



**SECOND AMENDMENT TO ZIP LINE AND AERIAL TREKKING COURSE
LEASE AGREEMENT**

DATE: _____.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (referred to herein as “Lessor” or alternatively as the “Town”).

CASTLE ROCK ZIP LINE TOURS, INC., d/b/a THE EDGE ZIPLINES AND ADVENTURES, a Colorado corporation, 45045 W. U.S. Highway 50, Canon City, Colorado 81212 (referred to herein as “Lessee”).

RECITALS:

- I. Lessor and Lessee (collectively, the “Parties”) entered into a Zip Line and Aerial Trekking Course Lease Agreement dated August 5, 2014 (the “Agreement”) to provide for the lease of a portion of the Lessor-owned regional park known as Philip S. Miller Park for a zip line and aerial trekking course, as set forth in the Agreement.
- II. The Parties entered into a First Amendment to the Agreement dated March 15, 2016 (“First Amendment”) to expand the “Leased Premises.”
- III. The Agreement and First Amendment are attached hereto as ***Exhibit 1***. The Parties expressly agree to incorporate all terms stated in the Agreement and First Amendment herein, subject to the changes set forth herein.
- IV. The Parties desire to amend Section 2.2 “Lease Term,” Section 2.7 “Permitted Use,” Section 3.1 “Rent,” and Section 4.1 “Casualty and Liability Insurance” of the Agreement and add Section 4.2 “Colorado Governmental Immunity Act” to the Agreement, as set forth below.
- V. Lessee and Lessor wish to memorialize these changes in this Second Amendment to the Agreement (“Second Amendment”).

TERMS:

1. **Incorporation of Recitals and Exhibits.** The Recitals set forth above and all Exhibits to the Second Amendment are hereby incorporated herein. The Parties expressly agree that the Agreement and First Amendment attached as ***Exhibit 1*** are incorporated into this Second Amendment in their entirety, unless otherwise amended as stated herein.

2. **Amendment.** Section 2.2 of the Agreement is amended to read as follows:

“2.2. **Lease Term.** The primary term of this Lease shall be ten (10) years, commencing September 5, 2014 and ending September 4, 2024 (“Primary Term”). Upon the expiration of the Primary Term, the Parties hereby agree to exercise the

“Option Term” and extend the lease term of this Agreement for an additional ten-year term to commence on September 5, 2024 and expire on September 5, 2034, upon the same terms and conditions set forth in the Agreement unless otherwise amended as stated in the Second Amendment. The Primary Term and Option Term shall be referred to herein as the “Lease Term.” As used herein, a “Lease Year” is the twelve (12) months commencing on the anniversary date of the commencement of the Lease Term.

Prior to the expiration of the Option Term, if Lessee is not in default of this Lease, the Parties may mutually agree to extend the Lease Term for one additional five-year term (“Second Option Term”) upon the same terms and conditions set forth in the Lease, by executing a written amendment to this Lease prior to September 5, 2034. In order to extend this Lease into the Second Option Term, Lessee must give notice to Town of its desire to extend the Lease Term, not sooner than 180 days and not later than 90 days prior to the expiration of the Option Term on September 5, 2034.”

3. **Amendment.** Section 2.7 of the Agreement is amended to read as follows:

“2.7. **Permitted Use.** Lessee shall use and occupy the Leased Premises solely for the purpose of constructing the Improvements and operating the Business Activities. The Business Activities shall be undertaken in accordance with a plan for operation approved by the Town (“Operations Plan”). The Operations Plan for the initial Lease Year of the Option Term is attached as *Exhibit 2*. Annually thereafter, Lessee shall submit an updated Operations Plan for Town review and approval. The Town reserves the right to review and request amendments or changes to the Operations Plan during the Lease Year, as necessary. The Leased Premises should not be used for any other purpose without the prior written consent of Town, which Town may withhold at its sole discretion. Lessee shall not use the Leased Premises for any other commercial activity other than the Business Activities, unless authorized by Town through the issuance of a Special Events permit.”

4. **Amendment.** Section 3.1 of the Agreement is amended to read as follows:

“3.1. **Rent.** Lessee covenants and agrees to pay to Town, without offset, deduction or abatement, Rent for the full Lease Term. “Rent” is 5% of Gross Revenue generated from all Business Activities, where “Gross Revenue” is defined as all revenue collected from Business Activities per the rates in the Operations Plan (including but not limited to participation fees, merchandise sales and concession sales excluding the activity surcharge imposed by Lessee as part of the participation fees). The activity surcharge shall not exceed 10% of the total participation fee imposed by Lessee. During the Option Term, Rent shall be due on a calendar monthly basis during the Lease Term, payable on or before the 15th day of each month of each calendar year. For the purpose of ascertaining or auditing the correct amount to be paid under the provisions of this Section, the Town, and/or any committee or auditor appointed by the Town, shall have access to the records, books and documents of Lessee for the

purpose of verifying the Rent due. Failure of Lessee to disclose all Gross Revenue shall constitute an event of default under this Lease.”

5. **Amendment.** Section 4.1 of the Agreement is amended to read as follows:

“4.1. A. **General Conditions:** Lessee agrees to secure and maintain, at its own cost, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. Lessee shall keep the required insurance coverage in force at all times during the term of the Agreement, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as “A-VII” or better. Each policy shall require notification to the Town in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the Town. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, Lessee shall provide written notice of cancellation, non-renewal and any reduction in coverage to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). Lessee shall be solely responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the Lessee. The Lessee shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement. All commercial and automobile liability policies shall have the following additional provisions:

- Severability of interests or separation of insureds provision;
- Provision that coverage is primary and non-contributory with other coverage maintained by the Town;
- The underlying Agreement is an “insured contract” under the policy;
- Defense costs shall be outside the policy limits for liability coverage.

B. **Proof of Insurance:** Lessee may not commence operations, services or work relating to this Agreement prior to placement of coverages required under this Agreement. Lessee certifies that the certificate of insurance attached as ***Exhibit 3***, preferably an ACORD form, complies with all insurance requirements of this Agreement. Failure on the part of Lessee to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of contract upon which at the discretion of the Town, the Town may, in addition to and without limitation of any and all other remedies that may be available to the Town, procure or renew any such policy or any extended connection therewith, and all monies so paid by the Town shall be repaid by Lessee to the Town upon demand, or the Town may offset the cost of premiums against any monies that may be due to Lessee from the Town. The Town’s acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set

forth in this Agreement shall not act as a waiver of Lessee's breach of this Agreement or of any of the Town's rights or remedies under this Agreement. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The Town may require additional proof of insurance, including but not limited to policies and endorsements.

C. Additional Insureds: For Commercial General Liability, Automobile Liability and Excess Liability/Umbrella (if required), Lessee and sublessee's insurer(s) shall include the Town, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town as additional insured.

D. Waiver of Subrogation: For all coverages required under this Agreement, Lessee's insurer shall waive subrogation rights against the Town its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town.

E. Subcontractors and Subconsultants: Lessee shall confirm and document that all subcontractors and subconsultants (including independent contractors, suppliers or other entities providing goods or services or operations required by this Agreement) procure and maintain coverage as approved by the Lessee and appropriate to their respective primary business risks considering the nature and scope of services provided.

F. Workers' Compensation and Employer's Liability Insurance: Lessee shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$500,000 per occurrence for each bodily injury claim, \$500,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

G. Commercial General Liability: Lessee shall maintain a Commercial General Liability insurance policy with minimum limits of \$1,000,000 for each occurrence and \$2,000,000 products and completed operations aggregate, and \$2,000,000 general aggregate (per project). The policy shall provide coverage for all claims for bodily injury, property damage (including loss of use), products and completed operations, and contractual liability.

H. Property Insurance: Lessee shall provide 100% replacement cost for Lessee's tenant improvements and personal property. Business Interruption coverage shall be included with limits not less than the annual payments due to the Town under the Lease Term of the agreement. Lessee understands and acknowledges that the Town does not provide any insurance coverage for any property of the Lessee, its agents, employees or assignees located in the Leased Premises and Lessee acknowledges and agrees that the Lessee, its agents, employees and assignees have



no claim against the Town for any damage or loss of personal property and belongings of Lessee, its agents, employees or assignees in the Leased Premises.”

6. **Addition.** The following section is added after Section 4.1 of the Agreement:

“4.2. Colorado Governmental Immunity Act. The Parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, et seq., C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.”

7. **Ratification.** In all other respects, the Agreement shall remain in full force and effect. To the extent of any inconsistencies between this Second Amendment and the Lease Agreement, the terms and conditions of this Second Amendment shall control.

ATTACHED EXHIBITS:

EXHIBIT 1 – AGREEMENT AND FIRST AMENDMENT

EXHIBIT 2 – OPERATIONS PLAN FOR FIRST LEASE YEAR OF OPTION TERM

EXHIBIT 3 – LESSEE’S CERTIFICATE OF INSURANCE

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor


Approved as to form:

Approved as to content:

Kaitlin Parker, Assistant Town Attorney

Jeff Brauer, Director of Parks & Recreation

LESSOR – CASTLE ROCK ZIP LINE TOURS, INC., d/b/a THE EDGE ZIPLINES AND ADVENTURES:

By: 

(Signature)

Ty Seufer

(Print Name)

Its: President

(Title)



EXHIBIT 1
AGREEMENT AND FIRST AMENDMENT

**FIRST AMENDMENT
TO ZIP LINE AND AERIAL TREKKING COURSE
LEASE AGREEMENT**

DATE: March 15, 2016.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado home rule corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 ("Town")

CASTLE ROCK ZIP LINE TOURS, INC., a Colorado corporation, 10010 Steeplechase Drive, Franktown, Colorado 80116 ("Lessee").

A. Town and Lessee are parties to the Zip Line and Aerial Trekking Course Lease Agreement dated August 5, 2014 ("Lease Agreement"), by which Lessee leases from Town certain real property at Miller Park for operation of a zip line course.

B. The parties have determined that it is necessary to amend the Lease Agreement to expand the "Leased Premises, in order to provide for the Aerial Trekking course to be constructed and operated by Lessee.

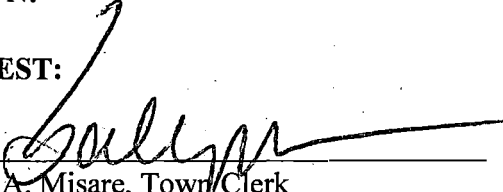
NOW, THEREFORE, the parties agree and covenant as follows:

Section 1. Amendment. Section 2.1 of the Lease is amended to incorporate a new description of the Leased Premises, in accordance with the attached *Exhibit A-Revised*.


Section 2. Ratification. Except to the extent expressly modified by this First Amendment, the Lease shall remain in full force and effect. To the extent of any inconsistency between this First Amendment and the Lease Agreement, the terms and conditions of this First Amendment shall control.

TOWN:

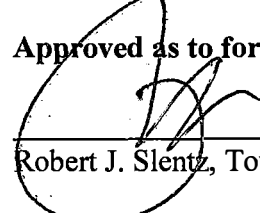
ATTEST:


Sally A. Misare, Town Clerk

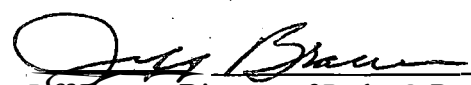
TOWN OF CASTLE ROCK


Paul Donahue, Mayor

Approved as to form:


Robert J. Slentz, Town Attorney

Approved as to content:


Jeff Brauer, Director of Parks & Recreation

LESSEE:

CASTLE ROCK ZIP LINE TOURS, INC.,
a Colorado corporation

By: _____



Its: _____

TY SEUFFER
OWNER

Previously Executed

Zip Line Tours
Ground School
4,000 Square Feet

Epic Adventure Tower
12,000 Square Feet

Aerial Trekking Tower
15,000 Square Feet







Lightning
Shelter 15' x 15'

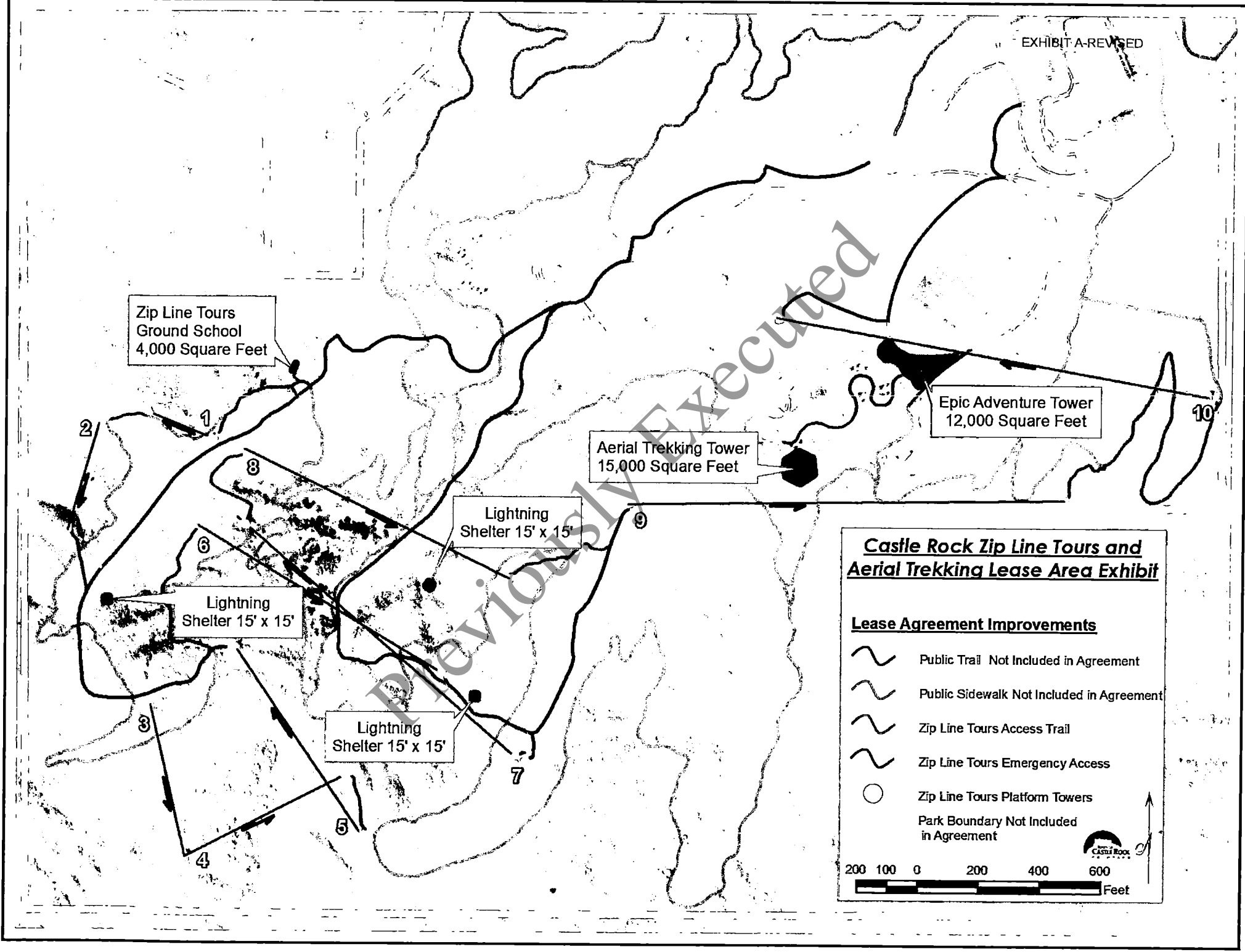
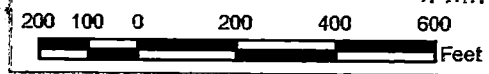
Lightning
Shelter 15' x 15'

Lightning
Shelter 15' x 15'

**Castle Rock Zip Line Tours and
Aerial Trekking Lease Area Exhibit**

Lease Agreement Improvements

-  Public Trail Not Included in Agreement
-  Public Sidewalk Not Included in Agreement
-  Zip Line Tours Access Trail
-  Zip Line Tours Emergency Access
-  Zip Line Tours Platform Towers
-  Park Boundary Not Included in Agreement



**ZIP LINE AND AERIAL TREKKING COURSE
LEASE AGREEMENT**

THIS LEASE AGREEMENT ("Lease") is executed this 5th day of August, 2014, between the Town of Castle Rock, a Colorado home rule municipal corporation ("Town"), whose address is 100 N. Wilcox Street, Castle Rock, CO 80104, and Castle Rock Zip Line Tours, Inc., a Colorado corporation ("Lessee"), whose address is 10010 Steeplechase Drive, Franktown CO 80116.

Section 1. General

1.1 Consideration. Town enters into this Lease in consideration of the payment by Lessee of the rents herein reserved and the keeping, observance and performance by Lessee of the covenants and agreements of Lessee herein contained.

1.2 Purpose. The purpose of this Lease is to permit Lessee to establish a zip line and aerial trekking course ("Business Activities") within a portion of the Town-owned regional park known as Philip S. Miller Parker ("Miller Park"). Such Business Activities shall be undertaken in accordance with the Operational Plan referenced in Section 2.7, below.

Section 2. Leased Premises and Term

2.1 Leased Premises. Town hereby leases to Lessee, and Lessee hereby leases from Town, the Leased Premises for the Lease Term as defined in 2.2, below, subject to existing covenants, conditions, restrictions, easements and encumbrances affecting the same. The "Leased Premises" shall mean the real property depicted on *Exhibit A*. In addition, Lessee, its employees, agents, contractors and customers shall be afforded the same rights as the general public to access and use of Miller Park.

2.2 Lease Term. The primary term of this Lease shall be ten years, commencing September 5, 2014 and ending September 4, 2024 ("Primary Term"). Upon the expiration of the Primary Term, if Lessee is not in default of this Lease, Lessee shall have the option to extend the lease term for one additional five-year term, upon the same terms and conditions set forth in the Lease ("Option Term"). The Primary Term and Option Term, if applicable, shall be referred to herein as the "Lease Term." In order to extend this Lease into the Option Term, Lessee must give notice to Town of its election to extend the Lease Term. Such notice shall be given to Town not sooner than 180 days and not later than 90 days prior to the expiration of the Primary Term. As used herein, a "Lease Year" is the 12 months commencing on the anniversary date of the commencement of the Lease Term.

2.3 Covenant of Quiet Enjoyment. Town covenants and agrees that, provided Lessee is not in default and keeps, observes and performs the covenants and agreements contained in this Lease, Lessee shall have quiet and peaceable possession of the Leased Premises and such possession shall not be disturbed or interfered with by Town or by any person claiming by, through or under Town. Provided however, Lessee, its employees, agents, and contractors and customers, shall have access to the Leased Premises only during normal business hours of Miller

Park, as prescribed in the Castle Rock Municipal Code, unless Town consents otherwise in writing.

2.4 Condition of Leased Premises. Lessee shall have the right to inspect and note condition of Leased Premises prior to execution of this Lease. Lessee covenants and agrees that, upon taking possession of the Leased Premises, Lessee shall be deemed to have accepted the Leased Premises "as is." The Town makes no warranty or representation, express or implied, in respect to any of the Leased Premises or any part thereof either as to its fitness for use, design or condition for any particular use or purpose, or otherwise, as to quality or material or workmanship therein, latent or patent, safety or security, of any improvements, it being agreed that all such risks are to be borne by Lessee.

2.5 Improvements to Leased Premises. No Improvements (as defined herein) shall be made to or constructed upon the Leased Premises unless the final plans and specifications for such improvements have been approved by the Town. The Improvements shall be constructed in strict accordance with such approved plans and specifications. Lessee shall not make any further alterations, additions or improvements to the Leased Premises without obtaining the written consent of the Town, which consent shall not be unreasonably withheld. Any authorized improvements to the Leased Premises installed or constructed by Lessee for Business Activities shall be referred to as the "Improvements." In the construction of the Improvements, Lessee shall not intentionally fell or prune any trees situated in the Miller Park without the consent of Town. Any tree removal or trimming shall require written consent of the Town. Lessee shall consult with, and follow the direction of the Town before commencing with any removal or trimming of any tree(s).

2.6 Security Deposit. Lessee shall deposit with Town upon execution of this Agreement \$5000 as security for Lessee's faithful performance of Lessee's obligations hereunder. If Lessee fails to pay rent or other charges due, or otherwise defaults with respect to any provision of this Lease, Town may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Town may become obligated by reason of Lessee's default, or to compensate Town for any loss or damage which Town may suffer thereby. If Town uses or applies all or any portion of said deposit, Lessee shall within fifteen days after written demand therefore deposit a cashier's check or money order with Town in an amount sufficient to restore the deposit to \$5000 and Lessee's failure to do so shall be a material breach of this Lease. Town shall not be required to keep said deposit separate from its general accounts. If Lessee performs all of Lessee's obligations hereunder, said deposit, or so much thereof as has not been applied by Town, shall be returned, without payment of interest or other increment for its use, to Lessee within sixty days after the expiration of the term hereof, and after Lessee has vacated the Leased Premises. No trust relationship is created herein between Town and Lessee with respect to said Security Deposit.

2.7 Permitted Use. Lessee shall use and occupy the Leased Premises solely for the purpose of constructing the Improvements and operating the Business Activities. The Business Activities shall be undertaken in accordance with a plan for operation approved by the Town ("Operations Plan"). The Operations Plan for the initial Lease Year is attached as *Exhibit B*. Annually, thereafter Lessee shall submit an updated Operations Plan for Town review and

approval. The Town reserves the right to review and request amendments or changes to the Operation Plan during the Lease Year, as necessary. The Leased Premises should not be used for any other purpose without the prior written consent of Town, which Town may withhold at its sole discretion. Lessee shall not use the Leased Premises for any other commercial activity other than the Business Activities unless authorized by Town through the issuance of a Special Events permit.

2.8 Public Use of Leased Premises. The general public shall have access and equal rights to use of any roads or trails that pass through the Leased Premises for ingress or egress to park property, restrooms, parking, pavilions or playground facilities located within the Miller Park. Lessee shall not be in violation or default of this Lease to the extent that it limits public access to those areas of the Leased Premises that Lessee and Town agree in writing shall be inaccessible to the general public.

Section 3. Rent.

3.1 Rent. Lessee covenants and agrees to pay to Town, without offset, deduction or abatement, Rent for the full Lease Term. "Rent" is 5% of Gross Revenue generated from all Business Activities, where "Gross Revenue" is defined as all revenue collected from Business Activities (including but not limited to participation fees, merchandise sales and concession sales excluding the activity surcharge imposed by Lessee as part of the participation fees). The activity surcharge shall not exceed 10% of the total participation fee imposed by Lessee. Rent shall be due on a calendar quarterly basis during the Lease Term shall be payable on or before the 15th day of January, April, July and October of each calendar year. In order to initially establish the calculation of Rent, Lessee shall submit the Rent Calculation in the form attached as *Exhibit C* with the quarterly Rent payment. For the purpose of ascertaining or auditing the correct amount to be paid under the provisions of this Section, the Town, and/or any committee or auditor appointed by the Town, shall have access to the records, books and documents of Lessee for the purpose of verifying the Rent due. Failure of Lessee to disclose all Gross Revenue shall constitute an event of default under this Lease.

3.2 Place of Payments. Rent and all other sums payable by Lessee to Town under this Lease shall be paid to Town at the address set forth above, or such other place as Town may, from time to time, designate by written notice delivered by certified mail.

3.3 Rent Absolute. Rent shall be absolutely payable without offset, reduction or abatement for any cause except as otherwise specifically provided in this Lease; that the Lease shall continue for the full Lease Term notwithstanding any occurrence preventing or restricting use and occupancy of the Leased Premises, including any damage or destruction affecting the Leased Premises, and any action by governmental authority relating to or affecting the Leased Premises, except as otherwise specifically provided in this Lease.

Section 4. Insurance.

4.1 Casualty and Liability Insurance. Lessee agrees to procure and maintain, at its own cost, the following policy or policies of insurance. Lessee shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to this Lease by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

A. Lessee shall procure and maintain, and shall cause each subcontractor of the Lessee in Lessee's own policy the minimum insurance coverage listed below. Such coverage shall be procured and maintained with forms and insurers acceptable to the Town. All coverage shall be continuously maintained from the date of commencement of services hereunder. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Workers Compensation insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of Work under this contract, and Employer's Liability insurance with minimum limits of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each accident, FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-policy limit, and FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-each employee.

2. Comprehensive General Liability insurance with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision.

3. Comprehensive Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate with respect to each of Contractor's owned, hired and/or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interests provision.

B. The policies required above, except Workers' Compensation insurance, Employers' Liability insurance and Professional Liability insurance, shall be endorsed to include the Town, its officers and employees, as an additional insured. Every policy required above shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by Lessee. The additional insured endorsement for the Comprehensive General Liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Lessee shall be solely responsible for any deductible losses under each of the policies required above.

C. Certificates of insurance shall be completed by Lessee's insurance agent as evidence that policies providing the required coverage, conditions and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

D. Failure on the part of Lessee to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of contract upon which the discretion may procure or renew any such policy or any extended connection therewith, and all monies so paid by the Town shall be repaid by Lessee to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Lessee from the Town.

E. The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$350,000 per person, \$990,000 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, et seq., 10 C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees,

Section 5. Utility, Operating, Maintenance and Repair Expenses.

5.1 Utility Charges. Lessee shall promptly pay all fees, taxes, costs and charges for all services, including telephone, cable, communications, and other services for Lessee's Business Activities. If Lessee must use a service paid for or provided by the Town, Lessee shall pay the Town as additional rent the Lessee's share of all fees, costs and charges of the services as reasonably determined by the Town within 30 calendar days of Lessee's receipt of written notice. If either party wishes to establish separate metering of a service at the party's sole cost and expense, the other party shall cooperate on that matter.

5.2 Operating Expenses. Lessee covenants and agrees to pay all costs and expenses of the Business Activities, including costs and expenses for utilities.

5.3 Maintenance and Repair Expenses. Lessee shall make, at Lessee's expense, all repairs to the Improvements necessary to maintain the Improvements in a safe operating condition in conformance with any regulatory requirements. Any damage or destruction to the Improvements shall be promptly repaired or replaced by Lessee. Lessee shall be responsible for constructing any necessary trails leading to the Improvements and maintaining such trails in a safe condition. Trails shall be constructed and maintained in accordance with the recommendations for sustainable trail development and best management practices.

5.4 Engineering. Engineering plans and drawings, operational manuals, inspection records and certifications of Lessee related to the Business Activities shall be made available to Town for inspection. All improvements shall be appropriately engineering and permitted.

Section 6. Other Covenants of Lessee

6.1 Use by Lessee. Lessee covenants and agrees to use the Leased Premises solely for the Business Activities operated in accordance with the Operations Plan and in compliance with all rules and regulations, and any and all other zoning or ordinance restrictions required by any applicable governmental authority. The Business Activities shall be conducted in a business-like manner and in conformance with all applicable regulations.

6.2 Compliance with Laws. Lessee covenants and agrees that nothing shall be done or kept on the Leased Premises in violation of any law, ordinance, order, rule or regulation of any governmental authority having jurisdiction and that the Leased Premises shall be used, kept and maintained in compliance with any such law, ordinance, order, rule or regulation.

6.3 Compliance with Insurance Requirements. Lessee covenants and agrees that nothing shall be done or kept on the Leased Premises which might impair or increase the cost of insurance maintained with respect to the Leased Premises or the Property, which might increase the insured risks or which might result in cancellation of any such insurance.

6.4 No Waste, Hazardous Waste, Hazardous Substances or Impairment of Value. Lessee covenants and agrees that nothing shall be done or kept on the Leased Premises which might impair the value of the Leased Premises or which would constitute waste or Hazardous Substances except that Lessee may use Hazardous Substances in the Leased Premises. The term Hazardous Substance as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release is either (i) regulated or monitored by any governmental authority or (ii) a basis for potential liability of Town to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and or crude oil or any products, by products or fractions thereof.

6.5 No Hazardous Use. Lessee covenants and agrees that nothing shall be done or kept on the Leased Premises and that no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Leased Premises which might be unsafe or hazardous to any person or property.

6.6 No Nuisance, Noxious or Offensive Activity. Lessee covenants and agrees that no noxious or offensive activity shall be carried on upon the Leased Premises nor shall anything be done or kept on the Leased Premises which may be or become a public or private nuisance or which may cause embarrassment, disturbance, or annoyance to others on adjacent or nearby property.

6.8 No Mechanic's Liens. Lessee covenants and agrees not to permit or suffer, and to cause to be removed and released, any mechanic's, materialmen's or other lien on account of supplies, machinery, tools, equipment, labor or material furnished or used in connection with the construction, alteration, improvement, addition to or repair of the Leased Premises by,

through or under Lessee. Lessee shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien, provided that, on final determination of the lien or claim for lien, Lessee shall immediately pay any judgment rendered, with interests and costs, and will cause the lien to be released and any judgment satisfied.

6.09 Assignment and Subletting. Lessee shall not have the right to make or permit a Transfer by Lessee, as hereinafter defined, without Town's prior written consent, which consent may be withheld by Town in its sole and absolute discretion. For purposes of this Lease, a "Transfer by Lessee" shall include an assignment of this Lease, a sublease of all or any part of the Leased Premises or any assignment, sublease, transfer, mortgage, pledge or encumbrance of all or any part of Lessee's interest under this Lease or in the Leased Premises, by operation of law or otherwise, or the use or occupancy of all or any part of the Leased Premises by anyone other than Lessee. Any such transfer shall not release Lessee of its obligations under this Lease. At the time the request for a Transfer is made, the proposed sub-Lessee or assignee shall submit complete financial statements to Town.

6.10 Payment of Income and Other Taxes. Lessee covenants and agrees to pay promptly when due all personal property taxes on personal property of Lessee on the Leased Premises and all federal, state and local income taxes, sales taxes, use taxes, Social Security taxes, unemployment taxes and taxes withheld from wages or salaries paid to Lessee's employees.

6.11 Town Right to Inspect and Leased Premises. Lessee covenants and agrees that Town and the authorized representatives of Town shall have the right to enter the Leased Premises at any reasonable time during ordinary business hours for the purposes of inspecting, repairing or maintaining the same or performing any obligations of Lessee which Lessee has failed to perform. Town shall be respectful of any customers present and shall schedule repair or maintenance, showing or inspection with Lessee prior to any such repair, showing or inspection

6.12 Removal of Lessee's Equipment. Lessee covenants and agrees to remove, at or prior to the expiration of the Lease Term, all of Lessee's Equipment, as hereinafter defined. "Lessee's Equipment" shall mean the Improvements and all equipment, apparatus, machinery, signs, furniture, furnishings and personal property used in the Business Activities. If such removal shall injure or damage the Leased Premises, Lessee covenants and agrees, at its sole cost and expense, at or prior to the expiration of the Lease Term, to repair such injury and damage in good and workmanlike fashion and to place the Leased Premises in the same condition as the Leased Premises are at the effective date of this Lease.

6.13 Lessee Indemnification of Town. Lessee covenants and agrees to protect, indemnify and save Town harmless from and against all liability, obligations, claims, damages, penalties, causes of action, costs and expenses, including attorneys' fees, imposed upon, incurred by or asserted against Town by reason of (a) any accident, injury to or death of any person or loss of or damage to any property occurring on or about the Leased Premises or as part of the Business Activities; (b) any act or omission of Lessee or Lessee's officers, employees, agents, guests or invitees or of anyone claiming by, through or under Lessee; (c) any use which may be made of the Leased Premises by Lessee, or condition existing upon, the

Leased Premises created by Lessee; (d) Lessee's Improvements, fixtures or equipment placed upon the Leased Premises; (e) any failure on the part of Lessee to perform or comply with any of the provisions, covenants or agreements of Lessee contained in this Lease; and (f) any violation of any law, ordinance, order, rule or regulation of governmental authorities having jurisdiction by Lessee or Lessee's officers, employees, agents, guests or invitees or by anyone claiming by, through or under Lessee. Lessee further covenants and agrees that, in case any action, suit or proceeding is brought against Town by reason of any of the foregoing, Lessee will, at Lessee's sole cost and expense; defend Town in any such action, suit or proceeding with counsel reasonably acceptable to Town.

6.14 Waiver by Lessee. Lessee waives and releases any claims Lessee may have against Town or Town's officers, agents or employees for loss, damage or injury to person or property sustained by Lessee or Lessee's officers, agents, employees, guests, invitees or anyone claiming by, through or under Lessee resulting from any cause whatsoever other than the negligence or willful misconduct of Town.

6.15 Marketing and Advertising. Commercial Activity on public property is regulated by the Castle Rock Municipal Code. Lessee shall not erect, place or install any signage on the Leased Premises without obtaining written approval in advance by Town. Lessee may place temporary signage associated with a special event without prior written approval so long as Lessee removes the temporary signage within 72 hours after posting such sign. Lessee is responsible for obtaining all appropriate permits and approvals for signage.

6.16 Not Employees. Lessee's employees or its contractors are not employed by the Town of Castle Rock. As a condition of this Lease, Lessee agrees that safety is paramount and all its employees and contractors will be subject to a driving record check, criminal background check and random drug testing.

Section 7. Defaults by Lessee

7.1 Defaults Generally. Each of the following shall constitute a "Default by Lessee" under this Lease:

A. Failure to Pay Rent or Other Amounts. A Default by Lessee shall exist if Lessee fails to pay when due, Rent or any other amounts payable by Lessee under the terms of this Lease, and such failure shall continue for 5 days after written notice from Town to Lessee of such failure, provided however, that Lessee shall not be entitled to more than two notices of such failure during any Lease Year and if, after two such notices are given in any lease year, Lessee fails, during such Lease Year, to pay any such amounts within five (5) days of when due, such failure shall constitute a Default by Lessee without further notice by Town.

B. Deviation from Operation Plan.

1. A Default by Lessee shall exist if Lessee materially deviates from the standards (including but not limited to staff, days and hours of operation, and services to be provided) as set forth in the Operation Plan, excluding the annual visit standard described in (2), below. In the event such deviation continues for a period of thirty days after written notice from Town to Lessee of such deviation during any Lease Year.

provided however, that Lessee shall not be entitled to more than two notices of deviation during any Lease Year and if, after two such notices are given in any Lease Year, Lessee fails to cure such deviation within 30 days, such deviation shall constitute a Default by Lessee without further notice by Town.

2. A Default by Lessee shall exist if Lessee fails to meet the minimum standard of 5,000 visits in a Lease Year. Upon receipt of notice by Town of such Default by Lessee, Lessee shall have 12-months to cure. Should Lessee fail to meet the minimum standard of 5,000 visits for two consecutive years, Town shall have the right to exercise any of its remedies set forth in Section 8, below.

C. Violation of Lease Terms. A Default by Lessee shall exist if Lessee breaches or fails to comply with any agreement, term, covenant or condition in this Lease applicable to Lessee, and such breach or failure to comply continues for a period of 20 days after written notice thereof by Town to Lessee, or, if such breach or failure to comply cannot be reasonably cured within such 20-day period, if Lessee shall not in good faith commence to cure such breach or failure to comply within such 20-day period or shall not diligently proceed therewith to completion.

D. Transfer of Interest Without Consent. A Default by Lessee shall exist if Lessee's interest under this Lease or in the Leased Premises shall be transferred to any other party without Town's prior written consent.

Section 8. Town's Remedies

8.1 Remedies Generally. Upon the occurrence of any Default by Lessee, Town shall have the right, at Town's election, then or at any time thereafter, to exercise any of the remedies set forth in this Section 8.

8.2 Cure by Town. In the event of a Default by Lessee, Town may, at Town's option, but without obligation to do so, and without releasing Lessee from any obligations under this Lease, make any payment or take any action as Town may reasonably deem necessary or desirable to cure any such Default by Lessee in such manner and to such extent as Town may reasonably deem necessary or desirable. Town may do so after providing notice to Lessee, and Lessee's failure to cure the Default within twenty (20) days after notification. Lessee covenants and agrees to pay to Town, within 20 days after demand, all reasonable advances, costs and expenses of Town in connection with the making of any such payment or the taking of any such action, including reasonable attorney's fees, together with interest as hereinafter provided, from the date of payment of any such advances, costs and expenses by Town. Action taken by Town may include commencing, appearing in, defending or otherwise participating in any action or proceeding and paying, purchasing, contesting or compromising any claim, right, encumbrance, charge or lien with respect to the Leased Premises which Town, in its reasonable discretion, may deem necessary or desirable to protect its interest in the Leased Premises and under this Lease.

8.3 Termination of Lease and Damages. In the event of a Default by Lessee, Town may terminate this Lease, effective at such time as may be specified by written notice, delivered

via certified mail, to Lessee, and demand (and, if such demand is refused, recover) possession of the Leased Premises from Lessee. Lessee shall remain liable to Town for damages in an amount equal to the Rent for the balance of the term, had this Lease not been terminated, less the net proceeds, if any, of any reletting of the Leased Premises by Town subsequent to such termination, after deducting all Town's reasonable expenses in connection with such recovery of possession or reletting. Town shall be entitled to collect and receive such damages from Lessee on the days on which the Rent would have been payable if this Lease had not been terminated.

8.4 Repossession and Reletting. In the event of Default by Lessee, Town may reenter and take possession of the Leased Premises or any part thereof, without demand or notice, and repossess the same and expel Lessee and any party claiming by, under or through Lessee, and remove the Improvements as may be necessary, without being liable for prosecution on account thereof or being deemed guilty of any manner of trespass, and without prejudice to any remedies for arrears of rent or right to bring any proceeding for breach of covenants or conditions. No such reentry or taking possession of the Leased Premises by Town shall be construed as an election by Town to terminate this Lease unless a written notice, delivered via certified mail, of such intention is given to Lessee. No notice from Town hereunder or under a forcible entry and detainer statute or similar law shall constitute an election by Town to terminate this Lease unless such notice specifically so states. Town reserves the right, following any reentry or reletting, to exercise its right to terminate this Lease by giving Lessee such written notice, delivered via certified mail, in which event the Lease will terminate as specified in said notice.

8.5 Suits by Town. Upon Default by Lessee, actions or suits for the recovery of amounts and damages payable under this Lease may be brought by Town from time to time, at Town's election, and Town shall not be required to await the date upon which the Lease Term would have expired to bring any such action or suit.

8.6 Recovery of Town Enforcement Costs. Upon Default by Lessee, all costs and expenses incurred by Town in connection with collecting any amounts and damages owing by Lessee pursuant to the provisions of this Lease or to enforce any provision of this Lease, including reasonable attorneys' fees, whether or not any action is commenced by Town, shall be paid by Lessee to Town upon demand.

8.7 Late Payment Penalty. Lessee covenants and agrees to pay to Town a late payment penalty in the amount of 5% per month of any installment of Rent that Lessee fails to pay within five (5) days of when due.

8.8 Remedies Cumulative. Exercise of any of the remedies of Town under this Lease shall not prevent the concurrent or subsequent exercise of any other remedy provided for in this Lease or otherwise available to Town at law or in equity.

Section 9. Surrender and Holding Over

9.1 Surrender upon Lease Expiration. Upon the expiration or earlier termination of this Lease, or on the date specified in any demand for possession by Town after any Default by Lessee, Lessee covenants and agrees to surrender possession of the Leased Premises to Town,

in the same condition as when Lessee first occupied the Leased Premises, ordinary wear and tear excepted.

Section 10. Miscellaneous

10.1 No Implied Waiver. No failure by Town to insist upon the strict performance of any term, covenant or agreement contained in this Lease, no failure by Town to exercise any right or remedy under this Lease, and no acceptance of full or partial payment during the continuance of any Default by Lessee, shall constitute a waiver of any such term, covenant or agreement, or a waiver of any such right or remedy, or a waiver of any such Default by Lessee.

10.2 Survival of Provisions. Notwithstanding any termination of this Lease, the same shall continue in force and effect as to any provisions hereof which require observance or performance by Town or Lessee subsequent to termination.

10.3 Covenants Independent. This Lease shall be construed as if the covenants herein between Town and Lessee are independent, and not dependent, and Lessee shall be entitled to any offset against Town permitted by Colorado Law, if Town fails to perform its obligations under this Lease.

10.4 Covenants as Conditions. Each provision of this Lease performable by Lessee shall be deemed both a covenant and a condition.

10.5 Lessee's Remedies. Lessee may bring a separate action against Town for any claim Lessee may have against Town under this Lease, provided Lessee shall first give written notice, via certified mail, thereof to Town and shall afford Town a period of twenty (20) days to cure any such default, or, if such default cannot be reasonably cured within such 20-day period, then Town shall in good faith commence to cure such default within such 20-day period. In addition, Lessee shall send notice of such default by certified or registered mail, postage prepaid, to the holder of any mortgage or deed of trust covering the Leased Premises or any portion thereof of whose address Lessee has been notified in writing, and shall afford such holder a reasonable opportunity to cure any default on Town's behalf. Lessee shall be entitled to remedies under Colorado Law of any default by Town hereunder.

10.6 Short Form Lease. This Lease shall not be recorded without the express written consent of the Town. If the Town desires or consents to the recording of this Lease, the parties shall execute a short form lease containing the names of the parties, a description of the Leased Premises and the Lease Term.

10.7 Notices and Demands. All notices, demands or billings under this Lease shall be in writing, and shall be deemed properly given and received when actually given and received or 3 business days after mailing, if sent by registered or certified United States mail, postage prepaid, addressed to the party to receive the notice at the address set forth for such party in the first paragraph of this Lease or at such other address as either party may notify the other of in writing.

10.8 Time of the Essence. Time is of the essence under this Lease, and all provisions herein relating thereto shall be strictly construed.

10.9 Captions for Convenience. The headings and captions hereof are for convenience only and shall not be considered in interpreting the provisions hereof.

10.10 Severability. If any provision of this Lease shall be held invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and there shall be deemed substituted for the affected provision a valid and enforceable provision as similar as possible to the affected provision.

10.11 Governing Law. This Lease shall be interpreted and enforced according to the laws of the State of Colorado.

10.12 Entire Agreement. This Lease and any exhibits referred to herein, constitute the final and complete expression of the parties' agreements with respect to the Leased Premises and Lessee's occupancy thereof. Each party agrees that it has not relied upon or regarded as binding any prior agreements, negotiations, representations, or understandings, whether oral or written, except as expressly set forth herein.

10.13 No Oral Amendment or Modifications. No amendment or modification of this Lease, and no approvals, consents or waivers by Town under this Lease, shall be valid or binding unless in writing and executed by the party to be bound.

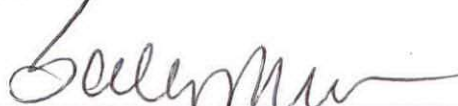
10.14 Relationship of Town and Lessee. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent or of partnership, or of joint venture by the parties hereto, it being understood and agreed that no provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship other than the relationship of Town and Lessee.

10.15 Authority of Lessee. Each individual executing this Lease on behalf of Lessee represents and warrants that he is duly authorized to deliver this Lease on behalf of Lessee and that this Lease is binding upon Lessee in accordance with its terms.

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

ATTEST:

TOWN OF CASTLE ROCK

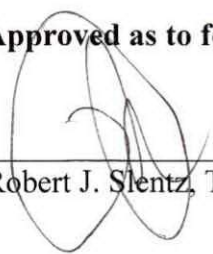


Sally A. Misare, Town Clerk



Paul Donahue, Mayor

Approved as to form:



Robert J. Slentz, Town Attorney

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 14th day of August, 2014 by Sally A. Misare as Town Clerk and Paul Donahue as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.

My commission expires: 5/24/2015 Lisa M Anderson
Notary Public



LESSEE:

CASTLE ROCK ZIP LINE TOURS, INC.

By: _____

Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this ___ day of _____, 2014 by _____ as _____ for Castle Rock Zip Line Tours, Inc., a Colorado corporation.

Witness my official hand and seal.

My commission expires: _____
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 14th day of August, 2014 by Sally A. Misare as Town Clerk and Paul Donahue as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.

My commission expires: 5/24/2015 Lisa M Anderson
Notary Public



LESSEE:

CASTLE ROCK ZIP LINE TOURS, INC.

By: [Signature]

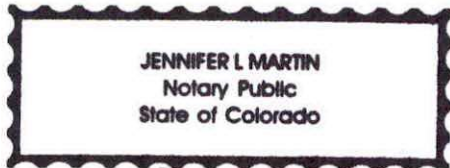
Its: PRESIDENT

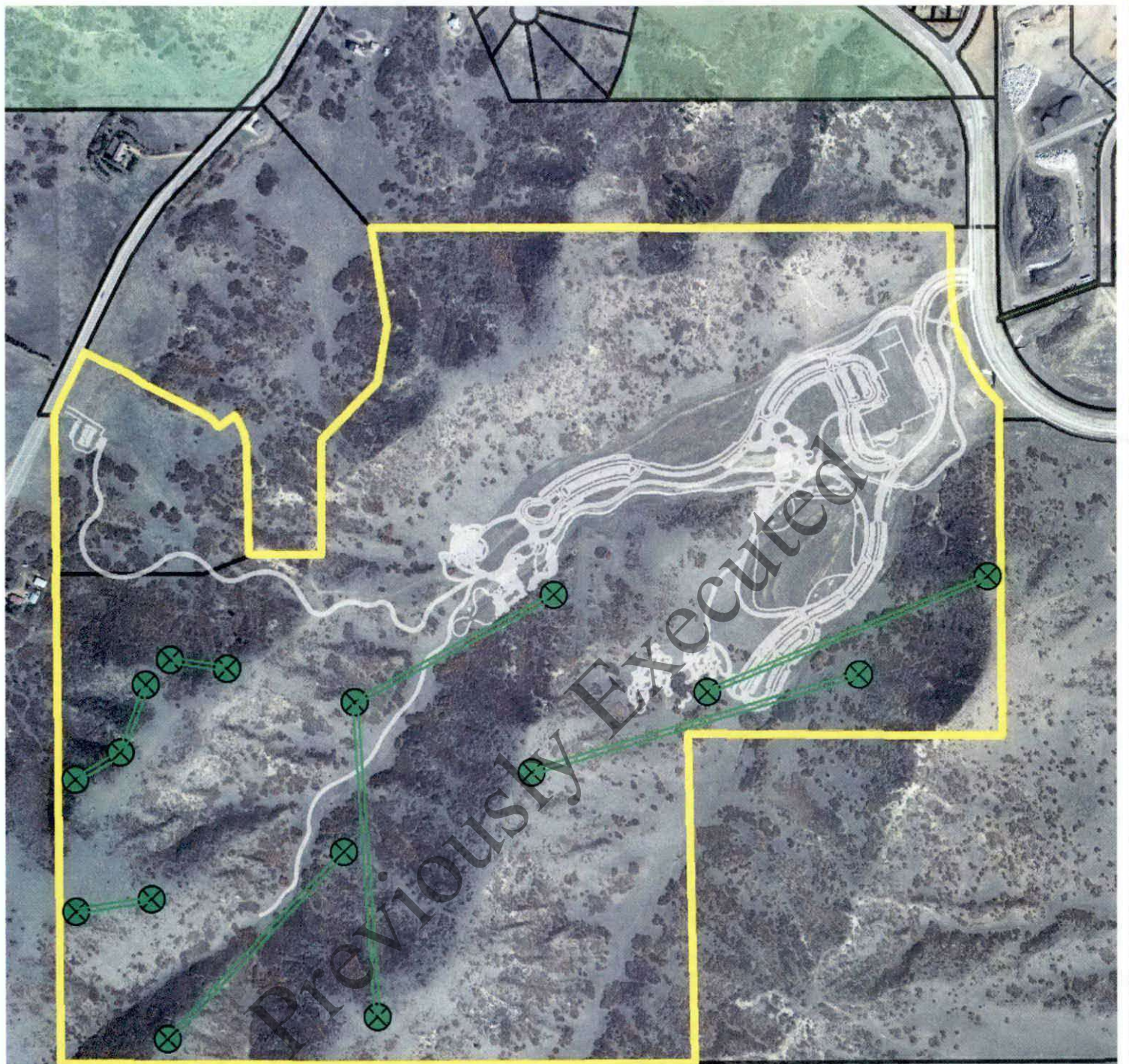
STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 19 day of August, 2014 by Tip Sewer as President for Castle Rock Zip Line Tours, Inc., a Colorado corporation.

Witness my official hand and seal.






My commission expires: 2/28/2018 Jennifer L Martin
Notary Public

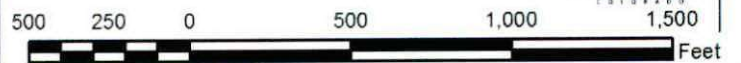




Philip S. Miller Park, Zipline Plan

Map Features

-  Proposed Zipline
-  Proposed Zipline Platform
-  Park Boundary
-  Public Open Space
-  Private Open Space



**CASTLE ROCK ZIP LINE TOURS, INC.
OPERATIONAL PLAN DOCUMENT**

EXHIBIT B

Name of Business.

The Town agrees that the Lessee may operate its business under the name of Castle Rock Zip Line Tours Inc. ("Lessee").

Lease Agreement.

The Town and Lessee have entered into a separate Lease Agreement which terms and agreements are referenced within this Operational Plan.

Special Events.

Lessee acknowledges that its use of the Leased Premises for normal operations is distinguished from its use of the Leased Premises for or during special events at Philip S. Miller Park. The special events schedule and expectations that will be reviewed and approved by both parties on an annual basis. Lessee acknowledges that there may be special events that prohibit the operation of the zip lines and aerial trekking during the duration of the event. Town and Lessee have determined that ten days is the maximum number of special event days that may exclude the operation of the zip lines. Town shall provide Lessee with 60 days' notice of any upcoming special event.

Pricing.

Pricing for zip line activities and aerial trekking shall be reviewed and considered by the Town and Lessee on an annual basis. Tiered pricing, resident discounts, group and special package deals are encouraged to provide opportunities appropriate for a variety of family income levels. The Town has reviewed Lessee's pricing structure set forth and has determined that the pricing is reasonable for the services to be provided.

Rates.

Zip Line Tour:

Non-Resident Rate: \$89 plus 10% fee = \$97.90

Resident Rate: \$59 plus 10% fee = \$64.90

Aerial Trekking Timber Park Course:

Non-Resident Rate: \$49 plus 10% fee = \$53.90

Resident Rate: \$29 plus 10% fee = \$31.90

Dual Racing Zip:

Non-Resident Rate: \$20 plus 10% fee = \$22.00

Resident Rate: \$12 plus 10% fee = \$13.20

Coordination.

In accordance with the Letter of Intent between the Town and Weston Solutions ("Weston"), planning for physical improvements on the Lease Premises require coordination with Weston. Weston will determine if the zip lines and aerial trekking course layout are in conflict with future improvements for a SnowFlex facility and define the limits of encroachment. If Weston and Lessee agree that a temporary encroachment of zip lines and aerial trekking course is satisfactory, any cost for relocation of the zip lines or aerial trekking course, if necessary, will be borne by Lessee.

Capital Reinvestment.

Lessee is required to keep all facilities in safe and effective operating condition. Lessee shall submit a five year capital improvement and maintenance plan.

Financial Performance.

Business information shall be provided to the Town for evaluation on an annual basis. Information shall include total number of guests for each activity and prices paid for each activity on a daily basis and summarized by date and month.

Inspection and Certification Requirements.

All business operations shall be inspected and in conformance with the State of Colorado Division of Public Safety/Division of Oil and Public Safety requirements. Inspections shall be performed by a third party inspector, ACCT (Association for Challenge Course Technology) certified, or an inspector associated with a qualified and approved company. Lessee shall not use the Leased Premises in violation of any laws or for any purpose that is unlawful, unsafe and hazardous or in violation of any law or regulations. The Lessee shall not place, dispose of store any material or substance on the Leased Premises that is illegal, hazardous or toxic, and shall not permit any other person to do so.

Operational Requirements.

It is desirable for both the Town and Castle Rock Zip Line Tours to have a successful operation and meet certain performance standards. Castle Rock Zip Line Tours shall develop and execute a business plan, which will produce at least 5,000 annual visits per calendar year

Hours of operation will vary from month to month, typical summer schedule will be from 8 a.m. to 6 p.m., Memorial Day – Labor Day with sunset tours available upon request. Off-season hours and tours based on reservations, weather and demand.

Days of operation during typical summer schedule will be 7 days a week.

Lessee will make reasonable attempts to make sure all information with regards to hours of operation, prices are up to date, and the operation shall be open for business as listed on website, signs and any other advertisements and/or marketing material.

Castle Rock Zip Lines Tours shall commit to the intent of continuous operation of zip line opportunity through appropriate scheduling, staffing, hours and services to the public.

Lessee shall maintain a ratio of two guides to ten guests or better, and perform customer evaluations of each guide for performance. Professional and entertaining behavior is expected of each guide.

Previously Executed

Zip Line Tour Revenue			
Days of Operation			
Comps			
Zip Line Tour	Rate/Person	Daily Revenue	Quarterly Revenue
Resident		\$ -	\$ -
Non-Resident		-	-
Total		-	-

Aerial Trekking Course Revenue			
Days of Operation			
Comps			
Zip Line Tour	Rate/Person	Daily Revenue	Quarterly Revenue
Resident		\$ -	-
Non-Resident		-	-
Total		-	-

Dual Racing Zip Line			
Days of Operation			
Comps			
Dual Racing Zip Line	Rate/Person	Daily Revenue	Quarterly Revenue
Resident			\$ -
Non-Resident			-
Total			-

Misc. Revenue			
Concession			\$ -
Merchandise			-
Total Misc. Revenue			-

ZIP Line Lease Payment	
Gross Revenue	Quarterly Revenue
	-
	-



EXHIBIT 2

OPERATIONS PLAN FOR FIRST LEASE YEAR OF OPTION TERM

**Castle Rock Zipline Tours, INC. Db. The EDGE Ziplines and Adventures
Operational Plan Agreement**

Name of Business.

The Town agrees that the Lessee may operate its business under the name of "Castle Rock Zip Line Tours Inc.", Db. "The EDGE Ziplines and Adventures" ("Lessee").

Lease Agreement.

The Town and Lessee have entered into a separate Lease Agreement which terms and agreements are referenced within this Operational Plan.

Special Events.

Lessee acknowledges that its use of the Leased Premises for normal operations is distinguished from its use of the Leased Premises for or during special events at Philip S. Miller Park. The special events schedule and expectations that will be reviewed and approved by both parties on an annual basis. Lessee acknowledges that there may be special events that prohibit the operation of the zip lines and aerial trekking during the duration of the event. Town and Lessee have determined that ten days is the maximum number of special event days that may exclude the operation of the zip lines. Town shall provide Lessee with 60 days' notice of any upcoming special event.

Pricing.

Pricing for zip line activities and aerial trekking shall be reviewed and considered by the Town and Lessee on an annual basis. Tiered pricing, resident discounts, group and special package deals are encouraged to provide opportunities appropriate for a variety of family income levels. Pricing may vary based on season, day of the week, or time of day. The Town has reviewed Lessee's pricing structure set forth and has determined that the pricing is reasonable for the services to be provided.

Base Rates.

Zip Line Tour:

Non-Resident Rate: \$99 plus 10% surcharge & 3% processing fee= \$111.87

Resident Rate: 40% discount applied to applicable base rate

EPIC Sky Trek Challenge Course:

Non-Resident Rate: \$59 plus 10% surcharge & 3% processing fee= \$66.67

Resident Rate: 40% discount applied to applicable base rate

Epic Adventure Tower:

Non-Resident Rate: \$49 plus 10% surcharge & 3% processing fee= \$55.37

Resident Rate: 40% discount applied to applicable base rate

Ninja Warrior Experience:

Non-Resident/Resident Rate: \$29 plus 10% surcharge & 3% processing fee= \$32.77

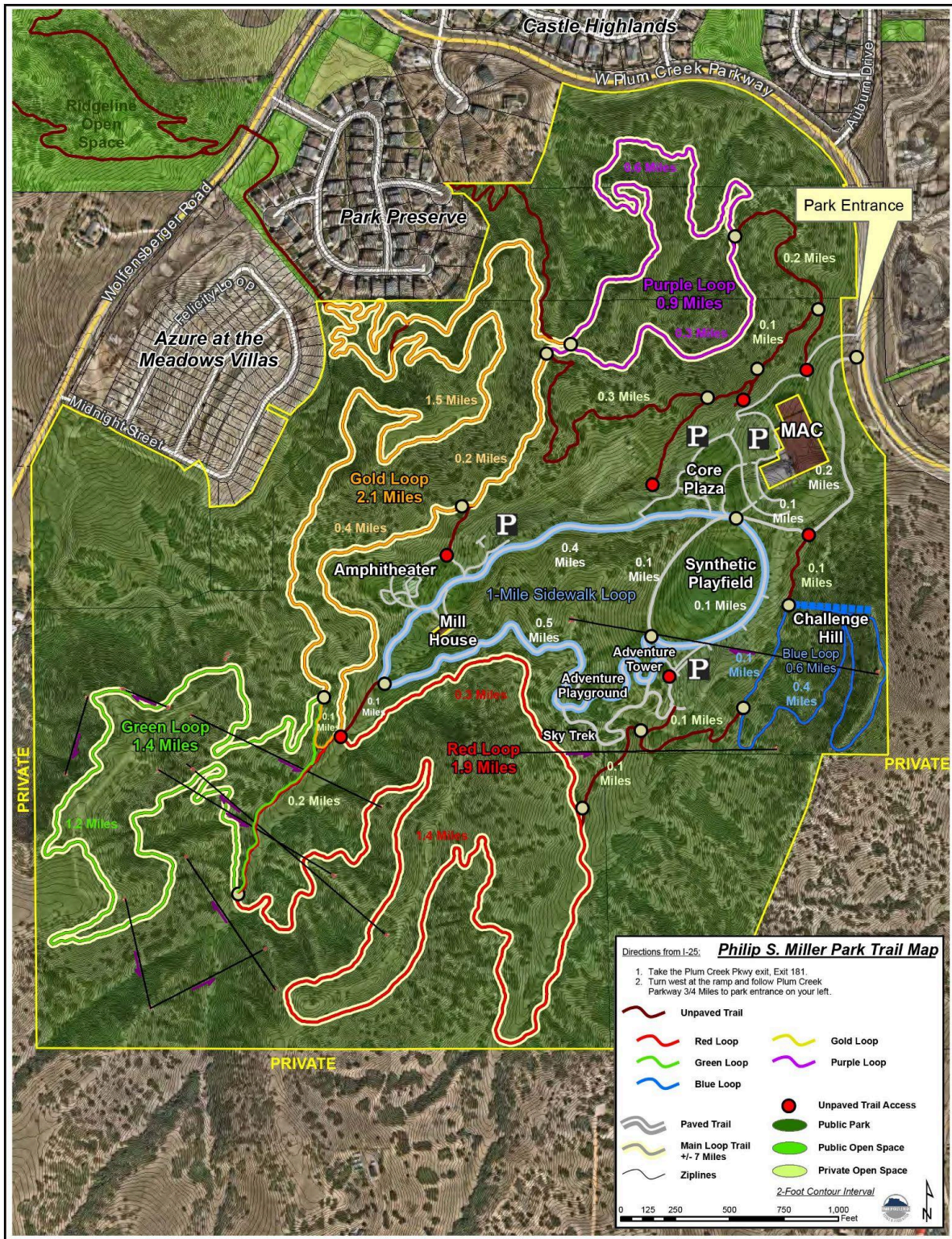




EXHIBIT 3

LESSEE'S CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/14/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Granite Insurance PO Box 620 Granite Falls NC 28630	CONTACT NAME: PHONE (A/C. No. Ext): 828-396-3342		FAX (A/C. No): 828-396-3834
	E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURER A: Summit Specialty Insurance Com			16889
INSURER B: Philadelphia Insurance Company			18058
INSURER C:			
INSURER D:			
INSURER E:			
INSURER F:			

COVERAGES **CERTIFICATE NUMBER:** 1386923902 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			SEAE012000004-00	6/10/2024	6/10/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Participant Accident			PHPA129389-004	6/10/2024	6/10/2025	Limit 25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Town of Castle Rock
 10 N. Wilcox Street
 Castle Rock CO 80104

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
08/14/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

Table with PRODUCER (Pinnacol Assurance) and INSURED (Castle Rock Zip Line Tours Inc) information, and CONTACT details for the insurer.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Main table listing insurance coverages including Commercial General Liability, Automobile Liability, Umbrella Liability, and Workers Compensation, with columns for INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, and LIMITS.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Unless otherwise stated in the policy provisions, coverage in Colorado only. Our Leaser

CERTIFICATE HOLDER CANCELLATION

Table for Certificate Holder (Town Of Castle Rock) and Cancellation details (Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions).