SIDLEY

CLUB GUARANTY AGREEMENT – SUMMARY

This summary reflects the KSFA Vote Draft of the Club Guaranty Agreement (this "Guaranty"). This summary is qualified in its entirety by, and should be read by reference to, the Guaranty. The precise wording of the Guaranty should be consulted before interpreting the Guaranty and relying upon such interpretation.

Deal Summary

- **Purpose:** The Club Guaranty is the Team's unconditional guaranty of StadCo's and HQCo's (each on "Obligor") payment and performance obligations under the Stadium Documents. It is delivered as a material inducement for the State and KSFA to enter into those agreements and for the State to provide financial and other support for the development of the Stadium Facility and the Team Headquarters and Practice Facility.
- **Parties:** Kansas City Chiefs Football Club, Inc., a Texas corporation (the "Guarantor"), in favor of the State of Kansas (through the Kansas Department of Commerce) (the "State") and the Kansas Sports Facilities Authority ("KSFA" and together with the State, the "Beneficiaries").
- **Guaranteed Obligations:** All of each Obligor's obligations of every nature under the Stadium / Team Facilities Documents.

Nature of the Guaranty

- **Primary Obligor:** The Guarantor is liable as primary obligor, not merely a surety. The Guaranty covers payment and performance, and the Beneficiaries need not first attempt to collect against either Obligor or any other person. For non-monetary obligations, the Beneficiaries may compel specific performance or recover damages.
- **Performance on Demand:** If either Obligor fails to pay or perform any Guaranteed Obligation when due, the Guarantor must pay or perform directly upon either Beneficiary's demand, without prior demand on the Obligor and without reduction. The Guarantor also indemnifies the Beneficiaries for reasonable enforcement costs, including attorneys' fees, whether or not suit is filed.
- **Absolute and Unconditional:** The Guaranty is not affected by the invalidity or unenforceability of any Stadium Document, either Obligor's bankruptcy or change of ownership, any assignment, or any amendment to the Stadium / Team Facilities Documents, which the Obligors and the Beneficiaries may make without notice to or consent of the Guarantor. The Guarantor waives notice of amendments and defaults and all suretyship defenses.
- **No Conditions Precedent:** The Beneficiaries need not exhaust remedies against either Obligor or mitigate damages, except for any mitigation obligation they have under the Stadium / Team Facilities Documents themselves.

Limitations and Defenses

- **Public Funding Excluded:** The Guarantor has no obligation to fund, replace or backstop any portion of the Public Stadium Funding Commitment or the Public Team Facilities Funding Commitment.
- **Beneficiary Default Defense:** The Guarantor has no liability to the extent an Owner Default, KSFA Default or State Default rendered the applicable Obligor not liable for a Guaranteed Obligation.
- **Termination of Stadium / Team Facilities Documents:** If all Stadium / Team Facilities Documents are terminated by final, non-appealable adjudication by a court of competent jurisdiction, the Guaranty terminates automatically, except for obligations that became due before termination and were not excused by an Owner Default, KSFA Default or State Default.

Reinstatement, Interest and Subrogation

- **Reinstatement:** The Guaranty is automatically reinstated if any payment or performance is set aside, rescinded or required to be returned, including as a preference or fraudulent transfer in an Obligor's bankruptcy.

- **Post-Petition Interest:** The Guaranteed Obligations include interest at the Default Interest Rate accruing after the commencement by or against either Obligor of any Bankruptcy Proceeding, whether or not allowed as a claim, to the extent provided in the Stadium / Team Facilities Documents.
- **Obligor Unenforceability:** If either Obligor ceases to exist or its obligations become unenforceable by operation of law, the Guarantor remains liable as though it were the principal obligor. If acceleration against either Obligor is stayed, the accelerated amounts are immediately due from the Guarantor.
- **Subrogation:** During any continuing default or event of default under the Stadium / Team Facilities Documents, or if one would result, the Guarantor waives its subrogation, reimbursement, restitution, contribution and similar rights against either Obligor and may not assert competing claims in bankruptcy proceedings. The Guarantor also waives any rights to participate in collateral held by the Beneficiaries. Any amounts received in respect of such rights during a continuing default or event of default, or where such payment would result in a default, must be held in trust for the Beneficiaries pending prompt return to the applicable Obligor.

Term and Assignment

- **Term:** The Guaranty remains in effect until the later of (i) three years after expiration or earlier termination of (A) the Stadium Management Agreement Term and (B) the Team Facilities Management Agreement Term and (ii) payment and performance of all Guaranteed Obligations for which written claims were made on or before that date.
- **Guarantor Assignment:** The Guarantor may not assign without the Beneficiaries' consent, except to an NFL-approved Assignee of the Team or Franchise under Section 4 of the Non-Relocation Agreements that assumes the Guaranty in writing. Upon assumption, the Guarantor is released from obligations arising after the transfer.
- **Beneficiary Assignment:** Either Beneficiary may assign its rights to any person to whom it transfers a Stadium Document.

Representations and Ongoing Covenants

- **Representations:** Customary organization, authority, enforceability, no-conflict, no-consent and no-litigation representations. The Guarantor also represents that the NFL has approved the Guaranty, that it is the sole owner of the Kansas City Chiefs franchise, that it is Solvent, and that it has delivered its organizational chart.
- **NFL Rule Changes:** The Guarantor must promptly deliver copies of any amendments or modifications of the NFL Rules and Regulations that could reasonably be expected to adversely affect the Guaranty.
- **Subordination:** The Guaranteed Obligations are subordinated to obligations of Guarantor owed to its senior lenders, and, if requested, the Beneficiaries will execute a written intercreditor agreement on mutually satisfactory terms.