

SCSA

Santa Clara Stadium Authority

October 9, 2018

Mr. Scott Sabatino
Forty Niners Football Company LLC
4949 Marie P. DeBartolo Way
Santa Clara, CA 95054

RE: Amended and Restated Non-Relocation Agreement

Dear Mr. Sabatino:

Per Article 5 of the Amended and Restated Non-Relocation Agreement the Team ("49ers") shall collect, on the Stadium Authority's behalf, the NFL Ticket Surcharge for all NFL Surcharge Games in an amount equal to ten percent (10%) of the Ticket Receipts and shall deliver to Stadium Authority all collected NFL Ticket Surcharges for each such NFL Surcharge Game within ten (10) days after the game is played.

The Stadium Authority currently receives a summary spreadsheet from the 49ers that provides the following information:

- Net amount for NFL Ticket Receipts
- Calculated Senior/Youth Program Fees
- Calculated NFL Ticket Surcharge
- Number of Tickets Sold per NFL game

However, the Stadium Authority does not receive supporting documentation in order to independently verify that the NFL Ticket Surcharge and Senior/Youth Program fees that are reflected in the summary spreadsheet are calculated correctly. On May 17, 2018, Santa Clara Stadium Authority (SCSA) staff met with StadCo representatives to review ManCo/StadCo's accounting system and at that meeting requested that we be provided all supporting documentation for the SCSA financial reports.

Therefore, I am requesting the following information in order to perform a due diligence audit to confirm the amount of NFL Ticket Surcharge and Senior/Youth Program fees that are delivered to the Stadium Authority:

- Relevant reports and documentation that would provide back up for the NFL ticket surcharge summary report in order to retain permanent verification of the accuracy of the calculated surcharge; and
- Independently prepared reports and documentation to back up the number of NFL tickets sold for each fiscal year in order to verify the accuracy of the calculated Senior/Youth fee.

If you have any questions please do not hesitate to contact me at akraetsch@santaclaraca.gov or 408-615-2342.

Sincerely,


Angela Kraetsch
Treasurer

cc: Executive Director
Stadium Authority Counsel