obligation to disburse the aforementioned funds if such funds are not being used for purposes which preserve, maintain, or enhance the value of the Baseball Stadium Complex). In addition, the City and DCSEC shall pursue in good faith 5-year extended warranties to the Team for escalators, elevators, glass sliders, carpet, concrete concourses, leaks and precast concrete panels and a 10-year extended warranty for the concrete ramps, as well as appropriate warranties for punchlist items. DCSEC shall make payments as directed by Team within fifteen (15) working days upon presentation of each invoice from the Team. DCSEC shall be provided with an opportunity within the same 15 days to verify that the work related to such invoices was completed in a proper manner and may use funds in the Capital Reserve Fund to engage such inspectors as may be necessary to confirm that the work was completed in a proper manner.

7. The City, DCSEC and the Team also hereby pre-approve the Team's use of \$6 million dollars, which, under the Lease, DCSEC is already required to pay or cause to be paid into the Capital Reserve Fund in equal annual installments of \$1,500,000 (second payment would be due on or before April 15, 2009), as set forth in this paragraph: The Team shall have the right to spend the funds set forth in this Paragraph 7 at any time over the Term of the Lease for those items for which the Team in its sole discretion determines are necessary and/or would maintain, preserve or enhance the value of the Baseball Stadium Complex. The DCSEC shall have no obligation to disburse the aforementioned funds if such funds are not being used for purposes which preserve, maintain, or enhance the value of the Baseball Stadium Complex. The approval to use these additional funds from the Capital Reserve Fund are limited only as follows: No more than \$1.5 million dollars can be expended for these pre-approvals in any one year; and this provision does not replace or restrict in any way the use of the Capital Reserve Fund for additional items on the Capital Improvement Plan list which is provided annually under the Lease. DCSEC shall make payments as directed by Team within fifteen (15) working days upon presentation of each invoice from the Team. DCSEC shall be provided with an opportunity within the same 15 days to verify that the work related to such invoices was completed in a proper manner and may use funds in the Capital Reserve Fund to engage such inspectors as may be necessary to confirm that the work was completed in a proper manner.

8. Team, DCSEC and the City shall approve, execute and exchange all agreements set forth in Attachment 4 simultaneously with the execution of this Agreement.

9. All outstanding letters of credit put up by the Team and set forth in Attachment 5 shall be released and returned to the Team simultaneously with the execution of this Agreement.

10. DCSEC shall execute the liquor license letter extension which is set forth in Attachment 6 simultaneously with the execution of this Agreement.

11. Any notices given hereunder shall be as set forth in the Lease, as amended by the Assignment and Assumption Agreement.


12. This Settlement Agreement is intended to resolve (i) all claims for late delivery of the Baseball Stadium Complex, and (ii) all claims regarding any alleged variation in scope between the Baseball Stadium Complex as the same has been constructed and delivered when compared to the requirements of the Project Program Statement.

13. For the sole purpose of establishing a start date for all timelines under the Lease, the parties agree to use May 12, 2008.

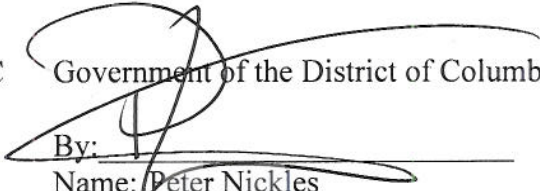
14. Except as modified herein, all other terms and conditions of the Lease and Construction Administration Agreement shall remain in full force and effect. The City and DCSEC further agree that all decisions required to be made herein by such entities shall be made in good faith and in a commercially reasonable manner.

17 WITNESS WHEREOF the Parties hereto have executed this Agreement on the 17 day of October 2008.

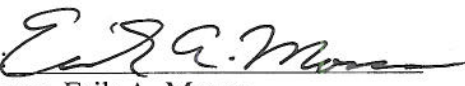
Washington Nationals Baseball Club LLC  
and Washington Stadium, LLC

By:   
Name: Edward Cohen  
Designation: Vice-Chairman  
Date: October \_\_, 2008

Government of the District of Columbia

By:   
Name: Peter Nickles  
Designation: Attorney General, DC  
Date: October \_\_, 2008

District of Columbia Sports and  
Entertainment Commission

By:   
Name: Erik A. Moses  
Designation: Chief Executive Officer  
Date: October \_\_, 2008