
SUBJECT TO CITY COUNCIL CONSIDERATION

NGB BUILDING SUBLEASE AGREEMENT

by and between

CITY OF COLORADO SPRINGS,
as Sublessor

and

UNITED STATES OLYMPIC COMMITTEE,
as Sublessee

Dated as of _____, 2009

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ATTACHMENTS

CONSENT OF THE PFA

COMMENCEMENT DATE CERTIFICATE

EXHIBIT A – THE LAND

EXHIBIT B – LEASE AGREEMENT

NGB BUILDING SUBLEASE AGREEMENT

THIS NGB BUILDING SUBLEASE AGREEMENT (this "*Sublease*"), made as of the _____ day of _____, 2009, by and between the **CITY OF COLORADO SPRINGS, COLORADO**, a municipal corporation and home rule city duly organized and existing under the laws of the State of Colorado and in particular under the provisions of Article XX of the Constitution of the State of Colorado and the home rule charter of the City, as sublessor (the "*City*"), and the **UNITED STATES OLYMPIC COMMITTEE**, a corporation created by an Act of Congress, as sublessee (the "*USOC*").

WITNESSETH:

ARTICLE I

DEFINITIONS, GRANT, TERM

Section 1.01 **Definitions.** In addition to the terms defined elsewhere in this Sublease, the following terms shall have the following meanings:

"*Additional Rent*" is defined in Section 3.02 hereof.

"*Alterations*" is defined in Section 8.01(a).

"*Additional Improvements*" shall mean the Common First Floor Spaces as described and defined in the Economic Development Agreement, and certain streetscape improvements adjacent to the Building as described in the Economic Development Agreement.

"*Base Rent*" means One Dollar (\$1.00) per year of this Sublease.

"*Building*" means the building located on the Land, containing approximately 40,000 sq/ft of rentable space.

"*City's Notice Address*" means the City of Colorado Springs, Attention: Chief Financial Officer, 30 South Nevada, Suite 205 MC 255, Colorado Springs, Colorado 80903.

"*Commencement Date Certificate*" means the Commencement Date Certificate attached hereto, to be completed and signed by the USOC and the City on or about the Sublease Commencement Date.

"*COPs*" means the Certificates of Participation to be issued by the PFA pursuant to the Indenture defined in the Economic Development Agreement, the proceeds of which may be used to fund (i) the acquisition and improvement of the Premises, (ii) the development of certain improvements at the USOC's Olympic Training Center in Colorado Springs, and (iii) the renovation of the NGB Building, all as more particularly provided in the Economic Development Agreement.

“*Economic Development Agreement*” means that certain Economic Development Agreement Between the City of Colorado Springs and the United States Olympic Committee Regarding USOC Facilities in Colorado Springs, dated _____, 2009.

“*Event of Default*” is defined in Section 13.01(a) hereof.

“*Expiration Date*” means December 31, 2039.

“*Governmental Regulations*” means any current and future laws, orders and regulations of federal, state, county and municipal authorities and any directive of any public officer or officers pursuant to law.

“*Land*” shall mean the real property described in Exhibit A.

“*Lease Agreement*” is defined in Section 1.02(a) hereof.

“*Net Rentable Area*” means approximately 40,000 square feet, as confirmed by the Commencement Date Certificate.

“*Permitted Encumbrances*” means the Permitted Encumbrances as defined in the Lease Agreement.

“*PFA*” means The City of Colorado Springs Public Facilities Authority.

“*Premises*” means the Building and the Land, located at 30 Cimino Drive, Colorado Springs, Colorado.

“*Purchase Option*” is defined in Section 1.04 hereof.

“*Sublease Commencement Date*” means the Conditions Precedent Satisfaction Date defined in the Economic Development Agreement, as evidenced by the Commencement Date Certificate.

“*Sublease Term*” is defined in Section 1.03(a) hereof.

“*USOC Headquarters*” means Unit Nos. 200, 300, 400, 500 and 600, located in the building at 27. S. Tejon Street, Colorado Springs, Colorado.

“*USOC’s Notice Address*” means United States Olympic Committee, One Olympic Plaza, Colorado Springs, CO 80909; Attention: Chief Executive Officer and General Counsel, until the Sublease Commencement Date and at the Premises, from and after the Sublease Commencement Date as set forth in the Commencement Date Certificate.

Section 1.02 Lease Agreement and Sublease; Demise of Premises.

(a) The USOC acknowledges and understands that the City is the lessee of the Premises pursuant to a NGB Building Lease Agreement dated as of the date of this

Sublease (the "*Lease Agreement*") between the PFA, as lessor, and the City, as lessee, a copy of which is attached hereto as **Exhibit B**. In consideration of the rents, covenants and agreements of this Sublease to be observed and performed by the USOC, the City demises and subleases to the USOC, and the USOC rents from the City the Premises together with any appurtenances. The City and the PFA, by execution of the Consent of the PFA attached hereto, agree that the Lease Agreement shall not be amended without the prior written consent of the USOC, such consent to not be unreasonably withheld, conditioned, or delayed.

(b) The USOC will not do or cause to be done or suffer or permit any act or thing to be done which would or might cause the Lease Agreement or the rights of the City as tenant thereunder to be cancelled, terminated or forfeited (except as may be permitted by the Economic Development Agreement) or which would make the City liable for any damages, claims or penalties.

(c) The USOC shall, in no case, have any rights in respect of the Premises greater than the City's rights under the Lease Agreement (except as provided in Section 1.04) and the City shall have no liability to the USOC for any matter whatsoever for which the City does not have at least co-extensive rights, as tenant, against the PFA under the Lease Agreement.

(d) Subject to the PFA's obligation to provide the USOC with written notices of all notices the PFA provides to the City and the PFA's obligation to provide the USOC with the option, but not the obligation, to cure any defaults by the City under the Lease Agreement ("*City Lease Defaults*"), the USOC acknowledges and understands that, in the event of, and upon, the termination or cancellation of the Lease Agreement for any reason (including, without being limited to, a City Lease Default), this Sublease shall automatically cease and terminate; provided, however, that upon a City Lease Default the USOC may exercise its Purchase Option right to purchase the Premises in such event as provided in the Lease Agreement and Economic Development Agreement.

(e) The City shall promptly deliver to the USOC copies of all notices received by the City and copies of all notices served by the City under the terms of the Lease Agreement. The City covenants and agrees that it will perform and observe all of the terms, covenants, provisions, conditions and agreements of the Lease Agreement which are not to be observed by USOC pursuant to this Sublease, all so as to assure that no defaults or events of default under the Lease Agreement arise as a result of the City's actions or inactions thereunder.

(f) The USOC and the City acknowledge that the Lease Agreement provides to the USOC additional time periods beyond those provided to the City for the giving of notices, making demands, performance of any act, condition or covenant or the exercise of any rights, remedies or options.

(g) The USOC and the City acknowledge that for purposes of this Sublease and the Economic Development Agreement (i) all references to the "COPs" in the Economic Development Agreement shall mean the COPs as defined herein, (ii) all

references to a “Lease Purchase Buyout” in the Economic Development Agreement shall mean the Purchase Option as defined herein and the simultaneous purchase right with respect to the NGB Building, (iii) all references to “PFA-City-USOC Subleases” in the Economic Development Agreement shall mean this Sublease and the sublease between the City as sublessor and the City as sublessee with respect to the USOC Headquarters Building, and (iv) all references to the “PFA-City-USOC Leases” in the Economic Development Agreement shall mean the Lease Agreement as defined herein and the lease between the PFA as lessor and the City as lessee with respect to the USOC Headquarters Building.

Section 1.03 Commencement and Ending Date of Term.

(a) The term of this Sublease (the “*Sublease Term*”) shall commence on the Sublease Commencement Date and expire on the Expiration Date, unless earlier terminated as provided herein (including without limitation Section 1.02(d) above and subsections (c) and (d) below).

(b) Prior to the Sublease Commencement Date, the Premises and Additional Improvements are to be constructed, completed and delivered to the USOC as provided in the Economic Development Agreement.

(c) The City acknowledges and agrees that this Sublease shall terminate upon the USOC’s failure, after the Sublease Commencement Date, to occupy the Premises as its national headquarters (which shall not be considered an Event of Default hereunder). In the event of any such termination, the amounts (if any) payable by the USOC to the City as described in Sections 6.1 and 6.2 of the Economic Development Agreement shall be the City’s sole remedy against the USOC in connection with such termination. In the event of any termination by the USOC of this Sublease prior to the Sublease Commencement Date, the City acknowledges and agrees that the USOC shall not have to pay any costs, penalties or damages of any amount, including any amounts as described in Sections 6.1 and 6.2 of the Economic Development Agreement. The City and the USOC agree that the provisions set forth in this Section 1.03(c) are consistent with the terms of the Economic Development Agreement.

(d) The City acknowledges and agrees that the USOC has the right to terminate the Economic Development Agreement in the circumstances described in Section 7.1 of the Economic Development Agreement, and the City further agrees that any such termination by the USOC (except as hereinafter provided) will also terminate this Sublease and will not be considered an Event of Default hereunder. The City agrees that failure of the USOC to take action to terminate the Economic Development Agreement upon the occurrence of a circumstance under Section 7.1 thereof shall not be deemed to constitute a waiver by the USOC of its right to so terminate the Economic Development Agreement based on the existence of such circumstance. In the event of any such termination of this Sublease upon a termination by the USOC of the Economic Development Agreement, the USOC shall have no further obligations to the City, including no obligation to pay any costs, penalties or damages of any amount (and no

obligation to have its national headquarters within the City's boundaries), except as described in subsection (c) above.

Section 1.04 Purchase Option; Incorporation of Economic Development Agreement. The City hereby acknowledges that the USOC has an option to purchase the Premises ("*Purchase Option*") on the terms and conditions set forth in Sections 6.1 of the Economic Development Agreement, which rights are superior to the City's and the PFA's rights under the Lease Agreement to purchase the Premises as provided therein. The terms of the Economic Development Agreement are incorporated herein by this reference subject to Section 1.03(d). In the event of any conflict between the terms and provisions of this Sublease and the terms and provisions of the Economic Development Agreement, the terms and provisions of the Economic Development Agreement shall control.

Section 1.05 Conveyance of Premises to the USOC at End of Sublease Term. If the USOC has not exercised its Purchase Option and if this Sublease has not been terminated pursuant to its terms and if no Event of Default has occurred and is continuing hereunder, the City shall cause title to the Premises to be assigned, transferred and conveyed to the USOC or its designee at the end of the Sublease Term, subject only to the following: (a) the Permitted Encumbrances other than this Sublease and the Lease Agreement, (b) all liens, encumbrances and restrictions created or suffered to exist by the USOC as required or permitted by this Sublease or arising as a result of any action taken or omitted to be taken by the USOC as required or permitted by this Sublease; and (c) those remaining liens and encumbrances (if any) to which title to the Premises was subject when acquired by the PFA (except as provided in clause (a) above).

ARTICLE II

USE

Section 2.01 Use. Unless otherwise approved in writing by the City (which approval may be withheld in the City's sole discretion), the USOC shall have the right to use and occupy the Premises solely as the location of its national headquarters, along with its related operations all in furtherance of its purposes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*IRC*") and up to five percent (5%) of the Net Rentable Area may be used by or for organizations described in Section 501(c)(3) of the IRC in furtherance of their 501(c)(3) purposes under the IRC, and for no other purpose except as set forth in Section 12.01 hereof.

Section 2.02 Suitability. The USOC acknowledges that neither the City nor any agent of the City has made any representation or warranty with respect to the Premises or the Building or with respect to the suitability of either for the conduct of the USOC's business, nor has the City agreed to undertake any modification, alteration or improvement to the Premises except as expressly provided in this Sublease and the Economic Development Agreement.

ARTICLE III

RENT

Section 3.01 **Base Rent.** The USOC has on the date of execution and delivery hereof prepaid all Base Rent in an amount equal to one dollar per year for the maximum term of the Sublease.

Section 3.02 **Additional Rent.** All sums other than Base Rent payable by the USOC to the City under this Sublease with respect to the Premises, including that part of “Additional Rental” (as defined in the Lease Agreement) payable by the City to the PFA under the Lease Agreement shall be payable, and referred to in this Sublease, as “*Additional Rent*” and, subject to Section 6.02 hereof, shall be payable within thirty (30) days after receipt of the City’s invoice therefor, unless other payment dates are set forth herein (and except to the extent such amounts are paid directly by the USOC to the party ultimately entitled to such payment or to the City’s designee as provided in Section 16.06(b)) hereof; provided, however, the USOC shall have no obligation to pay for any costs relating to the issuance or debt service of the COPs. Nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of the City.

Section 3.03 **Net Lease.** This Sublease is a “net” Sublease and the USOC shall (except as expressly provided to the contrary herein or in the Economic Development Agreement) pay all costs, utilities, taxes (other than property taxes, including those characterized as possessory interest taxes, which, to the extent not exempted, are the responsibility of the City pursuant to Section 1.4 of the Economic Development Agreement) and other expenses which are connected with or arise out of the possession, use or occupancy of the Premises.

ARTICLE IV

SERVICES

Section 4.01 **Services.** The USOC shall be responsible for obtaining, at its expense, all services, goods and utilities which the USOC determines are necessary or appropriate for its use and operation of the Premises. The USOC hereby acknowledges that the City shall have no obligation to provide any such services, goods or utilities under this Sublease..

Section 4.02 **Interruption of Service.** The City shall not be liable for damages or consequential damages or in any other way in the event of loss, damage, failure, interruption, defect or change in the quantity or character or supply of electricity or any other utility service furnished to the Premises, unless caused by the negligence or willful misconduct of the City, its agents, contractors or employees, and the USOC agrees that such supply may be interrupted for inspection, repairs, or in case of emergency; nor shall the foregoing be construed as a

constructive eviction of the USOC, or excuse the USOC from failing to perform any of its obligations hereunder. The City shall have no liability to the USOC, its employees, agents, invitees or licensees for damages or consequential damages or in any other way for losses due to any criminal act or for damages done by unauthorized persons on the Premises and the Building and the City shall not be required to insure against any such losses.

Section 4.03 Security Measures. The USOC hereby acknowledges that the City shall have no obligation to provide any security measures for the benefit of the USOC, the Premises or the Building. The USOC assumes all responsibility for the protection of the USOC, its agents, its employees and invitees and its and their property from acts of third parties.

Section 4.04 Entry By the City.

(a) The City and the City's agents and representatives shall have the right to enter the Premises at any time in case of an emergency and at other reasonable times upon prior written notice to the USOC for any purpose permitted pursuant to the terms of this Sublease, including, but not limited to, examining the Premises, making repairs, auditing the USOC's compliance with this Sublease and, to the extent applicable, showing the Premises to prospective tenants, purchasers or mortgagees. The foregoing notwithstanding, the USOC shall have the right to have a USOC representative accompany the City during any such non-emergency entry into the Premises.

(b) In an emergency the City shall have the right to use any and all means to open the doors to the Premises in order to obtain entry thereto, without liability to the USOC. Any entry to the Premises by the City by any of the foregoing means, or otherwise, shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises, or an eviction, partial eviction or constructive eviction of the USOC from the Premises or any portion thereof, and shall not relieve the USOC of its obligations under this Sublease.

Section 4.05 The City's Right To Cure. All agreements and provisions to be performed by the USOC under any of the terms of this Sublease shall be at the USOC's sole cost and expense if so provided herein and without any abatement of Base Rent or Additional Rent. If the USOC shall fail to perform any act or to pay any sum of money required to be performed or paid by it hereunder, or shall fail to cure any default and such failure shall continue beyond any applicable notice and grace period set forth herein, then the City may, at its option, and without waiving or releasing the USOC from any of its obligations hereunder, make such payment or perform such act on behalf of the USOC. All sums paid and all costs incurred by the City in taking such action shall be deemed Additional Rent and shall be paid to the City on demand.

ARTICLE V

CONDITION OF PREMISES

The USOC hereby agrees that the Premises are being leased in its “as is,” “where is” condition, subject to Section 1.8 of the Economic Development Agreement.

ARTICLE VI

COMPLIANCE WITH LAWS

Section 6.01 Governmental Regulations.

(a) The USOC, at its sole expense, shall comply with all Governmental Regulations applicable to the Premises which shall impose any violation, order or duty upon the City or the USOC with respect to the Premises or the Building or the use or occupation of the Premises or the Building, including, without limitation, all applicable Governmental Regulations, relating to public health and safety and protection of the environment.

(b) The USOC will immediately notify the City, and the City and the PFA will immediately notify the USOC, and each shall provide copies to the other upon receipt of, all written complaints, claims, citations, demands, inquiries, reports, or notices relating to the condition of the Premises or compliance with Governmental Regulations. The USOC will promptly cure and have dismissed with prejudice any such actions and proceeding to the satisfaction of the City.

(c) The USOC will keep the Premises free of any lien imposed pursuant to any Governmental Regulations.

Section 6.02 Right to Contest. Subject to the requirements of the Lease Agreement, the USOC shall have the right to contest by appropriate proceedings diligently conducted in good faith, without cost or expense to the City, the validity or application of any Governmental Regulation or other legal requirement of any nature or the validity or existence of any lien, and the City will cooperate fully with the USOC in any such contest.

ARTICLE VII

INTENTIONALLY OMITTED

ARTICLE VIII

ALTERATIONS AND SIGNAGE

Section 8.01 Alterations.

(a) The USOC may, upon prior written notice to the City, make any alterations, improvements, or additions in, on or about the Premises or the Building (collectively "*Alterations*"), provided that the USOC shall comply with the requirements and provisions of the Lease Agreement with respect to any such Alterations.

(b) The USOC shall acquire and comply with all necessary permits and approvals from all applicable governmental agencies for work requiring governmental permits or approval. Upon the written request of the City following completion of all such work, the USOC shall furnish the City with a copy of each permit, and with signatures indicating final governmental approval of the work. Subject to Section 6.02 hereof, the USOC shall pay when due all claims for labor or materials furnished or alleged to have been furnished to or for the USOC at or for use in the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises, the Building or any interest therein. The USOC shall give the City not less than ten (10) days' notice prior to the commencement of any work in the Premises that requires a governmental permit or approval. Without limitation, the USOC shall comply with Section 9.04 with respect to all Alterations.

(c) All Alterations by the USOC shall be made and done in accordance with the Lease Agreement, in a good and workmanlike manner and of good and sufficient quality and materials. Subject to Section 1.05 hereof, all Alterations made by the USOC to the Premises shall be the property of the City and remain upon and be surrendered with the Premises at the expiration of the Sublease Term; provided, however, the USOC shall own all Alterations made by it to the Premises if the USOC exercises its Purchase Option and acquires the Premises.

Section 8.02 Signs. All signs and placards must comply with all applicable Governmental Regulations. The USOC shall pay all costs of fabrication, installation and maintenance of any signs installed by the USOC in the Premises or on the Building.

ARTICLE IX**THE USOC'S MAINTENANCE, REPAIR AND SURRENDER OF PREMISES**

Section 9.01 The USOC's Maintenance. The USOC shall maintain and repair the Premises, including all interior glass and entryway glass serving the Premises, in good order, condition and repair and shall preserve them in substantially the same condition delivered to the USOC on the Sublease Commencement Date, normal wear and tear excepted and damage by fire or other casualty which the USOC is not obligated to repair pursuant to this Sublease excepted. The USOC shall not permit or commit waste of the Premises or the Building. The USOC shall be responsible for cleaning, repainting and redecorating the Premises, cleaning drapes or other window coverings and carpets at reasonable intervals as needed, and making repairs, replacements and Alterations as needed, in a good and workmanlike manner in accordance with the terms and provisions of this Sublease, including those governing the construction of any Alterations to the Premises, and materials of equal or better quality and utility to the original work. The USOC shall be responsible for replacing lamps and bulbs in lighting fixtures within the Premises. The USOC shall, at its own expense, provide janitorial service to the Premises. The USOC shall repair or replace, at the USOC's sole cost, to the extent not covered by insurance, any damage done to the Premises or any part thereof caused by the USOC or the USOC's agents, employees, contractors, invitees or visitors. The USOC and the City acknowledge and agree to the rights and obligations contained in Section 8.06 of the Lease Agreement (relating to casualty and condemnation).

Section 9.02 Surrender of the Premises. Subject to Section 1.05 hereof, on the last day of the Sublease Term or on any earlier termination (other than a termination as a result of the USOC's exercise of its Purchase Option), the USOC shall peaceably and quietly quit and surrender the Premises to the City in substantially the same condition as received on the Sublease Commencement Date or the date of relocation, as the as the case may be, clean and free of debris, normal wear and tear excepted and damage by fire or other casualty which the USOC is not obligated to repair pursuant to this Sublease excepted. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if it could have been prevented by prudent maintenance practices by the USOC. The USOC shall leave all Alterations on the Premises in good operating condition, subject to ordinary wear and tear.

Section 9.03 Reimbursement. If the USOC refuses or neglects to repair and maintain the Premises as required herein and to the reasonable satisfaction of the City, after written demand and application of all notice and cure rights set forth herein, the City may make such repairs without liability to the USOC, except to the extent arising as a result of the City's negligence or willful misconduct, for any loss or damage that may accrue to the USOC's furniture, fixtures, or other property or to the USOC's business by reason thereof. Upon completion thereof, the USOC shall pay the City's actual and reasonable costs for making such repairs plus, as Additional Rent, such additional fees or charges as the City may reasonably impose from time to time for overhead, supervision and other costs and services incurred or provided by the City in connection with the repairs.

Section 9.04 **Liens.**

(a) The USOC shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by or on behalf of the USOC, except if such work is performed by the City on the USOC's behalf. At the City's option, the USOC shall provide, at the USOC's sole cost, a payment and performance and/or completion bond in an amount equal to one hundred twenty-five percent (125%) of the estimated cost of Alterations to be constructed by the USOC, and otherwise in form and substance reasonably satisfactory to the City, except that if such estimated cost is less than \$50,000 no such bond shall be required. Should any mechanic's or other lien be filed against the Premises or the Building by reason of the USOC's or its agents' or contractors' acts or omissions or because of a claim against the USOC, the USOC shall cause it to be canceled and discharged of record by bond or otherwise within twenty (20) days after the filing thereof, subject, however, to the USOC's right to contest pursuant to Section 6.02 hereof. Should the USOC fail to discharge such lien within the such twenty (20) day period (subject to such right to cure), the City may do so by whatever means the City deems appropriate, in which event the USOC shall reimburse the City, on demand, as Additional Rent, for the amount of the lien or the amount of the bond, if greater, plus all administrative costs incurred by the City in connection therewith. The remedies provided herein shall be in addition to all other remedies available to the City.

(b) Nothing contained in this Sublease shall be construed as constituting the consent or request of the City, express or implied, to, or for the performance by, any contractor, laborer, materialman or vendor of any labor or services or for the furnishing of any materials for any construction, Alteration, addition, repair or demolition of or to the Premises or any part thereof. The USOC and any sub-sublessees shall have no power to do any act or make any contract that may create or be the foundation of any lien, mortgage or other encumbrance upon the Lease Agreement, or any interest of the City in the Premises or the Building. Notice is hereby given that the City is not and shall not be liable for any labor, services or materials furnished or to be furnished to the USOC or to anyone holding the Premises or any part thereof, and that no mechanics' or other liens for any such labor, services or materials shall attach to or affect the interest of the City in and to the Premises or the Building.

ARTICLE X

INSURANCE AND INDEMNITY

Section 10.01 **The USOC's Insurance.** The USOC shall procure and maintain throughout the Sublease Term, at its sole cost and expense, the minimum types and limits of insurance coverage as indicated below. The insurance requirements contained herein shall not limit the liability of the USOC for its acts or omissions as provided in this Sublease. All insurance required hereunder shall be placed with companies which are rated "A" or better by Best's Insurance Guide and licensed to do business in the State of Colorado. All such policies shall be written as primary policies, with reasonable deductibles. The USOC shall be responsible

for the payment of any deductible in the event of an insured loss. The USOC shall deliver certificates for all such policies prior to the Sublease Commencement Date, or, in the case of renewals thereto, within thirty (30) days of the expiration of the prior insurance policy, together with evidence that the insurer shall endeavor to provide thirty (30) days' prior written notice to the City in the event of cancellation, material change or non-renewal. If the USOC shall fail at any time to procure or maintain the insurance required herein, or to provide proof of insurance as required, or if the insurer notifies the City that any coverage is to be canceled or non-renewed, such failure or event shall be an event of default hereunder, and the City may, at its option, after providing ten (10) days notice in writing to cure such default, procure such insurance on the USOC's behalf and the cost thereof shall be payable upon demand, as Additional Rent. Payment by the City of any insurance premium or the carrying by the City of any such insurance policy shall not be deemed to waive or release the default of the USOC with respect thereto.

(a) Property insurance, covering the Premises (including the Land and Building), all tenant improvements and betterments and USOC's personal property and equipment in the Premises. City and PFA shall be named as "Loss Payees" as their interests may appear. Coverage shall include at least those perils generally covered on a "Causes of Loss-Special Form" on a replacement cost basis, subject to reasonable deductibles and endorsed to waive any co-insurance penalty.

(b) Commercial General Liability insurance with limits of at least \$600,000 per occurrence. Such coverage shall name the City and PFA as "Additional Insureds" as their interests may appear.

Any insurance required herein, may be provided on blanket insurance policy which covers other properties as well, as long as such blanket insurance policies comply with the requirements hereof.

Section 10.02 Subrogation. Notwithstanding anything to the contrary contained herein, the USOC and the City hereby each waives and releases its rights of recovery against the other and the officers, agents and employees of each of them, for any damage to real or personal property, including resulting loss of use, interruption of business, and other expenses occurring as a result of the use or occupancy of the Premises or the Building to the extent that the loss or damage is either covered by insurance or is required to be covered by the insurance pursuant to this Sublease. The USOC and the City each agrees that all policies of insurance obtained by it pursuant to the terms of this Sublease shall contain provisions or endorsements thereto waiving the insurer's rights of subrogation with respect to claims against the other, and, unless the policies permit waiver of subrogation without notice to the insurer, each shall notify its insurance companies of the existence of the waiver and indemnity provisions set forth in this Sublease.

Section 10.03 Indemnification. The USOC shall indemnify, defend and hold harmless the City and its officers, directors, employees, attorneys and agents (collectively, the "Indemnitees") from and against any and all claims, demands, causes of action, judgments, costs, expenses, and all losses and damages (excluding consequential and punitive damages) to the extent arising from the USOC's use of the Premises or from the conduct of its business or from

any activity, work, or other acts or things done, permitted or suffered by the USOC in or about the Premises or the Building and shall further indemnify, defend and hold harmless the Indemnitees from and against any and all claims to the extent arising from any breach or default in the performance of any obligation on the USOC's part to be performed under the terms of this Sublease, or to the extent arising from any act or omission of the USOC, or any officer, agent, employee, independent contractor, guest, or invitee thereof, and from all costs, reasonable attorney fees and disbursements, and liabilities incurred in the defense of any such claim or any action or proceeding which may be brought against, out of or in any way related to this Sublease. Notwithstanding the foregoing, the foregoing indemnities shall not apply to the City or other Indemnitees to the extent the subject of the indemnification is caused by or arises out of the negligence or willful misconduct of the City or other Indemnitees. Upon notice from the City, the USOC shall defend any such claim, demand, cause of action or suit at the USOC's expense by counsel satisfactory to the City in its reasonable discretion. The provisions of this Section 10.03 shall survive the expiration or earlier termination of this Sublease.

Section 10.04 Waiver of City Liability. As a material part of the consideration to the City for this Sublease, the USOC hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause, and the USOC hereby waives all claims with respect thereto against the City and its affiliates and their respective officers, shareholders, partners, managers, members, employees, contractors and agents (collectively, "*City Parties*"), except if directly caused by the negligence or willful misconduct of the City or a City Party, and the USOC waives all claims against such parties for any and all losses, damages (including consequential or punitive damages) and other costs arising from any cause whatever (unless caused by the negligence or willful misconduct of the City or a City Party), including, without limitation, any such injury or damage caused by or resulting from (a) fire, explosion, smoke, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other places resulting from dampness or any other cause whatsoever; (b) the acts or omissions of the USOC or any officer, agent, employee, contractor or guest of the USOC; (c) interference with the electrical service, ventilation, utilities or other services to the Premises; (d) any latent defect in the Premises or Building, subject to Article V above; (e) any act, omission, event or circumstance for which the USOC is required to insure; or (f) any construction, Alterations or repair required or permitted to be performed by the USOC or the City under this Sublease. The USOC shall give immediate notice to the City in case of casualty or accidents in the Premises.

ARTICLE XI

ESTOPPEL AND SUBORDINATION

Section 11.01 Estoppel. At any time and from time to time upon written request by the City, the USOC hereby agrees to deliver within twenty (20) days after request, an estoppel certificate in or upon the form supplied by the City, which form must be reasonably acceptable to the USOC, certifying (if such be the case): (a) that this Sublease is in full force and effect; (b) that there are no defenses or offsets to the obligations of the USOC hereunder and that there are no defaults by the USOC or, to the best of the USOC's knowledge, the City hereunder (or stating

those claimed by the USOC); and (c) such other information as may be reasonably required by the City. Notwithstanding anything contained herein to the contrary, the USOC shall not be obligated to provide estoppel certificates more than once in any consecutive twelve (12) month period.

Section 11.02 **Subordination.** This Sublease, and all rights and interests of the USOC hereunder, shall be subordinate to the Lease Agreement (except as provided in Section 1.04 hereof). No documentation other than this Sublease shall be required to evidence this subordination. Notwithstanding the foregoing, the USOC agrees to execute any documents reasonably required to effectuate any such subordination within ten (10) days after written demand therefor from the City. The USOC's failure to execute such documents shall not constitute an Event of Default by the USOC; however, if the USOC fails to execute such documents within such ten (10) day period, the City may execute such documents on behalf of the USOC as the USOC's attorney-in-fact. The USOC does hereby make, constitute and irrevocably appoint the City as the USOC's attorney-in-fact and in the USOC's name, place and stead, to execute such documents in accordance with this Section.

ARTICLE XII

ASSIGNMENT AND SUBLETTING

Section 12.01 **City's Consent Required.** The USOC shall not voluntarily or by operation of law assign, Transfer (as defined below), sublet, mortgage, collaterally assign, or otherwise transfer or encumber (referred to as "*Assignment of Interest*") all or any part of the USOC's interest in the Sublease or in the Premises, without the prior written consent of the City and the PFA, except that the consent of the PFA is not required in connection with any sub-sublease. The City's consent to an Assignment of Interest in the form of a sub-sublease pursuant to this Section 12.01 will not be unreasonably withheld if (a) the national headquarters of the USOC remain in the Premises, (b) the cumulative amount of Net Rentable Area subject to sub-subleases is not in excess of ten percent (10%) of the Net Rentable Area, (c) the sub-sublessee is a governmental entity or an organization described in Section 501(c)(3) of the IRC and will be using the rented space in furtherance of its 501(c)(3) purposes, (d) the City receives such documentation as it deems reasonably necessary from such sub-sublessee to ensure that such sub-sublease will not adversely affect the exclusion from federal income taxation of interest on the COPs, and (e) the City receives an opinion of nationally recognized bond counsel satisfactory to the City to the effect that such sub-sublease will not adversely affect the exclusion from federal income taxation of interest on the COPs. The City shall respond to the USOC's request for consent hereunder within sixty (60) days of delivery of a request for the City's approval along with all documentation required by the City in order to allow the City to make a determination. Failure of the City to respond shall be deemed disapproval. Any attempted Assignment of Interest without the City's consent shall be void, and shall constitute a default of this Sublease without a requirement for notice to the USOC under any provision of this Sublease. The USOC shall use only such form of sublease as has been approved by the City, in the City's reasonable discretion. "*Transfer*" within the meaning of this Section 12.01 shall include any merger, reorganization, or similar transaction to which the USOC's consent is required, the sale

or transfer of all or substantially all of the USOC's assets or the transfer a controlling interest in the USOC's stock or ownership interests.

Section 12.02 **No Release.** No assignment or subletting shall release the USOC of the USOC's obligations hereunder or alter the primary liability of the USOC to pay Additional Rent due under this Sublease and to perform all obligations to be performed by the USOC under this Sublease, unless the agreement required by Section 12.04 below has been signed by the assignee or included in the sub-sublease, as applicable.

Section 12.03 **Rights on Default.** Upon any default under this Sublease, the City may proceed directly against the USOC or anyone else responsible for the performance of this Sublease, including a sub-sublessee, without first exhausting the City's remedies against any other person or entity responsible therefor to the City. The City's written consent to any assignment or subletting of the Premises by the USOC shall not constitute an acknowledgment that no default then exists under this Sublease of the obligations to be performed by the USOC, nor shall such consent be deemed a waiver of any then existing default, except as may be otherwise stated in writing by the City at the time.

Section 12.04 **Assumption by Assignee/Sublessee.** No assignment of this Sublease shall be effective unless and until the USOC shall deliver to the City an agreement in form and substance satisfactory to the City pursuant to which such assignee assumes and agrees to be bound by all of the terms, covenants, conditions, provisions and agreements of this Sublease. No sub-sublease entered into by the USOC shall be effective unless it contains an agreement of the sub-sublessee to be bound by all of the terms, covenants, conditions, provisions and agreements of this Sublease applicable to the sub-subleased portion of the Premises as if it were the sublessee thereof.

Section 12.05 **Excess Proceeds.** One hundred percent (100%) of any proceeds (net of any costs incurred by the USOC in sub-subleasing to a sub-sublessee), in excess of the sum of Base Rent and Additional Rent, which is received by the USOC pursuant to an Assignment of Interest consented to by the City shall be remitted to the City as Additional Rent within ten (10) days of receipt by the USOC, net of any costs the USOC incurs in sub-subleasing to a sub-sublessee space within the Premises. For purposes of this Section, all money or value in whatever form received by the USOC from or on account of any party as consideration for an Assignment of Interest shall be deemed to be proceeds received by the USOC pursuant to and Assignment of Interest.

ARTICLE XIII

EVENTS OF DEFAULT

Section 13.01 **Events of Default.** The occurrence of any one or more of the following events during the Sublease Term shall constitute an "*Event of Default*" hereunder:

(a) The USOC shall fail to pay any Additional Rent (or cure any other default which is curable by the payment of money) within thirty (30) days after the earlier to occur of: (i) ten (10) business days following the date of written demand therefor from the City, and (ii) the date the any applicable taxing authority has the right to place a lien on the Premises for such failure to pay.

(b) The USOC shall default in the performance of or compliance with any of the other covenants, agreements, terms or conditions of this Sublease to be performed by the USOC (other than any default curable by the payment of money), and such default shall continue for a period of thirty (30) days after written notice thereof from the City to the USOC, or, in the case of a default which cannot with due diligence be cured within thirty (30) days, the USOC fails to commence such cure promptly within such thirty (30) day period and thereafter diligently prosecute such cure to completion. Notwithstanding the above, the USOC must immediately remedy any default that imminently threatens an injury or harm to any person or property.

(c) The USOC shall become insolvent within the meaning of the United States Bankruptcy Code, as amended from time to time (the "*Bankruptcy Code*"); shall have ceased to pay its debts in the ordinary course of business; shall be unable to pay its debts as they become due; shall make a general assignment for the benefit of creditors; shall file, take any action to file, or notify the City that the USOC intends to file, a petition, case or proceeding under any section or chapter of the Bankruptcy Code, or under any similar law or statute of the United States or any state thereof relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts; shall be adjudicated as a bankrupt or insolvent; shall seek to or consent to or acquiesce in the appointment of any receiver, trustee, liquidator or other custodian of the USOC or any material part of its properties, whether or not it relates to their interests in this Sublease; or the USOC shall notify the City that it anticipates the occurrence of any of the foregoing conditions; or take any other action for the purpose of effecting any of the foregoing clauses.

(d) Any execution or attachment is issued against the USOC or any of its property whereupon the Premises shall be taken or occupied or attached, which execution or attachment is not vacated within one hundred twenty (120) days thereafter.

Section 13.02 The City's Remedies Upon Default. Upon the occurrence of any Event of Default, the City shall have the rights and remedies (and only the rights and remedies) set forth in Section 7.2 of the Economic Development Agreement), except as otherwise expressly provided herein.

Section 13.03 City Default. If the USOC believes that the City is in default of any of the City's obligations hereunder, the USOC shall give the City written notice of default. If the City does not cure such default within thirty (30) days after notice, or, if the default cannot reasonably be cured within a thirty (30) day period, if the City has not begun to take curative action or is not diligently pursuing completion of such curative action, then the USOC may, as its

sole remedy for such default, bring an action for specific performance, damages, or both. Under no circumstances shall the USOC be entitled to terminate this Sublease, offset Base Rent or Additional Rent, or use self-help in the event of a default or alleged default by the City under this Sublease, except as otherwise set forth herein or in the Economic Development Agreement.

Section 13.04 **Legal Expenses.** In the event that either party hereto shall bring legal action against the other party, each party shall pay its own attorneys fees, costs, and expenses.

Section 13.05 **Waiver of Jury Trial.** THE PARTIES HERETO SHALL AND THEY HEREBY DO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS SUBLEASE, THE RELATIONSHIP OF THE CITY AND THE USOC, THE USOC'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM OR INJURY OR DAMAGE.

Section 13.06 **Late Payment Fees and Interest Charge.** In the event that any installment or payment of Additional Rent or any other sum required hereunder to be paid by the USOC to the City is not received by the City on or before the thirtieth (30th) calendar day after written notice that the same is due and payable, then for each and every such late payment, in addition to the payment then in arrears, the USOC shall immediately pay to the City, as Additional Rent, a late payment fee equal to five percent (5%) of the unpaid amount due plus simple interest accruing on the unpaid amount at the rate of eighteen percent (18%) per annum beginning on the date such amount becomes due and payable until such amount is paid in full. The provisions in this Sublease providing for the payment of a late payment fee shall not be construed to extend the date for payment of any sums required to be paid by the USOC hereunder or to relieve the USOC of its obligation to pay all such sums at the time or times herein stipulated. Notwithstanding the imposition of such late payment fees pursuant to this Section 13.06, the USOC shall be in default under this Sublease if any or all payments required to be made by the USOC are not made at the time herein stipulated, and neither the demand for, nor collection by, the City of such delinquent principal sums and late payment fees shall be construed as a cure of such default on the part of the USOC.

ARTICLE XIV

SUCCESSORS AND ASSIGNS

All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties, and if there shall be more than one party hereto as the sublessee, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of the USOC unless the assignment to such assignee has been approved by the City in writing as provided in Section 12.04 hereof.

ARTICLE XV

QUIET ENJOYMENT

The City warrants that it has full right and power to execute and perform this Sublease and to grant the estate demised herein and that the USOC, on payment of the rent and performing the covenants herein contained, shall peaceably and quietly have, hold and enjoy the demised Premises for the uses and purposes herein set forth during the full Sublease Term; provided, however, that the USOC accepts this Sublease subject to the Permitted Encumbrances.

ARTICLE XVI

MISCELLANEOUS

Section 16.01 **Waiver.** No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Sublease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein. The acceptance of rent shall not be deemed a waiver of any preceding breach, and no waiver shall be deemed to have been given except if same be in writing. The failure of the City to collect any Additional Rent or other amount due pursuant to this Sublease shall not act as a waiver of the collection of such amount.

Section 16.02 **Accord and Satisfaction.** No payment by the USOC or receipt by the City of a lesser amount than the rent herein stipulated shall be deemed to be other than on account of the stipulated rent, nor shall any endorsement or statement on any check or any letter which may accompany any check or payment be deemed an accord and satisfaction, and the City may accept such check or payment without prejudice to the City's right to recover the balance of such rent or pursue any other remedy in this Sublease provided.

Section 16.03 **Entire Agreement.** This Sublease (including the exhibits attached hereto and forming a part hereof), and the Economic Development Agreement (including the exhibits attached thereto and made a part thereof) set forth all the covenants, promises, agreements, conditions and understandings between the City and the USOC concerning the Premises and there are no other covenants, promises, agreements, conditions or understandings, either oral or written between them. In the event of a conflict between the terms of the Economic Development Agreement and the terms hereof except for provisions of this Sublease expressly agreed by the USOC and the City herein not to be in conflict, the terms of the Economic Development Agreement shall control. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Sublease shall be binding upon the City or the USOC unless reduced to writing and signed by them.

Section 16.04 **No Partnership.** The City does not, in any way or for any purpose, become a partner of the USOC in the conduct of the USOC's business or otherwise, or a joint venturer or a member of a joint enterprise with the USOC.

Section 16.05 **Force Majeure.** In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Sublease, then, notwithstanding any other provision herein, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not operate to excuse the USOC from prompt payment of Additional Rent or any other payments required of the USOC by the terms of this Sublease.

Section 16.06 Notices; Place Rent Payable.

(a) Any and all notices required or which either party herein may desire to give to the other shall be made in writing and shall be given by certified or registered mail, postage prepaid, return receipt requested, or by a nationally recognized overnight courier, such as Federal Express or Airborne Express, or by personal service, or by electronic facsimile with proof of receipt, and shall be deemed to be given on the third (3rd) business day after the date of posting in a United States Post Office or branch post office or one (1) day after delivery to the overnight courier, or upon effecting personal service or delivery by facsimile, and shall be delivered to the City's Notice Address or the USOC's Notice Address, as appropriate. Either party may, by notice as aforesaid actually received, designate a different address or addresses for communications intended for it.

(b) Anything contained herein to the contrary notwithstanding, any bills or invoices for Additional Rent may be given by hand or by mail (which need not be registered or certified) and, if so given, shall be deemed given on the date of delivery or refusal, if by hand, or on the third (3rd) business day following the date of posting, if mailed. Payment shall be made to the City at the City's Notice Address unless a different payee or address is designated in such bill or invoice or by notice to the USOC, as aforesaid.

(c) Notices given hereunder by any party may be given by legal counsel for such party or by the City's agent. The foregoing notice provisions shall in no way prohibit notice from being given as provided in the rules of civil procedure of the state of Colorado, as the same may be amended from time to time and any notice so given shall constitute notice herein.

Section 16.07 **Captions and Section Numbers.** The captions, section numbers and article numbers appearing in this Sublease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles of this Sublease, nor in any way affect this Sublease.

Section 16.08 **Governing Law.** This Sublease shall be construed and governed by the laws of Colorado, including the Charter of the City of Colorado Springs and the City Code of the City of Colorado Springs, 2001, as amended.

Section 16.09 **Representation of Parties.** The parties hereto represent and warrant to each other that neither has been represented by any broker in connection with the negotiation and/or execution of this Sublease, and that there are no claims for brokerage commissions or finder's fees in connection therewith except as previously agreed to in writing between the USOC and the City, and that neither has dealt with a person, firm or corporation in connection herewith. Each of the parties hereto agrees to indemnify and hold harmless the other party against and from all liabilities arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

Section 16.10 **No Option.** The submission of this Sublease for examination does not constitute a reservation of or option for the Premises and this Sublease becomes effective as a Sublease only upon execution and delivery thereof by the City and the USOC.

Section 16.11 **Recording.** The USOC may record a short form memorandum of this Sublease, which short form memorandum shall be executed by the City and in recordable form as reasonably acceptable to the USOC, indicating the names and addresses of the City and the USOC, a description of the Premises, the Sublease Term, the Sublease Commencement Date, the Expiration Date and the option to purchase, but omitting Base Rent and other terms of this Sublease. Further, upon the City's request, the USOC agrees to execute and acknowledge a Termination of Sublease in recordable form to be held by the City until the Expiration Date or earlier termination of the Sublease Term.

Section 16.12 **The City's Liability.** In no event shall the City be liable to the USOC for any failure of other tenants in the Building to occupy their spaces or operate their businesses, or for any loss or damage that may be occasioned by or through the acts or omissions of other tenants. Except as expressly provided in this Sublease, neither the City, nor any member of its City Council, nor any officer, employees, partners, or agents of the City, nor any of the foregoing, nor any investment adviser or other holder of any equity interest in the City, their successors, assigns, agents, or any mortgagee in possession shall have any personal liability with respect to any provisions of this Sublease.

Section 16.13 **Abandoned Property.** Any property owned by the USOC and left in the Premises after this Sublease terminates (other than a termination as a result of the USOC's

exercise of its Purchase Option), or after the USOC vacates the Premises, shall be deemed abandoned property and the City shall have the right, but not the obligation, to dispose of such property, without liability to the USOC for the disposal of such property.

Section 16.14 Authority. Each individual executing this Sublease on behalf of the USOC represents and warrants that he or she is duly authorized to execute and deliver this Sublease on behalf of the USOC, and that this Sublease is binding upon the USOC in accordance with its terms. The USOC shall, at the time of execution of this Sublease, deliver to the City a document to this effect. Each individual executing this Sublease on behalf of the City represents and warrants that he or she is duly authorized to execute and deliver this Sublease on behalf of the City, and that this Sublease is binding upon the City in accordance with its terms. The City shall, at the time of execution of this Sublease, deliver to the USOC a document to this effect.

Section 16.15 Authorities for Action. The City may act through the City Manager or through any other person who may from time to time be designated by the City in writing. The USOC shall designate in writing one or more persons to act on its behalf and may from time to time change such designation by written notice to the City. In the absence of any such designation, the person or persons executing this Sublease on behalf of the USOC shall be deemed to be authorized to act on behalf of the USOC in any matter provided for herein.

Section 16.16 Severability. If any term or provision of this Sublease or the application thereof to any person or circumstances shall be declared by a judicial body to be illegal, invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and all other terms and provisions of this Sublease shall be valid and enforced to the fullest extent permitted by law.

Section 16.17 Interpretation.

(a) Whenever in this Sublease any words of obligation or duty are used, such words or expressions shall have the same force and effect as though made in the form of a covenant.

(b) All pronouns and any variances thereof shall be deemed to refer to the neuter, masculine, feminine, singular or plural, when the context requires.

(c) If, and to the extent that, any of the provisions of any amendment, modification or rider to this Sublease conflict or are otherwise inconsistent with any of the preceding provisions of this Sublease, or of any rules and regulations appended to this Sublease, whether or not such inconsistency is expressly noted in such amendment, modification or rider, the provisions of such amendment, modification or rider shall prevail, or in case of any inconsistency with the rules and regulations, such rules and regulations shall be deemed to be waived with respect to the USOC to the extent of such inconsistency.

(d) The parties mutually agree that the headings and captions contained in this Sublease are inserted for convenience of reference only.

(e) The City and the USOC each acknowledge and warrant that it has been represented by independent counsel and has executed this Sublease after being fully advised by said counsel as to its effect and significance. This Sublease is the result of negotiations between the parties and their respective attorneys and no provision shall be construed against a party solely on the basis of authorship.

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IN WITNESS WHEREOF, the undersigned have executed this Sublease as of the day and year first above written.

CITY:

**CITY OF COLORADO SPRINGS,
COLORADO**

By _____
Name _____
Title _____

USOC:

**UNITED STATES OLYMPIC
COMMITTEE**

By _____
Name _____
Title _____

CONSENT OF THE PFA

The City of Colorado Springs Public Facilities Authority (the “PFA”), as lessor under the Lease Agreement, hereby consents and agrees to the foregoing Sublease Agreement, including any obligations of the PFA specified therein.

In connection with the foregoing Sublease Agreement, the PFA hereby agrees that:

(1) the USOC shall be entitled to receive, and the PFA agrees to provide to the USOC, copies of any and all correspondence from the PFA to the City in connection with the Lease Agreement concurrently with the PFA’s provision of such correspondence to the City, and that the USOC shall further be entitled to receive, and the PFA agrees to provide to the USOC, written notice of any default under the Lease Agreement by the City concurrently with PFA’s notice to the City, together with the same opportunity, but not the obligation, to cure as is afforded the City under the terms of the Lease Agreement or applicable law, all within thirty (30) days following expiration of the City’s time period within which to cure, and the PFA hereby agrees to accept performance by the USOC under the Lease Agreement in lieu of performance by the City;

(2) the Lease Agreement may not be terminated for any defaults by the City unless and until the USOC consents to such termination in writing, or the USOC has received such written notice and such opportunity to cure the City’s defaults within the cure period described above or applicable law, and has not been cured as described in Section (1) above; and

(3) upon the USOC’s cure of any such default, and provided the USOC remains in possession of the Premises and is not in default under any other provision of the Sublease and provided the City is thereupon not in default under the Lease Agreement, the rights of the USOC under this Sublease shall not be affected or disturbed by the PFA, and the USOC shall be entitled to continue in occupancy of the Premises under the same terms and conditions of the Sublease so long as no default exists under the Lease Agreement.

Dated _____, 2009.

**THE CITY OF COLORADO SPRINGS
PUBLIC FACILITIES AUTHORITY**

By _____
Name _____
Title _____

COMMENCEMENT DATE CERTIFICATE

THIS COMMENCEMENT DATE CERTIFICATE is entered into by the City and the USOC and is attached to and forms a part of the Sublease Agreement between such parties dated as of _____, 2009 (the "Sublease").

1. The City and the USOC confirm that the Sublease Commencement Date is _____, 2010.

2. The square footage of the Premises (Net Rentable Area as defined in the Sublease) as of the Sublease Commencement Date is _____ square feet.

3. The USOC's Notice Address from and after the Sublease Commencement Date is United States Olympic Committee, 27 South Tejon, Suite _____, Colorado Springs, Colorado 80903; Attention: Chief Executive Officer and General Counsel.

EXECUTED by the parties as of the dates set forth below.

CITY OF COLORADO SPRINGS, COLORADO

By: _____
Name: _____
Title: _____
Date: _____

UNITED STATES OLYMPIC COMMITTEE

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

LAND

Lot 3 in CONFLUENCE PARK SOUTH, in the City of Colorado Springs, El Paso County, Colorado, according to the plat thereof recorded May 5, 2003 at Reception No. 203096556, with the purported address of 30 Cimino Drive, Colorado Springs, Colorado.

EXHIBIT B
LEASE AGREEMENT