SIDLEY

STADIUM CONSTRUCTION COORDINATION AGREEMENT – SUMMARY

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

A similar agreement will be entered into governing the construction of the Team Headquarters and Practice Facility (the "Team Facilities CCA"). That agreement is subject to ongoing discussions between the parties.

Deal Summary

- **Purpose**: The CCA governs the design, development, construction, funding and construction-stage oversight of the new Stadium Facility in Wyandotte County, Kansas.

- **Parties**: The State of Kansas (through the Kansas Department of Commerce) (the "State"); the Kansas Sports Facilities Authority ("KSFA"), and StadCo, a to-be-formed stadium company and affiliate of the Kansas City Chiefs Football Club, Inc. ("TeamCo" and, together with StadCo, the "Chiefs").

- **Site and Ownership**: The Chiefs will acquire the Site and convey it to KSFA pursuant to the Stadium Land Transfer Agreement. KSFA will own the Stadium Facility, and StadCo will manage and operate it under the Stadium Management Agreement.
    - The conveyance must precede Commencement of the Work and any STAR Bond issuances (i.e., all issuances except for the Bridge Financing issuance).
    - No Bridge Bond Proceeds in the Bridge Financing Account may be disbursed until fee simple title to the Stadium Site has vested in KSFA.

- **Commercial Structure**: StadCo controls and administers the design and construction process, subject to certain State/KSFA approval, monitoring, funding and step-in rights. The project is delivered under a guaranteed maximum price construction-manager-at-risk model: the Construction Manager enters into a GMP Contract (guaranteed maximum price); design is handled separately by the Architect (HNTB Corporation); CAA ICON serves as StadCo's Project Manager.

- **Representatives**: StadCo, the State and KSFA each appoint a Representative to participate in the Project through Final Completion. The State and KSFA also jointly appoint a Designated Public Representative to serve as the single public-side contact for ordinary-course coordination with StadCo and coordinate the disbursement review process, but without independent approval or consent rights unless expressly delegated in writing. The State and KSFA may also jointly retain an independent Owner's Representative to monitor and inspect the Work and report on schedule, budget and compliance with the Plans and Specifications and Project Program Statement; the Owner's Representative may not issue or approve Change Orders and likewise has no independent approval rights. The Designated Public Representative and Owner's Representative roles may be filled by the same person.

- **Project Standard**: Domed, at least 65,000 seats, first-class and generally comparable in overall quality and features to the Comparable NFL Facilities (Mercedes-Benz Stadium in Atlanta; new Nissan Stadium in Nashville; State Farm Stadium in Glendale; U.S. Bank Stadium in Minneapolis). Quality standards and descriptions of specific features are further outlined in the Project Program Statement.

- **Term**: The CCA commences on the Effective Date and continues until the later of Final Completion, expected to occur in 2032, and the satisfaction of the parties' remaining obligations. The CCA terminates automatically upon termination of the Stadium Management Agreement, in which case StadCo must assign the Plans and Specifications and Project Agreements to KSFA and the State and surrender the Stadium Site and the Project to KSFA.
    - The parties' obligations become null and void if the Definitive Documentation Conditions (completion of the Definitive Documentation, KDFA assurances regarding the public approvals for the bond issuances, establishment of the STAR Bond District (including base year revenue) and NFL approval) are not satisfied by the Definitive Documentation Outside Date (December [•], 2026, automatically extended for successive 30-day periods while the parties continue to work in good faith).

- **Related Agreements**: The CCA is part of the Definitive Documentation, which also includes the Stadium Management Agreement, Non-Relocation Agreement, Team Facilities Non-Relocation Agreement, Community Impact Agreement, Club Guaranty, Master QAD Agreement, Team Headquarters and Practice Facility construction coordination and management agreements, and the Stadium and Team Facilities Land Transfer Agreements.

Material Obligations:

- **Joint State/KSFA Approvals**: The State and KSFA jointly approve
    - the Plans and Specifications and material modifications thereto;
    - the form of Construction Agreement and material modifications;
    - the GMP Contract and any amendments;
    - certain Change Orders;
    - material amendments, terminations or modifications of the Architect Agreements;
    - material amendments to the Master Project Schedule (including any change to the Commencement of the Work, Substantial Completion or Final Completion);
    - the bid solicitation and selection procedures, and any material deviation therefrom;
    - the replacement or additional Architect or Construction Manager; and
    - each Request for Disbursement.
    - **Nonconforming Work**: Either State or KSFA may reject any Work if the Owner's Representative identifies Work that does not conform to the Plans and Specifications or the Project Program Statement, and StadCo must remedy such Rejected Work through Corrective Work (with disputes resolved through arbitration).
    - **State-Only Approvals**: The State alone approves (i) pre-construction agreements (not to be unreasonably withheld, conditioned or delayed); (ii) any Project contract with an Affiliate of StadCo, TeamCo or their owners or principals; and (iii) StadCo's execution of the GMP Contract before expiration of the 90-day GMP Execution Notice period (in the State's reasonable discretion, in consultation with KDFA).

- **Key State Obligations**:
    - cause the initial STAR Bond issuance within 90 days after GMP Contract execution (the "Initial Issuance Window"), once the Conditions Precedent (as summarized below) are satisfied or waived (a good-faith failure is not a default so long as the State diligently pursues the issuance, but such failure does not excuse the Funding Milestones);
    - use commercially reasonable efforts to cause the issuance of the Bridge Financing Bonds by January 11, 2027, and in any event cause such issuance by February 16, 2027 (the "Bridge Outside Date"), subject to the Bridge Conditions;

- deposit or cause to be deposited the Public Stadium Funding Commitment (the lesser of (i) 60% of the Stadium Budget and (ii) $1,800,000,000), which need not be satisfied by a single issuance, but must be made available in the amounts and on the schedule specified by the Funding Milestones;
- appoint a State Representative to oversee and review certain Work and Project documents (see joint approval, above), coordinate with KSFA to designate the Designated Public Representative and jointly select the Owner's Representative;
- support sales tax exemption structuring, expedited permitting and procurement-law waivers; and
- fund incremental Project Costs caused by a State-made Change Request that adds scope, increases Project Costs or materially affects the Master Project Schedule (excluding costs that would have been incurred regardless, Project Cost Overruns not directly caused by the Change Request and costs attributable to StadCo's or the Project Team's errors, omissions, negligence or delay).

- **Key KSFA Obligations**:
  - receive, apply, and manage the Bond Proceeds and Bridge Commitment;
  - establish and maintain (or cause the Construction Funds Trustee to establish and maintain) the Stadium Development Account and Bridge Financing Account to hold, track and disburse the Public Stadium Funding Commitment and Bridge Commitment for payment of Project Costs;
  - establish and maintain the State Expenses Account;
  - hold the PSL Proceeds Account (such account being established in KSFA's name, although PSL Proceeds are disbursed by KSFA in accordance with the PSL Marketing Agreement);
  - appoint a KSFA Representative to attend the monthly design/construction meeting, authorize approved Requests for Disbursement via written requisition to the Construction Funds Trustee and, jointly with the State Representative, review certain Work and Project Documents;
  - coordinate with the State to designate the Designated Public Representative, and jointly select the Owner's Representative;
  - coordinate with StadCo and the State to obtain any applicable sales tax exemption and work in good faith to support expedited permitting; and
  - fund incremental Project Costs caused by a KSFA-made Change Request that adds scope, increases Project Costs or materially affects the Master Project Schedule (excluding costs that would have been incurred regardless, Project Cost Overruns not directly caused by the Change Request and costs attributable to StadCo's or the Project Team's errors, omissions, negligence or delay).

- **Key StadCo Obligations**:
  - acquire fee title to the Stadium Site no later than 120 days after the Definitive Documentation Outside Date;
  - convey the Stadium Site to KSFA pursuant to the Stadium Land Transfer Agreement;
  - enter into the GMP Contract before Commencement of the Work, but after delivering at least 90 days' prior written notice to the Designated Public Representative (the "GMP Execution Notice");
  - pay Project Costs incurred before Bond Proceeds or Bridge Bond Proceeds are available; subject to repayment;
  - manage design and construction and cause the Work to proceed with diligence in accordance with the Master Project Schedule through Final Completion; supervise and enforce the GMP Contract and its Architect Agreements, and cause the Architect and

Construction Manager to enforce the other Architect Agreements and Construction Agreements;
- procure all Project contracts on an arm's-length, commercially reasonable basis (with the State's prior written approval required for any contract with an Affiliate of StadCo, TeamCo or their owners or principals);
- cause the GMP Contract to require competitive bidding of the Construction Manager's subcontracts and trade contracts (including any awarded to its Affiliates);
- furnish the State and KSFA with copies of material plans, specifications and Project Agreements, Record Drawings and monthly Project Status Reports;
- provide an on-site field office for the Designated Public Representative or Owner's Representative;
- procure all Stadium FF&E (which is included in the Stadium Budget);
- cause Project Damage to be repaired;
- use commercially reasonable efforts to minimize material negative construction impacts on traffic and neighboring properties (without any obligation to undertake off-site improvements not included in the Stadium Budget or Project Program Statement);
- deliver the Club Guaranty and such additional assurances as KDFA may reasonably require (in consultation with its underwriters), subject to NFL rules and approvals; and
- submit Requests for Disbursement; fund the Private Stadium Funding Commitment and all Project Cost Overruns.

Project Budget / Funding

- **Stadium Budget**: $3,000,000,000.
- **Project Costs**: Third-party, out-of-pocket costs directly attributable to the Project and incurred from January 1, 2026 through the Final Completion Date, without markup by StadCo, TeamCo or their Affiliates, including Stadium Site Acquisition Costs, Stadium-Specific Infrastructure Costs, design, construction and consulting costs, approved Pre-Construction Work, Preliminary Work, Stadium FF&E and permitting costs. Excludes StadCo/TeamCo legal, accounting, tax and financial advisory costs, unapproved Pre-Construction Work costs and Corrective Work Costs attributable to the negligence, fault or failure to perform of StadCo or any Project Team member.
- **Public Stadium Funding Commitment**: The lesser of 60% of the Stadium Budget and $1,800,000,000, funded primarily from Bond Proceeds.
- **Private Stadium Funding Commitment**: All Project Costs and other costs necessary to complete the Project after taking into account the Public Stadium Funding Commitment and the PSL Contribution Amount (i.e., 40% of the Stadium Budget less the PSL Contribution Amount, plus Corrective Work Costs attributable to StadCo or the Project Team and any and all Project Cost Overruns).
- **PSL Proceeds**: KSFA owns the right to sell PSLs for the Stadium and appoints TeamCo as its agent to market and sell them under the PSL Marketing Agreement. PSL Proceeds are dedicated to construction, deposited into a separate PSL Proceeds Account in KSFA's name and credited, together with the Private Stadium Funding Commitment, towards the 40% private side of the ratio.
- **Stadium Construction Ratio**: Project Costs are funded *pari passu*: public disbursements may never exceed 60% of Total Funded Project Costs, and private plus PSL funding may never fall below 40%. The ratio is tested cumulatively (not invoice-by-invoice) under the formulas set out in the CCA.
- **No Public Overrun Obligation**: StadCo is responsible for all Project Cost Overruns, which do not increase the Public Stadium Funding Commitment or alter the ratio, except to the extent the State or KSFA agrees in writing to fund the incremental costs of a State/KSFA-requested Change Request.

STAR Bonds / Conditions to Issuance

- **Issuance**: Timing, number and frequency are determined in the State's sole discretion, in consultation with KDFA and its financial advisors, provided, however, that the Funding Milestones (described below) must be met. Each issuance must be at least $100,000,000, unless the State waives.

- **Funding Milestones**: The State must use commercially reasonable efforts to cause additional issuances such that, on a cumulative basis (counting the initial issuance and the Bridge Commitment), at least:
    - (i) $1,000,000,000 of the Public Stadium Funding Commitment has been deposited, applied or irrevocably committed by the Milestone Funding Date for Commencement of the Work;
    - (ii) $1,400,000,000 by the Milestone Funding Date for 50% completion (as determined by the Construction Manager); and
    - (iii) the full Public Stadium Funding Commitment by the Milestone Funding Date for the Substantial Completion Date.
- Each Milestone Funding Date is 90 days after the applicable Milestone Event.
- StadCo must deliver a Milestone Notice at least 90 days before each anticipated Milestone Event, subject to review by the Designated Public Representative; a late or missing notice defers the Milestone Funding Date.

- **Delayed Public Amounts**: If the State misses a Funding Milestone and a resulting Funding Shortfall exists, Project Costs funded by the Chiefs during the shortfall that would otherwise have been publicly funded become Delayed Public Amounts.
    - Delayed Public Amounts accrue Default Interest payable outside the Stadium Construction Ratio and in addition to the Public Stadium Funding Commitment, and are repaid to StadCo as a first priority from the next Bond Proceeds deposited (and then treated as public funding for ratio purposes).
    - No Delayed Public Amount or Default Interest arises to the extent the failure is caused by an uncured StadCo Default or a condition within StadCo's control, or is excused by Force Majeure.

- **Schedule Relief**: If a Funding Shortfall actually and materially delays critical-path Work, the Master Project Schedule is automatically extended by the period of delay, subject to StadCo's written notice within 10 Business Days and commercially reasonable mitigation efforts. No extension is available for shortfalls attributable to StadCo or while sufficient funds are available in the Disbursement Accounts.

- **Conditions Precedent to Issuance**: Each issuance of STAR Bonds is conditioned on the following, which must occur (or be waived by the State) before the State is obligated to issue the first round of STAR Bonds and must continue to be satisfied as of each subsequent issuance:
    - Chiefs' acquisition of fee title to the Stadium Site no later than 120 days after the Definitive Documentation Outside Date;
    - conveyance of the Stadium Site to KSFA under the Stadium Land Transfer Agreement;
    - delivery to KDFA of the Club Guaranty and underwriter assurances;
    - executed Definitive Documentation and GMP Contract;
    - KDFA acceptance of bond terms, underwriter marketing or holding, and bond counsel opinion; and
    - completion of environmental impact review (to the extent required) and delivery of StadCo due diligence materials for rating agency reviews and offering materials.

- **Bridge Financing Bonds**: The State may issue Bridge Financing Bonds before the Conditions Precedent are satisfied (including before execution of the GMP Contract or Commencement of the Work), subject to the Bridge Conditions (including approval of the Project Program Statement, delivery of the Club Guaranty, establishment of the Bridge Financing Account, a bond counsel opinion and StadCo due diligence materials).
    - The State must use commercially reasonable efforts to cause the issuance of Bridge Financing Bonds by January 11, 2027 and must, in any event, cause the issuance by February 16, 2027; failure to do so (other than due to the failure of a Bridge Condition within StadCo's control) is State Payment Breach and material default of the State.

- **Bridge Bonds Waterfall**: Bridge Bond Proceeds are applied in order of priority: (i) the first $6,000,000 to the State Expenses Account (the "State Expenses Allocation"); and up to $120,000,000 in net proceeds (the "Bridge Commitment"), deposited into the Bridge Financing Account to fund (ii) Stadium Site Acquisition Costs, and (iii) all other Project Costs. The State must use commercially reasonable efforts to fund the full $120,000,000 Bridge Commitment, but its bridge obligations are deemed satisfied by a timely issuance sized commensurate with the revenues then available.
    - Items (ii) and (iii) are administered according to the 60/40 Stadium Construction Ratio.
    - Item (i) is not a Project Cost and is outside the ratio.
- The Bridge Commitment must be fully applied before any disbursement from the Stadium Development Account (except to the extent the Bond Documents do not permit a cost to be funded from Bridge Bond Proceeds).
- The Bridge Financing Bonds are payable solely from the pledged portion of the Sports Fund (with no pledge of other State revenues).

- **StadCo Termination for Critical Delay**: If (a) the $1,000,000,000 Funding Milestone has not been satisfied by its Milestone Funding Date, or (b) the Bridge Financing Bonds have not been issued by the Bridge Outside Date (each, a "Critical Delay"), StadCo may terminate on 60 days' notice, without arbitration; the notice is of no effect if the Critical Delay is cured within such period.
    - Upon a StadCo termination, the State must, to the fullest extent permitted by law, pay StadCo all Project Costs paid or incurred by the Chiefs, plus accrued Default Interest on Delayed Public Amounts, less public funds previously applied, and must take reasonable steps to obtain any necessary appropriations.
    - The termination right is unavailable if the Critical Delay is excused by Force Majeure or caused by StadCo's failure to satisfy a condition within its control (in which case the State and KSFA may terminate after notice and a reasonable cure opportunity).

Accounts and Disbursement

- **Construction Funds Trustee**: Appointed under the Bond Documents to hold, invest and disburse the Stadium Development Account and Bridge Financing Account. Disbursements are made only upon KSFA's written direction and requisition.

- **Account Structure**: KSFA establishes (or causes the Construction Funds Trustee to establish) the Stadium Development Account to receive, hold, track and disburse the Public Stadium Funding Commitment, and a separate Bridge Financing Account for the Bridge Commitment. If the bond underwriters determine that a single, fully-funded account is required for the most efficient financing structure, the parties will agree on an alternative distribution mechanism.

- **Disbursement Requests**: StadCo submits each Request for Disbursement to the Designated Public Representative at least 15 days before a Biweekly Meeting (accompanied by supporting documentation). Each Request for Disbursement must meet the $3,500,000 Minimum Requisition Threshold (aggregable across invoices; deemed waived for one request per calendar month).
    - The State and KSFA Representatives jointly review the request during the Review Period (ending at the Biweekly Meeting) and must approve or object within the 5-day Final Review Period that follows.
    - Any portion not timely objected to is deemed approved (subject to tolling for reasonably requested information), and disputed portions are resolved through arbitration while undisputed portions are paid.
    - Upon approval or deemed approval, KSFA authorizes the disbursement and delivers a written direction and requisition to the Construction Funds Trustee, which may verify it within a [7-Business-Day] Trustee Verification Period, after which it is deemed approved.
    - If the Construction Funds Trustee disburses directly to a third-party, StadCo must, within 10 Business Days, provide proof it has paid its portion of the ratio.
    - All Requests for Disbursement must be submitted within six months after the Final Completion Date.

- **Conditions to Disbursement**: No Request for Disbursement may be approved if it would violate Applicable Law or the ratio, and no disbursement may be made while a StadCo Default (or an event that would become one) exists. Amounts later determined through arbitration to be attributable to the gross negligence or willful misconduct of StadCo or a Project Team member must be repaid with Default Interest. Advance payments for materials or equipment not delivered to or stored at the Stadium Site require State/KSFA consent, except for secure, insured and accessible off-site storage.

- **Liens**: StadCo must discharge, bond over or otherwise secure mechanics' and public improvement liens within 30 days of notice. KSFA may withhold the liened portion of any disbursement until the lien is discharged or secured (at 125% of the asserted lien plus estimated interest and costs), and may suspend broader disbursements if a lien threatens title, completion, the accounts, the financing or the public parties' interests. KSFA may obtain a Lien Release Bond at StadCo's expense if StadCo fails to do so.

- **State Expenses Account**: KSFA establishes the State Expenses Account to hold the $6,000,000 State Expenses Allocation, deposited directly from the first Bridge Bond Proceeds, for the payment of State Expenses (i.e., costs of the State Representative, KSFA Representative, Designated Public Representative and Owner's Representative and related technical consulting costs, excluding legal, accounting, tax, bond counsel, underwriting, issuance and public finance costs), without the need for a Request for Disbursement. State Expenses are not Project Costs, are not credited against the Public Stadium Funding Commitment and are excluded from the ratio. The State Expenses Account may also contain, from time to time, additional funds deposited by the State or KSFA for the payment of State Expenses or other expenses of the State and KSFA incurred in connection with the Project or the Definitive Documentation.

- **Excess Funds**: Public funds remaining in the Stadium Development Account (including liquidated damages deposited there) after Final Completion and payment of all eligible Project Costs are applied (i) to redeem, defease or pay debt service on the bonds to the extent required by law or the Bond Documents, (ii) to the State in the amount of any remaining interest and investment earnings

on its contributions, and (iii) to the RMMO Fund. PSL Proceeds and StadCo-funded amounts are not Excess Funds.

- **Master QAD Offsets**: The parties give effect under the CCA to any offset applied under the Master QAD Agreement, and Master QAD Agreement rights and payments are not cut off by the CCA's six-month disbursement submission deadline.

- **Audit**: StadCo must keep and maintain accurate records and accounts of the Project preserved for three years after the later of Final Completion and termination, which KSFA, the State and their designees may inspect, audit and duplicate. On request, StadCo must seek to obtain any Construction Document or Project Agreement it is entitled to obtain but does not possess.

Project Schedule / Milestones

- **Commencement of the Work**: Means the commencement at the Stadium Site, pursuant to the GMP Contract and following a full notice to proceed, of material, physical construction of permanent structural or foundational components of the Stadium Facility. Not deemed to occur until: (i) the GMP Contract is executed and effective, (ii) the Stadium site has been conveyed to KSFA, (iii) all permits and governmental approvals are obtained, (iv) bonds and insurance are in force, (v) required certifications are delivered, and (vi) the State and KSFA have confirmed in writing that the conditions are satisfied.
    - Pre-Construction Work, Preliminary Work and other preparatory, enabling or early work (e.g., demolition, remediation, site clearing, mobilization and procurement) do not constitute Commencement of the Work.
    - StadCo Default occurs if construction does not commence by the milestone date for Commencement of Work set forth in the Master Project Schedule (to be determined), or if the Work is discontinued for 45 days or more, in each case subject to Force Majeure and other permitted delays.

- **Schedule Milestones**: Substantial Completion by August 1, 2031; Final Completion by February 1, 2032, both are subject to Force Majeure and other permitted delays. Missing either completion date constitutes a StadCo Default.

Design / Professional Participants and Agreements

- **Pre-Construction Work**: StadCo may enter pre-construction agreements subject to State approval; approved costs are included in Project Costs within the Stadium Budget. Agreements listed on Schedule 3.1 of the CCA are deemed approved by the State and KSFA.

- **Meetings and Reporting**: Biweekly status meeting with the Designated Public and Owner's Representatives; monthly design-and-construction meeting with the Representatives; monthly Project Status Report by the 15th of each month; Designated Public Representative allowed to attend all construction meetings and final inspections.
    - StadCo must also deliver monthly copies of default notices under Construction Agreements and notify the public parties of material Project Team claims.

- **Master Project Schedule**: The Master Project Schedule governs the design/construction schedule and Substantial/Final Completion milestones.
    - StadCo may make routine sequencing updates on notice, subject to a 5-Business-Day State/KSFA objection right if an update would materially affect the critical path, key milestones, public interfaces, the Project Program Statement, the Stadium Budget or public funding; other material amendments require State/KSFA approval.

  - Missed target dates (other than Commencement of the Work, Substantial Completion and Final Completion) are not, by themselves, a StadCo Default.

- **Project Program Statement**. The Project Program Statement sets Project features and quality requirements and may be modified only upon mutual consent; it survives termination of the CCA for purposes of the Stadium Management Agreement and other Definitive Documentation.
  - The Project Program Statement remains under review by the Parties.

- **Project Agreements**: Architect Agreements (design-side) and Construction Agreements (build-side, including the GMP Contract and all material subcontracts and purchase orders). Each must grant third-party-beneficiary rights to the State and KSFA; those entered into directly by StadCo must be assignable to the State and KSFA without counterparty consent; and the Architect Agreements and GMP Contract must require assignment of lower-tier agreements on termination. The State or KSFA may designate any Project-related agreement as a Construction Agreement if it could materially affect the Project.

- **Plans and Specifications**: The umbrella term for the design set (i.e., graphic and pictorial documents plus written requirements for the materials, equipment, construction systems, standards and workmanship of the Project), prepared pursuant to the Project Agreements, which includes the Schematic Design Documents, the Design Development Documents, and the Construction Documents. KSFA receives ownership of or a perpetual, irrevocable, royalty-free license (held jointly with StadCo) to the Plans and Specifications and related work product, surviving any termination or assignment of the Project Agreements.

Change Requests

- **Change Requests**: StadCo must submit Change Requests (and supporting documentation) to KSFA and the State for review and approval (not to be unreasonably withheld). KSFA and the State have 10 Business Days after receipt of a complete Change Request to approve or reject it (tolled while reasonably necessary information is awaited); if either fails to respond, StadCo may deliver a second notice, and the Change Request is deemed approved only if both fail to respond within 3 additional Business Days.

- **Threshold for Requiring a Change Request**: A Change Request is required for any Change Order that would materially modify the Project Program Statement, materially affect quality, durability, functionality, safety, maintainability or long-term operation of the Stadium; materially affect the Master Project Schedule or completion milestones; increase the Stadium Budget or public funding; render the Stadium ineligible for NFL games; materially impair any insurance, assignment or Step-In Right; or otherwise require approval under the CCA. Other changes are processed by StadCo and reported in the ordinary course.

- **State/KSFA Requested Changes**: The State and KSFA may jointly submit Change Requests; StadCo may not unreasonably withhold approval of changes related to functionality, safety, operations or long term maintenance that do not materially affect the schedule and comply with law. StadCo need not implement a change that adds scope, increases Project Costs or materially impacts the schedule unless the State or KSFA agrees to fund the incremental cost.

Damage, Remedial Work and Insurance

- **Project Damage**: StadCo must promptly repair and restore Project Damage before Substantial Completion in accordance with the Plans and Specifications and the Project Program Statement; milestones are extended as reasonably necessary. StadCo bears repair costs even if insurance

proceeds are insufficient; any shortfall may be funded from the Stadium Development Account subject to the ratio, but costs causing Project Costs to exceed the Stadium Budget are a Project Cost Overrun and funded solely by StadCo.

- **Remedial Work**: StadCo is responsible for environmental corrective action for Hazardous Substances present at the Stadium Site, except to the extent caused by the State's or KSFA's gross negligence or willful misconduct; the costs are Project Costs.

- **Builders' Risk Policy**: StadCo or the Construction Manager maintains an all-risks, completed-value builders' risk policy (a Project Cost) for the full insurable value of the Project as determined by StadCo and approved by the State and KSFA, consistent with NFL industry standards, naming the State, KSFA, StadCo and Construction Providers as insureds. Insurers must meet specified A.M. Best ratings; 60 days' notice of cancellation (10 for nonpayment); deductibles capped at $500,000 absent agreement.

- **Payment and Performance Bonds**: The Construction Manager must furnish performance and labor and material payment bonds in the full amount of the GMP, from Commencement of the Work through Final Completion, issued by a surety reasonably satisfactory to the State, KSFA and StadCo (as co-obligees). Premiums are Project Costs.

Defaults / Non-Payment Event

- **Defaults Applicable to All Parties**: Include (i) voluntary bankruptcy, insolvency, dissolution or assignment for the benefit of creditors; (ii) uncured breach of material obligations under the Agreement; (iii) uncured material breach of the Definitive Documentation (other than the Master QAD Agreement and the various Team Headquarters and Practice Facility agreements); and (iv) a representation or warranty proving materially false or inaccurate when made.

- **Funding-Related Defaults**: Arise upon (i) KSFA's failure to perform a material, express application, disbursement or payment obligation with respect to the applicable Disbursement Accounts (a "KSFA Payment Breach"), and (ii) the State's unexcused failure to perform specified material funding, deposit or issuance obligations (a "State Payment Breach"), in each case continuing for 10 Business Days after notice without a commercially reasonable cure.

- **StadCo-Specific Defaults:** Include: (i) attachment or execution against StadCo or the Stadium Facility not discharged within 30 days; (ii) failure to timely commence or continuously prosecute the Work, or to achieve key milestones; (iii) failure to comply with an arbitration decision within 30 days after notice; (iv) failure of the timely initial issuance of STAR Bonds attributable to StadCo's failure to satisfy conditions within its control; and (v) failure to reimburse amounts due in connection with the State's or KSFA's Step-In rights within 10 Business Days after notice.

- **Non-Payment Event**: StadCo's failure, within 10 Business Days after the Construction Funds Trustee pays Project Costs directly to third-party payees, to fund (and evidence) its required corresponding share of the Private Stadium Funding Commitment so as to maintain the Stadium Construction Ratio. Not a default, but upon notice the State and KSFA may direct the Construction Funds Trustee to withhold further disbursements until cured. An uncured Nonpayment Event also triggers Step-In rights (discussed below).

State/ KSFA Remedies

- **Step-In Rights**: Allows the State and KSFA to assume direct management of the Project (including exercising StadCo's rights under the Project Agreements), and cause the Project to be completed.

StadCo remains responsible for amounts due and for damages, costs and expenses arising from the Step-In. Only applicable upon a Nonpayment Event uncured for 30 days after notice, or an uncured StadCo Default confirmed through arbitration (subject to NFL rules); arbitration confirmation is not required for bankruptcy, insolvency or attachment defaults.

- **NFL Cure Right**: Before exercising Step-In rights, the State or KSFA must notify the NFL, which has 45 days to elect to perform StadCo's obligations.
- **Other State/KSFA Remedies**: The State and KSFA may also (i) cease funding; (ii) terminate (subject to a 30-day cure period and arbitration requirement), demand assignment of the Project Agreements (with a license to the Plans and Specifications), and complete the Project; (iii) following termination, or an arbitration-confirmed StadCo Default resulting in a material deviation from the Project Program Statement or material schedule delay, direct the Construction Funds Trustee to release undisbursed Public Stadium Funding Commitment, subject to protections for approved Project Costs and amounts required to be retained under the Bond Documents; and (iv) pursue legal/equitable remedies including recovery of damages, misapplied funds and unpaid obligations.

StadCo Remedies:

- **Generally**: StadCo may cease further private funding and pursue available legal/equitable remedies, subject to applicable sovereign/governmental immunity limitations.
- **Termination right**: StadCo may terminate the Agreement only upon (i) an uncured KSFA Payment Breach that has been finally confirmed through arbitration, or (ii) a Critical Delay (i.e., the State's failure to (x) satisfy the $1,000,000,000 Funding Milestone by its Milestone Funding Date or (y) issue the Bridge Financing Bonds by the Bridge Outside Date), in each case following 60 days' notice and opportunity to cure, but without confirmation through arbitration.

Indemnification

- **Indemnification of State/KSFA:** StadCo indemnifies the State and KSFA (and their respective Affiliates, employees and agents) from Losses arising from the negligence or wrongful acts of StadCo or its employees, contractors or agents in connection with the Project, except to the extent caused by the applicable indemnified party's gross negligence or willful misconduct.
- **Indemnification of StadCo:** KSFA and the State each indemnify StadCo (and its Affiliates, employees and agents) from Losses arising from that indemnifying party's negligence or wrongful acts in connection with the Project, except to the extent caused by StadCo's gross negligence or willful misconduct.
- **Limitations on Liability**: Each party must pursue available insurance recoveries before asserting indemnity claims (subject to statute-of-limitations protection); there is no duplicative recovery of the same Loss; and no party is liable for consequential, special, punitive, incidental or indirect damages. No proceeding seeking damages or a money judgment may be brought against the State or KSFA, except for recovery of Losses arising from the negligence or willful misconduct of the State or KSFA, a State Payment Breach or Critical Delay (as to the State), or a KSFA Payment Breach, or recovery of Project Insurance Policy proceeds (as to KSFA).

Miscellaneous

- **Dispute Resolution**: Each party must provide the other with a Dispute Notice, the parties must attempt to resolve such dispute within 15 Business Days, following which a party may commence AAA arbitration. Disputes arising under or relating to the Non-Relocation Agreement or the Team Facilities Non-Relocation Agreement are excluded and governed exclusively by those agreements.
- **Governing Law; Jurisdiction**: Kansas law governs. Subject to the arbitration provisions, the parties consent to the jurisdiction of the state courts sitting in Johnson County, Kansas and the U.S.

District Court for the District of Kansas. Waiver of jury trial is currently being negotiated by the parties.

- **NFL Approval**: The CCA and the other Definitive Documentation are subject to prior NFL approval, which may be conditioned on changes to comply with NFL rules and regulations.
- **Permits**: State and applicable Governmental Authorities must use commercially reasonable efforts to expedite permits, licenses and approvals.
- **Bid Process**: After State/KSFA approval of the Plans and Specifications, StadCo causes the Construction Manager and Architect to prepare bid packages and solicit bids from qualified Construction Providers under solicitation/selection procedures approved in advance by the State and KSFA. The State and KSFA may observe and monitor the process but do not retain approval rights over individual bid packages, bids or Construction Provider awards; only a material deviation from the approved procedures requires State/KSFA approval.
- **Cost Segregation Study**: StadCo, at its own cost (not a Project Cost), commissions an annual cost segregation study. Project Costs attributable to Qualifying Personal Property are allocated to StadCo for federal (and corresponding state) income tax purposes upon Final Completion, capped at Project Costs actually funded by StadCo and subject to KDFA and bond counsel confirmation that tax-exempt debt is not adversely affected; raw land costs are allocated to KSFA. The allocation does not affect any funding commitment, the ratio or title.