SIDLEY

STADIUM NON-RELOCATION AGREEMENT – SUMMARY

This summary reflects the KSFA Vote Draft of the Stadium Non-Relocation Agreement (this "Agreement"). This summary is qualified in its entirety by, and should be read by reference to, the Non-Relocation Agreement. The precise wording of the Agreement should be consulted before interpreting the Agreement and relying upon such interpretation. The below remains subject to ongoing discussions by the parties as the Definitive Documentation is finalized.

Deal Summary

- **Purpose**: The Non-Relocation Agreement is the principal agreement requiring the Kansas City Chiefs to keep the NFL franchise tied to the Stadium, and does so by (i) restricting the Chiefs from taking specified actions to relocate the Team, and (ii) once the Stadium opens, requiring the Chiefs to play substantially all of the Team's home games at the Stadium and maintain the Team and Franchise in good standing for the Term, in each case subject to specified exceptions.
- **Parties**: Kansas City Chiefs Football Club, Inc. ("TeamCo") and designated Chiefs affiliates, the Kansas Sports Facilities Authority ("KSFA"), and the State of Kansas (through the Kansas Department of Commerce) ("State").

Term and Timing

- **Term**: Begins on signing and generally continues through the expiration or earlier termination of the Stadium Management Agreement term.
- **Interim Period**: Covers the period between signing and the commencement of the Stadium Management Agreement. During that period, the anti-relocation and franchise maintenance protections apply.

Non-Relocation Obligations

- **Generally**: After the Stadium opens, the Chiefs must play all Home Games at the Stadium unless an express exception applies. KSFA may consent to a different location.
- **Exempt Games**. During each NFL Season, the Team is entitled to play one Home Game outside the Stadium pursuant to a league-wide program, initiative or series (e.g., the NFL International Series). If the NFL Season is increased to 18+ games, the Team may play one additional Home Game outside the Stadium during one of every four NFL Seasons.
- **Franchise Maintenance**: Throughout the term (i.e., during the Interim Period and following Stadium opening), the Chiefs must keep and maintain the Team and the Franchise in good standing.
- **Stadium and Practice Facility**: The Chiefs must keep and maintain the Stadium in accordance with the Stadium Management Agreement, continuously operate TeamCo at the Stadium, and use commercially reasonable efforts to ensure the Stadium is available for the playing of Home Games.
- **Relocation Activities**: The Chiefs also shall not (i) apply to the NFL for, or seek approval to, play Home Games, other than Exempt Games, outside the Stadium, (ii) relocate to a location other than the Stadium, (iii) enter into contracts or agreements to move the Team, (iv) solicit offers or proposals to relocate, enter into discussions, negotiations or agreements concerning relocation, (v) complete a transfer or assignment that results in the Team not playing Home Games in the Stadium or not playing any Home Games, or (vi) cause or permit the Stadium to cease operations.

Enforcement and Remedies

- **Primary Remedy – Keep the Team in Kansas**: Because relocation would cause irreparable harm, the State may seek injunctions, specific performance and declaratory relief to prevent or cure a non-relocation breach.
- **Secondary Remedy – Liquidated Damages**: For certain defaults, if a court does not grant equitable relief, the State may recover an amount equal to the financial commitments made by the Public to fund the Stadium Facility.

- **Liquidated Damages Calculation**: As is more fully described in the Agreement, the "Public Contribution" is the sum, without duplication, of (i) the Public Stadium Funding Commitment (the public's commitment under the CCA), (ii) interest accrued on the STAR Bonds through the date of default (no further interest accrues after the 15th Term Year), and (iii) reasonable demolition and leveling costs. 100% of the Public Contribution is recoverable for a default during the Interim Period or the first 14 Term Years; beginning in Term Year 15, the recoverable percentage declines 6.25 points per year, reaching 0 in Term Year 30.
- **Other Remedies**: If equitable relief and liquidated damages are both unavailable, the State may pursue other legal or equitable remedies, but any money judgment may not exceed the liquidated damages the State would otherwise have received.

Inability to Host

- **Temporary Unavailability**: If casualty, force majeure, condemnation, a construction defect or a design defect makes the Stadium unavailable or unsuitable for a Home Game, the Chiefs must attempt to reschedule the affected Home Game at the Stadium. If rescheduling is not possible, the Chiefs shall be entitled to play at an Alternate Site during such period.
- **Mitigation and Notice**: The Chiefs must notify KSFA, use commercially reasonable efforts to mitigate and eliminate such condition, minimize the duration of any alternate-site commitment, and keep KSFA informed.
- **Other Obligations Continue**: Temporary permission to play elsewhere does not generally excuse the Chiefs from their other obligations under the project agreements or waive or impair any remedies available to the State or KSFA from the cause of such unavailability.

Sale or Transfer of the Team

- **Permitted Transfers**: A sale, transfer or lien on the Team or the Franchise does not require KSFA approval if the transaction is approved by the NFL and the successor assumes the Chiefs' obligations under the project agreements through an assignment and assumption agreement.
- **Successor**: The successor owner takes the Team or Franchise subject to the applicable project agreements and becomes responsible for all of the Chiefs' obligations arising after the transfer. The prior owner remains responsible for obligations and liabilities arising or accruing before the transfer.

Termination

- **General Termination Events**: The Agreement terminates upon the expiration or termination of the Term, the termination of the CCA following certain failures by the State to satisfy its Stadium funding commitment, mutual agreement, or payment of liquidated damages.
- **Accrued Obligations**: Termination does not eliminate liability for damages arising or accruing prior to such termination.