

**FINANCIAL**  
**SECTION XIV - PRIZE MONEY FORMULA**

by a Tournament or its Tournament Affiliate in accordance with IFRS or US GAAP (as applicable), applied on a straight-line method over the depreciable life of the applicable capital item (not to exceed 20 years) commencing with the first Tour Year in which such capital item is placed in service by the applicable Tournament or Tournament Affiliate.

For any Tournament that has multiple Capital Credits, the Capital Credits each year are limited to the amount of the Tournament's annual PSI increase. Any unused or unrealized Capital Credits will not be carried forward to subsequent years.

For example, if a Tournament has Capital Credits of \$45,000 in 2020 and \$25,000 in 2021, the Tournament's PSI increase before the Capital Credit would have to be at least \$45,000 in 2020 and \$70,000 (\$45,000 plus \$25,000) in 2021 in order to receive the full Capital Credit. If the Tournament's PSI increase from 2020 to 2021 before the Capital Credit was \$55,000, its Capital Credit would be limited to \$55,000.

"IFRS" means International Financial Reporting Standards, consistently applied.

"Pre-Approved Capital Projects" are those capital projects that (a) are placed in service by a Tournament or Tournament Affiliate on or after January 1, 2009, (b) constitute improvements to a Tournament's tennis stadium, arena or other facility that the Tournament demonstrates to the satisfaction of the PMF Committee is likely to result in growth in PSI, and (c) are approved in advance by the Board of Directors upon the recommendation of the PMF Committee.

"US GAAP" means United States generally accepted accounting principles, consistently applied.

d. **Tournament Affiliates**

For purposes of this Section XIV, the term "Tournament Affiliate" means, with respect to any Tournament, any entity that is (a) involved in the operation, marketing or broadcast of such Tournament's event and (b) either (i) an operator of such Tournament, or an owner of, or an entity that controls, in either case whether directly or indirectly, a 30% or greater equity interest in such Tournament (an "Owner/Operator"), (ii) an entity in which an Owner/Operator owns, directly or indirectly, a 30% or greater equity interest, or (iii) otherwise in control of, controlled by or under common control with any Owner/Operator.

Any and all revenues received by a Tournament Affiliate of any Tournament shall be included in the calculation of PSI, as if such revenues had been