TEAM FACILITIES NON-RELOCATION AGREEMENT – SUMMARY

This summary reflects the KSFA Vote Draft of the Team Facilities 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 Agreement generally follows the same overall framework as the Stadium Non-Relocation Agreement.

Deal Summary

- **Purpose**: The Team Facilities Non-Relocation Agreement requires the Kansas City Chiefs to establish the Team Headquarters and Practice Facility at the Team Facilities site and keep and operate the Chiefs Operations in the state, including all training and football operations on a full-time, year-round basis.
- **Parties**: Kansas City Chiefs Football Club, Inc. ("TeamCo" or the "Chiefs"), the Kansas Sports Facilities Authority ("KSFA") and the State of Kansas (through the Kansas Department of Commerce) ("State").

Term and Timing

- **Term**: Begins on the Effective Date and generally continues through the expiration or earlier termination of the Stadium Management Agreement Term Expiration Date.
- **Interim Period**: Covers the period between signing and the Team Facilities Management Agreement Term Commencement Date. During that period, the anti-relocation protections apply.

Non-Relocation Obligations

- **Generally**: The Chiefs must move the Team Headquarters and Practice Facility to the Team Facilities Site no later than the Team Facilities Management Agreement Commencement Date and, after the Interim Period, keep, maintain and continuously operate the Team Facilities in the STAR Bond District, including all training and football operations activities, on a full-time, year-round basis at all times during the Non-Relocation Term.
- **Team and Franchise Maintenance**: The Chiefs are required to keep and maintain Team and the Franchise in good standing under the NFL Rules and Regulations.
- **Facility Maintenance**: After the Interim Period, the Chiefs must (i) continuously operate the Team Headquarters and Practice Facility in the STAR Bond District (including all training and football operations activities on a full-time, year-round basis) and (ii) keep and maintain the Team and the Franchise in good standing.
- **Relocation Activities**: The Chiefs also shall not (i) relocate or otherwise move the Team Facilities outside the STAR Bond District, or discontinue their principal, full-time, year-round operations; (ii) contract to sell or transfer the Team to a Person who, to the Chiefs' knowledge, intends to move the Team Facilities outside the STAR Bond District; (iii) solicit offers, or enter into discussions, negotiations or agreements, concerning relocation outside the STAR Bond District, or otherwise attempt to cause operations outside the STAR Bond District; or (iv) complete a transfer of the Franchise that results in the Chiefs relocating their operations outside the STAR Bond District.

Enforcement and Remedies

- **Primary Remedy – Keep the Team Facilities 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 actually dispersed by the Public to fund the projects.

- **Liquidated Damages Calculation**: The Agreement provides that $500 million is the base amount for liquidated damages, which is reduced per the schedule therein. 100% 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.
    - *The Parties acknowledge and agree that this is a reasonable forecast of direct damages the State would be entitled to in the event of a breach, in light of the public commitment to funding the construction of the Team Facilities site, the Public and Johnson County's commitment to the Team through the establishment of the STAR Bond District, the loss of revenues (including income tax revenues) and other detrimental effects that would be felt by the State.*
- **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.

Continuous Operation of Team Facilities

- **Temporary Unavailability**: If, following the Interim Period, an Untenantable Condition exists, the Chiefs must first attempt to continue the affected operations at the Team Facilities to the extent reasonably practicable. If that is not possible, the Chiefs may temporarily conduct the affected operations at an Alternate Site while the condition continues.
- **Mitigation and Notice**: During the existence of the Untenantable Condition, the Chiefs must provide KSFA prompt written notice of the condition, the expected impact on operations, and expected duration. The Chief shall use commercially reasonable efforts to minimize the duration of, mitigate, and eliminate the Untenantable Condition.
- **Other Obligations Continue**: Temporary relief does not excuse the Chiefs' other obligations under the Definitive Documentation or waive or impair any remedies of KSFA or the State arising from the cause of the condition.

Sale or Transfer of the Team

- Follows Stadium Non-Relocation Agreement.

Termination

- **General Termination Events**: The Agreement terminates upon the expiration or termination of the Term, the termination of the Team Facilities CCA following the State's failure to satisfy the Public Team Facilities Funding Commitment within the required timeline, mutual agreement, or payment of liquidated damages.
- **Accrued Obligations**: Termination does not relieve the Chiefs of liquidated damages or other damages arising or accruing before the effective date of termination.