

Assurance Agreement

- The purpose of the Assurance Agreement is to have the Marlins' ownership guarantee that they are going to meet all of the payment and performance obligations of Marlins Stadium Developer, LLC in the construction of the baseball stadium.
- While the other Stadium Agreements are between the County, City, and an affiliate of the Marlins (i.e., Marlins Stadium Developer, LLC or Marlins Stadium Operator, LLC), the Assurance Agreement (and the Non-Relocation Agreement) is executed by Florida Marlins, L.P., the direct owners of the Team.
- Execution by the direct owners is important because we know that Marlins Stadium Developer, LLC (the entity building the stadium) is a single purpose entity established by the Team solely for the purpose of constructing the stadium. It does not have any assets other than those assigned to it by the Team.
- Having only a guarantee from Marlins Stadium Developer, LLC, would not adequately protect the County in the event there was a breach by the Stadium Developer in constructing the stadium. The Assurance Agreement is provided to have a "backstop" for the construction of the stadium by Team ownership in the event of such breach.
- Under this Agreement, the Team is guaranteeing that they will: 1) cause the baseball stadium to be completed in accordance with the Construction Administration Agreement, 2) they will cause the payment of all project costs that are the responsibility of Marlins Stadium Developer, including cost overruns, 3) maintain an initial \$20 million dedicated bank line of credit for potential overruns, and, 4) that they will assume responsibility for all required payment and performance bonds necessary for construction.
- Per the Assurance Agreement, if the Team were to not honor its guarantee, the County has the right to exercise against the Marlins' ownership any legal remedies available to obtain their payment and/or performance obligations in the construction of the baseball stadium.
- Further, under this Agreement, until such time as the Marlins Stadium Developer, LLC secures its funding, the County will have a subordinated lien on the Marlins franchise. In the event that the Team becomes a party to a foreclosure action, as a result of the subordinated lien, the County's interest will be superior to the rights of any unsecured creditors to the Team.