

**AMENDED AND RESTATED PARK CITY MUNICIPAL CORPORATION AND  
PARK CITY HISTORICAL SOCIETY LEASE AGREEMENT**

PURSUANT to that Master Lease Agreement dated November 26<sup>th</sup>, 2007, by and between the MUNICIPAL BUILDING AUTHORITY OF PARK CITY, UTAH, and PARK CITY MUNICIPAL CORPORATION (the "MBA Master Lease") which authorizes the sublease of the premises described below, this Sub-Lease Agreement is made and entered into in duplicate this 26<sup>th</sup> day of November, 2007, by and between PARK CITY MUNICIPAL CORPORATION, a political subdivision of the State of Utah (referred to below as "Landlord" or "City"), and PARK CITY HISTORICAL SOCIETY, a Utah non-profit corporation (referred to below as "Tenant") and hereby amends and supersedes the various agreements originally executed by both parties on September 11, 2003, and all subsequent Addenda 1, 2 and 3.

**WITNESSETH:**

WHEREAS, the Historical Society benefits the residents and guests of Park City by providing information on Park City's history; Exhibitions of Park City history; Preservation of Park City historic artifacts; and Educational programs; and

WHEREAS, the Historical Society requires a long term lease to assist with fundraising to expand their services; and

WHEREAS, the City Council has identified Cultural Tourism as an important economic development goal, which the Historical Society meets; and

WHEREAS, the City desires to allow the Historical Society to continue their operations at 528 Main Street; and

WHEREAS, the old City Hall and Library Buildings are historic buildings within the Historic District, and the City Council hereby finds that this agreement is critical to the successful utilization and preservation of these buildings as well as all historic areas and sites within Park City, by generally facilitating and supporting historic preservation and collections relating to these areas and sites; and

WHEREAS, the parties entered into a long term Lease Agreement on September 11, 2003 (hereinafter "Original Agreement") for certain property located within the Old City Hall Building, 528 Main Street, Park City, Utah; and

WHEREAS, the parties amended the Original Agreement through Lease Addendum #1 and #2 to include additional leased space within the building and the adjacent building at 518 Main Street; and

WHEREAS, the Historic District Act, U.C.A. Section 17A-3-1301 et seq., authorizes the City to expend public funds and resources for the purpose of preserving,

protecting or enhancing historic areas and sites, and insuring proper development and utilization of such areas and sites; and

WHEREAS, the parties amended the Original Agreement through Lease Addendum #3 to clarify requirements related to Tenant Improvements including Temporary Displays, and Permanent Improvements to leased property; and

WHEREAS, the parties desire to amend the Original Agreement to include the entire existing space from 514-528 Main Street, including vacant land to the rear for a planned addition, and to address associated maintenance, operation, rent and insurance costs of the proposed addition to the buildings; and

WHEREAS, the parties agree that all such addition(s) shall not adversely affect the building's listing on the National Register of Historic Sites; and

WHEREAS, the parties further agree that the City, through use of the Municipal Building Authority, will facilitate the planned addition by financing the improvements (the "Improvements") by a tax-exempt Finance Bond (the "Financing Bond") and the parties acknowledge that this Lease shall constitute a sublease until such time as the Financing Bond shall be paid off, and at such time this Lease shall automatically continue in full force and effect as a primary lease between the Landlord and Tenant.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the sufficiency of which is hereby acknowledged, the parties hereto now amend and restate the Original Agreement as follows:

1. Property. The Property leased is located at 514-528 Main Street, Park City, Utah, and more particularly described as Lot 1 of the Museum Subdivision (hereinafter the "Property") together with all improvements located thereon, and all improvements to be constructed thereon
2. Term. The Lease Agreement Term for the Property shall be for 99 years beginning September 1, 2003 and continuing until August 31, 2102, unless sooner terminated by: a) default or mutual agreement under the provisions of this Lease Agreement; b) default of the Special Service Contract attached hereto as "Exhibit A" and incorporated herein by reference; or c) by default of the Financing and Construction Memorandum of Understanding ("Financing MOU") attached hereto as "Exhibit B" and incorporated herein by reference.
3. Default. If the Tenant materially defaults under the Financing MOU, Landlord may terminate this Lease immediately in addition to all other remedies under the law. If the Special Service Contract, which outlines on-going operations, programs and exhibit services to be provided annually by Tenant, is terminated for cause pursuant to the terms of the Special Service Contract and governing Park City Municipal Corporation Annual Budget, Policies and Objectives- General Budget Policies, this Lease Agreement shall be terminated ten (10) years from the date the Special

Service Contract is terminated. Prior to either foregoing default and termination, Tenant shall be provided notice of default and an opportunity to cure consistent with terms of the Financing MOU or Special Service Contract as applicable, but in any event, not less than thirty days.

4. Rent. The consideration for Lease of the Property shall be one dollar (\$1.00) per year, paid in full in advance upon execution of this Lease Agreement, together with other consideration which specifically includes but is not limited to the Financing MOU, and the Special Service Contract, as may be amended.
5. Public restrooms. Public restrooms are currently located behind 528 Main Street. They will be demolished with the proposed addition. Tenant agrees to construct replacement public restrooms during construction of the addition in the basement of 524 Main Street (substantially as shown on the building plans approved by Landlord) in exchange for Tenant's right to use those restrooms during Tenant's business hours. Tenant will also provide ADA access through the Property during business hours and will provide after-hours access during special events/subleases hosted by Tenant when required by the Park City Chief Building Official. Public restrooms are excluded from this Lease Agreement, and are the sole property of Landlord, except for this right of use. During public Master Festivals, the restrooms may be augmented on the Property by ADA temporary, portable facilities by the Landlord. Landlord shall consult with Tenant on the location of such portable restrooms and use reasonable efforts to place them in a mutually agreed upon location.
6. Tenant Improvements.
  - A. Temporary Displays. The Tenant agrees to install, at its own expense, all specialized equipment and displays needed for typical museum operations and future exhibitions, offices and other facilities it may require. This includes any additional partitioning, specialized or additional electrical and mechanical equipment, air conditioning, internal heating, and any other tenant improvements that are necessary for the Tenant's intended use of the space. Any tenant improvement items that can be removed at the end of the Lease Agreement without causing substantial damage to the remaining walls, ceilings, or other finishes may be removed by the Tenant at the termination or expiration of the Lease Agreement.
  - B. Permanent Improvements. All permanent improvements, structural modifications, or substantial mechanical alterations require the advance written consent of Landlord prior to Building Permit issuance. Such consent is solely at the discretion of Landlord and is not limited to code compliance issues. All work done by the Tenant must comply with the applicable building codes including but not limited to the Park City Land Management Code, International Building Code, applicable ADA requirements, and Historic District Guidelines. Landlord shall not approve improvements that jeopardize the Property listing on the National Register of Historic Sites. Tenant shall use a competitive and open selection

process, although price need not be the sole determining factor, and Tenant is not bound by government procurement regulations. Tenant's contract shall include standard public contract protections including: payment and performance bonds, insurance, payment retention, liquidated damage and construction mitigation plans. Tenant shall grant Landlord participation on design/selection and construction committees and use best efforts to coordinate construction with any pending adjacent city project. Any permanent alterations or improvements to the Property shall become the property of the Landlord upon expiration or termination of this Lease Agreement unless specifically exempted in writing prior to commencing work.

7. Utility Service. Landlord shall be responsible for electric and gas utility service to the Property. Landlord will also provide water and sewer for the Property. Tenant shall be responsible for any other utilities such as telephone and cable television and shall establish an account with each of these utilities in its own name. On January 1, 2008 or at issuance of Certificate of Occupancy for the Addition, whichever ever occurs later, the Tenant shall be responsible for all utilities including electric and gas service for the Property, except to the restrooms which shall be paid by Landlord.
  
8. Insurance. Tenant will carry a primary and non-contributory policy of general liability insurance, in an amount of at least One Million Dollars (\$1,000,000) combined single limit per incident or occurrence and Three Million Dollars (\$3,000,000) Aggregate. Tenant's policy shall include an endorsement naming Landlord an additional insured on the policy, and an endorsement Waiver of Transfer of Rights of Recovery Against Others To Us (form CG 24 04 10 93) or a form as otherwise approved by the City Attorney's Office, as part of the policy. A certificate of insurance with a thirty (30) day cancellation notice provision shall be provided to Landlord prior to executing this Lease Agreement, and shall be maintained continuously during the term of the Lease. Landlord will carry public liability insurance which shall be the exclusive insurance coverage of the restrooms and which, when applicable, act as secondary insurance to Tenant's primary policy for the Property, and Tenant shall be an additional named insured under Landlord's Policy. Landlord will carry property insurance covering the structure for casualty loss, and boiler and machinery insurance for boiler and mechanical systems loss. Landlord's property insurance will also serve as primary coverage for contents up to \$285,675 of Museum personal property/inventory.

Tenant shall carry additional property insurance as it deems appropriate covering museum and loaned contents and exhibits located in Tenant's space, which are owned or leased by the Tenant. Tenant's policy shall include an endorsement naming Landlord an additional insured on the policy, and endorsement Waiver of Transfer of Rights of Recovery Against Others To Us (form CG 24 04 10 93) or a form as otherwise approved by the City Attorney's Office, as part of the policy. Tenant shall require fully executed Release of Liability and Waivers or written acknowledgments by the owners prior to including any borrowed or loaned property in the museum displays, and written notice to the owners that the Landlord, and if

applicable, the Tenant does not insure the loaned property. Tenant may at its discretion include loaned property in Tenant's content policy, but in no event shall Landlord's insurance cover third party contents/property. The parties agree that Tenant's sole remedy in the event of business interruptions, fire, windstorm, or other loss from acts of god or hazard shall be its own insurance and Tenant will have no action against Landlord unless covered by Landlord's primary property insurance.

Insurance coverage and amounts shall be reviewed by Tenant and the City Attorney's Office a minimum of every five years. Limits shall be raised in accordance with reasonable, prevailing business practices and in a manner consistent with the Utah Government Immunity Act. Nothing herein shall waive any defense or limitation applicable to Landlord under the Utah Government Immunity Act or common law.

9. Covenant of Quiet Possession. Landlord covenants with Tenant that Landlord owns the Property and that Tenant's possession will not be disturbed by acts or omissions of the Landlord, or anyone claiming by, through or under Landlord, so long as Tenant faithfully performs the obligations of the Lease Agreement.
10. Covenant of Restricted Use. Tenant and Tenant's successors in interest agree that the property shall be used as a museum and typical museum support services, which may include such things as a retail shop, food service, and other retail activities designed to generate operating revenue to the Tenant and support the public services required in the Special Service Contract. If the Tenant fails to apply for a Special Service Contract or such contracts are discontinued, Tenant shall at a minimum provide operation of the Museum, preservation and management of historical artifacts, and public educational outreach programs regarding the history of Park City.
11. Maintenance. Landlord shall be responsible for all structural maintenance of the Property, including the roof, foundation, structural members, exterior wall surfaces, security, elevator and mechanical systems. Routine maintenance and exterior maintenance of the Property including snow removal shall be Landlord's responsibility. Landlord shall also be responsible for all maintenance of the public restrooms referred to in Article 4 above. However, Tenant shall contribute \$9,250 annually towards the maintenance of the mechanical, security and elevator systems. Notwithstanding the actual cost of foregoing, damage which occurs as a result of Tenant's misuse of any equipment or mechanical systems, or its negligence or intentional torts, will be the responsibility of Tenant. Tenant, as operator of the building, has the duty of keeping the interior of the Property as identified under this Lease Agreement, in reasonably safe condition. Tenant has a duty to warn visitors and employees of any dangerous condition(s) that the Tenant knew about or should have known about in or about the Property. If Tenant finds maintenance to be required pursuant to above, Tenant has the duty to notify Landlord promptly of the condition. Landlord shall use reasonable efforts to undertake repairs within 5 days or within 24 hours in an emergency or unsafe condition. If Landlord fails to act,

Tenant can take action independently to secure the Property or correct the condition at Landlord's expense. Nothing in this article shall be construed to diminish Landlord's maintenance and repair obligations under this Lease Agreement.

12. Assignment/Sublease. Unless approved in the sole discretion of Landlord, Tenant has no right to sublet or assign all or any portion of the Property for any purpose whatsoever, including subleases or assignments to other non-profit organizations, or assignments for the benefit of creditors. Any attempt to sublet or assign without Landlord's consent shall cause this Lease Agreement to immediately terminate. Tenant shall provide space, rent free, for the Park City Chamber of Commerce/Visitor Bureau (Chamber) conditional upon a mutual agreement between Tenant and Chamber remaining in place or as may be required in the Special Service Contract. Tenant has no obligation to staff this or meet requirement of the Special Service Contract if the Chamber elects to discontinue its staffing.

Tenant may hold private parties or otherwise charge for exclusive use of the Property without Landlord approval for such activities such as filming, educational, fundraising and revenue generation so long as such rentals do not exceed twenty-four (24) hours per rental. Provided, however, that such use shall be subject to the covenants of Tenant in Section 12 hereof. If such rental occurs during a Master Festival, Tenant must first offer to rent to Master Festival License holder or its sponsors. Master Festival Licensee shall complete such negotiations to rent the Property with Tenant not less than 120 days in advance of event in the case of the Sundance Film Festival and the Arts Festival, and not less than 30 days in advance of any other event. Should the Master Festival Licensee not desire to rent the Property or any part thereof or should the Master Festival Licensee fail to complete the rental negotiations as provided in this paragraph, Tenant can rent to other parties subject to Landlord approval, such approval not to be unreasonably withheld or delayed. Cause for denial shall include but not be limited to direct, ambush marketing adverse to the Master Festival, incompatible activity with Master Festival tenant in the case of a partial rental, or marketing or branding of the user which is inconsistent with the resort town goals as articulated in the City's general plan. Landlord's approval may include a fee requirement for after-hours and increased use of the restrooms.

13. Tax Exempt Status/Tenant Covenants.

(a) Tenant will not take any action that would cause the interest on the Financing Bond to become includable in gross income of the recipient for federal income tax purposes under the Code (including, without limitation, intentional acts under Treas. Reg. § 1.148-2(c) or deliberate action within the meaning of Treas. Reg. § 1.141-2(d)), and Tenant will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary to ensure that the interest does not become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") (including, without

limitation, the calculation and payment of any rebate required to preserve such exclusion).

(b) Tenant will aid and assist the Municipal Building Authority of Park City, Utah (the "Authority") in connection with preparing and submitting to the Internal Revenue Service a Form 8038 (or other applicable information reporting statement) at the time and in the form required by the Code.

(c) Tenant will comply fully at all times with the Tax Matters Certificate to be executed by the parties with respect to the Financing Bond, and Tenant will not take any action, or omit to take any action, which, if taken or omitted, respectively, would violate the Tax Matters Certificate, and the representations and warranties in the Tax Matters Certificate are true and correct.

(d) Expenses for work done by officers or employees of Tenant in connection with the Improvements will be included, if at all, only to the extent (i) such persons were specifically employed for such particular purpose, (ii) the expenses do not exceed the actual cost thereof and (iii) such expenses are treated or capable of being treated (whether or not so treated) on the books of Tenant as a capital expenditure in conformity with generally accepted accounting principles applied on a consistent basis.

(e) No part of the Financing Bond Proceeds will be used to finance inventory or rolling stock or will be used for working capital.

(f) No person other than Tenant is in occupancy or possession of any portion of the real property where any portion of the Improvements financed by the Financing Bond is located.

(g) The Project (as defined in the MBA Lease) is property of the character subject to the allowance for depreciation under Section 167 of the Code.

(h) The information furnished by Tenant and used by the Authority in preparing the arbitrage certificate pursuant to Section 148 of the Code and information statement pursuant to Section 149(e) of the Code is accurate and complete as of the delivery date of the Financing Bond.

(i) The proceeds of the Financing Bond actually drawn by Tenant will not exceed the costs of the Improvements.

(j) The costs of issuance financed with proceeds of the Financing Bond, including any bond discount on the sale of the Financing Bond, will not exceed 2% of the proceeds of the Financing Bond. The Tenant will pay any remaining costs of issuance exceeding 2% of the proceeds of the Financing Bond on the closing date of the Financing Bond.

(k) No costs of the Improvements to be financed with the proceeds of the Financing Bond have been paid by or on behalf of Tenant or any related person *more*

than 60 days prior to the date hereof, except as otherwise allowed under applicable law and identified in the Tax Matters Certificate.

(l) If any arbitrage rebate becomes payable in connection with the Financing Bond, Tenant agrees to (i) engage an independent certified public accounting firm or firm of attorneys of nationally recognized standing in order to calculate and make such payments to the Internal Revenue Service of any arbitrage rebate that may be owing with respect to the Financing Bond under Section 148 of the Code and to pay the costs and expenses of said independent certified public accounting firm or firm of attorneys so engaged and (ii) to simultaneously with any such payments send a report of the same to the Authority. The obligation of Tenant to make such payments shall remain in effect and be binding upon Tenant notwithstanding the release and discharge of this Lease.

(m) Tenant covenants and represents that it will at all times do and perform all acts and things necessary or desirable and within its reasonable control in order to assure that interest paid on the Financing Bond shall not be includable in the gross income of Trustee for federal income tax purposes. Tenant also covenants and represents that it shall not take or omit to take, or permit to be taken on its behalf, any actions which, if taken or omitted, would adversely affect the excludability from the gross income of Trustee of interest paid on the Financing Bond for federal income tax purposes. Tenant covenants for the benefit of the Trustee that it will not use the proceeds of the Financing Bond, any moneys derived, directly or indirectly, from the use or investment thereof or any other moneys on deposit in any fund or account maintained in respect of the Financing Bond (whether such moneys were derived from the proceeds of the sale of the Financing Bond or from other sources) in a manner which would cause the Financing Bond to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

(n) Tenant will take such actions as shall be necessary or desirable, from time to time and within its reasonable control, to cause all of the representations and warranties in this Paragraph 12 to remain true and correct during such periods as shall be necessary to maintain the exclusion of interest paid on the Financing Bond from the gross income of Trustee for federal income tax purposes, pursuant to the requirements of the Code.

(o) In connection with any lease or grant by Tenant of the use of the portion of the Project financed with Financing Bond proceeds, Tenant will require that the lessee or user of any portion of the Project and all related persons with respect to such lessee or user will not violate the covenants set forth herein.

(p) The Tenant has no intention of offering any portion of the Project for sale during the term of the Financing Bond.

(q) The Improvements have been designed and shall be constructed and completed, and thereafter maintained, in strict accordance and full compliance with all of the requirements of the Americans with Disabilities Act ("ADA"), of July 26, 1990,



Pub. L. No. 101-336, 104 Stat. 327, 42 U.S.C. Section 12101, et seq., as amended from time to time. The Tenant shall be responsible for all ADA compliance costs.

(r) The Tenant shall ensure that not less than 95% of the proceeds of the Financing Bond plus earnings thereon for capital costs of the facilities being financed and all of such facilities will be used by the Tenant for its exempt purposes under Section 501(c)(3) of the Code. Capital costs are defined as costs of land or property of a character subject to allowance for depreciation under Section 167 of the Code and do not include inventory or working capital, costs of issuance or interest following completion of construction

(s) The Tenant will ensure that no proceeds of the Financing Bond will be used to provide any airplane, any skybox or other private luxury box, any health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises. Section 147(e) does not apply to qualified 501(c)(3) bonds that finance a health club facility.

(t) The average reasonably expected economic life of the property financed with the proceeds of the Financing Bond, disregarding land, will be at least 120% of the average maturity of the Financing Bond, as determined pursuant to Section 147(b) of the Code.

(u) The Tenant has not entered into, and has no present intent to enter into, any contract, agreement, letter of intent or other document, whether binding or non-binding, concerning the sale, assignment, lease, transfer or other disposition of all or any part of the Project. Neither title nor beneficial ownership of the Project will be transferred to any person other than an organization described in Section 501(c)(3) of the Code or a state or local government entity, unless the Tenant shall have previously received an opinion of bond counsel that such transfer will not affect the tax exemption of interest on the Financing Bonds.

(v) The Tenant is, and has received a Determination Letter classifying the Tenant as, an organization (a) described in Section 501(c)(3) of the Code which is exempt from federal income taxation under Section 501(a) of the Code (except with respect to "unrelated business taxable income" within the meaning of Section 512(a) of the Code) and (b) which is not a "private foundation" as defined in Section 509(a) of the Code. Such Determination Letter has not been modified, limited, revoked or superseded. The Tenant has not received any indication or notice, written or verbal, from representatives of the Internal Revenue Service to the effect that its exemption under Section 501(c)(3) of the Code has been modified, limited, revoked, or superseded, or that the Internal Revenue Service is considering modifying, limiting, revoking or superseding such exemption. The Tenant is in compliance with all of the terms, conditions and limitations, if any, contained in the Determination Letter. There has been no change in the facts and circumstances represented to the Internal Revenue Service as a basis for receiving, and which formed the basis on which the Internal Revenue Service issued, the Determination Letter relating to the Tenant's status as an organization described in Section 501(c)(3) of the Code and as an

organization which is not a "private foundation" as defined in Section 509 of the Code of a nature or to a degree as would warrant any action by the Internal Revenue Service to modify, limit, revoke or supersede such Determination Letter as it applies to the Tenant. No administrative or judicial proceedings are pending or threatened which may, in any way, adversely affect the classification of the Tenant as an organization (a) described in Section 501(c)(3) of the Code which is exempt from federal income taxation under Section 501(a) of the Code and (b) which is not a "private foundation" as defined in Section 509 of the Code.

14. Increase Insurance Risk. Tenant will not permit said Property to be used for any purpose which would render any insurance on the building or the Property void or cause cancellation thereof or increase the insurance risk or increase the insurance premium in effect at the time of terms of this Lease Agreement. Tenant will not keep, use, sell or allow to be kept, used or sold in or about the Property any article or materials which are prohibited by law or by standard fire insurance policies of the kind customarily in force with respect to the Property of the same general type as those covered by this Agreement.
15. Care and Repair of Property by Tenant. Tenant inspected and accepts the Property for the purposes of this agreement. Tenant will not commit any waste on Property nor shall it use or permit the use of the Property in violation of any state law or county or municipal ordinance or regulation applicable thereto.
16. Damage or Destruction. If the Property or any part thereof shall be damaged or destroyed by fire or other casualty, and such damage renders the Property uninhabitable in whole or in part, the Rent shall be abated wholly or proportionately until Landlord can repair the damage and restore the Property. If the damage or destruction is of a nature or extent that requires the removal of the Tenant's operations from the Property for a period in excess of 6 months, either Landlord or Tenant may elect to terminate this Sublease Agreement by written notice to the other within thirty (30) days after the occurrence of such damage or such removal. Any insurance proceeds to either party must first pay down the Financing Bond as necessary.
17. Surrender of Property. Tenant agrees to surrender the building, all permanent improvements including the mechanical systems at the expiration or earlier termination of this Agreement or any extension thereof in the same condition as received, or as altered pursuant to the provisions of this Agreement, ordinary wear, tear and damage by the elements or other acts of God excepted. Tenant has no obligation to repair or restore if this Lease Agreement is terminated as a result of destruction of the buildings as provided in paragraph 15. Tenant shall have the right to remove all personal property, trade fixtures and equipment, including, without limitations, all artifacts, collections and exhibits.
18. Indemnity. Except as provided in Paragraph 7, Tenant covenants and agrees to indemnify and hold Landlord harmless from all claims, loss damage, injury or liability

(hereafter "liability") resulting from Tenant's use and occupancy of the Property, including reasonable attorney's fees, but excluding any liability resulting from acts or omissions of Landlord, its officers, employees or agents. Nothing herein shall be construed as a waiver of any of the rights, limitations or defenses under the Utah Governmental Immunity Act (Utah Code Ann. ' 63-30-1, et seq.).

Landlord will indemnify and hold Tenant and its employees harmless to the full extent provided in the Utah Governmental Immunity Act, from claims, loss, damage, injury, or liability resulting from Landlord's use and occupancy of the restrooms or from the conduct or failure to conduct City's operations and maintenance; including, but not limited to, Landlord's negligence or intentional acts. Nothing herein shall be construed as a waiver of any of the rights, limitations, or defenses under the Utah Governmental Immunity Act (Utah Code Ann. ' 63-30-1, et seq.)

19. Default/Termination. If the Landlord determines that Tenant is in default of the observance of any of the covenants of this Agreement, it shall give Tenant notice of the alleged default, and a mutually agreed upon period of time, not less than thirty (30) days, in which Tenant will diligently pursue corrective action including use of Arbitration. If Tenant fails to cure the default, Landlord shall have the right to terminate this Lease Agreement. Tenant will immediately become a Tenant at will of the Landlord, and Landlord may demand possession of the Property upon ten (10) days written notice, or, at Landlord's option, the Landlord may increase the Rent to the fair market value of the Property until Tenant has vacated it, and state a date certain by which the Property must be vacated.
20. Landlord Liable only for Negligence. Except where caused by Landlord's negligence, non-payment, or failure to perform its obligations under this Lease Agreement or as provided in Paragraph 7, Landlord shall not be liable for any failure of natural gas supply or electrical supply; or for any injury or damage to persons or property caused by gasoline, oil, steam, gas or electricity; or hurricane, tornado, flood, wind or similar storms or disturbances; or water, rain or snow which may leak or flow from the street, sewer, gas mains or any subsurface area or from any part of the building or buildings or for an interference with light.
21. Nondiscrimination. Tenant agrees not to discriminate against anyone on the basis of race, color, national origin, age, religion, sex or handicap in its hiring practices, services or operation of its business hereunder.
22. Waiver of Covenants. It is agreed that the waiver of any of the covenants of this Lease Agreement by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenant or any provisions herein.
23. Notice of Provision. In recognition of the time it takes to move the museum and exhibits, the Landlord will give the Tenant six (6) months notice of its intention to renew or not renew the Lease Agreement at the expiration of its term. There is no

option for renewal created by this Lease Agreement, but as soon as the Landlord is reasonably able to determine that the Property is no longer surplus to Landlord needs, it will give notice to Tenant that no future extension will be granted or offered, or that the terms of any future agreement will be substantially changed.

24. Good Faith. The Landlord and Tenant agree to mutually deal with each other in good faith and future issues that may arise to facilitate the mutual goal to maintain and operate a high quality museum at the Property.

25. Entire Agreement. The Agreement constitutes the entire agreement between the parties concerning the use and occupancy of the Property. It is the intention of the parties that all terms and conditions from the prior agreements and the various addendums to those agreements are incorporated in this document, and that this document fully supersedes all prior written or oral agreements concerning the Lease Agreement of the Property.

26. Jurisdiction. Any disputes between the parties that cannot be resolved between them will be litigated in the District Court in Summit County, Utah.

26. MBA Master Lease. Upon the expiration or termination of the MBA Master Lease, this Sublease shall automatically become a primary lease between Landlord and Tenant, and shall continue in full force and effect unaffected by such expiration or termination.

IN WITNESS WHEREOF the parties hereto have caused this Lease Agreement to be executed the day and year first herein above written.

TENANT  
PARK CITY HISTORICAL SOCIETY

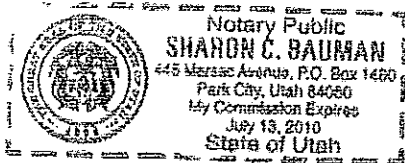
*Richard D. Pick*  
BY: Richard D. Pick  
President, Board of Trustees  
The Park City Historical Society

Corporate Acknowledgment

STATE OF UTAH            )  
  ) ss.  
COUNTY OF SUMMIT    )

On this 26 day of November, 2007, before me, the undersigned notary, personally appeared Richard D. Pick, personally known to me/proved to me through identification document allowed by law, to be the person whose name is signed on the preceding or attached document, and acknowledged that he/she signed it voluntarily for its stated purpose as President, Board of Trustees for The Park City Historical Society, a corporation.

*Sharon C. Bauman*  
Notary Public



LANDLORD  
PARK CITY MUNICIPAL CORPORATION

*Dana Williams*  
Dana Williams, Mayor

Corporate Acknowledgment

STATE OF UTAH            )  
  ) ss.  
COUNTY OF SUMMIT    )

On this 26 day of November, 2007, before me, the undersigned notary, personally appeared Dana Williams, personally known to me/proved to me through identification document allowed by law, to be the person whose name is signed on the

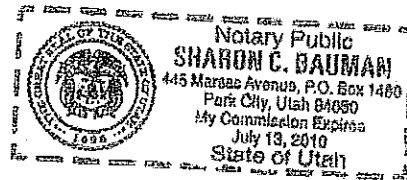
preceding or attached document, and acknowledged that he/she signed it voluntarily for its stated purpose as Mayor of Park City, a Utah political subdivision.

*Sharon C Bauman*

Notary Public

Approved as to form:

*Mark Harrington*  
Mark Harrington, City Attorney







Memorandum

To: Historical Society  
From: Jonathan Weidenhamer, Special Projects Coordinator  
Re: City Council Action – Expanded Construction Staging Area  
Date: January 11, 2008

At their regularly scheduled meeting on January 10, 2008 the City Council agreed to allow the Historical Society to use the Historic Wall Lot (approximately 21 parking spaces south of the transit center, at the north end of the surface parking in Swede Alley) for additional construction staging and storage. The Council agreed to this use from March 24, 2008 – October 31, 2008. The additionally agreed not to charge a fee for the use of this area.