SIDLEY

TEAM FACILITIES MANAGEMENT AGREEMENT – SUMMARY

This summary reflects the KSFA Vote Draft of the Team Facilities Management Agreement (this "Agreement"). This summary is qualified in its entirety by, and should be read by reference to, the Team Headquarters and Practice Facility Management 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.

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

Deal Summary

- **Purpose:** Governs the operation, management and use of the Team's new office headquarters and practice facility in Olathe, Johnson County, Kansas (the "Team Facilities"), and the underlying land conveyed to Owner under the Team Facilities Land Transfer Agreement.
- **Commercial structure:** Owner holds title; Manager has exclusive day-to-day operational control under a revocable contractual license that creates no leasehold or real property interest. Owner has oversight rights in specified areas.
    - *Unlike the Stadium, the Team Facilities are a private-use facility. There is no RMMO Fund, no Civic Events, no Alternate Site concept and no Small Business Support covenant. Manager bears every cost.*

Term

- **Commencement Date:** Substantial Completion of the Team Facilities.
- **Expiration Date and Extensions:** The Expiration Date is the Stadium Management Agreement's Expiration Date, as extended under that agreement. Upon any valid exercise of an Extension Term under the Stadium Management Agreement, this Term extends automatically for the same period.

Use and Annual Payments

- **Permitted Use:** Any purpose that is not prohibited by the Agreement or Applicable Law and that does not change its primary purpose as a facility for the Team's football training, practices, business operations and reasonable ancillary uses. "Team Use" expressly includes football and business operations, medical and performance services, media production, and camps, clinics and corporate or community events hosted by Manager.
- **Annual Payments:** $10,000 per Term Year..
    - *Nominal rent with no escalator. Because there is no RMMO Fund, the Annual Payments do not fund anything; they are consideration for the license only.*
- **Revenue, Naming, Advertising, Broadcast, Concessions:** Manager retains all revenue generated at the Team Facilities and holds exclusive naming, advertising, broadcast and food, parking and merchandising rights, each expiring with the Term. Owner may reject naming sponsors in certain categories.

Operations, Maintenance and Capital Repairs

- **Standard:** Manager must operate, repair and maintain the Team Facilities in good condition and repair, in accordance with Applicable Law and NFL Rules, and in a manner reasonably consistent with the applicable standards at the Comparable NFL Facilities, including annual preventative maintenance and capital improvement programs reasonably satisfactory to Owner.
- **Responsibility for Expenses:** Manager bears all costs of ownership, maintenance, repair, insurance and operation, including all Capital Repairs, without contribution, credit or offset from Owner or the State. No RMMO Fund monies may be used for the Team Facilities.
    - *Unlike in the Stadium Management Agreement, no public money is involved in the maintenance or repair of the Team Facilities.*

- **Annual Facility Report:** Each Term Year, Manager delivers an officer-certified report on physical condition, Capital Repairs and material maintenance completed, the forward-year Annual Capital Plan, material legal violations and unresolved insurance claims. Every five Term Years, Manager commissions an independent physical condition assessment at its own cost. Owner approval over annual plan.
- **Capital Repairs**: Owner has oversight on Capital Repairs exceeding $250,000, but does not otherwise have rights with respect to maintenance and operations. All Capital Repairs conform to the Annual Capital Plan, Project Program Statement and Comparable NFL Facilities standards.
- **Delegation:** Manager may not delegate overall management without Owner consent (not to be unreasonably withheld), but may contract for janitorial and similar services freely.

Damage, Condemnation and Alterations

- **Casualty:** Manager must restore at its expense and is entitled to available insurance proceeds. For Casualty Repair Work above $2 million, Owner approves the general contractor, lead architect and their contracts (reasonable discretion) and may engage an independent construction representative at Owner's cost.
- **Last-36-Months Termination:** If a Major Casualty occurs in the last 36 months of the Term and Manager elects not to restore, or proceeds are inadequate, Manager may terminate on 30 days' notice, pays the unsatisfied deductible, and is relieved of restoration. Insurance proceeds are then split 60% to Owner and 40% to Manager.
- **Condemnation:** Follows the Stadium Management Agreement construct: total or substantial Taking terminates the Agreement; partial Taking continues with restoration; Owner receives the award subject to Manager's claim for its own property, relocation costs and the value of its rights.
- **Alterations:** Non-structural alterations without consent if they do not materially change function, design, aesthetics, structure or systems or violate law or the Project Program Statement; structural alterations require Owner consent (not to be unreasonably withheld). Manager retains ownership and depreciation of its alterations during the Term; affixed property becomes part of the realty.

Assignment and Use Rights

- **Assignment:** No assignment without Owner consent except to a Permitted Assignee that assumes all Manager obligations under the Definitive Documentation and is NFL-approved; Manager is then released prospectively.
- **Permitted Use Rights:** Manager may license space to the Chiefs under the Use Agreement, to Affiliates for permitted uses, to third parties for entertainment events, and for telecom, wind, solar and utility installations, each coterminous with the Term and creating no real property interest.
- **Use Agreement:** Must obligate the Chiefs to comply with the Non-Relocation Agreement and be consistent with the Definitive Documentation. Owner reviews the form within 15 days and may withhold approval only for non-compliance; silence is deemed approval.

Indemnification, Insurance, Environmental

- Mirror the Stadium Management Agreement.

Default and Remedies

- Mirror the Stadium Management Agreement.