
LEASE AGREEMENT

between

JACKSON COUNTY SPORTS COMPLEX AUTHORITY

as Landlord,

and

KANSAS CITY ROYALS BASEBALL CORPORATION,
as Tenant,

Dated as of January 19, 1990.

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COUNTY CONSENT AND AGREEMENT

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made and entered into as of the 19th day of January, 1990, by and between the JACKSON COUNTY SPORTS COMPLEX AUTHORITY, a body corporate and politic and a political subdivision of the State of Missouri (hereinafter referred to as the "Landlord"), and the KANSAS CITY ROYALS BASEBALL CORPORATION, a Missouri corporation (hereinafter referred to as the "Tenant").

WITNESSETH:

WHEREAS, Jackson County, Missouri (hereinafter referred to as the "County"), has constructed a sports complex, known as the Harry S. Truman Sports Complex (hereinafter referred to as the "Sports Complex"), consisting of: a baseball stadium, known as Royals Stadium, having a seating capacity for approximately 42,000 persons (hereinafter referred to as the "Baseball Stadium"); a football stadium, known as Arrowhead Stadium, having a seating capacity for approximately 78,000 persons (hereinafter referred to as the "Football Stadium"); certain football practice fields; an unenclosed stadium plaza exhibition and parking area located between the two stadiums (hereinafter referred to as the "Stadium Plaza"); a central food and employee service facility beneath the Stadium Plaza (hereinafter referred to as the "Central Service Facility"); parking facilities for approximately 17,800 cars; and access and circulation roadways on a tract of real estate owned by the County, located in Kansas City, Jackson County, Missouri, described as follows:

A tract of land located in Sections 19, 20, 29 and 30, Township 49 North, Range 32 West, in Kansas City, Jackson County, Missouri, containing approximately 282 acres, more or less, generally bounded on the South by the northerly right-of-way line of the Chicago Rock Island and Pacific Railroad; on the West by an irregular, partially curved line which extends from the CRI&P Railroad right-of-way northerly to the southerly curb line of Reconstructed Leeds Road (now Stadium Drive), said westerly boundary line being located 20 feet outside and parallel to the continuous exterior curb line formed by the southwest access road to the Sports Complex (i.e. Lancer Lane) until it reaches the boundaries of the football practice fields, thence around the boundaries of said practice fields back to such curb line until it reaches the west curb line of Parking Lot N, thence northerly along the west curb line of Parking Lot N to the southerly curb line of the northwest access road to the Sports Complex (i.e. Chiefs' Way); and thence along such northwest access road to the Sports Complex (i.e. Chiefs' Way); on the North by the southerly curb line of Reconstructed Leeds Road (now Stadium Drive) and a property line established to provide access from

Reconstructed Leeds Road (now Stadium Drive) to the Missouri State Highway Department Radio Tower; on the Northeast by the southwesterly right-of-way line of U.S. Interstate Highway No. 70; and on the East along the westerly curb line of Reconstructed Blue Ridge Cut-off and around the perimeter boundaries of that tract of real property previously conveyed by the County to the State of Missouri for a tourist information center; all as shown outlined in red on Exhibit A attached to and made a part of this Lease and the legal description of which tract is set forth in Exhibit B attached to and made a part of this Lease;

(which real estate and facilities, other than and except for the Football Stadium, and its immediate environs, are hereinafter sometimes collectively referred to as the "leased premises"); and

WHEREAS, the Landlord was created, and exists, pursuant to Sections 64.920 to 64.950 of the Revised Statutes of Missouri, 1986, as amended; and

WHEREAS, by Agreement dated as of October 31, 1970, as amended by Amendment to Agreement dated as of March 17, 1987, the County has leased the Sports Complex to the Landlord and has granted to Landlord the right to sublease the Sports Complex, and the October 31, 1970, Agreement between the County and the Landlord, as amended, is incorporated herein by reference and is hereinafter referred to as the "County Agreement"; and

WHEREAS, Tenant is a member of The Western Division of the American League and owns the professional baseball team known as the Kansas City Royals, which presently has a franchise to conduct professional baseball games in the greater Kansas City area; and

WHEREAS, Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the Baseball Stadium and related facilities of the Sports Complex upon the terms and conditions herein set forth; and

WHEREAS, Landlord is contemporaneously leasing to the Kansas City Chiefs Football Club, Inc., a Texas corporation duly authorized to do business in Missouri, the Football Stadium, practice fields and related facilities of the Sports Complex, and the Kansas City Chiefs Football Club, Inc., is hereinafter referred to as the "Co-tenant."

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises described in Article II hereof on the terms and conditions hereinafter set forth.

ARTICLE I

TERM

Section 1.01 Initial Term.

The term of this Lease (hereinafter referred to as the "Initial Term") shall be for the period of twenty-five (25) years commencing on January 19, 1990, and ending on January 31, 2015. The term "Lease Year" wherever used in this Lease shall mean for the first Lease Year the period commencing from the time of execution of this Lease through January 31, 1991, and thereafter the twelve (12) calendar months commencing on February 1st and ending on the next succeeding January 31st.

Section 1.02 Extensions for Force Majeure.

(A) (i) If during the Initial Term there has been a suspension of occupancy as contemplated by the provisions of Article XX (Force Majeure), then the Initial Term, as applicable, shall be extended for an additional period equal to the sum of such periods of suspension as have occurred during the Initial Term. Any such extension shall be on the same terms and conditions as those set forth in this Lease for the Initial Term.

(ii) If at the date of termination of the Initial Term there shall exist a suspension of this Lease pursuant to the provisions of Article XX (Force Majeure) which began prior to said date of termination, then the extension granted pursuant to (A) (i) shall begin on the date of the end of such period of suspension and not on the date of termination of the unextended Initial Term.

(B) In the event of any extension of this Lease for any period other than a complete Lease Year or Lease Years, this Lease shall be further extended to the January 31st next following the end of such extension so that this Lease shall end at the close of a complete Lease Year.

ARTICLE II

LEASED PREMISES

Section 2.01 Exclusive Leased Premises.

Landlord grants to Tenant the exclusive right to occupy and use the Baseball Stadium and its immediate environs, all as shown colored in red on the attached Exhibit C, except those portions of

such Baseball Stadium and immediate environs designated on the attached Exhibit C as follows:

Spaces colored in yellow and reasonable access at all times thereto, which spaces are for the use of the Landlord and the County; and

Spaces colored in green and reasonable access at all times thereto, which spaces are for the joint use of both Tenant and the Co-tenant.

As used in this Lease, the term "immediate environs," which are leased exclusively to Tenant with the Baseball Stadium, shall be only the walkways and other areas immediately surrounding the Baseball Stadium inside the curb line nearest the Baseball Stadium of the driveways which are around the same as colored in red on Exhibit C.

Spaces colored in orange have been conveyed to the State of Missouri for its Tourist Information Center and are not covered under the terms of this Lease.

Section 2.02 Co-exclusive Use Property.

Landlord grants to Tenant the co-exclusive right with the Co-tenant to use and occupy:

Spaces, facilities and areas colored in Green on Exhibit C and all areas of the Sports Complex except for the Baseball Stadium and its immediate environs, the Football Stadium and its immediate environs, and the football practice fields.

Section 2.03 The 59-Acre Tract.

Landlord and Tenant acknowledge that immediately to the west of and not included within the description of the Sports Complex on pages 1 and 2 of this Lease is a tract of land located in Section 19, Township 49 North, Range 32 West, in Kansas City, Missouri, containing approximately 59 acres, more or less, bounded: on the southwest by the northerly right of way line of the CRI&P Railroad; on the northwest by the southeasterly right of way line of U.S. Interstate Route No. 435; on the north by the south curb line of Reconstructed Leeds Road (now Stadium Drive); on the northeast by a line 40 feet southwesterly and parallel to the southwesterly curb line of the major access road (i.e. Chiefs' Way) from Reconstructed Leeds Road (now Stadium Drive) to the Sports Complex; on the east by a line 40 feet westerly and parallel to the westerly curb line of the main peripheral roadway around the Sports Complex (i.e. Dubiner Circle); and on the south by a line 40 feet northerly and parallel to the northerly curb line of the

southwest access roadway (i.e., Lancer Lane) connecting the Sports Complex with Raytown Road; less the parts thereof previously taken for construction of Parking Lot N and the football practice fields; such tract hereinafter referred to as "the 59-acre tract," the legal description of which is set forth on Exhibit D attached hereto.

Section 2.04 No Conflicting Use by Landlord or County of Adjacent Property.

Any use or development by the County or the Landlord, their agents, employees, officials, lessees, vendees, transferees, assigns or anyone acting for or on behalf of or by authority of the County or the Landlord of any of the property within the Sports Complex located within the outer perimeter access roads shall require the prior written approval of the Tenant and Co-Tenant which approval will not be unreasonably withheld or delayed. Any such use or development of any of the property constituting the Sports Complex, including the 59-acre tract and the property described above will not be incompatible, in competition or result in scheduling conflicts with the Tenant's use of the premises. Any such use or development shall be in accordance with the Landlord's land use plan, as amended from time to time. Any buildings, structures or other improvements constructed or erected on the 59-acre tract or any other part of the Sports Complex by the County or the Landlord or their lessees, vendees, transferees or assigns shall be architecturally and aesthetically compatible with the Baseball Stadium and the Football Stadium. Landlord shall notify Tenant of any proposed development on the 59-acre tract.

ARTICLE III

DELIVERY OF PREMISES,
CONSTRUCTION OF ADDITIONAL IMPROVEMENTS
BY LANDLORD AND IMPLEMENTATION
OF MASTER PLAN BY LANDLORD

Section 3.01 Delivery of Premises.

Subject to and except for latent defects, Landlord's responsibilities for maintenance, repair and replacement as hereinafter set forth, and certain improvements to be erected by Landlord as hereinafter set forth, and Landlord's implementation of the Master Plan as hereinafter set forth, Tenant agrees to accept the premises leased exclusively by it or co-exclusively with Co-tenant in their present condition as is and as delivered by Landlord to Tenant herewith.

Section 3.02 Construction of Additional Improvements by Landlord.

(A) At its sole cost and expense, Landlord shall: (i) provide a new color video scoreboard system and auxiliary scoreboard system in accordance with the plans and specifications described in Exhibit E attached hereto; and (ii) construct outfield seating with restrooms and concessions in accordance with the plans and specifications described in Exhibit F attached hereto. The Landlord shall contract for the purchase and together with the Tenant shall supervise the installation of the improvements described in this paragraph. The plans and specifications described in Exhibits E and F, as such plans and specifications may be amended or changed as hereinafter permitted, are hereinafter collectively called the "Construction Plans."

(B) The Landlord shall have the right to adopt change orders or to amend the Construction Plans and to construct and erect the additional improvements described therein in accordance with such change orders or amended plans, provided that costs of the items to be furnished under this Section 3.02 shall not exceed \$6,500,000 as set out in Exhibits E and F and the prior written consent of Tenant has been secured for each such change or amendment, which consent shall not be unreasonably withheld or delayed by Tenant.

(C) The Landlord shall cause the work of making the improvements described in the Construction Plans when they are finalized to begin promptly and shall cause construction, replacement and erection to be performed in a diligent manner in accordance with good construction practice under all circumstances prevailing, including, without limitation, weather and labor conditions and the availability of equipment, supplies and materials, and in accordance with the construction schedules for the various portions of the work set forth in Exhibit G attached to this Lease. Landlord shall schedule and cause such work to be performed in such fashion that there is no conflict with or interruption of or interference with Tenant's home professional baseball games. In the event that the Landlord fails to substantially complete the installation of the scoreboards as described in Subsection 3.02(A)(i) by April 1, 1991, then Tenant shall have the right to terminate this lease by written notice to Landlord unless such failure is due to Force Majeure, as set forth in Section 20.01(A).

(D) Landlord and Tenant acknowledge that the existing scoreboard behind center field and the water spectacular of the Baseball Stadium were installed and erected and are owned by Tenant.

Section 3.03 Implementation of Master Plan.

(A) Landlord and Tenant acknowledge that, in a joint effort with the Co-tenant, they have caused the Sports Facilities Group of Hellmuth, Obata & Kassabaum, Inc., architects, to prepare the Truman Sports Complex Master Plan dated February 1986, as amended and revised January 18, 1990 (the "Master Plan"), which Master Plan, attached hereto as Exhibit I, is hereby incorporated into this Lease by reference as if set forth in full herein. The Master Plan sets forth mutually agreed upon necessary repairs, replacements and capital improvements to be made by Landlord by or within various scheduled times during the term of this Lease in order to maintain the Sports Complex as a state-of-the art sports facility in a good and first class condition. Subject to the provisions of Section 27.02(J) hereof, Landlord agrees to cause the repairs, replacements and capital improvements described in the Master Plan to be made and substantially completed on or before the times or dates therein required at Landlord's sole cost and expense. In the event Landlord fails to perform or cause to be performed, in any material respect, any of the work described in the Master Plan by the times or dates called for in the Master Plan, such failure shall be an event of default by Landlord under this Lease for which, after giving Landlord 60 days' written notice of its intention to do so, Tenant may exercise any of its rights and remedies hereunder including: (i) the right to terminate this Lease upon written notice to Landlord; or (ii) the right to perform the same on behalf of Landlord and credit and set-off the costs and expenses of the same against rent subsequently due.

(B) The Master Plan and the work therein described to be performed shall not be amended, modified or changed without the prior written consent of: (i) the Tenant with respect to the Baseball Stadium and its immediate environs; (ii) the Co-tenant with respect to the Football Stadium, its immediate environs and Co-Tenant's practice fields; and (iii) both Tenant and the Co-tenant with respect to any other portion or part of the Sports Complex. Landlord and Tenant agree to meet together with the Co-tenant on an annual basis, on or before November 1 of each year, to evaluate and update the Master Plan, including the establishment of scheduling priorities for improvements to be made in the next three years. All amendments to the Master Plan affecting the Baseball Stadium and its immediate environs, the Central Service Facility and common areas shall be in writing and shall become effective only upon the approval thereof, which approval shall not be unreasonably withheld or delayed, by the Tenant and Landlord at its regular monthly meeting. In the event that all parties fail to agree on any amendment to the then existing Master Plan schedule, the most recently approved Master Plan schedule shall remain in force and effect.

ARTICLE IV

ALTERATIONS AND OTHER IMPROVEMENTS

Section 4.01 Alterations and Improvements by Tenant.

(A) Landlord and Tenant acknowledge that pursuant to Exhibits (E) and (F) to the "Prior Lease," as defined in Section 30.01 of this Lease, certain facilities within the Baseball Stadium were constructed, erected or supplied by Tenant at Tenant's cost and expense, including the existing scoreboard and water spectacular in the Baseball Stadium, and the same shall remain Tenant's property in all events.

(B) In addition to the improvements described in Subsection 4.01(A) above, the improvements to be made by Landlord described in Section 3.02 and any repairs or replacements to be made by Landlord pursuant to the Master Plan as set forth in Section 3.03, at any time during the term of this Lease, as may be extended, Tenant shall have the right to make additions, alterations or improvements to the Baseball Stadium and its immediate environs, the Central Service Facility or other common areas of the Sports Complex provided Tenant gives thirty (30) days' prior written notice to Landlord together with copies of plans and a description of said additions, alterations or improvements (for the purpose of showing compliance with (i) through (vi) below) and, provided however, unless the Landlord consents in writing, or unless such addition, alteration or improvement is expressly permitted by some other provision of this Lease, no such addition, alteration or improvement shall: (i) impair to any extent the structural soundness of the Baseball Stadium; (ii) interfere significantly with the use of the Football Stadium; (iii) interfere significantly with the use of the common areas by the Co-tenant; (iv) significantly reduce the seating capacity of the Baseball Stadium; (v) significantly reduce the number of parking spaces in the parking areas of the leased premises; (vi) materially alter the quality, character, usefulness or attractiveness of any part of the leased premises; (vii) substantially increase the cost of operating, maintaining and insuring any part of the leased premises; or (viii) substantially interfere with the Authority's land use plan and/or the development of any portion of the leased premises.

(C) In addition to the improvements hereinabove contemplated, Tenant, at any time and without Landlord's prior consent or approval, shall have the right to make additions, alterations or improvements to those areas of the Baseball Stadium not generally open to the public use or view during events in the Baseball Stadium, provided only, however, that no such addition, alteration

or improvement shall impair to any extent the structural soundness of the Baseball Stadium.

(D) Unless otherwise agreed to in writing and subject to Article XXVII (Default) and the other provisions of this Article, any such additions, alterations or improvements constructed by Tenant on the leased premises at the end of the term of this Lease or any extension thereof shall become the property of the County or its successor or successors.

(E) The Tenant will provide or continue to provide miscellaneous supplies, fixtures, equipment, appliances, furniture, furnishings, including built-in objects of art, utensils, and other articles for the operation of the Baseball Stadium and the common use areas for the exhibition of baseball and any other event including the sale or rental of concession items, operation of stadium clubs and private suites, all of which items (including the existing scoreboards and other facilities described in Subsection 4.01(A) above) shall remain the property of the Tenant.

(F) Tenant shall not be required to remove any of said supplies, fixtures, equipment, appliances, furniture, furnishings, including built-in objects of art, utensils, existing scoreboards and other articles from the leased premises at the expiration or termination of the term of this Lease or any extension thereof but if same are removed Tenant shall make reasonable repairs of damage caused by any such removal from the leased premises.

(G) Tenant shall have no right to remove from the leased premises at the expiration or termination of the term of this Lease any supplies, fixtures, equipment, appliances, furniture, furnishings, utensils, signs, lockers or other articles originally furnished by Landlord or any replacements for any such items originally furnished by Landlord.

Section 4.02 Dome Improvements Permitted by Landlord.

The County and/or the Landlord at any time may construct a moving roof or dome over the Football Stadium; provided, however, that such improvement and the work in connection therewith: (i) does not interfere significantly with the use of the Baseball Stadium, the Stadium Plaza, any parking lot areas or any common areas (including the Central Service Facility) by the Tenant, its invitees, sublessees or licensees; (ii) does not significantly reduce the number of parking spaces in the parking areas of the leased premises; (iii) is performed at such times and in such manner as not to interfere significantly with the use of the Football Stadium or any of the leased premises by Co-tenant in accordance with the other provisions of their Lease; (iv) has been approved and consented to in writing by Co-tenant; and (v) does not

impair to any extent the structural soundness of the Football Stadium.

ARTICLE V

MECHANICS' LIENS

Section 5.01 Mechanics' Liens.

(A) Tenant shall not permit any mechanic's, materialman's or similar lien to be filed against the leased premises or any improvement on the leased premises on account of any work, labor or service performed by, or materials furnished to, Tenant or anyone holding or occupying the leased premises through or under Tenant, or any of their respective contractors or subcontractors. If any such lien shall be filed against the leased premises or improvements thereon, Tenant shall, without cost or expense to Landlord, forthwith cause the same to be either (i) discharged of record; or (ii) diligently contested, in which event any final judgment or other process issued in such contest against Landlord shall be promptly paid and discharged before execution thereon.

(B) Landlord shall not permit any mechanic's, materialman's or similar lien to be filed against any part of the leased premises or any improvement thereon, on account of any work, labor or service performed by, or materials furnished to, Landlord, the County, or any of their contractors or subcontractors. If any such lien shall be filed against the leased premises or improvements thereon, Landlord shall, without cost or expense to Tenant, forthwith cause the same either to be (i) discharged of record, or (ii) diligently contested, in which event any final judgment or other process issued in such contest against Landlord or the County shall be promptly paid and discharged before execution thereon.

(C) If the party whose work shall have resulted in the filing of any such lien shall fail to take action as above provided, then the other party, in addition to any other remedies available to the other party, may pay the amount of such lien (subject to the foregoing rights to contest the same) or of such judgment, in which event such other party shall be entitled to reimbursement from the other party in the amount of the payment plus interest at the rate of ten percent (10%) per annum from the date of such payment.

ARTICLE VI

RENT

Section 6.01 Rent.

(A) Tenant shall pay to Landlord a basic annual rent (herein called the "Basic Rent") of Four Hundred Fifty Thousand Dollars (\$450,000.00) payable in four (4) equal installments of One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00) each on the first day of each April, June, August and October, commencing April 1, 1990.

(B) In addition to the Basic Rent specified above, Tenant shall pay to Landlord by the May 1st next following the end of each Lease Year, commencing May 1, 1991, annual percentage rental for any Lease Year in which Gross Receipts, Net of Taxes exceeds \$7,500,000.00 as follows:

(i) Five percent (5%) of Gross Receipts, Net of Taxes, in excess of \$7,500,000 up to \$12,500,000; and

(ii) Four percent (4%) of Gross Receipts, Net of Taxes, in excess of \$12,500,000 up to \$17,500,000; and

(iii) Two percent (2%) of Gross Receipts, Net of Taxes, in excess of \$17,500,000.

Any percentage rental due for a partial Lease Year shall be computed by determining a fraction, the numerator of which is the number of months in such partial Lease Year and the denominator of which is twelve (12) and adjusting the foregoing break points by multiplying such fraction times each of the break point figures of Gross Receipts, Net of Taxes, set forth above and thereby prorating percentage rent for such partial Lease Year.

Section 6.02 "Gross Receipts" and "Gross Receipts, Net of Taxes," Defined.

(A) "Gross Receipts" for the purpose of Section 6.01 above and all other purposes under this Lease shall include only, and shall be limited to: (i) the gross amount received for admissions or the right to admissions to or for professional baseball games exhibited by Tenant in the Baseball Stadium and which remain after first deducting therefrom any tax or taxes as hereinafter defined; (ii) the profit or income of Tenant from any event exhibited solely by the Tenant in the Baseball Stadium or leased premises other than the Baseball Stadium and which remains after deducting from the

gross amount of admissions or ticket sales (a) all of Tenant's costs and expenses of production or exhibition including, without limitation, the costs of any talent, performers or shows, costs of acquiring or renting special equipment, wages for all ticket sellers, car parkers, security, maintenance and other direct personnel, costs of all advertising, publicity and promotion, costs of ticket printing and distribution including commissions for handling, credit sales and distribution, costs of utilities, insurance costs, costs of clean up before, during and after the event, any other direct expenses, and a reasonable amount (not to exceed 15% of the gross receipts of such event) to reimburse Tenant for its indirect overhead costs, and (b) any tax or taxes hereinafter defined; (iii) the gross income received by Tenant from the use of the parking areas for parking of automobiles and other vehicles and which remains after first deducting therefrom any tax or taxes as hereinafter defined; (iv) all amounts actually received by the Tenant as rentals or license fees for the use of the Baseball Stadium or any part of the leased premises for any event exhibited by others than Tenant, including leasing of the Baseball Stadium or leased premises other than the Baseball Stadium to The American League of Professional Baseball Clubs or Major League Baseball for playoff, league championship or World Series games or to promoters or others for concerts or other events, whether the rental or license fee therefor is fixed or on a percentage basis, and which remain after first deducting therefrom any tax or taxes as hereinafter defined; and (v) either (a) the amount actually received by Tenant from its concessionaire pertaining to such concessionaire's concession sales or (b) if Tenant operates its own concessions, the net income or profit as determined under generally accepted accounting principles from all concession sales (excluding stadium club concession sales) such as, for example, food, beverages, seat cushions, novelties, souvenirs, etc., or the rental of any item of personal property such as, for example, seat cushions, binoculars, etc., in the Baseball Stadium, [except and excluding amounts received from (a) the sale of programs, yearbooks and other club publications and advertising space or rights in respect to such programs, yearbooks and other club publications, (b) any sale or lease of rights to private suites (other than admission tickets for private suite seats), and (c) the sale of stadium club memberships and the sales of food, beverages and other items from the stadium club], remaining after deducting from gross sales all costs of goods sold, any other costs and expenses pertaining thereto and any tax or taxes as hereinafter defined.

(B) Gross Receipts shall not include any amounts received by Tenant (either directly or as a member of the American League) by virtue of the broadcast, rebroadcast, reproduction, transmission or dissemination by radio, television (including pay television as hereinafter defined), telegraph, telephone, or other method of reproduction, transmission, communication, or exhibition of or from

all games or events held, exhibited or played within the leased premises or any games played elsewhere as set forth in Section 7.03 below nor any revenues from advertising as set forth in Subsection 14.01(E) below.

(C) "Gross Receipts, Net of Taxes," shall mean Gross Receipts, as above defined, less any tax or taxes in effect at any time during the term of this Lease, as it may be extended, whether imposed by the City of Kansas City, Missouri, the County, the State of Missouri, the United States of America, or any other governmental authority, which is computed on or fixed by reference to any amount which constitutes part of Gross Receipts and which is required to be collected by the Tenant (and its licensees or concessionaires, if any) from those from whom gross receipts are collected or received, irrespective of whether such tax may be included in the price of admission or is required to be separately stated and irrespective of the name (e.g., excise tax, sales tax, use tax, etc.) by which such tax is denominated.

(D) For purposes of Subsection 6.02(A) (ii) above, non-professional baseball games and other events exhibited solely by Tenant shall include non-professional baseball games and other events exhibited solely by: (i) subsidiary corporations controlled by Tenant; (ii) shareholders of Tenant or corporations in which such shareholders own a direct or beneficial controlling interest; and (iii) officers and employees of Tenant or corporations in which such officers or employees own a direct or beneficial controlling interest, but shall not include corporations, business trusts, partnerships or joint ventures in which Tenant and all of its affiliates, as defined herein, own fifty percent (50%) or less of the equity, profits, interest or capital.

(E) The term "pay television" for purposes of this Article shall mean any method of transmitting live or taped delayed television signals of events by Tenant or others at the leased premises in connection with which a charge is made to the receiver or viewer for the reception of signals in a final usable form. Pay television shall include, without limitation of the generality of the foregoing, live telecasts in theatres to which viewers pay an admission charge, cable and CATV systems, and metered, subscriber or so-called "pay-as-you-see," "pay per view" or similar types of home television.

Section 6.03 Tenant's Records.

Tenant shall keep adequate books and records in accordance with sound accounting principles which will correctly reflect Gross Receipts and all books and records supporting Tenant's computation of Gross Receipts and said books and records shall be subject to audit or inspection at any reasonable time by the County Auditor

or any reputable certified public accountant designated by the County or the Landlord. This right of audit or examination shall not, however, extend to any unrelated books and records of Tenant.

It is understood and agreed that the audit or inspection by the County Auditor or other reputable certified public accountant as aforesaid is for the purpose of verifying percentage rent due the Landlord and the audit and verification does not make said computation of Gross Receipts nor said books and records a public record of the County or the Landlord provided, however, that a report by the Tenant to the Landlord detailing Gross Receipts for purposes of computing the amount of rent due the Landlord, certified by a certified public accountant, shall be a public record.

Section 6.04 Interest on Late Payments.

Subject only to the provisions of Article XXVII (Default) hereof, in the event the Tenant should fail to make any of the payments of rent required in this Article, the item or installment so in default shall continue as an obligation of the Tenant until the amount in default shall have been fully paid and the Tenant agrees to pay the same with interest thereon at the rate of ten percent (10%) per annum until paid.

ARTICLE VII

TENANT'S RIGHT TO USE

Section 7.01 Right to Use for Any Lawful Purposes.

Except as limited by Article XV (Conflicts and Arbitration), which requires the Tenant to cooperate with the Co-tenant in Tenant's usage of the common areas of the Sports Complex, the leased premises shall be under the management and control of the Tenant and the Tenant shall have the right to use, occupy, possess, enjoy, and rent the leased premises or any part thereof for any and all lawful purposes, and to allow others to use, occupy, possess and enjoy the leased premises or any part thereof for any and all lawful purposes.

Section 7.02 Tenant Covenants to Play Games in Baseball Stadium.

Unless consented to in writing by the Landlord (which consent will not unreasonably be withheld or delayed), Tenant shall during the term of this Lease, except as otherwise provided herein (where the leased premises may be temporarily taken or damaged so as to be unusable), play or conduct no fewer than ninety percent (90%) of its professional baseball "home" games in the Baseball Stadium

provided, Tenant always plays its home opening series in the stadium, but it may play any of the next eight scheduled home games in a facility other than the stadium. Tenant agrees to play or conduct games at the stadium which involve it as a participant in divisional championships or play-offs or in the World Series, except in the event the American League Schedule or rules affecting divisional championships or World Series require Tenant to conduct its games at places other than the baseball stadium. Tenant acknowledges that an economic impact study commissioned by the Landlord and jointly prepared by the firm of Mayer Hoffman & McCann and the Mid-America Regional Council fairly and accurately reflects the financial benefit which the Tenant and its Co-tenant bestow upon Metropolitan Kansas City, Missouri. The Tenant further acknowledges and agrees that any transfer of its professional franchise to a location other than the Baseball Stadium during the term of this Lease would cause a loss of said economic advantage, as well as the loss of many other intangible benefits conferred by the Tenant and which are incapable of calculation, and, therefore, said relocation would result in irreparable harm to the Landlord. The Tenant therefore covenants that it shall not enter into any contract or agreement of any kind to transfer the Tenant's franchise to a location other than the Baseball Stadium; that it shall not make formal application to the American League for approval to transfer the Tenant's franchise to a location other than the Baseball Stadium; and, subject only to the provisions of Section 27.02, the Tenant shall from and after the date hereof and until the expiration of this Lease, play all of its regular season and post-season home games at the Baseball Stadium. Landlord and Tenant hereby agree that this covenant to play its "home" games in the Baseball Stadium is a material part of this Lease which may be enforced by the Landlord by specific performance.

Section 7.03 Tenant's Right to Broadcast.

Tenant shall have the exclusive right to broadcast, re-broadcast, reproduce, transmit or disseminate by radio, television, telephone, microwave or other method of reproduction, transmission, communication, or exhibition of all or any part of the events held, exhibited, or played within the leased premises. The Landlord will not share in the Tenant's receipts from such broadcasts or from the exercise or sale or lease of any such rights, including revenue from any advertising related or connected therewith and revenue from any league wide sharing plan with respect to such broadcast or advertising rights.

Section 7.04 Prices for Tickets, Parking and Concessions.

Prices charged by the Tenant or its concessionaires for tickets, parking and concessions to its events (excluding events of others to whom Tenant has leased the Baseball Stadium or leased

premises) will conform generally to, and be competitive with, prices charged in other cities having a professional baseball franchise similar to that owned by the Tenant and operating under similar circumstances.

Section 7.05 Reservations by Landlord.

The Landlord reserves the right of reasonable access on and across: The 20-foot strip abutting the 59-acre tract to the east of the 59-acre tract; the access and circulation roadways abutting such 20-foot strip; and the access and circulation roadways abutting the 59-acre tract. The Landlord's right to use and access shall be consistent with the other provisions of this Lease.

Section 7.06 Jackson County Preference

It is understood and agreed that Tenant shall devise a fair and equitable plan whereby Tenant shall give priority seating privileges to Jackson County taxpayers for Tenant's professional baseball games, provided, however, such plan shall not deprive season ticket holders of the right to renew subscriptions to seats purchased prior to creation of the plan.

ARTICLE VIII

CIVIC AND CHARITABLE USE

Section 8.01 Civic and Charitable Use

Tenant in association with the Co-tenant agrees to cooperate with the Landlord and the County with regard to the use of the Leased Premises for civic and charitable purposes. The Tenant, the Co-tenant, the Landlord and the County must all consent to any civic and/or charitable use of the Leased Premises, which consent shall not be unreasonably withheld. It is understood and agreed that (1) the Tenant will operate its parking and food concessions to provide reasonably adequate services for such use; (2) unless otherwise agreed any such use will not occur within 48 hours prior to, and 48 hours subsequent to, any scheduled event by either the Tenant or the Co-tenant; (3) any such use will not conflict in nature with any event or proposed use of the Leased Premises by the Tenant or the Co-tenant; (4) "civic and charitable use" does not include such events as charity or benefit games, circuses, shows, or similar sports or entertainment attractions whether or not a ticket or entrance fee is charged; (5) all parking and concession revenues for any such use of the baseball stadium will be retained by the Tenant subject only to the Tenant's obligation to pay rentals based on Gross Receipts as herein otherwise provided for in this Lease; (6) any such user would be required to pay Tenant

promptly all direct costs of use of the Leased Premises or any part thereof, including a reasonable overhead charge, and the Tenant shall have the right to require the user to post a bond or deposit unless the County guarantees or agrees to pay directly such reimbursement to the Tenant; (7) any such user will be required to pay the cost, and furnish evidence, of adequate liability and property damage insurance to be approved by the Landlord and the Tenant; (8) in addition to the reimbursement provided for the Tenant above, the Tenant shall be entitled to be reimbursed by the user for Tenant's expenses in restoring the Leased Premises, if necessary, to its normal condition prior to the civic or charitable use. Such restoration shall be made by the Tenant and billed to the user at Tenant's cost plus a reasonable overhead charge, and (9) except for the reimbursement to the Tenant herein provided for and the benefit, if any, of providing and operating parking and concessions, Tenant is to receive no compensation for the use of the Leased Premises for the civic and charitable purposes as herein provided.

ARTICLE IX

UTILITIES

Section 9.01 Landlord to Provide All Sports Complex Utilities.

The Tenant, in cooperation with the Co-tenant, has previously, at the expense of the Tenant and the Co-tenant, installed such meters, in addition to those installed by Landlord during the construction of the Sports Complex, as are necessary to measure the consumption of water, electricity and gas used in connection with the operation and maintenance of the Sports Complex. Any new or additional meters at any time necessary to measure consumption of any utilities shall be installed at Landlord's expense. The Landlord shall bear the expense of and pay the costs and charges of all water, gas, electricity or other utilities consumed in the Sports Complex including, without limitation, those consumed or used in the Baseball Stadium, its immediate environs, and all utilities directly related to events in the Baseball Stadium.

ARTICLE X

CLEANING, MAINTENANCE AND REPAIR

Section 10.01 Cleaning by Landlord.

During the term of this Lease, as it may be extended, the Landlord, at its expense, shall be responsible for cleaning the entire Sports Complex including, without limitation, cleaning the

Baseball Stadium and its immediate environs at all times and the parking areas, circulation roadways, walkways and other grounds before and after each Baseball Stadium event or event on the leased premises other than in the Baseball Stadium exhibited by Tenant, its sublessees or licensees, or others.

Section 10.02 Maintenance and Repair by Landlord; Master Plan Implementation by Landlord.

(A) During the term of this Lease, as it may be extended, the Landlord, at its cost and expense, will maintain and be responsible for the ordinary repair of all of the Sports Complex including, without limitation, the Baseball Stadium its immediate environs, the Central Service Facility, the Stadium Plaza, all common areas, all parking areas, all landscaped areas, all trees and shrubs, all circulation roadways, all access roads, all gates and fences, all walkways, all grounds, all signs, and all improvements, fixtures, equipment, electrical heating, ventilating, air conditioning, water distribution and hot water or other systems and their parts or components and all other facilities therein contained.

(B) At all times during the term of this Lease, as it may be extended, Landlord, at its cost and expense, shall be responsible for maintaining, repairing and replacing when necessary all structural portions, parts, pieces or components of the Sports Complex, including, without limitation, the Baseball Stadium its immediate environs, and the Central Service Facility, which structural maintenance, repair and replacement responsibility shall extend to and include all: foundations; footings; piers; columns; walls; roofs; ramps; steps; platforms; risers; gutters, downspouts; expansion joints; membrane coatings; thermal or moisture protection items; parts thereof constructed of metal, concrete, concrete block, brick, steel, wood, plastics, masonry or glass; any repairs to and painting of any doors, windows, door frames, window frames or other items caused by a structural defect, failure or problem; artificial turf in the Baseball Stadium; scoreboards and matrixes and components thereof (whether or not initially installed by Landlord); heating, ventilating, air conditioning, hot water, plumbing and electrical systems, machinery and equipment (including, but not limited to, boilers, condensers, air handling equipment, lines, conduits and appurtenances), plumbing or toilet fixtures; water lines; conduits; valves; fittings; meters for utilities; fences, fence posts and gates; parking lot and access road surface and curb repairs, resurfacing and the striping or painting thereof; Stadium, parking lot and access road lighting installations (including, without limitation, towers, poles, wires, conduits and bulbs in the Baseball Stadium and its immediate environs or bulbs in the Central Service Facility), the painting of all light towers and poles, any maintenance or replacement of any of the light towers (and parts thereof) in any of the circular

ramps of the Baseball Stadium; Baseball Stadium sound systems; garbage collection, compaction and disposal systems; turnstiles; elevators; escalators; any items contained in the Master Plan; any landscape items, shrubs and trees whether located in the common areas or in the immediate environs of the Baseball Stadium; and any items similar to any of the foregoing at any time constructed or erected or placed on or in the leased premises or the Sports Complex, whether or not any such maintenance, repair or replacement is required because of or results from general time deterioration. Provided, however, that if any such item of structural maintenance, repair or replacement arises exclusively as a result of the sole negligent acts or omissions of Tenant, its agents or employees (but not its invitees, sublessees or licensees), such repair and replacement shall be at Tenant's cost and expense. For all purposes of this Lease, "structural" maintenance, repair or replacement is not intended to be limited to weight bearing members or components but is used to distinguish certain maintenance, repairs and replacements which are the obligation of Landlord in all events from certain ordinary maintenance and repairs which are the responsibility of the Manager in the Management Contract described in Section 11.01 below during the term of such Management Contract.

(C) At all times during the term of this Lease, as it may be extended, Landlord shall make any and all repairs, additions or modifications to the Sports Complex, including the Baseball Stadium, its immediate environs and the Central Service Facility, at any time required by (i) applicable laws, statutes, regulations or orders of any governmental authority or (ii) the Constitution, By-laws, rules and regulations or other directives or orders of The American League of Professional Baseball Clubs or Major League Baseball in connection with the playing of professional baseball games, provided that if the cost of any repairs, additions, or modifications required under this subparagraph (C)(ii) shall exceed \$50,000.00, such expenditure shall be taken into account in reestablishing priorities in the next scheduled meeting to evaluate and update the Master Plan.

(D) As required by Section 3.03 above, Landlord, at its cost and expense, shall be responsible for implementing the repairs, replacements and improvements described in the Master Plan on or before the time(s) therein set forth, as it may be amended from time to time.

ARTICLE XI

MANAGEMENT CONTRACT

Section 11.01 Management Contract.

Contemporaneously with the execution of this Lease, Landlord and Tenant shall enter into a Management Contract substantially in the form of Exhibit H attached hereto. Landlord and Tenant acknowledge that the execution of and performance by the parties under the Management Contract and this Lease are interdependent one upon the other and that Tenant would not have entered into this Lease but for the execution of and performance by the parties under the Management Contract.

ARTICLE XII

ENVIRONMENTAL MATTERS

Section 12.01 Environmental Matters.

(A) As used herein, "hazardous substance" means any substance that is toxic, ignitable, reactive or corrosive and/or that is regulated by any local government, the State of Missouri, or the United States Government and includes any and all materials or substances that are defined as "hazardous waste," "extremely hazardous waste," "infectious waste," or a "hazardous substance" pursuant to any state, federal or local governmental law including asbestos and petroleum products.

(B) Landlord and Tenant each warrant and represent to the other that neither it nor any of its agents or contractors has used, stored, generated or disposed of hazardous substances on or in the leased premises prior to the date hereof and that it is not aware of nor has it been informed of any storage, generation or disposal of hazardous substances thereon or therein by any prior owners or others.

(C) Neither Landlord nor Tenant shall cause or permit any hazardous substance to be used, stored, generated, or disposed of on or in the leased premises by it, its agents, employees, contractors or invitees or others. If any hazardous substances are used, stored, generated, or disposed of on or in the leased premises or if the leased premises become contaminated in any manner during the term of this Lease, as may be extended, whether from hazardous substances, asbestos or petroleum products (including gasoline, diesel, propane or other fuel tank spills,

seepages, leakages, releases or other discharges) or otherwise, the responsible party shall indemnify and hold harmless the other from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, reasonable attorneys', consultant and expert fees) arising during or after the term of this Lease and arising as a result of that contamination. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state or local agency or political subdivision. Without limitation of the foregoing, if either Landlord or Tenant causes or permits the presence of any hazardous substance on the leased premises or there is a spill, leakage, seepage, release or other discharge of asbestos or petroleum products that results in contamination, the responsible party shall promptly upon discovery or notification thereof, whether during or after the term hereof, at its sole expense, take any and all necessary actions to return the leased premises to substantially the same condition as existed prior to the presence of any such hazardous substance, asbestos or petroleum products on or in the leased premises. The responsible party shall first obtain the other party's approval for any such remedial action, which approval shall not be unreasonably withheld or delayed.

(D) Without limiting anything in (C) immediately above, and as part of Tenant's permitted uses of the leased premises set forth hereinabove, Landlord and Tenant shall have the right to deposit or place on mutually agreed upon portions of the leased premises gasoline, diesel and other fuel storage tanks upon the following conditions: (i) such tanks shall be limited in number to only those reasonably necessary to service the operation of its facilities; (ii) the exact location thereof shall be disclosed in writing to the other party; (iii) each such tank, and its related piping and systems, shall at all times comply with any applicable laws, statutes, ordinances or regulations now or hereafter enacted (including, without limitation, any temporary, emergency or final regulations of the U.S. Environmental Protection Agency promulgated under Subtitle I of the Resource Conservation and Recovery Act) pertaining to such tanks and their related systems including corrosiveness standards, structural integrity over operating life, installation standards, tank filling procedures, repair and frequency of repair, replacement or upgrading, tank system closure, release or leakage detection, and reporting and cleanup of any spills, leakage or release; (iv) the party which installed or installs the same shall be completely liable and responsible for its tanks and the proper use thereof; and (v) upon the expiration of the term of this Lease, as may be extended, or the sooner termination thereof, if installed by it, Tenant shall, at Landlord's sole option, but at Tenant's sole cost, either remove such tanks from the leased premises or empty, purge and close down

the same or leave the same in place and surrender the same with other improvements on the leased premises.

ARTICLE XIII

USER TAXES; RENT ABATEMENT

Section 13.01 No User Taxes.

No user or ticket or service tax or any other tax of comparable nature will be imposed by the County or the Landlord, unless mutually agreed upon by the parties to this Lease.

Section 13.02 Rent Abatement for Taxes.

In the event that (i) the property interest of the Tenant in the leasehold estate hereby created is assessed for tax purposes and becomes subject to tax levies by any taxing authority within the State of Missouri, or (ii) any user, ticket or service tax or any other tax of comparable nature is imposed by the County, Landlord, the City of Kansas City, Missouri, or any other taxing authority within the State of Missouri, then the annual percentage rentals due hereunder shall be abated in an amount equal to such taxes, but such abatement shall not be greater in any year than one-half of the annual percentage rental for each year that such tax is assessed and levied during the term of this Lease. In the event that any such abatement is not immediately effective, any unused portion of such abatement shall be carried forward, bearing no interest, and be available to the Tenant as a credit against any rent thereafter due under this Lease. It is understood that if such assessments are made and such taxes are imposed, on the Tenant's leasehold interest or otherwise, the Landlord will cooperate with the Tenant in seeking to have such assessments rescinded and such taxes abated. Provided, however, that the foregoing shall not apply to any income, profit, franchise, sales, use, gift, inheritance, estate, succession or transfer tax or any personal property tax on Tenant's personal property in or upon the Sports Complex.

ARTICLE XIV

ADVERTISING AND SIGNS

Section 14.01 Advertising and Signs.

(A) The Tenant shall have the sole and exclusive right to place and license others to place advertising and signs on all scoreboards, walls and any other areas within, on or around the

Baseball Stadium, and its immediate environs, and to receive and retain all revenues therefrom. The Tenant shall have sole discretion as to the size, form and content of all such advertising or signs.

(B) The Tenant and/or its concessionaire or concessionaires may, in the Baseball Stadium and on the persons of vendors or any receptacles they may carry, display advertising of any kind, including but not limited to such signs, price lists and other advertising materials calculated to inform patrons of the food, drink, articles of merchandise and/or admission tickets being offered for sale. In addition, the Tenant shall have the right to display advertising in the stadium club, suites and on menus in such club and on programs, yearbooks and other printed materials sold in any part of the leased premises.

(C) The Tenant shall have the right to construct and sell advertising on "Events Announcement Signs" on the leased premises and on the 59-acre tract, the land between the leased premises and Raytown Road and other land owned by the County, which may be of such size and at such locations that the wording thereon is readable from the roads and highways bordering the leased premises. The Tenant shall provide the Landlord at least thirty (30) days in advance of the construction of any said "Events Announcement Signs" information concerning the location, size and type of construction for said "Events Announcement Signs" and the Landlord shall have fifteen (15) days in which to approve the location, size and type of construction, which approval shall not be unreasonably withheld or delayed. The Landlord shall have no right to approval of any advertising on said "Events Announcement Signs" during the term of this Lease or any extension thereof.

(D) In addition to the provisions hereinabove set forth, Tenant shall have the right to place other advertising on the leased premises other than the Baseball Stadium and its immediate environs, subject to the written approval of the Co-tenant and of the Landlord.

(E) The Tenant shall have the right to receive and retain all revenues from all advertising permitted by this Lease, and such revenues shall not be included in "Gross Receipts" for the computation of rent pursuant to Article VI.

ARTICLE XV

CONFLICTS AND ARBITRATION

Section 15.01 Cooperation with Co-tenant.

The Tenant will, at all times during the term hereof, as it may be extended, exert its best efforts to occupy the Sports Complex jointly with the Co-tenant harmoniously and in a spirit of mutual cooperation. The Tenant acknowledges that the physical proximity of the Sports Complex Football and Baseball Stadiums and the necessity for joint usage of certain facilities of the Sports Complex require the Tenant and the Co-tenant to negotiate any differences which may arise and to resolve any disputes among themselves as quickly and fairly as possible. Under no circumstances will the Tenant be entitled to withhold, delay or divert percentage rental payments due the Landlord on the grounds of a dispute with the Co-tenant or a loss related to such a dispute.

Section 15.02 Arbitration.

In the event of a dispute between the Tenant and the Co-tenant which cannot be resolved by the two parties thereto after good faith efforts to discuss and negotiate with respect to the disputed issue, such dispute will be resolved by arbitration. Either of the parties desiring such arbitration shall give notice to that effect to the other party specifying in said notice the nature of the dispute and the name and address of the person designated to act as an arbitrator on behalf of the party initiating the arbitration. Within seven (7) days after receipt of such notice, the replying party shall give written notice to the initiating party of the name and address of the arbitrator to act on behalf of the replying party. Such arbitrators shall not be officers, agents or employees of the party selecting them. The two (2) arbitrators so appointed shall within ten (10) days after the selection of the second (2nd) of the two (2) arbitrators select a third (3rd) arbitrator who shall act as chairman. This three (3) member board of arbitration shall meet as expeditiously as possible and both parties shall have an opportunity to present such written and oral evidence as may bear upon the matter in question and to present their arguments with respect to the dispute. Following such hearing or hearings the board of arbitration shall make its decision in writing resolving the dispute which shall be adopted by no less than two (2) of the three (3) members of the board of arbitration. This decision shall be binding and conclusive upon the parties to the dispute. Each party shall pay the fees and expenses of the arbitrator selected by it and the fees and expenses

of the third (3rd) arbitrator shall be borne equally by the parties.

ARTICLE XVI

STADIUM SECURITY

Section 16.01 Stadium Security.

(A) During the term of this Lease, as it may be extended, the Landlord, at its expense, will provide such permanent security guards and night watchmen as may be necessary in order to provide twenty-four hour per day, year-round protection and security of the Sports Complex and all its facilities.

(B) In addition, during the term of this Lease, as it may be extended, the Landlord will provide at its expense, such event day security personnel as are necessary and reasonable. It is understood that nothing in this Lease will relieve the County and Kansas City, Missouri, from any responsibility they may otherwise have to provide necessary law enforcement officers, at no additional cost to the Landlord or Tenant, for security purposes within the Baseball Stadium, parking or other Sports Complex areas, or to provide the necessary officers required for traffic control and direction, during the times the Baseball Stadium is in use for events scheduled by the Tenant, its licensees or sublessees. The Tenant agrees to admit to any event exhibited by it, free of charge but without seat assignment, all officers assigned by the County and Kansas City, Missouri, to the Baseball Stadium for security, safety, traffic control or other related purposes.

ARTICLE XVII

INSURANCE

Section 17.01 Landlord to Provide Casualty Insurance on Baseball Stadium.

At all times throughout the term of this Lease, as it may be extended, Landlord, at its cost and expense, shall maintain in full force and effect casualty and hazard insurance from solvent and responsible carriers authorized to do business in Missouri covering the Sports Complex including the Baseball Stadium structure, the playing field and scoreboards, any improvements or betterments thereto at any time made by Tenant or at Tenant's expense which are a part of the real estate and become the property of the Landlord or County at the expiration or sooner termination of the term of this Lease, and all personal property of the Landlord and County

contained therein, against loss or damage by or from the following risks or perils: (a) fire, lightning, windstorm, hail, explosion, collapse, earthquake, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke, and any such other risks or perils as may at the time of the purchase or expiration of any policy purchased hereunder be covered by the broad form extended coverage endorsement or "all risk" policies then in general use in Kansas City, Missouri; (b) explosion and/or any sudden or accidental breakdown necessitating repair or replacement of such of the following equipment as may be in the Sports Complex: steam boilers, steam pipes, steam engines and other steam pressure vessels, and the electrical and lighting systems, including transformers and miscellaneous electrical apparatus (except that during any period when any of the equipment covered by such insurance is not in use and is shut down such insurance may be suspended with respect to such equipment not in use); (c) operation, malfunctioning or leakage of any automatic sprinkler system; (d) vandalism and malicious mischief (which may have a \$1,000 deductible); (e) war damage insurance during any period or periods when war damage insurance is obtainable from the United States Government or any of its agencies or a corporation formed by the United States Government; and (f) if any of such property is ever designated as a flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, the risk or peril of flood. Such insurance: shall be in an amount equal to the full replacement cost of all improvements located within the Sports Complex including the Baseball Stadium structure and the other improvements described above and the estimated value of the personal property therein belonging to the County and the Landlord; must be sufficient at all times to prevent the application of any co-insurance provisions; and shall have no deductibles except as set forth above. The Landlord shall be deemed self-insuring any deductible amounts and the same shall not relieve Landlord from its obligations hereunder with respect thereto.

Section 17.02 Landlord Shall Provide Business Interruption Insurance.

Landlord shall, throughout the term of this Lease, as it may be extended, insure basic annual rental against loss from "business interruption" caused by damage to or destruction of the Baseball Stadium by perils which may be insured against as the quoted term is used in the form of business interruption endorsement in general use in Kansas City, Missouri. To the extent Landlord actually receives payments in lieu of rentals by virtue of such coverage, Tenant shall be relieved of its obligation to pay as rent an amount equal to the payments received, and Tenant shall be named as an additional insured under such coverage.

Section 17.03 Waiver of Subrogation.

(A) The insurance policies required to be obtained and maintained by Landlord under the foregoing Sections shall each contain a provision that any right of subrogation which the insurance company may have against the Tenant, its shareholders, directors, officers, agents, employees, subcontractors, concessionaires, and any joint operating company, partnership, or venture formed by the Tenant and the Co-tenant, is waived. The Landlord and the County hereby waive any claim of liability against Tenant, its shareholders, directors, officers, agents, employees, subcontractors, concessionaires, and any joint operating company, partnership or venture formed by the Tenant and the Co-tenant, for loss, injury or damage to property which should be or is within the coverage of the foregoing insurance policies.

(B) As to any physical damage insurance carried by the Tenant with respect to property owned by it and located at the Sports Complex, each insurance policy shall contain a provision that any right of subrogation which the insurance company may have against the Landlord or the County, their respective members, officers, agents, employees and subcontractors, is waived. The Tenant hereby waives any claim of liability against Landlord or the County for loss, injury or damage to property owned by it and located at the Sports Complex which is within the coverage of such insurance.

Section 17.04 Landlord to Provide Liability Insurance and Other Insurance.

(A) At all times during the term of this Lease, as it may be extended, the Landlord shall obtain and maintain in full force and effect, at Landlord's cost and expense, the following insurance coverages:

(i) Comprehensive general public liability insurance, including premises, operations and products liability, under which the Landlord, the County and the Tenant are named as insureds and under which the insurer agrees to defend and indemnify such insureds and hold them harmless from and against all cost, loss, damages, expense, liability and claims therefor arising out of, based upon, or resulting from any acts or omissions of the County, the Landlord or the Tenant or any employee, agent, licensee or concessionaire of any of them in or with respect to the operation, occupancy, maintenance or use of the Baseball Stadium (including the stadium club, suites and concession facilities) and its immediate environs, and any other areas of the Sports Complex used jointly by the Tenant and the Co-tenant, including any and all accidents, injuries and damages of any kind whatsoever to any person or any property howsoever occurring and claimed to have been suffered therein. The minimum limits of liability of such

insurance shall be \$1,000,000 in the event of injury to or the death of any one person and not less than \$3,000,000 in the event of injury to or death of more than one person arising by reason of one occurrence and \$500,000 with respect to damage to property. Such policy shall also insure the performance by Landlord of the indemnity set forth in Section 18.02 below.

(ii) Workers' compensation insurance on all persons employed by Landlord in or about the Sports Complex, including the Baseball Stadium or leased premises, in connection with Landlord's operations, which policy shall (if and to the extent possible) name the County and the Tenant as named insureds thereunder.

(B) At all times during the term of this Lease, as it may be extended, the Tenant shall obtain and maintain in full force and effect, at Tenant's cost and expense, workers' compensation insurance on all persons employed by Tenant in or about the leased premises in connection with Tenant's operations, which policy shall (if and to the extent possible) name the County and the Landlord as named insureds thereunder.

(C) Current duplicate originals of every policy of insurance required to be maintained by Landlord or Tenant above or current certificates of such insurance, marked "premium paid", shall be deposited at all times with the other party and, in any event, not less than ten (10) days before the expiration of any existing policies. Each such policy shall be issued by a solvent and reputable insurance company or companies authorized to do business in Missouri and shall be non-cancellable and non-modifiable with respect to the County, Landlord and Tenant except upon at least thirty (30) days' prior written notice to each of them. Landlord and Tenant each shall provide the other a current certificate of any such insurance required to be provided by it within ten (10) days of a written request therefor from the other party.

(D) The insurance hereinabove required of Landlord or Tenant may be covered under a so-called "blanket" policy covering other properties or locations of such party or its affiliates, provided that the County, Tenant and the Landlord, as applicable, shall be named as additional insureds thereunder, the coverage required hereinabove will not be reduced or diminished by use of such blanket policy and the other requirements hereinabove set forth are otherwise satisfied.

(E) If at any time during the term of this Lease, as it may be extended, Tenant is unable to secure or maintain the workers' compensation insurance described in Subsection 17.04(B) above at commercially reasonable premium rates or Tenant desires to self-insure against the same, Tenant shall not be in default under this Lease if, in lieu thereof, Tenant provides to Landlord proof of

financial responsibility in the form of cash, a cash bond, a self-insurance reserve fund or other security reasonably satisfactory to Landlord in a reasonable amount as recommended by an independent insurance consultant and Tenant agrees to handle and defend all claims that would have been covered by such commercial insurance. The form of any such alternative security shall contain terms and provisions reasonably acceptable to Landlord in order to provide it similar protection to that which it and Tenant would have had with commercial workers' compensation insurance coverage.

Section 17.05 Other Insurance Provisions.

(A) The Landlord and the Tenant each shall faithfully perform and comply with, subject to the provisions of this Lease, all of the terms and conditions of the policies of insurance required by the foregoing provisions of this Article, except those terms and conditions which, by the terms of this Lease or the policy in question, are required to be performed or complied with by the other party, which terms and conditions the other party shall perform and comply with. Without limitation of the foregoing, the Tenant, the County, and the Landlord shall give prompt notice to the insurers and to each other of all claims covered by any of said policies. The Landlord and the Tenant, as applicable, shall pay or cause to be paid the premiums on the policies to be carried by it at all times and in the amounts required to maintain in full force and effect the insurance required to be maintained by it hereunder. The Tenant shall not be entitled to any reimbursement by the County or the Landlord for such premiums for insurance required to be maintained by it or to any credit therefor on the rent provided for in Article VI.

(B) The Tenant shall require all licensees, sublessees or other users of the Baseball Stadium to procure a policy or policies of insurance, naming as insureds thereunder the County, the Landlord, the Co-tenant, and the Tenant, and their respective officers, directors, shareholders or members and employees, providing comprehensive general public liability insurance against claims, suits and judgments against said insureds for death, personal injury and property damage arising out of or occurring during the operation, occupancy or use of or resulting from the acts or omissions of the County, the Landlord, the Co-tenant, the Tenant and any such licensee, sublessee or other stadium user or the employees or agents of any of them in or with respect to the Sports Complex or any part thereof during the period of use of the Sports Complex or any part thereof by any such licensee, sublessee or other stadium user (including in the term "period of use", without limitation of the generality thereof, the period when the Baseball Stadium is being prepared for and restored after any event to be conducted by such licensee, sublessee or other stadium user). The amount of coverage required of any such licensee, sublessee or

other stadium user by Tenant shall be in the reasonable discretion of Tenant.

ARTICLE XVIII

INDEMNIFICATION

Section 18.01 Tenant's Indemnity.

The Tenant shall indemnify the Landlord and the County against and hold them harmless from all claims, suits and judgments (and all costs and expenses in connection therewith) for death, personal injuries and property damage (except the property of the County or the Landlord) as to which Tenant is required under this Lease and the Management Contract to furnish liability insurance.

Section 18.02 Landlord's Indemnity.

The Landlord shall indemnify the Tenant against and hold the Tenant harmless from all claims, suits and judgments (and all costs and expenses in connection therewith) for death, personal injuries and property damage to other than the County or Tenant as to which Landlord is required under this Lease to furnish liability insurance.

Section 18.03 No Limitation to Insurance.

The liability of the Tenant and Landlord under this Article shall not be limited to the amounts of insurance specified in this Lease.

ARTICLE XIX

OBLIGATION TO RESTORE CASUALTY DAMAGE

Section 19.01 Landlord to Restore.

(A) If the leased premises shall be partially or totally damaged or destroyed by fire or other casualty (whether or not insured), and the Tenant has not exercised its option to terminate this Lease pursuant to Subsection 19.01(D) below, the Landlord, at its expense, shall repair the damage so as to restore the leased premises to their condition immediately prior to such fire or other casualty. The Landlord shall not, however, be required to repair or replace any property, title to which is in the Tenant.

(B) In the event of any damage or destruction which the Landlord is required to repair pursuant to the foregoing Subsection

19.01(A), the Landlord shall proceed promptly with the work of repair and restoration and shall proceed diligently without interruption to completion, subject to reasonable delays due to adjustment of insurance.

(C) During any period beginning with the occurrence of any damage or destruction by fire or other casualty which renders any part of the leased premises untenable or unusable for the purposes for which the same is designed and intended and ending upon completion of the work of repair and restoration: (i) the Basic Rent payable hereunder shall continue to be payable for so long as any bonds secured by this Lease are outstanding and the provisions of Section 20.01(A)(ii) below shall apply thereto; but (ii) the other obligations of the Landlord and of the Tenant under this Lease shall abate and be suspended to an extent appropriate in light of the part, if any, of the leased premises being used by the Tenant.

(D) If the whole or a material part of the leased premises shall be damaged or destroyed by fire or other casualty, and such damage or destruction renders the leased premises untenable or unusable for any length of time for the purposes for which the same is designed and intended and the same cannot, in the opinion of a mutually agreed upon independent engineer, expressed in a certificate filed with the Landlord, be reasonably restored within a period of twenty-four (24) consecutive months to the condition which existed immediately preceding such damage, the Tenant may terminate this Lease by giving the Landlord notice in writing of such termination within sixty (60) days of such occurrence and such termination shall forthwith become effective.

ARTICLE XX

FORCE MAJEURE

Section 20.01 Force Majeure.

(A) Should any matter or condition beyond the reasonable control of either party such as, but not limited to, war, public emergency or calamity, fire, earthquake, flood, act of God, strike, lockout, work stoppage, or other labor disturbance, failure of delivery of materials, parts or equipment, or any governmental restriction, prevent performance of this Lease in accordance with its provisions, performance of this Lease by either party shall be suspended or excused to the extent commensurate with such interfering occurrence. Provided, however, that (i) the obligation of the Tenant to make the percentage rental payments provided for in Article VI hereof shall not be suspended and (ii) the obligation of Tenant to make Basic Rent payments provided for in Section

6.01(A) shall not be suspended so long as any bonds issued to pay for obligations incurred under this Lease, the Management Contract or the Master Plan are outstanding but the full amount of all Basic Rent paid during any period of Force Majeure shall be credited against and reduce Tenant's liability and obligation to pay percentage rentals under Article VI of this Lease until such amount is fully set-off, used and exhausted. In the event of a player's union or other labor strike, lockout, work stoppage or labor dispute and during such period Tenant continues to play professional baseball games with substitute, non-regular players, then the provisions of (ii) in the immediately preceding sentence shall not apply.

(B) If, as a consequence of such force majeure, the leased premises should be destroyed, or rendered unfit or unavailable for the purpose of this Lease, the Tenant shall not be obligated to use the same but shall have the right to play its games in any other stadium during the time such condition continues to exist; provided, however, Tenant agrees to give first consideration under such circumstances to the use of any other playing areas available in the County; but such use shall be in the sole discretion of Tenant.

(C) The term of this Lease shall be further extended for an additional period of time equal to the full period that the Tenant is prevented by such force majeure from using the Baseball Stadium. Such extension of the term of this Lease, shall be upon the same terms and conditions as prescribed by Section 1.02 above.

(D) Notwithstanding the foregoing provisions of this Article to the contrary, if a "force majeure," as described above in this Article, shall occur and, as a consequence thereof, the whole or a material part of the leased premises shall be rendered unfit or unavailable for the purpose of this Lease, and the same cannot, in the opinion of a mutually agreed upon independent engineer expressed in a certificate filed with the Landlord, be reasonably restored within a period of twenty-four (24) consecutive months to the condition which existed immediately preceding such event, the Tenant may terminate this Lease by giving the Landlord notice in writing of such termination as provided in Subsection 19.01(D) above.

ARTICLE XXI

EMINENT DOMAIN

Section 21.01 Total Taking.

Provided all the bonds secured by this Lease have been paid in full, if at any time during the term hereof, as it may be

extended, the whole of the leased premises shall be taken by the exercise of the power of eminent domain, whether by formal condemnation proceedings or by purchase under the threat of exercise of the power of eminent domain, the covenants of Tenant to pay rent and perform other obligations hereunder shall terminate as of the date that such condemning authority acquires the right to possession of the leased premises, and the Landlord and Tenant shall be entitled to assert rights of recovery from the condemning authority of the market value of their respective estates in the leased premises and such other damages as each may be entitled to under the law.

Section 21.02 Partial Taking.

(A) Provided all the bonds secured by this Lease have been paid in full, if at any time during the term hereof, as it may be extended, a part of the leased premises shall be taken by the exercise of the power of eminent domain, whether by formal condemnation proceedings or by purchase under the threat of exercise of the power of eminent domain, and such taking renders the leased premises untenable or unfit for the use contemplated herein, or materially interferes with the use and occupancy thereof by Tenant, the covenants of Tenant to pay rent and perform other obligations hereunder shall terminate as of the date such condemning authority acquires the right of possession to such part of the leased premises, and Tenant shall be entitled to assert rights of recovery from the condemning authority of the market value of its leasehold estate in the part taken and damages in an amount equal to the diminution in market value of its leasehold estate on the remainder of the leased premises, and Landlord shall be entitled to recover from the condemning authority the market value of the part taken burdened by the leasehold estate and damages in an amount equal to the diminution of the market value of the remainder of the leased premises burdened with the leasehold estate.

(B) If at any time during the term hereof, as it may be extended, a part of the leased premises shall be taken by the exercise of the power of eminent domain, whether by formal condemnation proceedings or by purchase under the threat of the power of eminent domain, and such taking does not unreasonably interfere with the use and occupancy of the leased premises by Tenant for the purposes contemplated herein, the covenants of Tenant to pay the rent heretofore provided shall continue uninterrupted, but this shall not impair Tenant's right, if any, to recover damages from the condemning authority as may be allowed by law.

Section 21.03 Other Provisions Regarding Condemnation.

(A) If in any condemnation proceedings the condemnation commissioners make only one lump sum award for compensation and damages for the taking of all or any part of the leased premises, without separating the amount attributable to the market value of and damages to Tenant's leasehold estate and the amount attributable to the market value of and damages to the Landlord's interest in the leased premises burdened by the leasehold estate, and if Tenant and Landlord are unable to agree upon a division of said award, the Tenant and Landlord may assert in any said condemnation proceedings their respective claims as defined herein to said award; provided, however, if, because of the character or nature of the leased premises, or the special use to which they are applied, or any other reason, the concept of market value be determined not to afford Landlord or Tenant, or both, just compensation under the Constitution and laws of Missouri or just compensation under the Constitution and laws of the United States in a taking of all or part of the leased premises in any of the situations delineated above in this Article XXI, then in applying the terms and provisions thereof the measure of compensation adopted by the Courts shall be substituted for the term "market value" wherever it appears above in this Article XXI; and provided, however, that nothing herein contained shall be deemed a waiver of the rights of either Landlord or Tenant to except to, contest or appeal from any awards rendered in such condemnation proceedings.

(B) It is understood and agreed that in the event a condemning authority, under threat of condemnation, makes an offer to purchase all or part of the leased premises such offer shall not be accepted unless both Tenant and Landlord consent to accept such offer.

ARTICLE XXII

TENANT'S REPRESENTATIONS AND WARRANTIES

Section 22.01 Tenant's Representations and Warranties.

During the term of this Lease and any extension thereof, Tenant hereby covenants and agrees that:

(A) it shall maintain its membership in Major League Baseball in good standing;

(B) it shall maintain a baseball team, the name and style under which Tenant's baseball club or team plays or holds its games

shall be selected and determined by Tenant in its sole and absolute discretion;

(C) it shall hold, maintain, preserve and protect in full force and effect all rights and franchises necessary for it to play Major League Baseball in the City of Kansas City and the County of Jackson County in accordance with the terms and conditions of this Lease and conforming with the Constitution, By-laws and rules and regulations of Major League Baseball;

(D) it shall use its best reasonable efforts within the limits of sound business judgment to insure the maximum receipts from occupancy of and attendance at the Baseball Stadium and the patronage of the concessions by the public, consistent with the terms of this Lease;

(E) it shall not discontinue use of any major part of the Baseball Stadium designed, intended or contemplated for use by Stadium patrons unless the Landlord consents in writing to such discontinuance, such consent not to be unreasonably withheld or delayed;

(F) neither the execution and delivery of this Lease, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms hereof, conflict with or result in a breach of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which the Tenant is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Tenant under the terms of any instrument or agreement;

(G) it is a corporation organized and existing under the laws of the State of Missouri, is now in good standing under the laws of the State of Missouri and its principal office is in Kansas City, Missouri; and

(H) it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it; provided that the Tenant may, without violating the agreements contained in this Section, as an adjunct of an assignment of its American League franchise or otherwise, consolidate with or merge into another domestic corporation (i.e., a corporation incorporated and existing under the laws of one of the states of the United States of America) or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another domestic corporation all or

substantially all of its assets as an entirety and thereafter dissolve; provided, in the event the Tenant is not the surviving, resulting or transferee corporation, as the case may be, the surviving resulting or transferee corporation, as the case may be, assumes in writing all of the obligations of the Tenant herein.

ARTICLE XXIII XXII

LANDLORD'S REPRESENTATIONS AND WARRANTIES

Section 23.01 Landlord's Representations and Warranties.

Landlord represents and warrants that:

(A) Landlord was created and exists pursuant to Sections 64.920 to 64.950 of the Revised Statutes of Missouri, 1986, as amended; and

(B) Pursuant to the County Agreement, as amended, Landlord has the right and authority to lease the leased premises to Tenant and to perform all terms, covenants, provisions and conditions of this Lease to be performed by it.

ARTICLE XXIV

RIGHT OF ENTRY AND INSPECTION

Section 24.01 Right of Entry and Inspection.

The Landlord and its agents and representatives shall, at all reasonable times during the term hereof (but not on event days except by prior written approval of the Tenant which shall not be unreasonably withheld), have the right to enter into and upon any and all parts of the Sports Complex for the purpose of examining the same for any legitimate reason related to the obligations of the parties to this Lease.

ARTICLE XXV

QUIET ENJOYMENT

Section 25.01 Quiet Enjoyment.

The Landlord covenants that if, and so long as, the Tenant keeps and performs each and every covenant, agreement, term, provision and condition of this Lease on the part and on behalf of the Tenant to be kept and performed, the Tenant shall quietly enjoy

its rights under this Lease with respect to the Sports Complex, as such rights are defined, set forth and limited by this Lease, without hindrance or molestation by the Landlord or the County or by any other person lawfully claiming the same by, through or under the Landlord or the County subject to the covenants, agreements, terms, provisions and conditions of this Lease.

ARTICLE XXVI

PERMITS: LAW COMPLIANCE

Section 26.01 Permits; Law Compliance.

The Tenant agrees to comply with all laws and lawful regulations applicable to its use and occupancy of the Sports Complex and to obtain at its own expense all necessary licenses and permits for the conduct of its operations hereunder; provided, however, that Tenant shall have the right to contest, in any manner provided by law, the applicability of any law or regulation.

ARTICLE XXVII

DEFAULTS AND REMEDIES

Section 27.01 Tenant's Defaults and Landlord's Remedies.

(A) An event of default by Tenant shall be deemed to have occurred hereunder if:

(i) the Tenant defaults in the making of any payment of rent or of any other payment required to be made by the Tenant to the Landlord under this Lease on the date when such payment is due and payable and any such default continues for a period of thirty (30) days after service of a notice of default complying with the requirements hereinafter set forth; or

(ii) (a) the Tenant defaults in the performance or observance of any term, covenant, condition or provision of this Lease or the Management Contract described in Section 11.01 above; (b) such default is of a kind which is curable or remediable; and (c) such default continues for a period of thirty (30) days after service of a notice of default or, if the curing or remedying of such default requires the doing of work or the taking of action which cannot with due diligence be completed in a thirty (30) day period, continues beyond such period following the end of the period of thirty (30) days after the service of a notice of default as is reasonably necessary, taking into account unavoidable delays,

to do the work required or to complete such other action as is required to cure or remedy the default in question; or

(iii) the Tenant defaults in the performance or observance of any term, covenant, condition or provision of this Lease or the Management Contract described in Section 11.01 above and either (a) such default is not curable or remediable and is with respect to a substantial obligation of this Lease or such Management Contract, the Landlord cannot be made whole therefor by the collection of money damages and it is committed or permitted under such circumstances as to evidence a willful or negligent disregard by the Tenant of its substantial obligations under this Lease or such Management Contract, or (b) such default, in the light of prior defaults by the Tenant, collectively establishes a course of conduct of willful or negligent disregard by the Tenant of its substantial obligations under this Lease or the Management Contract; or

(iv) subject to applicable law, including any section of the U.S. Bankruptcy Code, there shall be filed against the Tenant (or, in the event of any assignment hereunder, then against any assignee of the Tenant's rights hereunder) in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization (other than a reorganization not involving the liabilities of the Tenant or such assignee) or for the appointment of a receiver or trustee of all or substantially all of the Tenant's (or such assignee's) property and within one hundred twenty (120) days of such filing the Tenant (or such assignee) fails to secure a discharge of such petition or the dismissal of such proceedings, or the Tenant (or such assignee) files a voluntary petition in bankruptcy or insolvency or for such reorganization or for the appointment of such a receiver or trustee or makes an assignment for the benefit of creditors or petitions for or enters into an arrangement.

(B) Anything in this Lease to the contrary notwithstanding, no event of default by Tenant shall be deemed to have occurred under this Section 27.01 until the expiration of thirty (30) days after the giving of a written notice of default notwithstanding the fact that the claimed default is not curable or remediable so that the Tenant will have the opportunity to initiate judicial proceedings to determine whether the claimed default constitutes an event of default by it hereunder. In the event that the Tenant in good faith commences such proceedings to contest the existence of any such default and uses reasonable diligence in prosecuting such action and complies with the final judgment of the court in such action, then Landlord shall not have any right to terminate this Lease and the Management Contract as hereinafter provided in Subsection (D) of this Section 27.01, but nothing herein and therein contained shall prevent a court from granting such

protective orders, injunctions and interlocutory judgments as might otherwise be appropriate.

(C) Anything elsewhere in this Lease to the contrary notwithstanding, no notice by the Landlord under this Section 27.01 (herein called a notice of default) shall be valid or effective unless it complies with the following requirements: (i) it shall be served within a reasonable time after the Landlord acquires knowledge of the occurrence of the claimed default; (ii) it shall specify in reasonable detail the claimed default and shall specify the Article and Section, if any, of this Lease or the Management Contract under which the default is claimed to have occurred; (iii) it shall state that if the claimed default is not cured or remedied within the applicable period, if any, specified in this Section 27.01, the Landlord will have the right to terminate this Lease and the Management Contract and all rights of the Tenant thereunder; and (iv) for the purpose of determining the expiration date of any applicable period for the curing or remedying of such default, the provisions of Section 33.05 hereof shall apply.

(D) Within thirty (30) days after the occurrence of any event of default by Tenant, the Landlord shall have the right to give the Tenant notice of intention to terminate this Lease and the Management Contract and all rights of the Tenant thereunder and upon the effective date of such termination specified in such notice (which shall be not less than thirty (30) days after the giving of such notice), the term of this Lease and the Management Contract shall end as fully and completely as if that were the date fixed for the expiration of the term of this Lease and the Management Contract and the Tenant shall then quit and surrender possession of the leased premises but shall be liable as hereinafter in this Section 27.01 provided.

(E) If the notice provided for herein has been served and the term of this Lease has ended as aforesaid, then Landlord may, without further notice, reenter and repossess the leased premises with or without legal process and remove all persons and property therefrom and the Tenant hereby waives any notice provided by law or otherwise to be given in connection therewith. Any and all property belonging to the Tenant or to anyone claiming by, through or under the Tenant which may be found in the leased premises by the Landlord upon such reentry may be handled, removed or stored by the Landlord at the risk and expense of the Tenant and the Landlord shall not be responsible for the preservation or the safekeeping thereof. The Tenant shall pay to the Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in the Landlord's possession or under the Landlord's control.

(F) In the event of any termination of this Lease pursuant to this Section 27.01 and reentry or repossession of the leased premises, by summary proceedings or otherwise, the Landlord shall use its best efforts to relet the leased premises or any part or parts thereof, either separately or in conjunction with any other space in the Sports Complex, to any other person or entity, and may regrant to any other person or entity any or all of the rights granted to Tenant under this Lease, for such term, which may be shorter or longer than the period which would otherwise have constituted the remainder of the term of this Lease, and on such other terms, covenants and conditions, including rent concessions or free rent, and may make such repairs, alterations, additions, replacements and/or decorations in and to the leased premises, which the Landlord, in its reasonable discretion, may deem advisable for the purpose of reletting the leased premises or regranteeing the rights granted by this Lease, all without in any way releasing Tenant from liability hereunder. If the rents and other payments (including revenues from parking) collected by the Landlord upon any such reletting or regranteeing are not sufficient to pay on the scheduled rent payment dates set out in Section 6.01(A) hereof the full amount of the rent (determined as hereinafter in this Subsection 27.01(F) provided), and all other amounts which the Tenant would have been obligated to pay under this Lease but for such termination the Tenant shall pay to the Landlord annually upon demand the amount of the deficiency. Provided Landlord uses its best efforts to do so, the Landlord shall not be liable for failure to relet the leased premises or regrant the rights granted to Tenant by this Lease or, if the leased premises are relet or such rights are regranteeed, for reasonable failure to collect the rent and other payments under such reletting or regranteeing. In determining the amount of the rent payable by the Tenant under this Lease from the date of the occurrence of any event of default to the date originally fixed for the expiration of the term of this Lease, the annual minimum rent deemed payable hereunder shall be the annual basic rent plus an amount equal to (i) the average annual percentage rent for all full Lease Years of this Lease preceding the Lease Year in which such event of default occurs multiplied by (ii) the number of full Lease Years remaining in the term of this Lease (without regard to any of Tenant's extension period options).

(G) Notwithstanding the provisions of the preceding or any other provision of this Lease, the Landlord shall be entitled, at its option, to recover from the Tenant as and for liquidated damages upon a termination of this Lease pursuant to this Section 27.01 or without such termination upon the filing of any petition referred to above, an amount equal to the value at the time of such termination of the amount, if any, by which the "rent deemed payable," as calculated and determined pursuant to the last

sentence of Subsection 27.01(F) immediately above, exceeds the fair value of the rights granted to the Tenant by this Lease for the unexpired portion of the term of this Lease (without regard to any of Tenant's extension period options). In the computation of such damages the amount of the deficiency between any annual installment of rent becoming due hereunder after the date of such termination and the fair value of the rights granted by this Lease for the period for which such installment was payable shall be discounted to the date of such termination at the rate of ten percent (10%) per annum.

(H) In the event of a breach or threatened breach of Section 7.02, the Landlord shall be entitled to seek and obtain an injunction from the Circuit Court of Jackson County, Missouri, or any other court of competent jurisdiction to restrain and enjoin any violation thereof. In such event it is specifically agreed by Tenant that the remedy at law of the Landlord is inadequate and that the Tenant shall waive entitlement to any bond in excess of \$5,000,000 pending final adjudication.

(I) In the event of a breach or a threatened breach by the Tenant of any other terms, covenants, conditions or provisions hereof or of the Management Contract, the Landlord shall have the right of injunction to restrain the same and the right to invoke any remedy allowed by law or in equity, including without limitation the right to money damages, as if specific remedies, indemnity or reimbursement were not herein provided for.

(J) The rights and remedies given to the Landlord in this Lease are distinct, separate and cumulative remedies, and no one of them, whether or not exercised by the Landlord, shall be deemed to be in exclusion of any of the others herein or by law or equity provided.

(K) The provisions of this Section 27.01 shall survive the termination of this Lease.

Section 27.02 Landlord's Default and Tenant's Remedies.

(A) An event of default by Landlord shall be deemed to have occurred hereunder if:

(i) (a) the Landlord defaults in the performance or observance of any term, covenant, condition or provision of this Lease or the Management Contract, (b) such default is of a kind which is curable or remediable, and (c) such default continues for a period of thirty (30) days after service of a notice of default or, if the curing or remedying of such default requires the doing of work or the taking of action which cannot with due diligence be completed in a thirty (30) day period, continues beyond such period

following the end of the period of thirty (30) days after the service of a notice of default as is reasonably necessary, taking into account unavoidable delays, to do the work required or to complete such other action as is required to cure or remedy the default in question; or

(ii) the Landlord defaults in the performance or observance of any term, covenant, condition or provision of this Lease or the Management Contract and either (a) such default is not curable or remediable and is with respect to a substantial obligation of this Lease or said Management Contract, the Tenant cannot be made whole therefor by the collection of money damages and it is committed or permitted under such circumstances as to evidence a willful or negligent disregard by the Landlord of its substantial obligations under this Lease or said Management Contract, or (b) such default, in the light of prior defaults by the Landlord, collectively establishes a course of conduct of willful or negligent disregard by the Landlord of its substantial obligations under this Lease or the Management Contract; or

(iii) subject to the provisions of Section 27.02(J) hereof, the Landlord fails, refuses or for any reason is unable to implement or cause the completion of any repair, replacement or improvement described in the Master Plan on or by the date therein required for the same; or

(iv) the Landlord defaults in the making of any payment of any fee or any other payment required to be made by the Landlord to the Tenant under the Management Contract described in Section 11.01 above on the date when such payment is due and payable and any such default continues for a period of thirty (30) days after service of a notice of default complying with the requirements therein and hereinafter set forth.

(B) Anything in this Lease or the Management Contract to the contrary notwithstanding, no event of default by Landlord shall be deemed to have occurred under this Section 27.02 until the expiration of thirty (30) days after the giving of a notice of default notwithstanding the fact that the claimed default is not curable or remediable so that the Landlord will have the opportunity to initiate judicial proceedings to determine whether the claimed default constitutes an event of default hereunder. In the event that the Landlord in good faith commences such proceedings to contest the existence of any such default and uses reasonable diligence in prosecuting such action and complies with the final judgment of the court in such action, then Tenant shall not have any right to terminate this Lease and the Management Contract as hereinafter provided in Subsection (C) of this Section 27.02 and therein contained, but nothing herein shall prevent a

court from granting such protective orders, injunctions and interlocutory judgments as might otherwise be appropriate.

(C) Anything elsewhere in this Lease to the contrary notwithstanding, no notice by the Tenant under this Section 27.02 (herein called a notice of default) shall be valid or effective unless it complies with the following requirements: (i) it shall be served within a reasonable time after the Tenant acquires knowledge of the occurrence of the claimed default; (ii) it shall specify in reasonable detail the claimed default and shall specify the Article and Section, if any, of this Lease or the Management Contract under which the default is claimed to have occurred; (iii) it shall state that if the claimed default is not cured or remedied within the applicable period, if any, specified in this Section 27.02, the Tenant will have the right to terminate this Lease and the Management Contract and all obligations of the Tenant thereunder; and (iv) for the purpose of determining the expiration date of any applicable period for the curing or remedying of such default such notice shall be deemed to have been served when served or mailed, as the case may be.

(D) Upon the occurrence of an event of default by Landlord as described above, the Tenant, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Landlord. The amount of any expense incurred by Tenant in connection with any such performance by Tenant for the account of Landlord, as well as the cost of any property, material, labor or services provided, furnished or rendered, or caused to be provided, furnished or rendered as aforesaid, shall be paid by Landlord within thirty (30) days after written demand therefor by Tenant and/or Tenant may set off and apply the same against any rent subsequently due under this Lease.

(E) Within thirty (30) days after the occurrence of any event of default by Landlord, the Tenant shall have the right to give the Landlord notice of intention to terminate this Lease and the Management Contract and all rights of the Landlord thereunder and upon the effective date of such termination specified in such notice (which shall be not less than thirty (30) days after the giving of such notice) the term of this Lease and the Management Contract shall end as fully and completely as if that were the date fixed for the expiration of the term of this Lease and the Management Contract and any obligations of the Tenant to pay rent or perform any other covenant, condition, obligation or provision of this Lease or the Management Contract shall end but Landlord shall be liable as hereinafter in this Section 27.02 provided.

(F) In the event of termination because of default of the Landlord:

(i) Tenant shall be entitled to remove from the leased premises any and all property belonging to the Tenant or anyone claiming by, through or under the Tenant which is in the leased premises;

(ii) Landlord shall reimburse Tenant for the cost of any and all improvements paid for by Tenant in connection with the original construction on or to the leased premises and for the cost of any and all alterations, additions and improvements at any time thereafter made by Tenant on or to the leased premises less an allowance per item computed as follows: Such allowance shall represent a fractional portion of the initial cost of such item and in determining such portion the fraction shall have as its numerator the number of years that have elapsed subsequent to the completion of such improvement and shall have as its denominator the number 25.

(iii) in addition to the foregoing, Tenant shall be entitled to recover from Landlord the amount of any and all damages sustained by Tenant as the result of Landlord's breach of this Lease or the Management Contract.

(G) The rights and remedies given to the Tenant in this Lease are distinct, separate and cumulative remedies and no one of them, whether or not exercised by the Tenant, shall be deemed to be in exclusion of any of the others or of any other rights or remedies not herein set forth that Tenant may have at law or in equity.

(H) In the event of a breach or a threatened breach by the Landlord of any of the terms, covenants, conditions or provisions hereof or of the Management Contract, the Tenant shall have the right of injunction to restrain the same and the right to invoke any remedy allowed by law or in equity including, without limitation, the right to money damages, as if specific remedies, indemnity or reimbursement were not herein provided for.

(I) The provisions of this Section 27.02 shall survive the termination of this Lease and the Management Contract.

(J) Notwithstanding any other provision of this Lease to the contrary, it shall not be considered an Event of Default under this Lease, the Management Contract or the Master Plan and Tenant shall not have the right to terminate this Lease prior to December 31, 1991, so long as Landlord is expending all available funds including the improvement fund and all rentals paid hereunder in the following order of priority (or such other priority as the Landlord, Tenant and Co-Tenant shall mutually agree):

(1) Landlord's normal operating expenses;

- (2) Debt service payments on any bonds issued to fund improvements contemplated herein or in the Master Plan;
 - (3) Local matching funds for the state appropriation provided in Senate Bills 295 and 312, 85th General Assembly (1989) for 1990 and 1991;
 - (4) Payment of the Management Fees to the extent the same have become due;
 - (5) Improvements set out in Section 3.02 hereof;
 - (6) Structural repair improvements required hereunder;
- and
- (7) Implementation of the Master Plan.

ARTICLE XXVIII

WAIVER OF PERSONAL LIABILITY

Section 28.01 Waiver of Personal Liability.

All obligations and liabilities under this Lease on the part of the Landlord and on the part of the Tenant are solely corporate liabilities and each party hereby releases each and every incorporator, officer, agent, director, shareholder and member of the other party of and from any personal or individual liability under this Lease, and no incorporator, officer, agent, director, shareholder or member of the Landlord or Tenant shall at any time or under any circumstances be individually or personally liable under this Lease or for any action taken hereunder by the Landlord or the Tenant or otherwise in connection therewith, or for or on account of any failure on the part of Landlord or the Tenant hereunder.

ARTICLE XXIX

TENANT AN INDEPENDENT CONTRACTOR

Section 29.01 Independent Contractor Relationship.

The Tenant shall be and remain an independent contractor with respect to all rights obtained and services performed under this Lease and the Management Contract including, by way of enumeration and not by way of limitation, the sale of tickets and merchandise of all kinds and the performance of maintenance and repair obligations hereinabove described. The Tenant agrees to provide

for, and does hereby accept, full and exclusive liability for the payment of any and all contributions or taxes for social security, workers' compensation insurance, unemployment insurance, or old age retirement benefits, pensions or annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries or other remuneration paid to persons employed by the Tenant for work performed relating to this Lease or the Management Contract, and the Tenant agrees to indemnify and save harmless the Landlord and the County from any such contributions or taxes or from liability therefor. Nothing herein contained shall make, or be construed to make, the Landlord and Tenant partners of one another, nor shall this Lease and/or the Management Contract be construed to create a partnership or joint venture between any of the parties hereto or referred to herein.

ARTICLE XXX

ENTIRE AGREEMENT; AMENDMENT; WAIVER

Section 30.01 Entire Agreement; Amendment; Contracts.

This Lease (including all plans, specifications, agreements, contracts and other documents and matters annexed hereto or made a part hereof by reference) contains all of the covenants, agreements, terms, provisions and conditions relating to the rights and obligations of the Tenant and the Landlord with respect to the Sports Complex hereunder. Neither the Tenant nor the Landlord has made or is making, and neither the Tenant nor the Landlord in executing and delivering this Lease, is relying upon, any warranties, representations, promises or statements by any official, agent or employee of the Tenant or the Landlord, except to the extent that the same may expressly be set forth in this Lease or in said plans, specifications, agreements, contracts and other documents and matters annexed to or made a part of this Lease by reference. No alteration, amendment or modification hereof shall be valid, unless executed by an instrument in writing by the parties hereto with the same formality as this Lease. This Lease supersedes, cancels and replaces any and all previous negotiations, arrangements, agreements and understandings, if any, including, without limitation, the prior Lease Agreement dated as of November 1, 1970, as amended by Amendment thereto dated as of January 2, 1971, Addendum to Lease Agreement dated as of May 1, 1973, and Addendum to Lease Agreement dated as of June 1, 1975, (collectively, the "Prior Lease"), between Landlord and Tenant with respect to the subject matters hereof and none thereof shall be used to interpret or construe this Lease. Landlord and Tenant acknowledge and agree that the Prior Lease shall terminate for all purposes upon the execution of this Lease except that percentage rental on Gross Receipts, Net of Taxes, for the last partial lease

year of the Prior Lease (July 1, 1989 to January 18, 1990), shall be paid on or before May 1, 1990. Provided, however, that if this Lease is terminated prior to June 30, 1997, because or as a result of an event described in Sections 34.06 and 34.09 (i.e. for legal impossibility, illegality, invalidity or unforeseeability of material provisions), then the Prior Lease automatically shall be reinstated, revived and be in force and effect from the date of the occurrence of such event to, but only to, the expiration date of the original term of the Prior Lease (i.e. June 30, 1997). If the Prior Lease is so reinstated, neither Landlord nor Tenant shall have any claim against the other for return of or reimbursement for any amounts paid or obligations performed pursuant to the provisions of this Lease prior to its termination and Landlord and Tenant each fully waive and release any such claim against the other to the fullest extent permitted by applicable law.

Section 30.02 Waiver.

The failure of the Landlord or the Tenant to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Lease or the Management Contract or to exercise any election or option herein or therein contained shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. No waiver by the Tenant or the Landlord of any covenant, agreement, term, provision, condition or option of this Lease or the Management Contract shall be deemed to have been made unless expressed in writing and signed by an appropriate official on behalf of the Landlord or by an officer of the Tenant. Neither the payment of rent by the Tenant, nor the receipt and retention by the Landlord of rent, with knowledge of the breach of any covenant, agreement, term, provision or condition herein or in the Management Contract contained, shall be deemed a waiver of such breach.

ARTICLE XXXI

ASSIGNMENT

Section 31.01 Assignment Prohibited.

Except as set forth in Section 31.02 below, this Lease may not be assigned, transferred, mortgaged or pledged by the Tenant without the prior written consent of the Landlord, which consent will not be unreasonably withheld or delayed.

Section 31.02 Exceptions.

(A) The provisions of Section 31.01 above to the contrary notwithstanding, Tenant at any time may:

(i) assign, transfer and convey this Lease and Tenant's rights, obligations and duties hereunder (and under the Management Contract) to any person, corporation, partnership, venture, business trust or other entity to which Tenant may sell, transfer or assign its American League franchise so long as The American League of Professional Baseball Clubs has approved such assignee or transferee in accordance with its Constitution, By-laws and rules and regulations; and

(ii) assign, transfer and convey this Lease and Tenant's rights, obligations and duties hereunder and assignee shall assume the obligations of the Lease (and under the Management Contract) to any corporation with which Tenant may merge or consolidate as permitted by Subsection 22.01(H) above, provided, that the survivor or successor corporation shall have a net worth at least equal to the Tenant prior to the merger.

(B) For purposes of any provision of this Article XXXI, the sale, conveyance, transfer, gift, disposition, assignment, pledge, mortgage, grant of a security interest in or other encumbrance upon any of the shares of stock of Tenant by any present or future shareholder thereof shall not be covered by nor deemed, construed or interpreted as an event, occurrence or transaction prohibited by the provisions of, or requiring the consent of Landlord as described in, Section 31.01 above.

ARTICLE XXXII

CONSENTS

Section 32.01 Consents.

No consent or approval by the Landlord or the Tenant permitted or required under the terms of this Lease shall be valid or be of any validity whatsoever unless the same be in writing, signed by the party by or on whose behalf such consent is executed.

ARTICLE XXXIII

NOTICES

Section 33.01 Notices Generally.

Where any provision is made in this Lease for the giving of a notice or the making of a demand, such notice or demand (hereinafter in this Article collectively called a notice) shall be in writing and shall be served as provided in this Article (except that if any express provision for the giving of any notice set forth elsewhere in this Lease conflicts with any provision of this Article, such other express provision shall govern).

Section 33.02 Notices to Landlord.

All notices to Landlord shall be either delivered personally in hand or sent by U.S. certified mail, return receipt requested, postage prepaid, addressed to Landlord as follows:

Jackson County Sports Complex Authority
8501 Stadium Drive
Four Arrowhead Drive
Kansas City, Missouri 64129
Attn: Chairman

and

Craft Fridkin Shaffer & Rhyne
1100 One Main Plaza
4435 Main Street
Kansas City, Missouri 64111
Attn: James W. Shaffer, Esq.

or at such other address or addresses as may from time to time hereafter be designated by Landlord to Tenant by notice.

Section 33.03 Notices to Tenant.

Until Landlord is notified otherwise by Tenant, all notices from Landlord to Tenant shall be deemed to have been duly given if delivered personally in hand or sent by U.S. certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

Kansas City Royals Baseball Corporation
P. O. Box 419969
Kansas City, Missouri 64141
Attn: President

and

Shook, Hardy & Bacon
One Kansas City Place
1200 Main Street
Kansas City, Missouri 64105
Attn: Jennings J. Newcom and Richard D. Woods, Esq.

or at such other address or addresses as may from time to time hereafter be designated by Tenant to Landlord by notice.

Section 33.04 Other Requirements as to Notices.

Until otherwise notified in writing by Landlord, Tenant shall pay all rent and other sums required to be paid by Tenant under this Lease, by check payable to the order of Landlord and shall deliver the same to the management office of Landlord first listed above in Section 33.02.

Section 33.05 Effective Time of Notices.

All notices delivered personally shall, for all purposes, be deemed to have been given and served when so delivered. All mailed notices shall be deemed to have been given and served three (3) days after being deposited in the United States mail in the manner prescribed in the Sections set out hereinbefore.

ARTICLE XXXIV

MISCELLANEOUS

Section 34.01 More Favorable Conditions.

If during the term of this Lease, as it may be extended, the Co-Tenant's lease (i) is changed, modified or amended or (ii) is terminated or expires without extension or renewal and a new lease for the leased premises therein described (whether or not with a different tenant) is executed, then Landlord agrees that all provisions or conditions contained therein including, without limitation, those pertaining to rental or the tenant's duties, which, either separately or in the aggregate, are more favorable to the tenant than those contained in this Lease and the Co-Tenant's lease shall automatically become and constitute a part of

this Lease overriding and modifying any inconsistent provisions contained herein. The foregoing does not apply to any changes under the Master Plan which are mutually agreed to by the parties.

Section 34.02 Dissolution of The American League of Professional Baseball Clubs.

If during the term of this Lease, as it may be extended, The American League of Professional Baseball Clubs dissolves, liquidates or ceases to exist without any successor thereto providing for the playing of professional baseball in a similar format and in which Tenant or its team is a member, then Tenant may terminate this Lease upon written notice to Landlord and thereafter neither party shall have any further duties to performance to the other hereunder. Except as otherwise specifically provided in this Lease, any other change in circumstances shall not be deemed to terminate this Lease, and the risk of such changes shall be borne by the Tenant.

Section 34.03 Successors Bound.

The covenants, terms, provisions and conditions of this Lease shall be binding upon and inure to the benefit of the Landlord and the Tenant and their respective successors and, to the extent permitted herein, assigns.

Section 34.04 Applicable Law.

This Lease is made and shall be construed and interpreted under and in accordance with the laws of the State of Missouri.

Section 34.05 Time of the Essence.

Time is of the essence with respect to the performance of the respective obligations of Landlord and Tenant set forth in this Lease.

Section 34.06 Legal Impossibility of Performance.

If, as a result of any changes in the Constitution of Missouri or the Constitution of the United States of America or of legislative or administrative action (whether municipal, state or federal) or by final decree, order or judgment of any court or administrative body (whether municipal, state or federal) entered after the contest thereof by the Tenant or Landlord, as applicable, in good faith, this Lease or the Management Contract or any material part thereof shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in this Lease and the

Management Contract, the Tenant shall have the right to terminate this Lease and the Management Contract at any time following such occurrence by serving written notice upon the Landlord.

Section 34.07 County Consent and Agreement.

Landlord and Tenant acknowledge that simultaneously with the execution of this Lease, they and the County shall enter into the County Consent and Agreement in the form thereof annexed to this Lease and that Tenant would not have entered into this Lease but for the inducements therein contained.

Section 34.08 Captions and Headings.

The captions and headings throughout this Lease are for convenience and reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of this Lease or the scope or intent thereof, nor in any way affect this Lease.

Section 34.09 Severability.

In the event any provision of this Lease, other than the payment of the Management Fee under the Management Contract, implementation of the Master Plan, the improvements under Section 3.02 hereof or any other material benefits bargained for under this Lease, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 34.10 Execution in Counterparts.

This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Landlord and the Tenant have caused this Lease to be executed in their respective corporate names and attested by their duly authorized officers and their respective corporate seals to be hereunto affixed, all at 10:40 a.m., Central Standard Time, on this 19th day of January, 1990.

JACKSON COUNTY SPORTS COMPLEX AUTHORITY

(Seal)

By: 

Printed Name: Thomas J. Condon

Title: Chairman

ATTEST:

By: 

Printed Name: Robery Woodley

Title: Secretary

KANSAS CITY ROYALS BASEBALL CORPORATION

(Seal)

By: 

Printed Name: Ewing M. Kauffman

Title: Chairman

ATTEST:

By: 

Printed Name: Dale Rohr

Title: Secretary

COUNTY CONSENT AND AGREEMENT

In order to induce the Tenant named above to enter into the foregoing Lease Agreement to which this instrument is annexed and the Management Contract referred to therein, and as additional consideration therefor, JACKSON COUNTY, MISSOURI (the "County") consents, represents, warrants and agrees as follows:

1. The County hereby consents to and approves of the foregoing Lease Agreement (the "Lease") and the Management Contract (the "Management Contract") referred to therein and agrees that:

A. The Landlord has the right under the County Agreement to enter into the Lease upon the terms, covenants, provisions and conditions therein contained and for the duration thereof with respect to the rights, easements and interests in the premises granted to the Tenant therein and to grant to the Tenant such rights, easements and interests.

B. The Landlord has the right under the County Agreement to enter into the Management Contract upon the terms, covenants, provisions and conditions therein contained and for the duration thereof with respect to the rights, interests, duties and obligations described therein.

C. No act which the Landlord or the Tenant is required or permitted to do under the terms of the Lease or the Management Contract shall constitute a default under the County Agreement.

D. The County accepts the obligations imposed upon it in the Lease and agrees to fulfill such obligations as an inducement to the Tenant to enter into the Lease, and the County recognizes that the Tenant shall only be required to perform the obligations imposed upon it by the Lease.

2. If the Tenant shall perform the obligations under the Lease on its part to be performed, the County further covenants and agrees that:

A. The Tenant shall have and enjoy during the term of the Lease and any extensions thereof quiet and undisturbed possession of the rights, easements and interests in the premises granted to the Tenant therein and the Tenant's possession thereof under the Lease shall not be adversely affected in any way by reason of any action taken by the County with respect to any default of the Landlord under the County Agreement;

B. Nor shall the Tenant's possession thereof under the Lease be adversely affected in any way by reason of any default by the Co-tenant under the Co-tenant's lease, or by reason of any action taken by the Landlord as lessor with respect to any default of the Co-tenant under the Co-tenant's lease.

C. In the event of termination or cancellation of the County Agreement, the possession by the Tenant of the rights, easements and interests in the premises granted to the Tenant under the Lease will be fully recognized and protected by the County and the County will assume and perform all of the obligations set forth in the Lease on the part of the Landlord thereunder with the same force and effect as if the County was originally named as Landlord in the Lease, and the Tenant will attorn as tenant to the County and the County will accept such attornment.

3. The County covenants and warrants that it has good fee simple title to the entire Sports Complex premises free and clear of all leases and tenancies, liens and encumbrances, except the County Agreement and the Co-tenant's lease.

4. The County covenants and warrants that it possesses all the right, title and interest set forth in the County Agreement and that the County Agreement is in full force and effect and that the County will comply with all terms, provisions, covenants and obligations of the County Agreement.

5. The foregoing provisions of this County Consent and Agreement shall be deemed to be covenants running with the land and shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors in interest and assigns as the case may be.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be duly executed and sealed the day and year first above written.

JACKSON COUNTY, MISSOURI

(Seal)

By: Bill Waris

ATTEST:

Bill Waris

Title: County Executive

By: Bernice J. Conley
Bernice J. Conley

Title: Clerk of the County Legislature

APPROVED AS TO FORM:

J. B. Williams
John B. Williams
County Counselor

(Seal)

ATTEST:

By: *Robery Woodley*
Robery Woodley

Title: Secretary

JACKSON COUNTY SPORTS COMPLEX
AUTHORITY

By: *Thomas J. Condon*
Thomas J. Condon

Title: Chairman

APPROVED AS TO FORM:

Michael Shaffer
Michael Shaffer

(Seal)

ATTEST:

KANSAS CITY ROYALS BASEBALL CORPORATION

By: *Ewing M. Kauffman*
Ewing M. Kauffman

Title: ~~President~~ Chairman

By: *Dale Rohr*
Dale Rohr

Title: Secretary

EXHIBIT A

Lease Agreement
between
Jackson County Sports Complex Authority
and
Kansas City Royals Baseball Corporation

The site plan depicting boundaries of the Sports Complex shall be prepared by a firm selected by the Landlord, and such plan shall be mutually agreed upon by the Landlord and Tenant within sixty (60) days from the date of execution of this Lease. Such site plan shall be substituted for this Exhibit A.

EXHIBIT B

Lease Agreement
between
Jackson County Sports Complex Authority
and
Kansas City Royals Baseball Corporation

The legal description of the Sports Complex shall be: (a) the legal description thereof attached as an exhibit to the Prior Lease, plus (b) the legal description of Tenant's presently existing practice fields, plus (c) the legal description of Lot N, plus (d) the legal description of the increased area for Tenant's new practice fields, minus (e) the legal description of the tract previously conveyed to the Missouri State Highway Department for its radio tower, and minus (f) the legal description of the tract previously conveyed to the State of Missouri for its tourist information center.

A metes and bounds legal description of the foregoing shall be prepared by a firm selected by the Landlord and submitted to Landlord and Tenant and mutually agreed upon by them within sixty (60) days from the date of execution of this Lease. Such new metes and bounds legal description shall be substituted for this Exhibit B.

EXHIBIT D

Lease Agreement
between
Jackson County Sports Complex Authority
and
Kansas City Royals Baseball Corporation

A metes and bounds legal description of the 59-acre Tract described in Section 2.03 of the Lease shall be prepared by a firm selected by the Landlord and submitted to Landlord and Tenant and mutually agreed upon by them within sixty (60) days from the date of execution of this Lease. Such new metes and bounds legal description shall be substituted for this Exhibit D.

EXHIBITS E, F AND G

Lease Agreement
between
Jackson County Sports Complex Authority
and
Kansas City Royals Baseball Corporation

Within six (6) months from the date of execution of this Lease, Tenant shall cause detailed plans and specifications for the improvements described in Section 3.02(A) to be prepared, shall deliver the same to Landlord together with the construction schedules for such work and the same shall be substituted for these exhibits. In no event shall the aggregate costs of such improvements exceed \$6,500,000.

EXHIBIT H

MANAGEMENT CONTRACT

Contained herein as TAB 2