

which shall be retained by SIDA and used in furtherance of the Lakefront and Inner Harbor redevelopment. Aquarium funding assistance, if any, shall be applied to such funding assistance for the aquarium, as directed by the Company.

PILOT Payments During the
PILOT Runoff Term:

Upon expiration of the PILOT Benefit Term, the Company shall make PILOT Payments as set forth in Schedule Four.

Use of Constructed
Phase SIDA Bonds:

The respective Constructed Phase SIDA Bonds shall generally be applied to pay the costs of issuance of such Constructed Phase SIDA Bonds, to establish required reserves, to pay credit enhancement fees for issuance of such bonds, if any, and other costs in connection with financing the acquisition of interests in all or a portion of the Land to be acquired and financing, acquisition, construction, installation and/or equipping of those Public Improvements attributable to the next Subsequent Phase together with the cost of aquarium funding assistance, if any, for an aquarium at the request of and in the amount agreed to by the Company; provided however, that SIDA shall be obligated to pay such costs only to the extent such amounts are financed through the issuance of bonds secured by the PILOT Payments referred to in this Schedule or otherwise unallocated and available to SIDA pursuant to the PILOT Agreement.

Compliance with
Additional Requirements:

The terms set forth in this Schedule (other than the right to receive the applicable Tankyard Tax) may be changed by SIDA and the Company without further agreement or other approval of the City or County to the extent required (a) by any Rating Agency providing an investment grade rating on any series of Constructed Phase SIDA Bonds in order to obtain or maintain a rating on such bonds, or (b) to establish and maintain the tax-exempt status on any tax-exempt bonds issued by SIDA or (c) to satisfy the commercial lending requirements or underwriting criteria of any commercial lender providing financing to the Company for any phase of the Expanded Carousel or underwriter of any series of Constructed Phase SIDA Bonds, provided, however, that changes permitted under subparagraphs (a), (b) and (c) shall not include changes to (i) the amount, timing, or allocation of PILOT Payments to the City or County, or (ii) the maximum permitted PILOT

Land, Benefit or Runoff Term, or (iii) the uses set forth under the above heading "Use of Constructed Phase SIDA Bonds."

Limitation on
City and County
Liability:

Neither the City nor the County shall be required or authorized to pay for or be otherwise obligated to apply any City or County funds for any of the Public Improvements to be constructed in connection with the Carousel Expansion.

SCHEDULE THREE

LODGING AND OFFICE IMPROVEMENTS

Lodging and Office Improvements:

Improvements for hotels or other lodging facilities or space devoted principally to commercial office space (the "Lodging and Office Improvements") shall be covered by a separate PILOT Agreement in conformity with SIDA's Uniform Tax Exemption Policy in effect for that time, unless deviation from such policy is authorized at that time pursuant to applicable law. Such facilities shall be outside the scope of this Ordinance and any waivers granted hereunder. Nothing in this Schedule Three shall be construed to exempt the Company or any owner or occupant of the Lodging and Office Improvements from payment of any applicable room, use, hotel or similar tax, unless exempted by state or local law.

SCHEDULE FOUR

PILOT Payments and Allocation During the PILOT Runoff Term:

During the applicable PILOT Runoff Term, if any, for the PILOT Agreement, PILOT Payments under the PILOT Agreement shall be based on the assessment of such improvements at the then current tax rate, payable as if Existing Carousel Center or the applicable Constructed Phase, as the case may be, was privately owned, provided, however, that in determining such PILOT Payments, the Public Improvements shall continue to be deemed to be owned by the City or SIDA, as the case may be, until the expiration of the PILOT Term. All PILOT Payments made during the PILOT Runoff Term shall be allocated as follows: (i) an amount equal to the applicable Operating and Maintenance Expenses, if any, previously payable under such PILOT Agreement shall continue to be allocated to SIDA, and (ii) the balance, if any, shall be allocated to the City and County in the same proportion that each would have received in real property taxes had the property been subject to real property taxes.

During the PILOT Runoff Term, the Company shall have all the rights of any other taxpayer to contest the tax assessment established from time to time and shall be entitled to any applicable credits, provided that the Company shall pay all PILOT sums due in a timely manner including but not limited to any period during which a challenge to the subject assessments, if any, is pending or the Company shall forfeit any right to challenge such subject assessments and shall forfeit the right to commence any new challenges to subsequent assessments during the pendency of such delinquency. Late payments shall be subject to interest at the rate of eighteen percent (18%) per annum. At any time during the PILOT Runoff Term and from time to time, the Company shall have the right to cause the termination of the PILOT Agreement or any portion thereof, unless and to the extent SIDA would continue to have a controlling interest in the Land covered by such PILOT Agreement under any financing or leasing arrangements then in effect.