

# SCSA

Santa Clara Stadium Authority

## Board Members

Lisa Gillmor, Chair  
Dominic J. Caserta  
Debi Davis  
Patrick Kolstad  
Jerry Marsalli  
Teresa O'Neill  
Kathy Watanabe

November 23, 2016

Forty Niners Stadium Management Company  
Attn: General Counsel

Re: Stadium Management Agreement by and among Santa Clara Stadium Authority, Forty Niners Stadium Management Company, LLC, and Forty Niners SC Stadium Company, LLC dated March 28, 2012 and as Amended ("Agreement")

## Acting Executive Director

Rajeev Batra

Forty Niners Stadium Management Company:

## Stadium Authority Counsel

Richard E. Nosky, Jr.

As a follow up to the action taken by the Stadium Authority Board on November 22, 2016, this letter serves as written notice from the Santa Clara Stadium Authority to the Forty Niners Stadium Management Company, LLC, acting as the Stadium Manager under the referenced Agreement, of potential breaches of the Agreement as described in Section 11.1.2, 11.3 and 11.4 of the Agreement.

## Secretary

Rod Diridon, Jr.

Such potential breaches of the Agreement are as described below:

## Finance Director/ Treasurer/Auditor

Gary Ameling

1. Develop a Stadium Operations Agreement (Section 2.4.3)
2. Develop user policies and procedures for Non-NFL events, including booking, scheduling policies and procedures, license rates and service fees, forms of service contracts, insurance requirements for users, and rules and regulations for users (Section 2.4.4)
3. Develop personnel policies and procedures, including Stadium Event staff (Section 2.4.5)
4. Establish charts of accounts, accounting policies and accounting controls (Section 2.4.7)
5. Design, establish, and maintain effective internal accounting controls with respect to compliance with laws, the Management Agreement and contracts pertaining to the Stadium (Section 2.4.8)
6. Establish preventative maintenance policies, procedures and systems (Section 2.4.11)
7. Establish safety policies, subject to review and approval by the Stadium Authority and StadCo, for all users of the Stadium, including employees (Section 2.4.12)
8. Develop and implement pre-opening advertising, marketing, public relations and promotional programs and supporting materials (Section 2.4.14)
9. Prepare an Initial Public Safety Plan, in consultation with the Chief of Police, the Stadium Authority, StadCo and NFL Rules and Regulations (Section 2.4.17)
10. Furnish a Statement of Stadium Operations (Section 4.2)

## Santa Clara Stadium Authority

1500 Warburton Avenue  
Santa Clara, CA 95050  
(408) 615-2210  
FAX (408) 241-6771  
www.santaclaraca.gov

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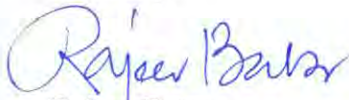
**Finance Director/  
Treasurer/Auditor**

Gary Ameling

11. Prepare a Stadium Operation and Maintenance Plan, including Annual Shared Stadium Expense Budget, Annual Public Safety Budget and Annual Capital Expenditure Plan (Section 4.5)
12. Prepare an Operating Budget, including Stadium Operations Budget, Stadium Authority Budget and StadCo Budget (Section 4.6)
13. Prepare a Shared Stadium Expenses Budget, including a five-year projection (Section 4.7)
14. Prepare a Capital Expenditure Plan (Section 4.8)
15. Develop a Marketing Plan for Non-NFL Events (Section 3.2 First Amendment and Section 4.10)

The Stadium Manager shall have the applicable time period included in Section 11.1.2 to cure the above deficiencies by delivering the requested materials to the Stadium Authority at 1500 Warburton Avenue, Santa Clara, California. If the materials are not received in accordance with Section 11.1 of the Agreement, the Stadium Authority reserves the right to notice the Stadium Manager with an Event of Default as defined in the Agreement.

Sincerely,



Rajeev Batra  
Santa Clara Stadium Authority  
Acting Executive Director

cc: Board of Directors, Santa Clara Stadium Authority

**Santa Clara Stadium Authority**

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