SIDLEY

TEAM HEADQUARTERS AND PRACTICE FACILITY CONSTRUCTION COORDINATION AGREEMENT – SUMMARY

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

The Team Facilities CCA generally follows the same overall framework as the Stadium CCA. For ease of review, key concepts that are unique or materially differ from the Stadium CCA are shown in *italicized red text* below.

Deal Summary

- **Purpose**: The Team Facilities CCA governs the design, development, construction, funding and construction-stage oversight of the new Team Headquarters and Practice Facility in Johnson County, Kansas (the "Team Facilities").

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

- **Site and Ownership**: The Chiefs will acquire the Team Facilities Site in Johnson County, Kansas, (which Team Facilities Site is within the STAR Bond District) and convey it to KSFA pursuant to the Team Facilities Land Transfer Agreement. KSFA will own the Team Facilities, and HQCo will manage and operate them under the Team Headquarters and Practice Facility Management Agreement.
    - The conveyance must precede both Commencement of the Work and any STAR Bond issuance from which Bond Proceeds are used to fund the Public Team Facilities Funding Commitment.
    - The Team Facilities Land Transfer Agreement must be executed within 120 days after the Definitive Documentation Outside Date.

- **Commercial Structure**: HQCo 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 (Populous Inc.)*; *Burns & McDonnell Engineering Company, Inc. serves as HQCo's Project Manager*.

- **Representatives**: HQCo, 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 HQCo 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.

- *As a practical matter, we expect the State and KSFA Representatives, as well as the Designated Public Representative and the Owner's Representative, to be the same individuals/firms as those for the Stadium.*

- **Project Standard**: First-class office headquarters and practice facility, generally comparable in overall quality and features to the *Comparable NFL Team Facilities* (Baptist Health Training Complex in Miami Gardens, Florida; TCO Performance Center in Eagan, Minnesota; Intermountain Health Performance Center in Henderson, Nevada; The Bolt in El Segundo, California) and in general conformance with the Development Plan. Quality standards and descriptions of specific features are further outlined in the Project Program Statement.

- **Term**: The Team Facilities 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 Team Facilities CCA terminates automatically upon termination of the Stadium CCA, the Stadium Management Agreement or the Team Headquarters and Practice Facility Management Agreement*, in which case HQCo must assign the Plans and Specifications and Project Agreements to KSFA and the State and surrender the Team Facilities 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 Team Facilities CCA is part of the Definitive Documentation, which also includes the Stadium CCA, Stadium Management Agreement, Team Headquarters and Practice Facility Management Agreement, Non-Relocation Agreement, Team Facilities Non-Relocation Agreement, Community Impact Agreement, Club Guaranty, Master QAD Agreement, and the Stadium and Team Facilities Land Transfer Agreements.

- **Qualified Ancillary Development**: *The Team Facilities constitute Qualified Ancillary Development funded as part of the Tier 1 Funding Commitment under the Master QAD Agreement*. While Project Costs count toward the $1,000,000,000 QAD Minimum Investment and the $325,000,000 Johnson County minimum, the amount eligible for QAD credit is capped at $300,000,000 (the "Team Facilities QAD Cap"), irrespective of Project Cost Overruns (i.e., any Project Costs above $300,000,000 are funded solely by HQCo and receive no QAD credit). An amount equal to the lesser of 1/12 of the qualifying Project Costs and $25,000,000 is also credited (without duplication) toward the minimum Sales-Tax-Generating Components requirement under the Master QAD Agreement.
  - Each Request for Disbursement (with its supporting certifications) constitutes the certification of Qualified Ancillary Development costs for Tier 1 Funding Commitment purposes. Within six months after Final Completion, HQCo must certify to the State the aggregate Project Costs paid, the Public Team Facilities Funding Commitment disbursed and the Project Costs counted toward the QAD Minimum Investment, which certification is binding on the Chiefs under the Master QAD Agreement.

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 HQCo 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 HQCo, TeamCo or their owners or principals; and (iii) HQCo'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 Bond Proceeds of which are to be applied to fund any portion of the Public Team Facilities Funding Commitment (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 Milestone);
  - deposit or cause to be deposited the Public Team Facilities Funding Commitment (the lesser of (i) 60% of the Team Facilities Budget and (ii) $180,000,000), which need not be satisfied by a single issuance, but must be made available in the amount and on the schedule specified by the Funding Milestone;
  - 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 HQCo's or the Project Team's errors, omissions, negligence or delay).

- **Key KSFA Obligations**:
  - receive, apply, and manage the Bond Proceeds;
  - establish and maintain (or cause the Construction Funds Trustee to establish and maintain) the Team Facilities Development Account to hold, track and disburse the Public Team Facilities Funding Commitment for payment of Project Costs;
  - establish and maintain the State Expenses Account (in accordance with Section 4.10 of the Stadium CCA);
  - 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 HQCo 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 HQCo's or the Project Team's errors, omissions, negligence or delay).

- **Key HQCo Obligations**:
  - cause the Chiefs to acquire fee title to the Team Facilities Site no later than 120 days after the Definitive Documentation Outside Date;
  - convey the Team Facilities Site to KSFA pursuant to the Team Facilities Land Transfer Agreement;
  - *cause Commencement of the Work to occur no later than December 31, 2028 (the "Commencement Deadline"), subject to applicable schedule relief;*
  - 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 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 HQCo, 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 Team Facilities FF&E (which is included in the Team Facilities 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 Team Facilities 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;
  - submit Requests for Disbursement; fund the Private Team Facilities Funding Commitment and all Project Cost Overruns; and
  - use commercially reasonable efforts to complete and make operational the Team Facilities by the start of the 2031-2032 NFL season.

Project Budget / Funding

- **Team Facilities Budget**: [*$300,000,000*].

  - *The figure is subject to HQCo's final estimate; any Project Costs above $300,000,000 are funded solely by HQCo and receive no QAD credit.*
- **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 HQCo, TeamCo or their Affiliates, including Team Facilities Acquisition Costs, Team Facilities Infrastructure Costs, design, construction and consulting costs, approved Pre-Construction Work, Preliminary Work, Team Facilities FF&E and permitting costs. Excludes HQCo/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 HQCo or any Project Team member.
- **Public Team Facilities Funding Commitment**: The lesser of 60% of the Team Facilities Budget and $180,000,000, funded primarily from Bond Proceeds. *Each dollar disbursed is credited against, and reduces dollar-for-dollar, the Tier 1 Funding Commitment otherwise available for other Qualified Ancillary Development under the Master QAD Agreement, such that the State's aggregate Tier 1 payments under the Team Facilities CCA and the Master QAD Agreement may not exceed $300,000,000*.
- **Private Team Facilities Funding Commitment**: All Project Costs and other costs necessary to complete the Project after taking into account the Public Team Facilities Funding Commitment (i.e., 40% of the Team Facilities Budget, plus Corrective Work Costs attributable to HQCo or the Project Team and any and all Project Cost Overruns).
- **Team Facilities Construction Ratio**: Project Costs are funded *pari passu*: public disbursements may never exceed 60% of Total Funded Project Costs, and private funding may never fall below 40%. The ratio is tested cumulatively (not invoice-by-invoice) under the formulas set out in the Team Facilities CCA.
- **No Public Overrun Obligation**: HQCo is responsible for all Project Cost Overruns, which do not increase the Public Team Facilities 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 Milestone (described below) must be met. Each issuance must be at least $100,000,000, unless the State waives.
- **Funding Milestone**: The State must use commercially reasonable efforts to cause additional issuances such that, on a cumulative basis (counting the initial issuance), *the following single Funding Milestone* is met:
  - *the full Public Team Facilities Funding Commitment has been deposited, applied or irrevocably committed by the Milestone Funding Date for Commencement of the Work.*
- The Milestone Funding Date is 90 days after the Milestone Event (i.e., Commencement of the Work).
- HQCo must deliver a Milestone Notice at least 90 days before the 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 the 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 Team Facilities Construction Ratio and in addition to the Public Team Facilities Funding Commitment, and are repaid to HQCo 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 HQCo Default or a condition within HQCo'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 HQCo's written notice within 10 Business Days and commercially reasonable mitigation efforts. No extension is available for shortfalls attributable to HQCo or while sufficient funds are available in the Disbursement Accounts.
- **Conditions Precedent to Issuance**: Each issuance of STAR Bonds for the Team Facilities 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, the Bond Proceeds of which are to be applied to fund any portion of the Public Team Facilities Funding Commitment, and must continue to be satisfied as of each subsequent issuance:
  - Chiefs' acquisition of fee title to the Team Facilities Site no later than 120 days after the Definitive Documentation Outside Date;
  - conveyance of the Team Facilities Site to KSFA under the Team Facilities 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;
  - completion of environmental impact review (to the extent required) and delivery of HQCo due diligence materials for rating agency reviews and offering materials; and
  - *the State's satisfaction of the first $1,000,000,000 Funding Milestone under the Stadium CCA.*
    - *If the Stadium Funding Milestone condition has not been satisfied by October 2, 2028, the Commencement Deadline, Substantial Completion Date, Final Completion Date and other Master Project Schedule deadlines are automatically extended day-for-day until it is satisfied.*

- **HQCo Termination for Critical Delay**: If the Funding Milestone has not been satisfied by its Milestone Funding Date (a "Critical Delay"), HQCo may terminate on 60 days' notice, without arbitration; the notice is of no effect if the Critical Delay is cured within such period.
  - Upon an HQCo termination for a Critical Delay, the State must, to the fullest extent permitted by law, pay HQCo 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 HQCo'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).

- **HQCo Termination upon Stadium CCA Termination**: *If StadCo validly terminates the Stadium CCA for the State's failure to timely satisfy the Stadium CCA's $1,000,000,000 Funding Milestone, HQCo may terminate the Team Facilities CCA upon written notice to the State and KSFA.*

Accounts and Disbursement

- **Construction Funds Trustee**: Appointed under the Bond Documents to hold, invest and disburse the Team Facilities Development 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 Team Facilities Development Account to receive, hold, track and disburse the Public Team Facilities Funding Commitment.

- **Disbursement Requests**: HQCo 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 *$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, HQCo 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 an HQCo 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 HQCo or a Project Team member must be repaid with Default Interest. Advance payments for materials or equipment not delivered to or stored at the Team Facilities Site require State/KSFA consent, except for secure, insured and accessible off-site storage.

- **Liens**: HQCo 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 HQCo's expense if HQCo fails to do so.

- **State Expenses Account**: KSFA establishes and maintains the State Expenses Account in accordance with Section 4.10 of the Stadium CCA. *State Expenses attributable to the Project are paid from the State Expenses Allocation established under the Stadium CCA (i.e., the same $6,000,000 allocation available for Stadium-related State Expenses)*, without the need for a Request for Disbursement. 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) are not Project Costs, are not credited against the Public Team Facilities 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 Team Facilities 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) *as determined by the State in its sole discretion, either to the Master QAD Account (for other Qualified Ancillary Development, credited against the Public Master QAD Funding Commitment) or* to the RMMO Fund. HQCo-funded amounts are not Excess Funds.

- **Master QAD Agreement**: Master QAD Agreement rights and payments are not cut off by the Team Facilities CCA's six-month disbursement submission deadline.

- **Audit**: HQCo 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, HQCo 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 Team Facilities 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 Team Facilities. Not deemed to occur until: (i) the GMP Contract is executed and effective, (ii) the Team Facilities 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.
    - HQCo Default occurs if Commencement of the Work does not occur by December 31, 2028 (the Commencement Deadline), or if the Work is discontinued for 45 days or more, in each case subject to Force Majeure and other permitted delays (including the automatic extension described under "Conditions Precedent to Issuance" above).

- **Schedule Milestones**: Substantial Completion by [August 1, 2031] (*bracketed in the draft; HQCo must use commercially reasonable efforts to complete and make operational the Team Facilities by the start of the 2031-2032 NFL season*); Final Completion by February 1, 2032, both are subject to Force Majeure and other permitted delays. Missing either completion date constitutes an HQCo Default.

Design / Professional Participants and Agreements

- **Pre-Construction Work**: HQCo may enter pre-construction agreements subject to State approval; approved costs are included in Project Costs within the Team Facilities Budget. Agreements listed on Schedule 3.1 of the Team Facilities 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.

- HQCo 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.
  - HQCo 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 Team Facilities 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, an HQCo 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 Team Facilities CCA for purposes of the Team Headquarters and Practice Facility Management Agreement and other Definitive Documentation.
  - *The Project Program Statement has not yet been attached to the draft and remains to be developed and agreed 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 HQCo 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 HQCo) to the Plans and Specifications and related work product, surviving any termination or assignment of the Project Agreements.

Change Requests

- **Change Requests**: HQCo 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, HQCo 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 Team Facilities; materially affect the Master Project Schedule or completion milestones; increase the Team Facilities Budget or public funding; render the Team Facilities non-compliant with NFL rules applicable to team headquarters and practice facilities; materially impair any insurance, assignment or Step-In Right;

or otherwise require approval under the Team Facilities CCA. Other changes are processed by HQCo and reported in the ordinary course.

- **State/KSFA Requested Changes**: The State and KSFA may jointly submit Change Requests; HQCo 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. HQCo 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**: HQCo 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. HQCo bears repair costs even if insurance proceeds are insufficient; any shortfall may be funded from the Team Facilities Development Account subject to the ratio, but costs causing Project Costs to exceed the Team Facilities Budget are a Project Cost Overrun and funded solely by HQCo.

- **Remedial Work**: HQCo is responsible for environmental corrective action for Hazardous Substances present at the Team Facilities 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**: HQCo 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 HQCo and approved by the State and KSFA, consistent with NFL industry standards, naming the State, KSFA, HQCo 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 HQCo (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 Stadium CCA, the Stadium Management Agreement and the Stadium Land Transfer Agreement*); 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.

- **HQCo-Specific Defaults:** Include: (i) attachment or execution against HQCo or the Team Facilities 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

HQCo'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**: HQCo'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 Team Facilities Funding Commitment so as to maintain the Team Facilities 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 HQCo's rights under the Project Agreements), and cause the Project to be completed. HQCo 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 HQCo 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 HQCo'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 HQCo Default resulting in a material deviation from the Project Program Statement or material schedule delay, direct the Construction Funds Trustee to release undisbursed Public Team Facilities 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.

HQCo Remedies:

- **Generally**: HQCo may cease further private funding and pursue available legal/equitable remedies, subject to applicable sovereign/governmental immunity limitations.

- **Termination right**: HQCo may terminate the Agreement only upon (i) an uncured KSFA Payment Breach that has been finally confirmed through arbitration, (ii) a Critical Delay (i.e., the State's failure to satisfy the Funding Milestone by its Milestone Funding Date), following 60 days' notice and opportunity to cure, but without confirmation through arbitration, or (iii) *StadCo's valid termination of the Stadium CCA for the State's failure to timely satisfy the Stadium CCA's $1,000,000,000 Funding Milestone, upon written notice*.

Indemnification

- **Indemnification of State/KSFA:** HQCo indemnifies the State and KSFA (and their respective Affiliates, employees and agents) from Losses arising from the negligence or wrongful acts of HQCo 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 HQCo:** KSFA and the State each indemnify HQCo (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 HQCo'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 Team Facilities 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, HQCo 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**: HQCo, at its own cost (not a Project Cost), commissions an annual cost segregation study. Project Costs attributable to Qualifying Personal Property are allocated to HQCo for federal (and corresponding state) income tax purposes upon Final Completion, capped at Project Costs actually funded by HQCo 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.