

## **STAR Bond Agreement – Project Monitor 2.0**

This STAR Bond Agreement (this “Agreement”) summarizes the structure and key terms for the development of a portion of that certain Project described more fully below, involving the Kansas City Chiefs Football Club, Inc. (the “Team”), a to-be-formed stadium company that is responsible for the Stadium Development and Stadium (each, as hereinafter defined) operations (“StadCo”) and a to-be-formed development company that will be responsible for Qualified Ancillary Development (“DevCo” and together with the Team, StadCo and other designated affiliates, the “Chiefs”), and the State of Kansas, through the Kansas Department of Commerce (the “State, and together with the Chiefs, the “Parties”). The State may freely assign, delegate or otherwise transfer its rights and obligations under this Agreement, in its sole discretion, to any stadium authority established or designated by the State to implement the terms herein. The Parties desire to form a public-private partnership to foster the development of a sports anchored, mixed-use development STAR bond project (the “Project”) in accordance with the plan set forth in **Exhibit A** in Kansas City and Olathe (collectively, the “Cities”) in Wyandotte County, Kansas and Johnson County, Kansas (together, the “Counties”, and, collectively with the State and the Cities, the “Public”) pursuant to K.S.A. 12-17,162(aa)(2), anchored by the Team, which is a member of the National Football League (“NFL”), through the development by the Chiefs of the Team’s Stadium, Team Headquarters, and Practice Facility (each as hereinafter defined) in the Cities, as well as retail, restaurants, hotel(s), residential buildings, entertainment, office space and medical facilities, activated on a year-round basis by the Chiefs, and other parties designated by the Chiefs.

This Agreement is not intended as a complete and final agreement governing the Project between the Parties. Promptly following the satisfaction of the Definitive Documentation Conditions (as hereinafter defined), the Parties shall enter into final, definitive long-form agreements including, but not limited to, those documents listed in **Exhibit B** attached hereto, (the “Definitive Documentation”) to govern the Project in greater detail. Except for the terms contained in the sections titled “Exclusivity” and “Conditions Precedent” in this Agreement, and unless and until otherwise agreed upon in writing by each Party, this Agreement is non-binding on the Parties. The Parties also acknowledge and agree that the terms set forth in this Agreement remain subject to the Definitive Documentation, which shall be mutually acceptable to each Party in such Party’s sole and subjective discretion. Pursuant to the Stadium Agreement Condition (as hereinafter defined), this Agreement will be submitted, following presentation to the NFL, first, to the Chiefs for partial execution, then to the Legislative Coordinating Council (the “LCC”) for approval and finally to the State for full execution. For the avoidance of doubt, this Agreement shall not become effective unless such LCC approval is obtained, which shall be no later than December 22, 2025, unless extended by the LCC.

<b>I. Overview</b>	
<b>The STAR Bond District; Site; Site Control</b>	Pursuant to K.S.A. 12-17,181, the LCC expressly authorizes the Secretary of the Department of Commerce (the “ <u>Secretary</u> ”) to establish a STAR bond district pursuant to K.S.A. 12-17,162(cc)(2) in any size, scope or location as they deem appropriate, as may be adjusted from time to time, in order to finance the Project in accordance with the terms herein (the “ <u>STAR Bond District</u> ”). For purposes of this Agreement, and

	<p>subject to the authority of the Secretary of Commerce set forth in K.S.A. 12-17,181, the STAR Bond District as initially formed shall generally comport with the map set forth in <b>Exhibit A</b>. The Secretary may make changes to the STAR Bond District after establishment as set forth in K.S.A. 12-17,164(a)(2). The Secretary may also create project areas within the STAR Bond District to facilitate the financing of the Project.</p> <p>The STAR Bond District will include certain real property generally located at the intersection of U.S. Interstate 70 and U.S. Interstate 435 (such location, the “<u>Site</u>”). For the avoidance of doubt, the Site will also include the land underlying the Team Headquarters and Practice Facility in Johnson County. The Chiefs shall at least obtain control of the Site (“<u>Site Control</u>”), and provide evidence of same, in accordance with a timeline mutually agreed to by the Parties, <i>provided</i> that the Chiefs shall fully acquire (whether by fee title or long-term ground lease) the portion of the Site consisting of the Stadium Development no later than one hundred twenty (120) days following the Definitive Documentation Outside Date (as hereinafter defined). As more fully set forth below, the portion of the Site consisting of the Stadium Development shall be conveyed to the Government Owner (as hereinafter defined) prior to commencement of construction and in any event prior to the issuance of any STAR Bonds (as hereinafter defined).</p>
<b>Project Components</b>	<p>The Project will be developed in two (2) phases (each, a “<u>Phase</u>”):</p> <ul style="list-style-type: none"> <li>(a) Stadium Development; and</li> <li>(b) Qualified Ancillary Development (as hereinafter defined).</li> </ul>
<b>II. Stadium Development</b>	
<b>Stadium Components</b>	<p>The “<u>Stadium Development</u>” will consist of the following components and improvements to be developed following the consummation of the Site Control in accordance with the Definitive Documentation:</p> <ul style="list-style-type: none"> <li>(a) a new, state-of-the-art, domed football stadium of not less than 65,000 seats which meets the requirements of K.S.A. 12-17,162(o) (the “<u>Stadium</u>”);</li> <li>(b) the purchase of the relevant portion of the Site underlying the Stadium Development; and</li> </ul>

	<p>(c) paved and/or structured parking, utility infrastructure (but not, for the avoidance of doubt, utility payments), and related infrastructure as set forth in <b><u>Exhibit C</u></b>.</p> <p>The Stadium Development will be complete and operational not later than August 1, 2031, subject to the terms of the Definitive Documentation providing for an extension of time in the event of a force majeure event or any material delays for causes beyond the reasonable control of a Party. The Chiefs will use commercially reasonable efforts to complete and make operational the Stadium Development by the start of the 2031-2032 NFL season. For the avoidance of doubt, in no event will the Chiefs be obligated to commence use of the Stadium as the location for home football games prior to the start of the 2031-2032 NFL season. Prior to the execution of Definitive Documentation, the Parties will agree upon further detail surrounding the Stadium Development, <i>provided</i> that in all cases, the costs incurred in connection with the Stadium Development will be in substantial accordance with the Final Stadium Budget (as hereinafter defined).</p>
<b>Stadium Development Design and Construction</b>	<p>Except as otherwise set forth herein, the Chiefs shall be responsible for constructing the Stadium Development. The Stadium Development shall be constructed in accordance with the Definitive Documentation, including a stadium construction coordination agreement (“<u>Stadium CCA</u>”) mutually acceptable to the Chiefs and the State (in coordination with any relevant Public entities) that shall set forth the terms for the construction and development of the Stadium Development, including: (a) the State’s and the Chiefs’ respective construction and funding obligations; (b) required substantial completion dates; (c) applicable approvals; (d) the final programmatic elements and initial renderings for the design and construction of the Stadium (the “<u>Final Project Program Statement</u>”) reflecting that the Stadium will be constructed in a first-class manner, so as to be generally comparable in overall quality and features to other domed NFL stadiums such as Mercedes-Benz Stadium in Atlanta, Georgia, New Nissan Stadium in Nashville, Tennessee, State Farm Stadium in Glendale, Arizona, and U.S. Bank Stadium in Minneapolis, Minnesota (collectively, “<u>Comparable NFL Facilities</u>”); <i>provided</i> that nothing herein shall require that the Stadium include any particular features or components that are included in any of the Comparable NFL Facilities unless such features or components are otherwise listed in the Final Project Program Statement; (e) any applicable sales tax exemption on construction materials for the Stadium Development, consistent with industry standards and subject to</p>

	<p>approval by the relevant Public entities; (f) the Parties' obligation to work in good faith to support expedited permitting and review processes; (g) the Parties' mutual intent to structure the Stadium Development and related contracting in a manner that ensures the effective and efficient procurement of goods and services, including by having construction, acquisition, and contracting activities carried out through or by the Team or its designee to the fullest extent permitted by law, and by seeking or supporting any necessary waivers, exemptions, legislation or authorizations under applicable procurement laws to accomplish that intent; (h) the Government Owner's approval and oversight rights over construction of the Stadium Development and (i) such other terms and provisions as the Parties may mutually determine to be necessary or desirable.</p>
<b>Stadium Ownership</b>	<p>Prior to commencement of construction and in any event prior to the issuance of the STAR Bonds, the Stadium Development will be conveyed for the duration of the Term (as hereinafter defined) to a governmental or quasi-governmental entity (the "<u>Government Owner</u>"). The State will cooperate with the Chiefs (and as necessary, the Counties) in: (a) establishing the Government Owner; and (b) following conveyance of the Stadium Development to the Government Owner, achieving the Chiefs' desired legal, economic, and tax outcomes related to the ownership of the Stadium Development, including, but not limited to (in each case, subject to availability under applicable law), obtaining an abatement or exemption for ad valorem real property taxes by the relevant Public entities, the ability of the Government Owner to receive, apply, and manage bond proceeds and other project-related revenues in a predominantly tax-exempt manner (consistent with applicable federal and state law), the potential sale of personal seat licenses by or through the Government Owner, and supporting efforts to extend the abatement or exemption of surrounding property in the immediate vicinity of the Site, as may be mutually determined by the Parties, through the conveyance of such property to the Government Owner, <i>provided</i> that the Team acknowledges that the abatement, exemption or extension shall be subject to approval by the Kansas Board of Tax Appeals or any other applicable Public entity necessary to grant such approval.</p>
<b>Term and Renewal Options</b>	<p>The Management Agreement shall provide that the Chiefs shall occupy the Stadium for thirty (30) years after substantial completion of the Stadium (the "<u>Term</u>"), with six (6), five (5)-year options to extend the Term in the discretion of the Chiefs. The Definitive Documentation will detail the terms and</p>

	conditions of potential decommissioning of the Stadium at the end of the Term.
<b>Rent</b>	<p>The aggregate, annual rent due by the Chiefs to the Government Owner under the Management Agreement shall be equal to \$7,000,000 base growing each year of the Term by the greater of (a) 2% or (b) the percentage increase in CPI for the most recently completed calendar year over the prior calendar year (the “<u>Rent</u>”). The Rent may be modified by the mutual written agreement of the Chiefs and the Government Owner.</p> <p>The Rent (net of the Retained Amount (as hereinafter defined)) shall be distributed and/or used by the Government Owner as follows: for each year of the Term, (i) until the RMMO Threshold Amount for such year has been deposited into the RMMO Fund (as such capitalized terms are hereinafter defined and described below), one hundred percent (100%) of the Rent shall be deposited into the RMMO Fund; and (ii) once the RMMO Threshold Amount for such year has been satisfied, one hundred percent (100%) of the remaining portion of the Rent shall be deposited into the CIF (as hereinafter defined and further described below).</p> <p>For purposes herein, the “<u>Retained Amount</u>” shall be equal to \$350,000 base, growing each year of the Term by the greater of (a) two percent (2%) or (b) the percentage increase in CPI for the most recently completed calendar year over the prior calendar year, to be retained annually by the Government Owner for administrative costs. Should the Government Owner own and assume administrative responsibilities for property other than the Stadium Development, Team Headquarters, or Practice Facility, the Retained Amount may be increased to an amount not to exceed \$500,000 per year, growing each year of the Term by the greater of (a) 2% or (b) the percentage increase in CPI for the most recently completed calendar year over the prior calendar year, with cost-sharing between the Chiefs and the party with the operational responsibility for such property to be determined at such time.</p>
<b>Stadium Budget</b>	<p>The total cost of the Stadium Development is estimated to be approximately \$3,000,000,000 (the “<u>Stadium Budget</u>”), consisting of the Stadium, the land acquisition for the related portion of the Site and the related infrastructure as set forth in <b><u>Exhibit C</u></b>, to be more fully set forth on a budget to be developed and included as part of the Definitive Documentation (the “<u>Final Stadium Budget</u>”). Further, as between the Parties, the Team shall be responsible for procuring, or facilitating the</p>

	<p>procurement of, all furniture, fixtures, equipment, furnishings, machinery, installations, and all other personal property for the Stadium, subject to the Parties' mutual intent to structure such procurement and contracting activities in a manner that ensures the effective and efficient procurement of goods and services. For the avoidance of doubt, the Public Stadium Funding Commitment (as hereinafter defined) is based upon the Stadium Budget set forth in this Agreement. For the avoidance of doubt, all furniture, fixtures, equipment, furnishings, machinery, installations, and other personal property procured for the Stadium shall be included in, and constitute part of, the Stadium Budget.</p> <p>The Stadium Budget will be paid for in accordance with the Public Stadium Funding Commitment and Private Stadium Funding Commitment (as hereinafter defined), each as detailed below.</p> <p>The Parties acknowledge and agree that the sources and uses for the Stadium Budget are still subject to determination and will be identified and mutually agreed upon by the State and the Chiefs in the Definitive Documentation. Notwithstanding the foregoing, the Parties agree that: (x) it is a condition to entering into each agreement comprising the Definitive Documentation that there be no gap in sources and uses in the Stadium Budget at the time any such agreement is executed; (y) it is a condition to the issuance of any STAR Bonds that there be no gap in sources and uses in the Stadium Budget; and (z) the Final Stadium Budget must be sufficient to complete, the Stadium Development, as further described in the Definitive Documentation.</p>
<b>Public Stadium Funding Commitment</b>	<p>Within ninety (90) days following execution of the GMP Contract (as hereinafter defined), the State shall fund into a designated bond project fund for the Stadium Development (the "<u>Stadium Development Account</u>") an amount equal to the lesser of (a) sixty percent (60%) of the Stadium Budget and (b) \$1,800,000,000 for the development of the Stadium Development (the "<u>Public Stadium Funding Commitment</u>"). Notwithstanding the foregoing, failure by the State to fund the Public Stadium Funding Commitment within the ninety (90) day period set forth herein shall not constitute a breach or default hereunder provided that the State has taken commercially reasonable efforts to do so within such time period.</p>

<p><b>Private Stadium Funding Commitment</b></p>	<p>The Chiefs, on behalf of the State, shall enter into a guaranteed maximum price (“<u>GMP</u>”) construction contract (the “<u>GMP Contract</u>”) for the Stadium Development. The Chiefs shall be responsible for all Stadium Development costs incurred prior to the execution of the GMP Contract. Prior to the issuance of any STAR Bonds supporting the Stadium Development, the Chiefs shall provide, subject to NFL rules, adequate assurances of sufficient capacity to fund all authorized costs necessary to complete the Stadium Development in accordance with the GMP, after taking into account the Public Stadium Funding Commitment (the “<u>Private Stadium Funding Commitment</u>”).</p> <p>For the avoidance of doubt, the Chiefs will be responsible for all remaining costs necessary to complete the Stadium Development (including any Cost Overruns (as hereinafter defined), which shall remain the sole responsibility of the Chiefs).</p> <p>During construction of the Stadium Development, all costs of the Stadium Development shall be funded on a pari passu basis, such that at no time shall the cumulative amount of the Public Stadium Funding Commitment disbursed exceed sixty percent (60%) of total Stadium Development costs, and at no time shall the cumulative Private Stadium Funding Commitment applied be less than forty percent (40%) of total Stadium Development costs (the “<u>Stadium Construction Ratio</u>”). For the avoidance of doubt, the Stadium Construction Ratio shall be maintained throughout construction. By way of example, if total Stadium Development costs equal \$100, then no more than \$60 of the Public Stadium Funding Commitment may be paid, and at least \$40 must be applied by or on behalf of the Chiefs, so that the Stadium Construction Ratio is maintained at all times. Notwithstanding the foregoing, subject to maintaining the Stadium Construction Ratio at the time of any such disbursement, the Chiefs may receive payment from the Stadium Development Account for Stadium Development costs paid by the Chiefs prior to execution of the GMP Contract or prior to the issuance of any STAR Bonds supporting the Stadium Development. Notwithstanding the foregoing, in the event that the underwriter determines that establishing a single fully funded account is required to achieve the most efficient financing structure and overall outcome for the Project, the Definitive Documentation will provide for an alternative mechanism for distribution of funds.</p> <p>The Chiefs, the State, and bond underwriters shall use commercially reasonable efforts to agree on the form of</p>
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	<p>assurance required to achieve an efficient financing structure as determined by the State. If the Parties fail to agree on the form of assurance(s), any Public Funding Commitments under the Definitive Documentation may be terminated.</p>
<b>Operations and Management</b>	<p>As part of the Definitive Documentation, the Chiefs and the Government Owner will negotiate, in good faith, a management agreement consistent with the terms of this Agreement (the “<u>Management Agreement</u>”) for the Stadium, mutually acceptable to the Parties, pursuant to which the Chiefs will be permitted to manage and operate, in a first-class manner reasonably consistent with the standards at other Comparable NFL Facilities, the Stadium.</p> <p>The Parties further acknowledge their mutual intent to structure the Management Agreement and all related operational contracting in a manner that ensures the effective and efficient procurement of goods and services, including by having management, operational, and service contracts carried out through or by the Chiefs or its designee to the fullest extent permitted by law, and by seeking or supporting any necessary waivers or exemptions to accomplish that intent.</p> <p>Except as otherwise described herein, and subject in all cases to the Chiefs’ obligations to the Government Owner and the Public’s responsibilities under the Definitive Documentation, StadCo shall be responsible for, and will have the right and authority for, operating and maintaining, in a first-class manner reasonably consistent with the standards at other Comparable NFL Facilities, the Stadium Development at its sole cost and expense (except for those expenses which may be paid from the RMMO Fund).</p> <p>As further set forth in the Definitive Documentation, the Chiefs will have the right, with the prior written approval of the Government Owner, not to be unreasonably withheld, conditioned or delayed, to designate a third-party to have overall management responsibility for the operation and maintenance of the Stadium (including, but not limited to, janitorial services). Notwithstanding the foregoing, the Chiefs will have the right to enter into contracts for provision of janitorial, maintenance and other similar services without the necessity of any consent from the Government Owner.</p>
<b>RMMO Funding</b>	<p>In an effort to maintain the Stadium in a first-class manner reasonably consistent with the standards at other Comparable NFL Facilities, the State will identify and secure ongoing funding sources to be made available to the Chiefs in a separate,</p>



	<p>segregated account (the “<u>RMMO Fund</u>”), to be established and maintained by the Government Owner, for the Capital Repairs, Maintenance and Repair Work, and Management and Operations (each as hereinafter defined) of the Stadium, consistent with applicable law as well as for expenditures made by the Government Owner in connection with the Annual Assessment (as hereinafter defined).</p> <p>For purposes herein, the “<u>RMMO Threshold Amount</u>” means, for each year of the Term, the minimum annual funding level for the RMMO Fund of \$17,000,000, growing each year of the Term by the greater of (a) 2% or (b) the percentage increase in CPI for the most recently completed calendar year over the prior calendar year.</p> <p>The RMMO Fund will be funded through the contribution of: (i) on an annual basis, ten percent (10%) of the funds in the Sports Fund (as hereinafter defined) (such contribution, the “<u>Sports Fund RMMO Contribution</u>”) until the RMMO Threshold Amount for such year has been deposited into the RMMO Fund; and (ii) if the RMMO Threshold Amount for such year has not been satisfied following the Sports Fund RMMO Contribution, then one hundred percent (100%) of the Rent (net of the Retained Amount) until the RMMO Threshold Amount for such year has been deposited into the RMMO Fund (clauses (i) and (ii), collectively, the “<u>Public RMMO Funding Commitment</u>”). For the avoidance of doubt, once the RMMO Threshold Amount for such year has been deposited into the RMMO Fund, one hundred percent (100%) of any excess portion of the Sports Fund RMMO Contribution and/or Rent, as applicable, shall be deposited into the CIF, <i>provided, further</i>, that the Team shall also deposit into the CIF no less than \$3,000,000 regardless of any portion of the Sports Fund RMMO Contribution or Rent that is deposited into the CIF (the “<u>Minimum CIF Amount</u>”). By way of example, if in a given year the RMMO Threshold Amount is \$17,000,000, the State’s annual contribution from the Sports Fund equals \$13,000,000, and the Rent (net of the Retained Amount) equals \$7,000,000, then the first \$4,000,000 of the Rent will be deposited into the RMMO Fund in order to reach the RMMO Threshold Amount. The remaining \$3,000,000 of the Rent will thereafter be deposited into the CIF and the Team will separately deposit an additional \$3,000,000 (i.e., the Minimum CIF Amount) into the CIF.</p> <p>For the avoidance of doubt, the Public RMMO Funding Commitment shall constitute the State’s sole funding obligation</p>
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	<p>for Capital Repairs, Maintenance and Repair Work, or Management and Operations of the Stadium, and the Chiefs shall be responsible for funding any costs of Capital Repairs, Maintenance and Repair Work, or Management and Operations of the Stadium in excess of the Public RMMO Funding Commitment.</p> <p>The Definitive Documentation shall set forth the terms and conditions of the RMMO Fund, including, but not limited to: (a) the final amount and sources of contribution; and (b) permitted uses and related requirements, including, but not limited to, that any and all expenditures from the RMMO Fund by the Chiefs shall be subject to an approval process established by the Government Owner.</p> <p>If the funds in the RMMO Fund are insufficient for the long-term Capital Repairs, Maintenance and Repair Work, and/or Management and Operational needs of the Stadium, the Chiefs shall be responsible for any additional required costs. Expenditures from the RMMO Fund shall be applied in a waterfall such that funds are used first for Capital Repairs and/or Maintenance and Repair Work, and only thereafter for Management and Operations. Except for Management and Operations, expenditures from the RMMO Fund may be applied to RMMO eligible expenses incurred in the current or any prior year, but only to the extent funds are available in the RMMO Fund at the time of payment.</p> <p>On an annual basis, the Government Owner shall retain an independent consulting firm of engineers and/or a facility-condition consulting firm to assist in carrying out at least annual assessment, including a written report, of the Stadium for purposes of Capital Repairs, Maintenance and Repair Work, and Management and Operations which shall include an inspection of structural, mechanical, electrical and architectural components (an “<u>Annual Assessment</u>”). The Government Owner shall select such consulting firm in consultation with the Chiefs. All costs and expenses incurred by the Government Owner in connection with the Annual Assessment will be paid by the RMMO Fund.</p> <p>“<u>Capital Repairs</u>” means any addition, alteration, demolition, improvement or refurbishing of or to the Stadium or any portion thereof the cost or expense of which is classified as a capital expense by GAAP not included in the construction of the Stadium as constructed in accordance with the Stadium CCA.</p>
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	<p>“<u>Maintenance and Repair Work</u>” means all work which is of a routine nature and is reasonably necessary for preventative maintenance and repair of any part of the Stadium in a manner reasonably consistent with the standards at other Comparable NFL Facilities.</p> <p>“<u>Management and Operations</u>” means the ongoing oversight, administration, and performance of activities required to keep the Stadium open, functional, and maintained in a first-class manner reasonably consistent with the standards at other Comparable NFL Facilities, collectively. Such activities include Stadium security, Stadium janitorial, Stadium maintenance, Stadium parking, and other Stadium facility related services, as well as the engagement of vendors or contractors performing such services or repairs. For the avoidance of doubt, “Management and Operations” shall not include any personnel related costs (such as wages, salaries or benefits) for the Chiefs’ football team members or front office management operations officers or employees (including, but not limited to, any employee with an executive vice president or above title) other than non-senior, non-executive employees reasonably required for Stadium facility related services.</p>
<b>Insurance</b>	<p>The Chiefs will be responsible for providing, at their sole cost and expense, insurance coverage for the Stadium, in types and amounts consistent with NFL industry standards, to be further set forth in the Definitive Documentation. The Definitive Documentation will provide for the Parties to cooperate to determine the most cost-effective manner to obtain all insurance coverage.</p>
<b>Naming Rights Sponsorship</b>	<p>The Management Agreement shall provide that the Chiefs have the right to name, or to contract with any person or entity in order to name, the Stadium; <i>provided</i> that any such name will not unreasonably cause embarrassment or disparagement to the Public as will be further defined in the Definitive Documentation.</p> <p>The Government Owner reserves the right to: (i) reject any proposed naming rights sponsor in any of the following categories: tobacco, vaping, adult entertainment, firearms, or political entities; and (ii) object to any other proposed naming rights sponsor that is not compatible with NFL and then-existing community standards, including incompatible products or services or the promotion of groups and special interests that are not aligned with then-existing community standards, or that is otherwise deemed inappropriate or does not meet the criteria</p>

	outlined in this paragraph. If the Government Owner objects to any proposed naming rights sponsor in accordance with clause (ii), then such objection shall be resolved using the dispute resolution procedure established in the Management Agreement.
<b>Non-Relocation</b>	<p>The Definitive Documentation shall include a non-relocation agreement (the “<u>Non-Relocation Agreement</u>”) with respect to the Chiefs remaining at the Stadium and the Team playing all of its NFL home games at the Stadium for the initial thirty (30) years of the Term as applicable (the “<u>Non-Relocation Term</u>”).</p> <p>The Non-Relocation Agreement shall set forth that if, during the Non-Relocation Term: (a) the Stadium closes; (b) the Chiefs try to relocate outside of the Site; or (c) the Team attempts to cease playing any of its NFL home games at the Stadium (subject, however, to force majeure and generally-applicable NFL policies with respect to the playing of games designated as “home games” at either (i) locations outside the United States, including as part of the NFL International Series, or (ii) other locations at which two (2) or more NFL teams are brought together for competition at locations that are not the normal home stadium for such teams (e.g., the annual NFL Pro Football Hall of Fame Game)), the Chiefs will be subject to injunctive relief/specific performance and potential damages equal to the financial commitments made by the Public to fund the Project or other expenses borne by the Public in connection therewith, including, but not limited to, an amount of liquidated damages, which amount shall be equal to the sum of (x) the Public Funding Commitments issued and applied towards the Stadium Development, Team Headquarters and Practice Facility, (y) interest accrued on the amount of STAR Bonds issued and applied towards the Stadium Development, Team Headquarters and Practice Facility through the date of breach, and (z) reasonable costs incurred in connection with the demolition of the Stadium, if applicable. The Parties acknowledge and agree that, beginning in the fifteenth (15th) year of the Non-Relocation Term, (A) no <i>additional</i> interest accrued on the amount of STAR Bonds issued and applied towards the Stadium Development, Team Headquarters and Practice Facility (other than, for the avoidance of doubt, interest accrued prior to the fifteenth (15th) year of the Non-Relocation Term) shall be included in the liquidated damages calculation and (B) the balance of the liquidated damages amount shall decrease thereafter in equal, annual percentage increments, reaching zero</p>

	percent (0%) in the thirtieth (30th) year of the Non-Relocation Term as set forth in <b><u>Exhibit D</u></b> attached hereto.
<b>Community Impact</b>	<p>The Definitive Documentation shall include a community impact agreement (the “<u>Community Impact Agreement</u>”) that the Team will make with respect to the benefits and the charitable and other community efforts to be undertaken in connection with the Project upon terms and conditions mutually acceptable to the State and the Chiefs, in each party’s sole and subjective discretion, that will amplify the Chiefs’ commitment to the community, including, but not limited to: (i) expanding the Chiefs’ charitable, volunteer and other community efforts in the State to at least match any efforts the Chiefs currently make in Missouri; (ii) contributing to a community impact fund (a “<u>CIF</u>”) in a separate, segregated account controlled by the Team (the “<u>Team CIF Account</u>”) an amount equal to the Minimum CIF Amount (as defined in the section titled “RMMO Funding” above), which funds in the Team CIF Account shall be used towards building sports, athletic, and wellness facilities, youth-oriented facilities or programs, or other mutually-agreed upon projects of community, recreational, or economic significance, including but not limited to Team-affiliated or co-branded facilities, activities, or programming, or projects or initiatives that align with the charitable priorities of the Hunt Family Foundation (collectively, “<u>Community Impact Projects</u>”), of which not less than fifty percent (50%) of such CIF expenditures shall be used for Community Impact Projects located within the State but outside the Kansas City metropolitan area (for which the Chiefs will provide annual reports to the State evidencing its compliance with this obligation in a form acceptable to the State in the State’s sole discretion); (iii) providing the State access to one (1) suite at the Stadium for use of the State and its designees, provided that all costs associated with stocking, catering, food and beverage, and related expenses for such suite (other than water and soda) shall be borne by the State in a manner consistent with the suite policies applicable to other suite holders, which will be subject to allocations, size, and other restrictions to be set forth in the Definitive Documentation (including reasonable carve-outs for events beyond the Chiefs’ control (e.g., FIFA World Cup, Super Bowl, if applicable) but only to the extent that such events render the suite unavailable and following reasonable efforts to relocate the Public to a substantially similar suite); (iv) minimum annual Stadium utilization requirements (subject to Stadium availability, for which the Team will have scheduling priority) by the State and its designees in order to host non-competing community events</p>

	<p>(such as graduation ceremonies, high school sporting events, and free concerts open to the public) at cost to the State (and at no cost to the Team); (v) using commercial efforts to achieve local hiring requirements and additional local hiring efforts for construction and operation of the Stadium; and (vi) joining the State Chamber of Commerce and the local chambers of the relevant Public entities.</p> <p>The Team CIF Account (which, for the avoidance of doubt, is controlled by the Team as set forth above) will be funded through the contribution of: (i) on an annual basis, the Minimum CIF Amount; and (ii) on an annual basis, fifty percent (50%) of any remaining portion of the Rent being deposited into the CIF pursuant to the section titled “RMMO Funding” above.</p> <p>A separate, segregated account controlled by the CIC (as hereinafter defined) (the “<u>State CIF Account</u>”) will be funded through the contribution of: (i) on an annual basis, one hundred percent (100%) of any remaining portion of the Sports Fund RMMO Contribution being deposited into the CIF pursuant to the section titled “RMMO Funding” above; and (ii) on an annual basis, fifty percent (50%) of any remaining portion of the Rent being deposited into the CIF pursuant to the section titled “RMMO Funding” above.</p> <p>The State will establish a community impact committee (the “<u>CIC</u>”) consisting of one (1) representative of the Team and four (4) representatives of the State which shall meet at regular intervals to discuss community priorities and determine how the CIF funds deposited into the State CIF Account will be allocated across community initiatives in the State. The composition, roles and powers of the CIC will be more fully set forth in the Definitive Documentation.</p> <p>Further, the Chiefs shall work with the State to conduct an economic and fiscal analysis study which shall, to the reasonable satisfaction of the State, demonstrate the positive economic impact that the Project will have on the Counties, the Development Areas (as hereinafter defined) and the State.</p>
<b>NFL Approval</b>	<p>The Definitive Documentation related to the Stadium Development, if applicable, shall have been approved by NFL prior to the Definitive Documentation Outside Date, it being understood and agreed that such approval by NFL may be conditioned upon making changes to the foregoing documents to comply with NFL rules and regulations and may require inclusion of language in any or all of such Definitive</p>

	Documentation subordinating such documents, and all rights of the Parties, to NFL as part of any approval.
<b>Dispute Resolution</b>	The Management Agreement and other Definitive Documentation shall each include provisions establishing a mutually acceptable dispute resolution process that may include requirements for mediation and/or arbitration and/or expedited judicial review of disputes among the Parties.
<b>III. Qualified Ancillary Development</b>	
<b>Qualified Ancillary Development Components</b>	<p>Subject in all cases to approval by the State, “<u>Qualified Ancillary Development</u>” is anticipated to consist of the following improvements to be developed in the Counties and other locations within the State of Kansas (the “<u>Development Areas</u>”), following the consummation of the Site Control in accordance with a detailed development plan for the Development Areas prepared by the Team, as applicable (the “<u>Development Plan</u>”):</p> <ul style="list-style-type: none"> <li>a) a new office headquarters for the Team (the “<u>Team Headquarters</u>”);</li> <li>b) a new, cutting-edge practice facility (the “<u>Practice Facility</u>”);</li> <li>c) the purchase of the relevant portion of the Site underlying the Qualified Ancillary Development, subject to standard State guidelines for acquisition and transfer of property located in a STAR Bond district;</li> <li>d) an entertainment venue in a size mutually determined by the Parties and supported by a market study;</li> <li>e) retail and restaurant spaces;</li> <li>f) hotel, residential (including ten percent (10%) designated as workforce and affordable housing) and office space, in accordance with the provisions herein;</li> <li>g) medical facilities;</li> <li>h) community park(s); and</li> <li>i) paved and/or structured parking and related infrastructure.</li> </ul>

	<p><i>provided</i> that the following shall not be considered part of the Qualified Ancillary Development: (i) any portion of the Project described in NAICS Code 518210, despite its inclusion in the STAR Bond District; (ii) any portion of the development funded from the CIF and (iii) any projects or development that have commenced prior to the execution of this Agreement.</p> <p>The Qualified Ancillary Development will commence no later than December 31, 2028 and the Chiefs will use commercially reasonable efforts to complete and make operational at least \$1,000,000,000 worth of Qualified Ancillary Development by December 31, 2038, subject to the terms of the Development Plan providing for extension of time in the event of a force majeure event or any material delays for causes beyond the reasonable control of a Party. Notwithstanding the foregoing, the Chiefs will use commercially reasonable efforts to complete and make operational the Team Headquarters and the Practice Facility by the start of the 2031-2032 NFL season. For the avoidance of doubt, the Team Headquarters and the Practice Facility shall collectively qualify for no more than \$300,000,000 worth of Qualified Ancillary Development (irrespective of any Cost Overruns related thereto) for purposes of satisfying the \$1,000,000,000 threshold established above.</p> <p>Additionally, the Parties agree that (i) not less than \$325,000,000 of the Qualified Ancillary Development shall consist of sales-tax-generating components (which minimum, for avoidance of doubt, shall include any Qualified Ancillary Development located outside the Counties but within the Development Areas), of which \$162,500,000 (subject to a variance of up to 20%) shall be in Wyandotte County and (ii) (A) not less than \$325,000,000 of the Qualified Ancillary Development shall be located within Wyandotte County, (B) not less than \$325,000,000 shall be located within Johnson County and (C) up to \$100,000,000 may be located outside of the Counties but within the State, which amount shall include Team-affiliated facilities, activities or programming. For the avoidance of doubt, such minimum dollar thresholds represent floors within the overall \$1,000,000,000 Qualified Ancillary Development requirement, and the Chiefs shall remain obligated to deliver not less than \$1,000,000,000 of Qualified Ancillary Development in the aggregate; <i>provided</i> that in the event that the total Qualified Ancillary Development is above \$1,000,000,000, up to thirty percent (30%) of the additional Qualified Ancillary Development may be located outside of the Counties but within the State.</p>
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	<p>Prior to the execution of Definitive Documentation, the Parties will agree upon further detail surrounding Qualified Ancillary Development, <i>provided</i> that in all cases: (i) Qualified Ancillary Development will be developed in general conformance with the Development Plan and (ii) the uses for any STAR Bond funds shall be subject to approval by the State, which approval will not be unreasonably withheld, consistent with its approval of uses in other STAR Bond projects previously approved by the State. For the avoidance of doubt, Qualified Ancillary Development may include, without limitation, construction of new buildings or renovation of existing buildings and improvements of buildings or spaces to be occupied by tenants, and all costs of such construction, renovation and improvements will be included in the Qualified Ancillary Development Budget.</p>
<b>Qualified Ancillary Development Design and Construction</b>	<p>Qualified Ancillary Development shall be constructed in accordance with the Definitive Documentation, including a “<u>Qualified Ancillary Development Agreement</u>” mutually acceptable to the State and the Chiefs that shall set forth the terms for the construction and development of Qualified Ancillary Development, including: (a) the State’s and the Chiefs’ respective construction and funding obligations; (b) required substantial completion dates; (c) applicable approvals; (d) the final programmatic elements and initial renderings for the design and construction of Qualified Ancillary Development; (e) the types of uses and facilities to be developed in the Development Areas in accordance with the minimum targets to be set forth in the Qualified Ancillary Development Agreement (the “<u>Minimum Development Components</u>”) and (f) such other terms and provisions as the Parties may mutually determine to be necessary or desirable.</p> <p>The Parties acknowledge and agree that the final programmatic elements of Qualified Ancillary Development are still subject to final determination.</p> <p>Except as otherwise set forth herein, the Chiefs shall be responsible for constructing or causing the construction of the Qualified Ancillary Development.</p>
<b>Qualified Ancillary Development Budget</b>	<p>The total cost of Qualified Ancillary Development is estimated to be approximately \$1,000,000,000 (the “<u>Qualified Ancillary Development Budget</u>” and, together with the Stadium Budget, the “<u>Budget</u>”), to be more fully set forth on a budget as part of the Definitive Documentation.</p>

	<p>For the avoidance of doubt, any costs incurred by the Chiefs to acquire the portions of the Site underlying the Qualified Ancillary Development shall be included in the Qualified Ancillary Development Budget.</p> <p>The Qualified Ancillary Development Budget will be paid for in accordance with the Public Qualified Ancillary Development Commitment and Private Qualified Ancillary Development Commitment (as hereinafter defined), as detailed below.</p>
<b>Public Qualified Ancillary Development Commitment</b>	<p>The State shall ensure that total aggregate funds of up to \$975,000,000 are allocated and available to the Chiefs for the Qualified Ancillary Development as follows:</p> <p>a) <u>Tier 1 Payment</u>. Following certification, in a form acceptable to the State, of Qualified Ancillary Development costs incurred up to the initial \$500,000,000 of Qualified Ancillary Development, the State will provide the Chiefs an amount equal to sixty percent (60%) of such costs, up to a maximum of \$300,000,000. For the avoidance of doubt, the Team Headquarters and the Practice Facility shall be completed as part of this “Tier 1” and shall collectively qualify for no more than \$300,000,000 of the initial \$500,000,000 worth of Qualified Ancillary Development, irrespective of any Cost Overruns related thereto.</p> <p>b) <u>Tier 2 Payment</u>. Following certification, in a form acceptable to the State, of Qualified Ancillary Development costs incurred up to the next \$500,000,000 worth of Qualified Ancillary Development, the State will provide the Chiefs an amount equal to sixty-five percent (65%) of such costs, up to a maximum of \$325,000,000.</p> <p>c) <u>Tier 3 Payment</u>. Following certification, in a form acceptable to the State, of Qualified Ancillary Development costs incurred up to an additional \$500,000,000 worth of Qualified Ancillary Development, the State will provide the Chiefs an amount equal to seventy percent (70%) of such additional Qualified Ancillary Development costs, up to a maximum of \$350,000,000 (each of clauses (a), (b) and (c), collectively, the “<u>Public Qualified Ancillary Development Funding Commitment</u>”, and, together with the Public Stadium Funding Commitment, the “<u>Public Funding Commitments</u>”).</p> <p>Subject to the availability of STAR Bond proceeds at the time of disbursement, during construction of the Qualified Ancillary</p>

	<p>Development, disbursements of Qualified Ancillary Development costs shall be made on a <i>pari passu</i> basis, such that (i) at no time shall the cumulative amount of the Public Qualified Ancillary Development Funding Commitment disbursed exceed the applicable public percentage for the relevant “Tier” listed in clauses (a), (b) and (c) above, of total Qualified Ancillary Development costs; and (ii) at no time shall the cumulative Private Ancillary Development Funding Commitment (as hereinafter defined and described below) applied toward be less than the corresponding private percentage of total Qualified Ancillary Development costs (the “<u>QAD Construction Ratio</u>”). For the avoidance of doubt, the QAD Construction Ratio shall be maintained throughout construction. By way of example, if cumulative Qualified Ancillary Development costs within Tier 1 equal \$100, then no more than \$60 of Public Qualified Ancillary Development Funding Commitment may be disbursed, and no less than \$40 must be applied or on behalf of the Chiefs, or other third parties.</p> <p>The Public Qualified Ancillary Development Funding Commitment may be used by the Chiefs to offset any advances made by the Chiefs to complete the Stadium Development; <i>provided, however</i>, that in no event may the offset result in the Private Stadium Funding Commitment being less than thirty percent (30%) of the Stadium Budget. For illustrative purposes only, (x) if the Stadium Budget is \$3,000,000,000, the minimum Private Stadium Funding Commitment following the offset shall be \$900,000,000 and (y) if the Stadium Budget is \$3,500,000,000, the minimum Private Stadium Funding Commitment following the offset shall be \$1,050,000,000.</p> <p>Notwithstanding the foregoing, in no event shall the aggregate Public Funding Commitments exceed \$2,775,000,000. For illustrative purposes only, (A) if the aggregate Project costs equal \$4,000,000,000, the aggregate Public Funding Commitments shall not exceed \$2,425,000,000 and (B) if the aggregate Project costs equal \$4,500,000,000, the aggregate Public Funding Commitments shall not exceed \$2,775,000,000.</p>
<p><b>Private Qualified Ancillary Development Commitment</b></p>	<p>Notwithstanding anything to the contrary herein, the Chiefs shall be responsible for constructing or causing the construction of at least \$1,000,000,000 worth of Qualified Ancillary Development.</p> <p>The Chiefs will fund, or will cause third parties to fund, within the Development Areas or greater STAR Bond District, an amount to complete the Qualified Ancillary Development equal</p>

	<p>to the Qualified Ancillary Development Budget <i>less</i> the Public Qualified Ancillary Development Funding Commitment available and allocated pursuant to the section titled “Public Qualified Ancillary Development Commitment” above, but in no case less than \$1,000,000,000 in Qualified Ancillary Development (the “<u>Private Qualified Ancillary Development Funding Commitment</u>” and, together with the Private Stadium Funding Commitment, the “<u>Private Funding Commitments</u>”). For the avoidance of doubt, the Chiefs will be responsible for funding or causing the funding of all remaining costs necessary to complete the Qualified Ancillary Development.</p> <p>In addition to any payment and performance bonds, subject to NFL rules, the Chiefs shall provide adequate assurances of sufficient capacity to fund the Private Qualified Ancillary Development Funding Commitment. The Parties shall use commercially reasonable efforts to agree on the form of such assurances. If the Parties fail to agree on the form of assurance(s), any Public Funding Commitments under the Definitive Documentation may be terminated.</p>
<b>Team Headquarters and Practice Facility Ownership</b>	<p>The State will cooperate with the Chiefs (and, as necessary, the relevant County or City) to achieve the Chiefs’ desired legal, economic, and tax outcomes related to the ownership structure selected by the Chiefs for the Team Headquarters and Practice Facility, including, but not limited to (in each case subject to availability under applicable law), obtaining any ad valorem property tax abatement or exemption from the relevant Public entities and enabling the applicable owner of the Team Headquarters and the Practice Facility to receive, apply, and manage any project-related revenues in a tax-advantaged manner. The Parties acknowledge that such outcomes may include a Government Owner ownership structure or a Chiefs ownership structure, as determined by the Chiefs. If the Chiefs elect to convey the Team Headquarters and the Practice Facility to the Government Owner, the Chiefs and the Government Owner will negotiate in good faith a management agreement for the Team Headquarters and the Practice Facility consistent with the principles applicable to the Stadium Management Agreement.</p>
<b>IV. Public Funding Sources</b>	
<b>Public Funding Commitments</b>	<p>For the avoidance of doubt and notwithstanding anything in this Agreement to the contrary, the State acknowledges and agrees that: (i) the sources of the Public Funding Commitments shall exclude (A) any amounts, revenue, or bond proceeds dedicated</p>

	<p>or pledged to the Project from any community improvement district (CID), transportation development district (TDD), or tax increment financing redevelopment district (TIF), except to the extent any such CID or TDD revenues or proceeds are expressly pledged to STAR Bonds issued to support the Project, (B) the value of any property tax or sales tax abatement or exemption applicable to the Project, or any portion thereof, (C) the value of any benefits or tax credits provided to the Chiefs under the HPIP program, and (D) the Public RMMO Funding Commitment; (ii) the Public Funding Commitments represent the amount of net proceeds to be deposited into one or more bond project funds and made available to the Chiefs in accordance with the terms herein solely for the payment of costs of development and construction of the Project in accordance with the Budget; (iii) the availability and allocation of the Public Funding Commitments is conditioned upon (A) the Chiefs developing or causing the development of the Project in a manner sufficient to support the debt service on any STAR Bonds issued to support the Project and (B) the obligation of the Team to play all of its NFL home games at the Stadium in accordance with the “Non-Relocation” section, and to relocate the Practice Facility and Team Headquarters to Kansas in accordance with this Agreement; (iv) the conditional availability of the Public Funding Commitments will be a condition precedent to all of the obligations of the Chiefs related to the Project under the Definitive Documentation; and (v) in no instance will the State be responsible for any costs that exceed the Public Funding Commitments.</p>
<b>STAR Bonds</b>	<p>The Public Funding Commitments will be primarily funded by the proceeds from the issuance of special obligation bonds, which are generally tax-exempt, pursuant to the STAR bonds financing act, K.S.A. 12-17,160 through 12-17,181, and amendments thereto. The number and frequency of any STAR bond issuances shall be determined by the State in its sole and reasonable discretion, subject to the advice of its financial advisors and the Kansas Development Finance Authority (“<u>KDFA</u>”); <i>provided</i> that each STAR Bond issuance shall be for no less than \$100,000,000 (collectively, the “<u>STAR Bonds</u>”).</p> <p>If the initial series of STAR Bonds related to the Stadium Development have not been issued (a) within ninety (90) days following execution of the GMP Contract and (b) upon the satisfaction of the conditions set forth below under “Conditions Precedent to Issuance of STAR Bonds” under the section titled “Conditions Precedent,” either Party may terminate the</p>

	<p>Definitive Documentation upon sixty (60) days' prior written notice.</p> <p>As permitted by applicable law: (a) 100% of the tax increment revenue received from any State sales and use taxes which are collected from taxpayers doing business within the STAR Bond District; (b) at the option of the relevant Counties and Cities in accordance with the procedures set forth in K.S.A. 12-17,164(b), 100% of the tax increment revenue received from any City or County sales taxes and transient guest taxes which are collected from taxpayers doing business within that portion of the STAR Bond District comprising the Site (or other mutually agreed portion of the STAR Bond District); and (c) 100% of the tax increment generated from within the STAR Bond District from the sale of alcoholic liquor (as defined in K.S.A. 79-41a01, and amendments thereto), pursuant to K.S.A. 79-4101 and 79-41a02, and amendments thereto; shall, in each case be made available to pay the debt service on any STAR Bonds. Further, the LCC expressly authorizes the Secretary of the Department of Commerce to establish the base-year revenue to be derived from the State sales and uses tax and revenues derived from the sales of alcoholic liquors prior to the issuance of any STAR Bonds.</p> <p>The Definitive Documentation will include, among other things, details surrounding: (i) anticipated bond issuances/the use of net proceeds from the issuance of the STAR Bonds for the development and construction of the Project; (ii) the base year revenue and calculation of the tax increment; (iii) where available revenues will be deposited; and (iv) the approval process for disbursement of funds.</p>
<b>CID</b>	<p>The Chiefs or the Government Owner may request the approval of the relevant Public entities for one or more community improvement districts (each, a "<u>CID</u>") pursuant to K.S.A. 12-6a26 through 12-6a36, and amendments thereto (the "<u>CID Act</u>"), imposing a sales tax in an amount equal to two percent (2%) (the "<u>CID Sales Tax</u>"). Such request shall include a carveout of NFL ticket sales from CID Sales Tax revenues.</p> <p>Provided that the debt service on the STAR Bonds has been satisfied, any excess revenues from any community improvement district (CID) established in coordination with the relevant Public entities, will be allocated pursuant to further negotiations between Chiefs, the Government Owner, and the units of local government.</p>

	<p>The Parties, as applicable, will cooperate to: (a) maximize the revenues generated by the CID Sales Tax and (b) renew the CID and CID Sales Tax after their expiration for the remainder of the Non-Relocation Term.</p> <p>The Parties shall participate in negotiations with the relevant Public entities and the Government Owner to enter into a CID development agreement ( a “<u>CID Agreement</u>”) which shall include, amongst other things: (i) the various rights and obligations of the Parties; (ii) use of the net proceeds, if any; (iii) establishment of the CID and the details thereof, pursuant to the CID Act, K.S.A. 12-6a29; and (iv) the imposition, term and use of the CID Sales Tax.</p> <p>For the avoidance of doubt, any revenues, proceeds, or benefits derived from the CID Sales Tax shall not be included in, or credited toward, the Public Funding Commitments, except to the extent any such CID Sales Tax Revenues are expressly pledged to STAR Bonds issued to support the Project.</p>
<b>TIF / Tax Abatement</b>	<p>The Chiefs may pursue the establishment of one or more tax increment financing redevelopment districts (“<u>TIF Districts</u>”) pursuant to K.S.A. 12-1770 et seq., and amendments thereto (the “<u>TIF Act</u>”), the issuance of one or more series of industrial revenue bonds (“<u>IRBs</u>”) pursuant to K.S.A. 12-1740 (the “<u>IRB Act</u>”), and/or alternative means of achieving abatement or exemption of ad valorem real property taxes, on any the portion of the Site, in coordination with the relevant Public entities and the Government Owner.</p> <p>For the avoidance of doubt, the value of any revenues, proceeds, abatement, exemption or benefits derived from a TIF District, IRB financing, or similar tools, shall not be included in, or credited toward, the Public Funding Commitments.</p>
<b>Sports Fund (Lottery, iLottery, and Sports Wagering)</b>	<p>The State will pledge (i) sixty-five percent (65%) of the funds deposited into the attracting professional sports to Kansas fund pursuant to K.S.A. 79-4801(b) or pursuant to K.S.A. 74-8711(h) (the “<u>Sports Fund</u>”) in order to secure the STAR Bonds, to be used solely for the acquisition, construction, or development of the Stadium Development and (ii) ten percent (10%) of the funds deposited into the Sports Fund pursuant to K.S.A. 79-4801(b) or pursuant to K.S.A. 74-8711(h), to be deposited into the RMMO Fund for the Term. The foregoing allocations may be adjusted between the STAR Bonds and the RMMO Fund as mutually agreed by the Parties, <i>provided</i> that in no event shall</p>

	the total pledged portion of the Sports Fund exceed seventy-five percent (75%) in the aggregate.
<b>HPIP</b>	The State shall use commercially reasonable efforts to provide certain benefits and tax credits provided under the HPIP program.
<b>Incremental Sales Tax</b>	The State shall seek participation from the applicable units of local government to pledge a portion of their incremental sales taxes to the STAR Bonds issued to support the Project, which, to the extent pledged to such STAR Bonds, shall be included as a source credited toward the Public Funding Commitments. The Chiefs acknowledge that such units of local government are required to take certain actions necessary to effectuate their contributions to the Public Funding Commitments, as will be further set forth in the Definitive Documentation.
<b>V. Other Project Considerations</b>	
<b>Funding Cadence; Cost Overruns</b>	<p>Subject to the terms of the Definitive Documentation, Project costs will be funded as set forth herein and subject to a payment application verification process to be further defined in the Definitive Documentation.</p> <p>As between the Parties, the Chiefs will fund any remaining amounts required to complete each Phase in excess of the Public Funding Commitments applicable to such Phase for costs that exceed each respective final Budget for such Phase approved pursuant to the Definitive Documentation (“<u>Cost Overruns</u>”).</p> <p>Nothing herein shall preclude the Chiefs from seeking additional local incentives pursuant to negotiations between the Chiefs and the applicable units of local government, subject to the section titled “CID” above.</p>
<b>Operations; Revenue</b>	As between the Parties, and except as otherwise set forth herein or in the Definitive Documentation, the Chiefs will: (a) operate and control, or cause the operation and control of, each component of the Project; (b) be responsible for, or cause the funding of, all operating expenses; and (c) retain all revenues generated from the ownership, development, operation, use, leasing, marketing and licensing of the Project, unless otherwise noted herein and subject to the Definitive Documentation.
<b>VI. Miscellaneous</b>	
<b>Conditions Precedent</b>	<u>Condition Precedent to Agreement:</u>



	<p>Once fully executed by the Parties, the binding provisions of this Agreement shall become binding on the Parties upon approval of this Agreement by the LCC (the “<u>Stadium Agreement Condition</u>”), and if the Stadium Agreement Condition is not met by December 22, 2025, this Agreement shall become null and void and of no further force or effect. The Parties shall use commercially reasonable efforts to ensure the satisfaction of the Stadium Agreement Condition.</p> <p><u>Conditions Precedent to Issuance of STAR Bonds:</u></p> <p>Subject to the foregoing, issuance of any STAR Bonds shall be conditioned upon each of the following conditions:</p> <ul style="list-style-type: none"> <li>i. the Chiefs shall have fully acquired (whether by fee title or long-term ground lease) the Site;</li> <li>ii. the portion of the Site consisting of the Stadium Development shall have been conveyed to the Government Owner;</li> <li>iii. in addition to any payment and performance bonds, the Team, or such other third-party developer as applicable, shall provide adequate assurances and documentation to KDFA or qualified municipality (“<u>Issuer</u>”) as are required by the underwriter to demonstrate (A) subject to NFL rules, sufficient capacity to fund the Private Funding Commitments and to enable the State to issue debt in connection with the Public Funding Commitments and (B) that the incremental sales and use tax revenues expected to be generated from the Project are sufficient to pay debt service on the STAR Bonds through the lesser of (x) thirty (30) years or (y) the repayment period for the applicable STAR Bond, with a coverage factor that the underwriter determines is necessary and that is agreed to by the Team and the Issuer which will include forms of assurances acceptable to the Issuer and the underwriter;</li> <li>iv. the terms of the STAR Bonds, including, but not limited to, limitations on sales and transfers to sophisticated investors only, shall be acceptable to the Issuer in its sole discretion;</li> <li>v. the underwriter shall hold the STAR Bonds in its own account or be responsible for marketing and selling the STAR Bonds, and the Issuer shall be under no obligation to issue STAR Bonds if such STAR Bonds are not marketable after reasonable effort by the underwriter;</li> </ul>
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	<ul style="list-style-type: none"> <li>vi. bond counsel, selected by the Issuer, shall provide to the Issuer an opinion to the effect that the STAR Bonds have been validly issued under Kansas law and, if applicable, the interest on the STAR Bonds is exempt from Kansas and federal income taxation, subject to the standard exceptions; and</li> <li>vii. the effectiveness of the Definitive Documentation.</li> </ul> <p><u>Conditions Precedent to Payment from STAR Bonds:</u></p> <p>The Team acknowledges and agrees that the State’s distribution of funds issued from the STAR Bonds will be distributed in the form of payment of certain of the Project costs. The Team further acknowledges and agrees that any such payments shall be conditioned upon each of the following conditions:</p> <ul style="list-style-type: none"> <li>i. the State’s prior approval of expenditure from the Projects costs sought to be paid, pursuant to the Stadium CCA or Qualified Ancillary Development Agreement, respectively; and</li> <li>ii. the Team’s full compliance with the terms and conditions of the Stadium CCA or Qualified Ancillary Development Agreement, respectively, including that the Team shall not be in default under the Stadium CCA or Qualified Ancillary Development Agreement, respectively, nor shall there be conditions, actions or omissions of the Team which will, with the passage of time, become occurrences of default under the Stadium CCA or Qualified Ancillary Development Agreement.</li> </ul> <p><u>Conditions Precedent to Effectiveness of Definitive Documentation:</u></p> <p>The Definitive Documentation shall become effective upon the satisfaction of each of the following conditions in a manner satisfactory to each Party in such Party’s sole and subjective discretion, to be more fully described in the Definitive Documentation (the following conditions (i) through (vi) are hereinafter referred to as the “<u>Definitive Documentation Conditions</u>”):</p> <ul style="list-style-type: none"> <li>i. completion of all Definitive Documentation;</li> <li>ii. public approvals necessary for issuance of the STAR Bonds;</li> <li>iii. Unified Government approval;</li> <li>iv. establishment of the STAR Bond District;</li> </ul>
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	<p>v. NFL approval of the Definitive Documentation; and</p> <p>vi. environmental impact review completion.</p> <p>The Parties shall use commercially reasonable efforts to ensure the satisfaction of all Definitive Documentation Conditions. Notwithstanding the foregoing, if the Definitive Documentation Conditions have not all occurred or been satisfied by October 31, 2026, (the “<u>Definitive Documentation Outside Date</u>”), then unless otherwise agreed to by the Parties, the obligations of the Parties shall become null and void; <i>provided</i> that the Parties acknowledge and agree that, so long as the Parties are continuing to work in good faith to satisfy the Definitive Documentation Conditions and execute the Definitive Documentation, the Definitive Documentation Outside Date will automatically be extended for successive thirty (30) day periods until such Definitive Documentation Conditions are satisfied.</p> <p>For the avoidance of doubt, notwithstanding anything to the contrary contained herein, the terms of this “Conditions Precedent” section shall be binding on the Parties.</p>
<b>Exclusivity</b>	<p>The Chiefs will not solicit nor accept any proposal of or for, nor enter into, any plan or agreement with, any state, county, or city (or affiliate thereof), other than the Public, regarding any project or facility having a purpose similar to the Project, nor will the Chiefs consider or enter into negotiations with respect to any unsolicited proposal received by the Chiefs, at any time during the period beginning upon completion of the Stadium Agreement Condition and ending on the Definitive Documentation Outside Date (the “<u>Exclusivity Term</u>”), while the Parties negotiate the Definitive Documentation.</p> <p>Notwithstanding the foregoing, the Chiefs shall have the right to suspend or terminate the Exclusivity Term upon written notice to the State if: (i) there is any material delay, suspension, or breakdown in the negotiation process which is caused by the State (as determined by the Chiefs in their reasonable discretion); (ii) if the NFL fails to approve, or disapproves, this Agreement; (iii) the State fails to uphold or materially modifies, withdraws, or changes any material term or commitment under this Agreement, including but not limited to the Public Funding Commitments, structure, or funding mechanisms; or (iv) the Chiefs have not, following commercially reasonable efforts, by May 15, 2026 (as such date may be extended by mutual written agreement of the Parties), entered into a contract for acquisition of, or otherwise secured control of, land that is mutually</p>

	<p>agreeable to the Chiefs and the State as the site for the Project. For clarity, in the event that either of (i) or (iii) above is affirmatively caused by the Chiefs, rather than the State, the Exclusivity Term shall remain in effect.</p> <p>In the event that the Exclusivity Term expires or the Chiefs breach or terminate the Exclusivity Term in accordance with the above, unless otherwise agreed to in writing by the Parties, the State may, in its sole discretion, terminate this Agreement.</p> <p>For the avoidance of doubt, notwithstanding anything to the contrary contained herein, the terms of this “Exclusivity” section shall be binding on the Parties during the Exclusivity Term.</p>
<b>Press Release</b>	<p>Prior to the LCC’s approval of this Agreement, the Parties will draft a mutually agreed upon press announcement regarding this Agreement. No Party may issue a press announcement regarding this Agreement without the prior written consent of the other Parties.</p>
<b>Definitive Documentation</b>	<p>Certain other documents will be negotiated by the Public, as applicable, in good faith to fulfill the aims of this Agreement as necessary, including, but not limited to, those documents listed in <b><u>Exhibit B</u></b> attached hereto.</p>
<b>Choice of Law</b>	<p>This Agreement shall be construed and enforced in accordance with the laws of the State of Kansas.</p>
<b>Open Records</b>	<p>Any drafts of this Agreement prior to execution, together with any other ancillary documents, are to be considered “associated documentation” of a STAR bond agreement, and as such are confidential and are not subject to the open records act pursuant to K.S.A. 12-17,181(c).</p>

The Parties have prepared this Agreement, dated December 22, 2025, and caused it to be signed by their duly authorized representatives below.

**KANSAS CITY CHIEFS FOOTBALL CLUB, INC.**

By: \_\_\_\_\_  
**Clark K. Hunt, Chairman and CEO**

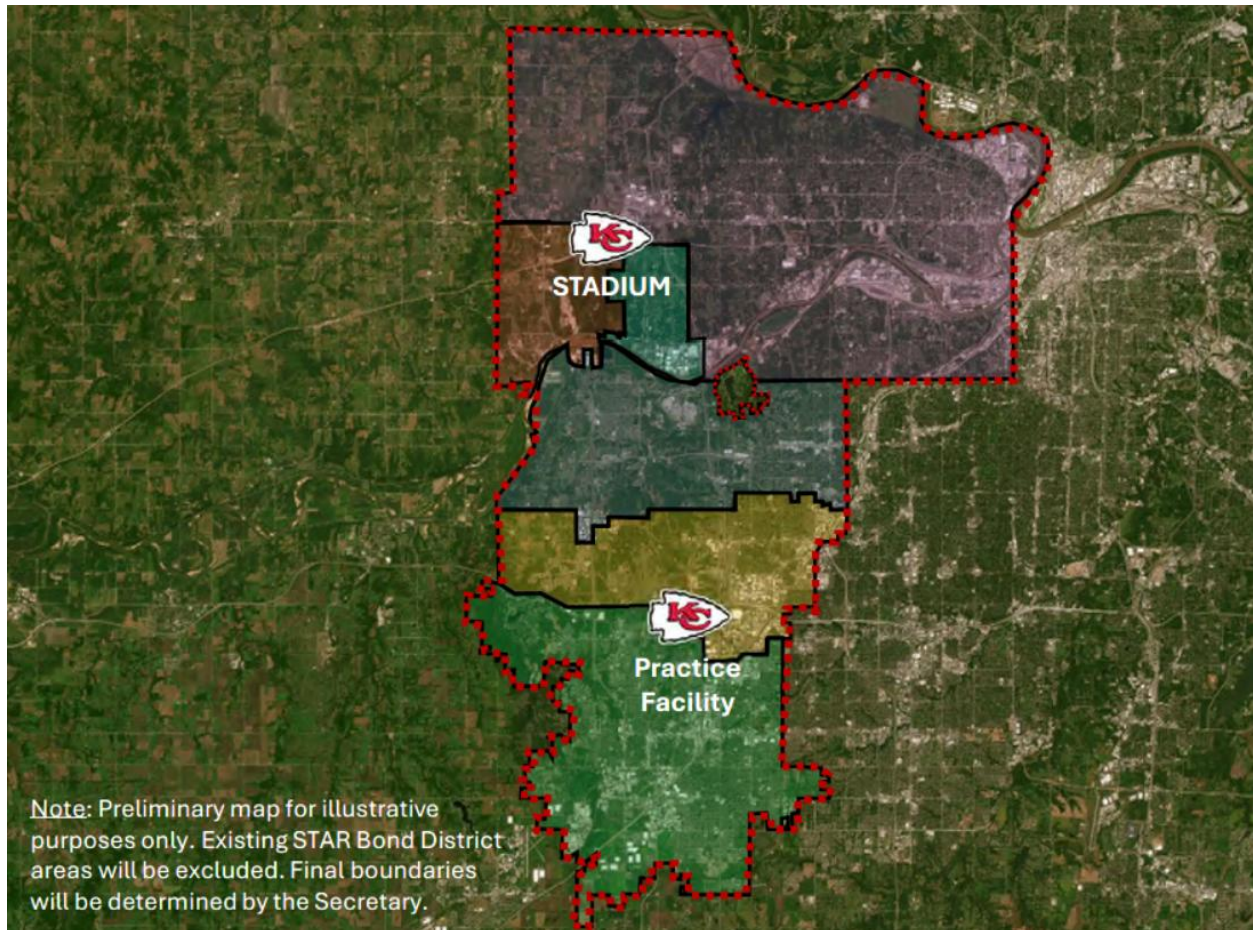
**STATE OF KANSAS**

By: \_\_\_\_\_  
**David C. Toland, Lt. Governor and Secretary of Commerce**

## Exhibit A

### **Preliminary STAR Bond District Plan and Project Plan**

[To be attached.]



## **Exhibit B**

### **Definitive Documentation<sup>1</sup>**

- Management Agreement
- Land sale/transfer agreement to Government Owner
- Non-Relocation Agreement
- Stadium CCA
- Qualified Ancillary Development Agreement
- Community Impact Agreement

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<sup>1</sup> Additional definitive documentation (e.g., bond offering documentation), and applicable timelines for execution of the same, to be set forth in the Definitive Documentation.

## **Exhibit C**

### **Related Stadium Infrastructure**

For purposes of this Agreement, Stadium Development related infrastructure includes, without limitation, all sitework and horizontal improvements necessary or incidental to the construction, development, and operation of the Stadium, which may include:

1. Site preparation and grading, earthwork, soil stabilization, retaining walls, drainage, and stormwater systems.
2. Utilities and infrastructure, including but not limited to water, sanitary sewer, storm sewer, electrical, gas, telecommunications, fiber, and related distribution systems (but excluding for the avoidance of doubt utility payments).
3. Roadways and access improvements, including but not limited to internal streets, service roads, curb cuts, intersections, medians, traffic controls, pedestrian access, sidewalks, ramps, ADA improvements, and other improvements to support pedestrian or vehicular circulation.
4. Parking facilities, including paved lots, gravel lots, grass lots, structured parking, access controls, lighting, and EV charging.
5. Plazas, walkways, landscaping lighting, fencing, and security infrastructure.
6. Any related or incidental infrastructure necessary to support the Stadium's construction, development, operation, maintenance, or long-term use, whether or not expressly listed above.



**Exhibit D**

**Non-Relocation Liquidated Damages**

<b>Lease Year</b>	<b>Liquidated Damages Amount Owed</b>
1 <sup>st</sup> –14 <sup>th</sup>	100%
15 <sup>th</sup>	93.75%
16 <sup>th</sup>	87.5%
17 <sup>th</sup>	81.25%
18 <sup>th</sup>	75%
19 <sup>th</sup>	68.75%
20 <sup>th</sup>	62.5%
21 <sup>st</sup>	56.25%
22 <sup>nd</sup>	50%
23 <sup>rd</sup>	43.75%
24 <sup>th</sup>	37.5%
25 <sup>th</sup>	31.25%
26 <sup>th</sup>	25%
27 <sup>th</sup>	18.75%
28 <sup>th</sup>	12.5%
29 <sup>th</sup>	6.25%
30 <sup>th</sup>	0% (\$0)