



SPONSORSHIP AGREEMENT

This Sponsorship Agreement ("**Agreement**") is entered into on March 26 2021 between Kansas City Royals Baseball Club, LLC, a Delaware limited liability company (the "**Royals**"), and the City of Independence, Missouri ("**Corporate Partner**").

The parties agree as follows:

1. **Term.** The term of this Agreement will commence on March 26, 2021 and will terminate on the date of the last MLB game played by the Kansas City Royals baseball team during 2021, unless earlier terminated pursuant to Section 7 or Section 10.1 (the "**Term**").
2. **Elements.**
 - 2.1 **Sponsorship.** See Addendum A.
 - 2.2 **Substitution of Unavailable Benefits.** Due to circumstances beyond the reasonable control of either party, including the occurrence of a force majeure under Section 10.1, it may be or become impossible or impractical to provide one or more of the benefits contemplated by this Section 2 (each an "**Unavailable Benefit**"). Without limiting anything in Section 10.1 to the contrary, in the event of an Unavailable Benefit, the event giving rise to the Unavailable Benefit will not be deemed a breach of this Agreement and the parties will cooperate in good faith so that the rights and obligations of the parties may be fulfilled by extending the Term, rescheduling, substituting or providing alternative performances of comparable value. Without limiting the foregoing, if Kauffman Stadium ceases to serve as the primary location for Royals regular season home games (it being recognized that the Term could extend beyond the current term of the stadium lease), both parties agree to mutually identify sponsorship elements of like or similar nature and value for the elements outlined in Addendum A during the remainder of the Term at the new venue for Royals regular season home games.
3. **Payment Terms.**
 - 3.1 **Fee.** Corporate Partner will pay the Royals a net fee of:

2021 - \$44,500

Corporate Partner will be invoiced as follows:

July 1, 2021: \$44,500

- 3.2 Invoices; Interest. All payments will be due within 30 days after receipt of invoice. Interest will accrue at the rate of 1.5% per month on any outstanding balance. Without limiting any other rights or remedies available to the Royals, in the event of a default by Corporate Partner under this Agreement, all payments previously made by Corporate Partner to the Royals hereunder will be deemed fully earned and will remain the property of the Royals.
4. Intellectual Property. During the Term, Corporate Partner hereby grants to the Royals a limited non-exclusive revocable right and license to use its logos, trademarks, service marks, corporate or trade name or other identification of Corporate Partner for the sole purpose of conducting and promoting events or use in advertising.
5. Commercial Materials.
- 5.1 Approval by the Royals. Unless otherwise set forth in this Agreement, all commercial advertising materials for signage, print, video and audio spots (e.g., audio or video recordings, announcements, programs or similar materials) being provided by Corporate Partner in connection with this Agreement will first be furnished to the Royals at Corporate Partner's expense (collectively, "**Commercial Materials**") at least seven business days in advance of their scheduled use. The Royals may reject the use of any Commercial Materials in its sole discretion.
- 5.2 Corporate Partner Responsible for Content. Corporate Partner will ensure that all Commercial Materials provided by Corporate Partner to the Royals (a) comply with all applicable laws, (b) are accurate and that all claims contained in the Commercial Materials have been substantiated, and (c) have been cleared for the uses contemplated hereunder including with respect to all music licenses and all payments that may be owed to any guilds, unions, or other third parties having any rights pertaining to the Commercial Materials. Without limiting the foregoing, Corporate Partner will secure all clearances, permissions, approvals, authorizations, rights and licenses necessary for the distribution of all elements contained in the Commercial Materials for the use contemplated by this Agreement. The Royals will not be liable for loss or damage to any Commercial Materials.
6. Field Signage. This Section 6 will apply to all advertisements and signage, if any, to be located in Kauffman Stadium.
- 6.1 Restrictions. The location, design, content, format and size of all of the advertisements and signage located in Kauffman Stadium must be approved in advance by the Royals in its discretion and in keeping with the current aesthetics. All advertising and signage may only be utilized by Corporate Partner to advertise and promote its products and services (as approved by the Royals) and Corporate Partner may not pass-through any such opportunities to any affiliate or third party.

- 6.2 Installation/Production. Unless otherwise set forth herein, Corporate Partner will pay the cost of the production and installation of all advertisements and signage.
- 6.3 Change/End of Term. If Corporate Partner desires to change its signage, or such signage becomes worn or deteriorated as reasonably determined by the Royals, Corporate Partner will submit its proposed copy of any replacement signage to the Royals for its prior approval. Unless otherwise set forth herein, Corporate Partner will be responsible for charges, costs and expenses in connection with affixing the replacement to the signage space.
- 6.4 Exceptions. Corporate Partner's fixed signs contemplated by this Agreement, if any, will remain in place during all Royals regular season home games at Kauffman Stadium, but may be removed or covered by the Royals for any other event (*e.g.*, postseason or World Series games) to the extent necessary or desirable to accommodate requests by any MLB Entity. The Royals will have the right to change the nature and location of the signs in connection with any renovation, alteration or repairs of Kauffman Stadium, so long as Corporate Partner receives substantially equivalent exposure both before and after any such renovations, alterations or repairs.

7. Termination.

- 7.1 Material Breach. Except to the extent otherwise provided herein, upon not less than 30 days prior written notice, either party may terminate this Agreement upon the material breach of this Agreement by the other party if such breach is not cured within such 30 day period; provided, however if the material breach is incapable of being cured within such 30 day period, a party may terminate this Agreement immediately.
- 7.2 Bankruptcy Proceedings. Should any person or entity commence against Corporate Partner or any material affiliate thereof any case under the federal bankruptcy laws (as now or later in effect), file a petition seeking to take advantage of any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition for adjustment of debts, consent to or fail to consent in a timely and appropriate manner any petition filed against it in an involuntary case under such bankruptcy laws or other laws, apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of a substantial part of its property, domestic or foreign, admit in writing its inability to pay its debts as they become due, make a general assignment for the benefit of creditors, or take any corporate action for the purpose of authorizing any of the forgoing, this Agreement will immediately terminate without any action required to be taken by the Royals or any further obligations on the part of the Royals.
- 7.3 Naming Rights. The Royals may terminate this Agreement at any time upon not less than 30 days' notice if the Royals (either alone or in conjunction with one or

more other entities such as Jackson County, Missouri or the Jackson County Sports Complex Authority) grant naming or similar rights with respect to player uniforms (including jersey patches or similar apparel-related item), the stadium, the playing field, one or more gate entrances, or any other designated portion of the stadium (*e.g.*, Outfield Experience, Royals Hall of Fame, Crown Club, Diamond Club, Loge Level/Stadium Club) or the Harry S Truman Sports Complex to any person or entity that is reasonably considered by the Royals to be a competitor of Corporate Partner.

8. **MLB Subsistence**. Notwithstanding any other provision of this Agreement, this Agreement and the rights, exclusivities and protections granted by the Royals to Corporate Partner hereunder are, at the request of Major League Baseball, subject to its review and written approval, and are in all respects subordinate to, and will not prevent the issuance, entering into, or amendment of, any of the following, each as may be issued, entered into or amended from time to time (collectively, the "**MLB Documents**"): (i) any present or future agreements or arrangements entered into by, or on behalf of, any of the Major League Baseball entities and/or any of their respective present or future affiliates, assigns or successors (collectively, the "**MLB Entities**"), or the Major League Baseball Clubs acting collectively, including the Major League Constitution, the Basic Agreement between the Major League Baseball Clubs and the Major League Baseball Players Association, the Professional Baseball Agreement, the Major League Rules, the Interactive Media Rights Agreement, and each agency agreement and operating guidelines among the Major League Baseball Clubs and any MLB Entity; and (ii) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or on behalf of, the Commissioner of Baseball, the Office of the Commissioner of Baseball or any other MLB Entity. The issuance, entering into, amendment, or implementation of any of the MLB Documents will be at no cost or liability to any MLB Entity or to any individual or entity related thereto (and, for the avoidance of doubt, any loss of rights or benefits granted hereunder to Corporate Partner as a result of any actions taken by MLB or any MLB Entity (*e.g.*, those relating to any postseason play) will be without reimbursement by the Royals or the reduction in any fees otherwise payable hereunder). The territory within which Corporate Partner is granted rights hereunder is limited to, and nothing herein will be construed as conferring on Corporate Partner rights in areas outside of, the Home Television Territory of the Royals, as established and amended from time to time pursuant to the MLB Documents. To the extent Corporate Partner is granted rights hereunder to or in connection with any Spring Training games, (A) the territory within which Corporate Partner is granted such rights hereunder is limited to, and nothing herein will be construed as conferring on Corporate Partner rights in areas outside of, the "Spring Training Territory" of the Royals, as established and amended from time to time pursuant to the MLB Documents and (B) the time period within which Corporate Partner is granted such rights hereunder is limited to, and nothing herein will be construed as conferring on Corporate Partner rights during any time period other than, the time period commencing immediately prior to and concluding immediately after the period in which Spring Training games are played. Except to the extent of any Club IMS Programming (as such term is defined in the MLB Documents) that is permitted to be granted by the Royals to Corporate Partner pursuant to the Interactive Media Rights Agreement and that

is granted to Corporate Partner hereunder, no rights, exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the MLB Entities) are conferred by this Agreement, except as are specifically approved in writing by the applicable MLB Entity.

9. **Indemnification.**

9.1 **By the Royals.** The Royals will indemnify, defend and hold Corporate Partner and its affiliates (and their respective partners, shareholders, employees, officers, directors, agents and insurers) harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees and costs) arising out of any claim, suit, arbitration, governmental inquiry or other proceeding against any of the above by reason of or relating to or alleging: (a) any claim of intellectual property infringement as a result of Corporate Partner's use of the intellectual property of the Royals, provided that such use by Corporate Partner was within the scope of permitted use set forth in this Agreement; or (b) any damage or injury as a result of any negligent installation, maintenance, repair, or removal of any signage performed by the Royals or agents of the Royals pursuant to the terms of this Agreement.

9.2 **By Corporate Partner.** Corporate Partner will indemnify, defend and hold the Royals, Kansas City Chiefs Football Club, Inc., Jackson County, Missouri and the Jackson County Sports Complex Authority (and the respective affiliates, partners, shareholders, employees, officers, directors, agents and insurers) harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees and costs) arising out of any claim, suit, arbitration, governmental inquiry or other proceeding against any of the above by reason of or relating to or alleging: (a) the manufacture, production, advertising, promotion, offering for sale, sale, distribution or provision of Corporate Partner's products or services; (b) any claim of intellectual property infringement or unauthorized use as a result of (1) use by Corporate Partner of intellectual property of the Royals (except to the extent such claim is covered in Section 9.1 above) or (2) use by the Royals of Corporate Partner's intellectual property, provided that such use by the Royals was within the scope of permitted use set forth in this Agreement; (c) any negligent act or omission of Corporate Partner; or (d) any failure of Corporate Partner to comply with applicable laws, rules and regulations.

10. **Miscellaneous.**

10.1 **Force Majeure.** Any delay or failure of either party to perform its nonmonetary obligations hereunder will be excused to the extent that it is caused by an event or occurrence beyond its reasonable control such as, by way of example and not by way of limitation, acts of God, actions by governmental authority or MLB (whether valid or invalid), fires, explosions, riots, wars, terrorist threat or activity, pandemic, sabotage or labor strikes (including any strike, lockout or similar employee-related occurrence that affects the Royals or MLB generally); provided the party claiming force majeure promptly notifies the other party of the event of

force majeure, the anticipated duration of the event of force majeure, and the steps, if any, being taken to remedy the failure.

- 10.2 Choice of Law; Venue. This Agreement is governed by and is to be construed under the laws of the State of Missouri without regard to its conflicts of laws principles. Exclusive jurisdiction and venue in any action relating to this Agreement and the subject matter hereof will be in the state or federal courts located in Jackson County, Missouri.
- 10.3 Integration Clause. This Agreement is the final, complete and exclusive statement and expression of the agreement between the parties hereto with respect to the subject matter hereof, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by any prior or contemporaneous discussions, correspondence, or oral or written agreement of any kind.
- 10.4 Assignment. This Agreement and the provisions hereof will be binding upon each of the parties and their respective successors and permitted assigns. Neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, and any attempted assignment in violation of this Agreement will be void.
- 10.5 Notices. Any notice given hereunder will be sufficient and deemed given when in writing, and delivered personally or by overnight delivery service, freight prepaid, to the applicable address below:
- | | |
|-----------------------------|--------------------------|
| If to the Royals: | If to Corporate Partner: |
| Jason Booker | Kristi Franz |
| Kansas City Royals | City of Independence |
| One Royal Way | 210 W. Truman Road |
| Kansas City, Missouri 64129 | Independence, MO 64050 |
- 10.6 Attorneys' Fees. If any legal proceedings are commenced by the parties that arise out of or relate to this Agreement, the substantially prevailing party in such legal proceedings will be entitled to recover attorneys' fees and costs from the other party.
- 10.7 No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party under this Agreement will impair any such right, power or remedy, nor will it be construed as a waiver of any future exercise of any right, power or remedy.
- 10.8 Sophistication of the Parties. Each party represents to the other that it is a sophisticated commercial party capable of understanding all of the terms of this Agreement, that it has had an opportunity to review this Agreement with its

counsel, and that it enters into this Agreement with full knowledge of the terms of this Agreement.

- 10.9 Severability. If any provision of this Agreement is considered invalid, illegal or unenforceable, such provision will be severed from this Agreement. The validity, legality and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired.

The parties have duly executed and delivered this Agreement as of the date first written above.

CITY OF INDEPENDENCE, MO.

KANSAS CITY ROYALS
BASEBALL CLUB, LLC

By: Bryan Kidney - Finance & Admin Director

Name: Bryan Kidney

Title: Finance & Administration Director

By: _____

Name: Mike Bucek

Title: VP, Marketing & Business
Development

Addendum A

Sponsorship Elements

The Royals agree to provide Corporate Partner with the following corporate sponsorship as described below:

- 1.1 Royals Radio Network. Corporate Partner will receive on hundred sixty-two (162) :30-second spots during regular season game broadcasts on the Royals Radio Network in 2021. Creative content is subject to Royals approval but shall not be unreasonably withheld.
- 1.2 CrownVision. Corporate Partner will receive PA/video exposure on CrownVision during the pregame & in-game portion prior to every other Royals home game during each season of the Term (approximately 41 games). Final artwork is subject to approval by the Royals, with such approval to not be unreasonably withheld. Royals will cover initial production costs.
- 1.3 Suite Night. Corporate Partner will receive one (1) 20-person suite at a mutually agreed upon home game during the 2021 regular season. Suite will include 20 tickets, 10 parking passes and standard food/beverage package (beer/wine included). Additional catering requests will be at the expense of Corporate Partner.