

**THE PROVINCE OF MANITOBA  
(the "Province")**

**THE CITY OF WINNIPEG,  
(the "City")**

**-- and --  
Winnipeg Football Club  
("WFC")**

**MEMORANDUM OF UNDERSTANDING**

March 30, 2010

**WHEREAS:**

CanadInns Stadium is in a serious state of deterioration and will require a minimum of \$52.5 million in public investment in order to keep it safe and functional over the next several years;

Government investment in the CanadInns Stadium will not forestall its complete Obsolescence that is predicted to occur within the next ten years;

The current CanadInns Stadium property is non-tax generating, underutilized, and highly desirable for infill commercial development;

The construction of a new stadium and retail development will generate short and long term positive economic impacts;

A new stadium at the University of Manitoba will greatly enhance the campus and create a major facility to be used by amateur and community sports groups;

Continued presence of the Winnipeg Blue Bombers is important to Manitoba's community life and a new stadium and retail development will provide ongoing sustainability for the football franchise;

The Canadian Football League has advised that Winnipeg will be awarded the Grey Cup game within five years if a new stadium at the University is open for the 2012 CFL season and WFC will use its best efforts to host the Grey Cup earlier in the five year period.

**THEREFORE:**

The City of Winnipeg ("City"), The Province of Manitoba ("Province") and Winnipeg Football Club ("WFC") agree to a plan to accelerate the construction of a new community owned stadium at the University of Manitoba to be the home of the Winnipeg Blue Bombers and University of Manitoba Bisons.

The Province will provide \$90 million in bridge financing towards the stadium construction with sources of funding and repayment of bridge financing provided by:

Creswin Properties Contribution of Development Fees	\$10.0 million
Province of Manitoba Grant	\$15.0 million
<i>Bridge Financing Repayment</i>	
New Property Taxes from Retail Development	\$75.0 million
Winnipeg Football Club	\$15.0 million
<b>Total</b>	<b>\$115.0 million</b>

A new community accessible fitness centre will be constructed at the University of Manitoba with sources of funding provided by:

Government of Canada Grant	\$15.0 million
Province of Manitoba Grant	\$5.0 million
City of Winnipeg Grant	\$2.5 million
<b>Total</b>	<b>\$22.5 million</b>

WFC will operate the football team and the stadium on a self-sustainable basis and will contribute up to \$15 million over a five (5) year period ending no later than March 1, 2017 toward the stadium construction from the sale of naming rights to the new stadium, sale of luxury seat licenses, proceeds from hosting the Grey Cup, and profits from the sale of any other capital revenue sources.

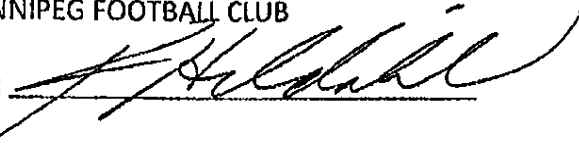
WFC will contract with Creswin Properties to design, develop and construct the new stadium at a maximum cost of \$115 million and Creswin Properties will provide a Performance Bond or Completion Insurance to cover any cost overruns.

WFC has secured agreement from Creswin Properties to contribute stadium development costs incurred and future development fees up to \$10 million in order to retain an option to purchase the football team assets.

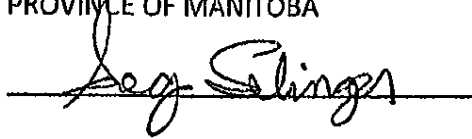
WFC shall be granted a security interest, exercisable in the event of a default, in the retail development at the current stadium site which will open in 2013.

Property taxes from the new retail development shall only be used to repay the stadium bridge financing, subject to City Council approval, if Creswin Properties is unable to fulfill all conditions required by WFC for purchase of the football team assets prior to March 1, 2016. This includes repayment of \$90 million, plus interest at the provincial crown borrowing rate, and less any contributions made by the WFC satisfactory to the Province and the City.

WINNIPEG FOOTBALL CLUB

Per: 

THE PROVINCE OF MANITOBA

Per: 

THE CITY OF WINNIPEG

Per: 