

RBC Canadian Open

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Toronto, Ontario, Canada

Oakdale Golf & Country Club

Commissioner Jay

Monahan

Press Conference

Q. I'm curious how quickly did this deal come together? How long have you been working on it? And obviously with the TOUR's structure, how much did you inform the Policy Board about what was going on before this announcement came out?

JAY MONAHAN: Conversations have gone on really over the last seven weeks. There were four in-person meetings and a number of video calls and phone conversations, but it was really over a seven-week time frame.

The direct answer to your question is when you get into these conversations, and given the complexity of what we were dealing with, it's not uncommon that the circle of information is very tight.

In our case, we kept that information very tight. There were two prominent Policy Board members that sat side by side with me, our chairman Ed Herlihy as well as Jimmy Dunne, and ultimately we got to the point where we finalized everything last night and had a communications plan that we started first thing tomorrow.

I think I know where you're going with your question, and the fact of the matter is that this was a shock to a lot of people because we were not in a position to share or explain, as we normally would, and that was really a result of the commitment we had made to maintaining confidentiality through the end.

Q. I just wanted to ask what the temperature was in the room at the players' meeting. There have been several players that have voiced concerns about how the thing went down. Also, you've made some pretty harsh statements about the source of LIV Golf's funding in the past, and now to take an investment from the public investment fund, I just wondered how you weighed it and why you came to that conclusion to take it.

JAY MONAHAN: I think on the first one, I would describe



the meeting as intense, certainly heated. This is a very complex -- obviously it's been a very dynamic and complex couple of years, and for players, I'm not surprised that -- this is an awful lot to ask them to digest, and this is a significant change for us in the direction that we were going down.

But as I'm trying to explain and I will continue to explain as we go forward, this ultimately is a decision that I think is in the best interest of all of the members of the PGA TOUR, puts us in a position of control, allows us to partner with the PIF in a constructive and productive way, to have them invest with us, again, running the PGA TOUR, having these three entities under one for-profit LLC.

In terms of how did we get to this point and how did we go from a confrontation to now being partners? We just realized that we were better off together than we were fighting or apart, and by thinking about the game at large and eliminating a lot of the friction that's been out there and doing this in a way where we can move forward, we can move forward and grow the PGA TOUR, and I'm excited about the changes that we're going to make coming into 2024, go through the process, ultimately, of evaluating LIV and figuring out the direction for team golf going forward, it put us in a position where, again, we're in control, we have an investor, and ultimately for the game, we're moving forward constructively.

If you look at the values of the game, I think that's what the situation warranted.

Q. Is there a chance LIV Golf League doesn't exist a year from now?

JAY MONAHAN: We're in a framework agreement. We haven't concluded the definitive agreement. I have not had the opportunity that I'm going to have to conduct a comprehensive empirical evaluation.

I don't want to make any statements or make any predictions. But what is in place is a commitment to make a good-faith effort to look at team golf and the role it can play going forward.

Q. Jay, was there a particular turning point where you



went from, I'm not going to talk to the Saudis, to eventually deciding a month or so ago that you were?

JAY MONAHAN: Listen, circumstances change, and they've been changing a lot over the last couple years.

I would say that there's been a lot of outreach through people and through intermediaries, but what changes was a very productive conversation that the chairman of our board in Jimmy Dunne had with Yasir and members of PIF where we were able and they were able to have a discussion about how we work together to grow the game, how we work together to grow the PGA TOUR, and to really get an understanding and start building some trust as we pursued that.

The first conversation that I was not a part of was what was the most important conversation because of the position I've been in and what we've been trying to do with our TOUR. I wanted to rely heavily on those two fine gentlemen to have that first conversation.

But when they came back and said it was a positive conversation and that I should have a follow-up meeting, I think that's when things started to develop.

Q. What led to you having a different position on the source of the money and the involvement with LIV?

JAY MONAHAN: I think if you look at just the environment that we're in, and the PIF was controlling LIV, and we were competing against LIV, I felt very good about the changes we've made and the position that we were in.

But ultimately to take the competitor off of the board, to have them exist as a partner, not an owner, and for us to be able to control the direction going forward put us in a position as the PGA TOUR to do and serve our members, and at the same time, again, get to a productive position for the game at large.

There's a much bigger play here now, and that is ultimately if you look at our model, we've been a (c)6. We're going to continue to do all the things that we do for impacting lives and impacting communities through our tournaments, but by being able to create a for-profit LLC -- we've been handicapped. We're a pass-through organization. We've not been able to reinvest our dollars in growth businesses, and now this gives us the opportunity to do that.

Being able to do that and recognizing the uncertainty generally in the commercial realm going forward puts us in a position where I can say today to our members that we're going to experience meaningful growth as we go forward.

Q. When Roger Clemens went from the Red Sox to the Yankees, it was a business thing, but this thing, as you know probably better than almost anybody, had a lot of heightened emotion because it was Saudi money, and you talked yourself, you took a moral high ground: You never have to apologize for being a member of the PGA TOUR. Something really significant changed here. Was it just the business, or was there more to it than that?

JAY MONAHAN: Listen, I think that as time went on, and you've heard me say a couple times circumstances change. What changed? I looked at where we were at that point in time, and it was the right point in time to have a conversation.

Going back to the origin of LIV, I said this, they needed to go down their path and we were going to go down ours. We've done everything we can within our control to improve and grow the PGA TOUR, and they have launched LIV; they've proceeded with LIV; they've made progress with LIV. But ultimately it was looking at the broader picture and saying that I don't think it's right or sustainable to have this tension in our sport, and to be able to organize and orient this in a way where, again, we're in a control position, we have an investor, a great and world-class investor, and I recognize everything that I've said in the past and in my prior positions.

I recognize that people are going to call me a hypocrite. Anytime I said anything, I said it with the information that I had at that moment, and I said it based on someone that's trying to compete for the PGA TOUR and our players.

I accept those criticisms. But circumstances do change. I think that in looking at the big picture and looking at it this way, that's what got us to this point.

Q. Do you have an idea, and I know this was brought up in the press release, what the path back for the players who joined LIV might look like?

JAY MONAHAN: At this point, we're under a framework agreement. To complete this, we've got to get to definitive. We have that identified in our framework agreement.

But at this point, it's reapplying for membership at some point after the end of 2023, and that's something that I'll address in the future, certainly, once we get through the definitive.

Q. How would you describe the TOUR's immediate financial future if this deal had not been made, both in terms of handling the elevated purses, handling the cost of litigation ongoing, annually potentially? Just

how sustainable was this in the next few years without this influx of money?

JAY MONAHAN: Well, listen, to make the changes in '23 and ultimately to make the changes in '24, we've had to invest back in our business through our reserves. But you hit it; between our reserves, the legal fees, our underpin and our commitment to the DP World Tour and their legal fees, it's been significant.

I'm grateful that when we looked to '24, the response that we've gotten from our sponsors and our partners has been very positive, and those losses that we've experienced in '23 will be significantly mitigated.

But you have to look at all the monies that we make, we make in the commercial realm, and we're in long-term media deals. We've done a long-term -- we've done a number of long-term sponsorship deals thanks to the great partners that we have.

But this puts us in a position where we've got capital that we can deploy to the benefit of our members and through our tournaments, and it gives us capital to deploy in growth businesses that ultimately will generate a return that we'll reinvest in our players.

Hopefully that answers your question.

Q. When a decision like this is made, including an addition of someone to a Policy Board and things like that, without the knowledge of the players, how can this still be considered a player-run organization?

JAY MONAHAN: Because this is a framework agreement. The binding element to it is the drop of the litigation, and ultimately everything that we've discussed in the framework agreement is subject to the approval of our Policy Board.

That includes any appointments. That includes any commitments that are in that framework agreement.

I think when we get into those discussions and explain, which I have a lot of work to do, the benefit to our players, to our members, the benefit to our business, I feel like that's something that we'll get to, and that's handily coming back to my original comments, the important role that Ed and Jimmy have served.

Q. I've spoken like a lot of people on this call, no doubt, to a few players this afternoon. They're pretty furious, to be honest, and I know you've just come from an hour and a half meeting and you've experienced that yourself. They feel like they turned down eye-watering amounts of money out of loyalty to

the PGA TOUR, and they're now having to watch former colleagues of theirs who lined their pockets with eye-watering sums of money just get the sun off their back as if nothing happened, and they're pretty angry about that. What was that like to have to look them in the eyeballs and explain that to them and empathize with their position?

JAY MONAHAN: You know, it probably didn't seem this way to them, but as I looked to our players, those players that have been loyal to the PGA TOUR, I'm confident that the move that they made -- they've made the right decision. They've helped rearchitect the future of the PGA TOUR. They've moved us to a more pro-competitive model.

We have significantly invested, as I just talked to Brendan about, in our business in '23. We're going to do so in '24.

As we finalize this process, I think any player that has stayed is going to realize that the money that they're going to make, the strength of this platform, all the things that we talk about are going to put them in a really strong position. They're going to win. They're going to continue to grow, and we're in a control position on their behalf as we move forward in this structure.

To answer your question, I get it, and I can't specifically talk about what the impact is today. I can't talk specifically about what it's going to be in the future until we've completed the definitive agreement, and when we get to that point in time, we will have gotten to that point in time because the case that we've made along that front is very clear.

Q. Can they be made whole for the money that they turned down, or can the players who left, who jumped ship, be sanctioned in any way that they have to hand back some of that signing-on bonus that they --

JAY MONAHAN: I think those are all the serious conversations that we're going to have. We're going to have them with our board. Ultimately everything needs to be considered. Ultimately what you're talking about is an equalization over time, and I think that's a fair and reasonable concept.

Q. Is there any scenario where you would see there being LIV-branded events run concurrently next year sort of like they are now, you would just be allowing players to go back and forth through whatever means you set up? Is that possible, or is that completely off the board now going forward?

JAY MONAHAN: I can't see that scenario, but I haven't gotten into the full evaluation, full empirical evaluation of

LIV that I'm going to do to be able to comment on that. But I don't see that scenario, no.

To me, any scenarios that you're thinking about that bridge between the PGA TOUR and LIV would be longer term in nature.

Q. It appears that Tiger and Rory weren't aware maybe until the last minute here today. Given how much those guys are out front on this and working behind the scenes and even with you to get these new things put in place and to sort of fight back, I suppose, is there any regret about that, or did you have any difficulty? I know you mentioned earlier that this had to be a very close circle of people, but were there any pangs of not letting them in on this?

JAY MONAHAN: Listen, again, what we've agreed to here is a framework agreement, and the binding elements are tied to the litigation. A lot of these details we've got to work through.

If we had announced a definitive agreement this morning and I was calling them in the morning and I had made commitments on behalf of the PGA TOUR and not had an opportunity to fully vet them with our Policy Board and with those two individuals in a larger group, then that would be a complete miss on my part, and I recognize that.

But this was us reaching a framework agreement. We think it's the right agreement. Obviously Tiger and Rory's perspective is one that I understand very well, and it was part of my thinking throughout these conversations, and it will be a part of my thinking going forward.

Now that we're in a framework agreement, I look forward to talking to all of our players, including the two of them, to make certain that this comes off the right way.

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