

LEASE AGREEMENT

COPY

THIS LEASE is made in duplicate this.....day of....., by and between DENVER MERCHANDISE MART, (“Landlord”) and..... (“Tenant”).

In consideration of Tenant’s payment of the rent and Tenant’s keeping and performance of the covenants and agreements hereinafter set forth, Landlord hereby leases to Tenant, and Tenant leases from Landlord, that space in those premises in Adams County, Colorado known as DENVER MERCHANDISE MART more particularly described and outlined on the floor plan attached hereto as Exhibit A at 451 East 58th Avenue, Denver, Colorado 80216 (“Demised Premises”). Landlord covenants that the dimensions of the Demised Premises, and its location within the Denver Merchandise Mart building, shall be as shown on Exhibit A, subject to such minor changes in dimension and location as Landlord may in its discretion elect to make. Parking is subject to such reasonable rules and regulations as the Landlord may from time to time prescribe. Special parking controls may be in effect for shows, expositions and other events held at the Denver Merchandise Mart complex.

The term of this Lease Agreement shall be from 12:00 Noon on theday of, 20....., until 12:00 Noon on the..... day of, 20....., for a term of months, at and for a rental of \$..... per month for the first.....months of the term and thereafter as follows:

..... to.....\$.....per month
..... to.....\$.....per month

for a total basic rental for the full Term aforesaid of \$....., (U.S.) Rent shall be payable in advance, on the first day of each and every calendar month, until all rental due hereunder shall have been paid. All rental shall be paid, without notice, demand, condition or setoff of any kind or amount whatsoever, such obligation to pay rent being understood and specifically agreed to be an independent covenant, at the office of the Landlord or its agent at 451 East 58th Avenue, Denver, Colorado 80216, or at such other place as the Landlord may from time to time and in its sole discretion designate. In the event the Term hereinabove designated commences other than on the first day of a calendar month, then there shall be due and payable as of the date of execution of this Lease Agreement, rental from the date of commencement of the Term to the first day of the first full calendar month within said Term, pro-rated for the portion of a month involved, and at the monthly rental rate above stipulated, and there shall be due, on the first day of the last fractional month hereunder, a like monthly pro-ratum of rent, it being intended that rental be uniformly due and payable on the first day of each calendar month. The parties specifically covenant, stipulate, understand and agree as follows:

1. CONDITION OF PREMISES.

Tenant has examined the Demised Premises and accepts them in their present condition.

2. TERMINATION BY TENANT.

Tenant shall, after the completion of the first 90 days of tenancy hereunder, have the option to cancel this Lease Agreement or any extension or renewal hereof, upon thirty (30) days written notice, prior to any rental payment date, effective as of the next occurring rental payment date if and only if: (i) the Tenant is not in default under this Lease Agreement; (ii) Tenant delivers to the Landlord such written notice together with payment of all sums due to Landlord as rent and otherwise, from the date of said notice to the time of termination specified in the notice; and (iii) Tenant delivers to Landlord with such notice, documentary evidence in affidavit form establishing to Landlord’s satisfaction the bona fide occurrence of one or more of the following contingencies:

2.1 Tenant has lost a principal line or lines of merchandise in which it has dealt, or with reference to which the Tenant has had sales or distribution representation during the year immediately preceding such notice, the following line or lines of merchandise, and no others, being considered “principal line or lines” for these termination purposes:

- (a).....
- (b).....
- (c).....

2.2 Tenant or Tenant’s principal individual at the Denver Merchandise Mart has died, or has been ill and incapable of pursuing business activities for a period of at least ninety (90) days immediately preceding such notice, with such fact being certified in writing by Tenant’s qualified attending physician as well as that physician’s written certification that the illness is of a permanent nature such as to disable him or her from continuing the business and exhibiting for the balance of the Term of this Lease Agreement;

2.3 In the event termination is claimed by reason of the loss of any line under section 2.1 above, such right of termination must be asserted within sixty (60) days of the loss of such line.

Permitted termination under this Lease section shall be effective as of that rental date next following the elapse of 30 days from the date of the termination notice, as above provided, but in no event shall such notice be effective if there remains any uncorrected default under this Lease Agreement or any renewal or extension hereof, and such notice shall not operate in any manner to terminate this Lease Agreement or renewal or extension hereof while default remains. Nor shall such notice or such termination to relieve Tenant of any liability occurring or continuing by way of further default or of any liability for default or further default. Any such notice which was ineffective because given during a period of default shall not be effective for any purpose except with the express consent of the landlord.

3. SERVICES.

The parties mutually agree that the Tenant has generally familiarized itself with the existing heating, ventilating and air conditioning facilities and capabilities of the building. Landlord agrees to heat and to ventilate within the reasonable capacity of existing facilities and to provide air conditioning within the reasonable capacity of existing facilities during

customary heating and air conditioning seasons, respectively, and whenever reasonably necessary during ordinary business hours.

The landlord shall provide the use of the elevators and escalators at all times during reasonable business hours, Sundays and holidays excepted.

The Landlord shall cause to be supplied, during ordinary business hours, a reasonable amount of electric current for lighting the Demised Premises and public halls during the time and in the manner customary in the Denver Merchandise Mart complex. Tenant agrees to use such electric current as shall be supplied by Landlord only for lighting, and in no event shall the lighting level in the Demised Premises exceed 4.5 watts per square foot of the net leased area. Tenant shall pay, on demand, for use of electric current for any other purpose, or for any waste of electric current.

4. INTERRUPTION OR DISCONTINUANCE OF SERVICES.

Tenant agrees that the Landlord shall not be held liable for failure to supply such heating, ventilating, air conditioning, elevator, escalator or lighting services, or any of them, when such failure is not due to Landlord’s gross negligence or intentional misconduct, it being understood and agreed that Landlord reserves the right to temporarily discontinue such services, or any of them, at such times as may be necessary by reason of accident, repairs, alterations or improvements, or whenever by reason of strikes, lockouts, riots, acts of God, act of the public enemy or any other happening outside Landlord’s control, Landlord is unable to furnish such service.

Tenant agrees that if any payment of rent hereunder shall remain unpaid for more than ten (10) days after the same shall become due, Landlord may, without notice to the Tenant, discontinue furnishing electricity, water, lighting, heating, ventilating, air conditioning services, or any of them, to the Demised Premises until all arrears of rent shall first have been paid and discharged, and that the Landlord shall not be liable for damages on account of any such discontinuance, and that such action shall in no way operate to release the Tenant from the obligation to pay rent or any other obligations hereunder, or derogate from any other or different right or remedy of the Landlord.

5. OPERATION DURING SHOWS AND MARKETS.

Whenever any show or market exhibition in the Denver Merchandise Mart complex includes a type of merchandise sold in or from the Demised Premises by the Tenant, Tenant shall, unless excused in writing by Landlord for good cause shown, fully participate in such show or market exhibition and shall pay when due the appropriate fee(s) for such show or market exhibition (which fee(s) shall be reasonable based on a per-tenant, per-exhibitor or per-square-foot allocation). The Tenant shall on each day during which such show or market exhibition is held or scheduled, keep the Demised Premises fully occupied and open for business, lighted and attended by staff sufficient for the successful conduct and handling of business operations, and shall do so from 9:00 a.m. to 5:00 p.m. and such other and additional hours as the said show or market exhibition may be open.

6. CHARACTER OF OCCUPANCY.

The Demised Premises shall be used only for the purposes of office and showroom in connection with Tenant's line or lines of merchandise, for the merchandising at wholesale only (and not at retail) of the following:

.....

7. SALES CONFINED.

Tenant shall not display goods, wares or merchandise, nor solicit or permit the solicitation on its behalf of any business in the hallways, corridors or other public portions of the building, or on the grounds, parking area or sidewalks surrounding or abutting the building in which the Demised Premises are located, but all such display and all such solicitations and sales shall be confined to the space hereby demised to the Tenant in the building; PROVIDED, HOWEVER, That nothing herein shall be construed to limit or interfere with participation by the Tenant as an exhibitor in any show or market exhibition. Participation in any such show or market exhibition shall be governed by the rules, regulations and procedures prescribed for the particular show or market exhibition involved.

8. FREIGHT HANDLING.

Furniture, merchandise and other bulky objects shall be brought into and removed from the building only through the freight entrance or entrances and freight elevators; and loading, unloading, and movement of any such items shall be subject to the Landlord's reasonable requirements as to the time, place, and manner thereof. All such loading, unloading and moving shall be at the Tenant's sole cost and expense. No furniture, merchandise or other bulky objects shall be brought into, or removed from, the building during any show or market exhibition without the prior consent of the Landlord. The Tenant acknowledges that it has acquainted itself with the equipment of the building as concerns loading and unloading platforms and facilities. Tenant shall use such facilities only in accordance with the Landlord's reasonable regulations. Landlord shall have full discretion in allocating the availability of such facilities to Tenant and among the other tenants. Tenant shall be responsible and shall pay all reasonable charges and for any and all damages incurred as the result of the handling of Tenant's freight contemplated by this paragraph.

9. SECURITY DEPOSIT.

Concurrently with the execution of this Lease Agreement, Tenant has deposited with the Landlord the sum (\$), as a security deposit only, to secure performance of the covenants and agreements herein contained, including payment of rent herein reserved. In the event Tenant shall fail to make payment of rental when due or shall fail to perform in accordance with the provisions hereof of the covenants and agreements, terms and conditions herein set forth, the said sum or any part thereof may be retained by the Landlord in its discretion and applied toward and upon unpaid rent and/or damages sustained by the Landlord as a result of Tenant's default, this remedy being optional with the Landlord, non-exclusive and without prejudice to other rights and remedies provided herein and provided at law. In the event any portion of said deposit is so depleted, Tenant shall promptly replace the amount so depleted. In the event that Tenant shall make all payments herein required and fully perform in accordance with the terms and covenants herein contained, the said sum given hereunder as security deposit, unused as provided herein, shall be returned to the Tenant, without interest, at the end of the Term hereof. The Tenant shall pay Landlord additional security deposits during the term hereof as follows:

\$.....on.....
\$.....on.....

10. SPECIAL EXHIBITIONS.

Subject to payment of rent in addition to the basic rental herein prescribed for the Demised Premises, at such rates as the Landlord may from time to time establish and, further, subject to discretion of, and to scheduling authorized and approved by the Landlord, the Tenant shall have the right to the use of the area or areas of the Denver Merchandise Mart prescribed for such special exhibits as the Tenant separately, or in conjunction with others (whether Denver Merchandise Mart tenants or other persons authorized by the Landlord) may desire to promote. All arrangements for and provisions for shows and special exhibitions shall be in writing, signed by the landlord and by the Tenant and, if applicable, such other person or persons authorized on behalf of Exhibitors at such show or special exhibit.

11. AVAILABILITY OF PREMISES AND ACCEPTANCE.

If for any reason the Demised Premises shall not be ready or available for occupancy on the date herein specified for commencement of the Term hereof, this Lease Agreement shall nevertheless continue in full force and effect, and the Tenant shall have no right to rescind, cancel, or terminate the same, and the Landlord shall not be liable for damages, if any, sustained by the Tenant on account of failure to obtain possession at the date specified for the commencement of the Term hereof. The Term shall, in such circumstances, commence as of the date the Landlord certifies in writing that the Demised Premises are ready for occupancy, such certification being binding upon the parties. In case of such delay in commencement of the Term, the Tenant shall not be liable for the payment of rent until Landlord gives notice of readiness for occupancy, and in such case, the termination date of the lease Term shall be extended for a period equal to the delay from the original intended date of commencement; provided that in no event shall the commencement extend beyond one year from the scheduled date. If it extends beyond one year, this Lease Agreement shall automatically terminate. The Tenant hereby acknowledges, as it has acknowledged above, and in paragraph 1, examination and acceptance of the Demised Premises. Tenant's taking of possession of the Demised Premises shall constitute conclusive evidence that the Demised Premises and all its appurtenances thereto were in good and satisfactory condition when possession was taken.

12. DAMAGE OR DESTRUCTION TO PREMISES.

If the Demised Premises are damaged by fire or other casualty, Tenant shall give immediate notice thereof to the Landlord, and Landlord shall forthwith make repairs, provided such repairs can be made within sixty (60) days by working in the usual manner and under the laws and resolutions of the applicable authorities. Such destruction or damage shall in no way annul or void this Lease Agreement, except that the Tenant shall be entitled to a reasonable abatement or reduction of rent during the period of repair if, in the Landlord's reasonable estimation, the Demised Premises cannot be used for the purposes herein prescribed while such repairs are being made; provided that such repairs have not been made necessary as a result of negligence by the Tenant or others under Tenants's authority. If such repair cannot be made in the manner above prescribed within the said period of sixty (60) days, then the Landlord may, at its option, make them within a reasonable time, delays through strikes, lockouts, Acts of God, shortages of material, governmental regulations, act of the public enemy or any cause of any sort beyond the control of the Landlord excepted, and this Lease Agreement shall continue in full force and effect, subject only to reasonable abatement or reduction of rent during the repair period as above prescribed. In the event the Landlord does not so elect to make such repairs which cannot be made as herein provided within sixty (60) days, or in the event that such repairs cannot be made under existing laws and regulations, this Lease Agreement may be terminated at the option of either party. Landlord shall be the sole judge of whether the said repairs can be made within sixty (60) days or under then existing laws and regulations, and its determination in this regard shall be conclusive upon the parties. In the event Landlord terminates this Lease Agreement, Tenant shall have no claim for any damages as a result thereof.

13. RELOCATION.

Landlord reserves the right, upon sixty (60) days' written notice to Tenant, to relocate the Demised Premise to substantially comparable space within the Denver Merchandise Mart Building. The Basic Monthly Rental for the new space will not exceed the Basic Monthly Rental in this Lease Agreement for the former Demised Premises. If Tenant does not want to relocate its Demised Premises, it may, by written notice to Landlord, terminate the Term of this Lease Agreement effective as of thirty (30) days after Landlord's initial relocation notice. In such event, upon Tenant's vacation of the Demised Premises, Landlord will pay to Tenant, or credit to Tenant's account a sum equal to one month's Basic Monthly Rental under this Lease Agreement and will return the unused portion of Tenant's security deposit whereupon this Lease Agreement and Landlord's and Tenant's obligations to each other will end except as to sums owed to Landlord hereunder, which sums shall remain due and payable to Landlord. If Tenant does relocate within the Denver Merchandise Mart Building, then effective on the date of such relocation, this Lease Agreement will be amended by deleting the description of the former Demised Premises and substituting for it the description of the new space. Landlord agrees to pay the reasonable and direct costs of relocating Tenant to such new space within the Denver Merchandise Mart Building.

14. ENTRY BY LANDLORD.

Anything herein to the contrary notwithstanding, Landlord, its officers, employees, agents or contractors shall have the right to enter the Demised Premises at all reasonable hours for the purpose of examining or inspecting them; for any purpose of maintenance, repair or alteration therein as the Landlord may deem necessary in connection with the Demised Premises; for any purpose of construction, alteration, remodeling, repair, or addition to the building or improvements; and such authorized persons shall have the right to do upon the said Demised Premises all things necessary in connection with any such construction, alteration, remodeling, repair, addition, or maintenance or any of them. The right of entry herein provided shall inure to the benefit of Landlord's agents or contractors acting on the Landlord's behalf.

15. HOLDING OVER.

Tenant's Term hereunder ends as and when specified in this Lease Agreement. No option to renew or right to hold over is granted by Landlord unless specifically set forth elsewhere in this Lease Agreement or in a written supplement or modification to this Lease Agreement duly executed by Landlord and Tenant. Should Tenant or any of its successors in interest (not hereby granting any right of assignment or sublease) hold the Demised Premises or any part thereof after the Term of this Lease Agreement and any agreed renewals or extensions of such Term, unless otherwise and specifically agreed in writing executed by the parties, such holding over shall constitute and be a tenancy from month-to-month only, at a rental equal to the rent in effect for the last month of the immediately preceding Term of this Lease Agreement plus twenty percent (20%) of such amount and otherwise subject to all conditions and obligations required to be performed by the Tenant hereunder.

16. PROHIBITED USES.

The Demised Premises shall not be used except for the purposes hereinbefore specified. Tenant shall not do or permit to be done anything in or about the Demised Premises, nor bring nor keep anything therein which will in any way (i)increase the premiums for fire and other insurance upon the building or any of its contents or (ii) cause any cancellation of insurance policies covering the said building or its contents. Tenant shall neither do, nor permit to be done, anything which will in any way conflict with any law, ordinance, statute, rule or regulation affecting the occupancy or use of the building or the Demised Premises, which law, ordinance, statute, rule or regulation is now in effect or which may hereafter be enacted or promulgated by any federal, state, county, municipal or other governmental authority having proper jurisdiction. Tenant shall not in any way obstruct or interfere with the rights of other tenants in the Denver Merchandise Mart complex, nor injure or annoy them, nor use or allow the Demised Premises to be used for any improper, immoral, unlawful or objectionable purpose. Animals will not be permitted in the Mart and shall not be brought upon or allowed to be brought upon or into the Demised Premises. Cans, yardsticks or other advertising, novelty or give-away items which cause or may cause damage or which may annoy, interfere with or injure

people or property in the Denver Merchandise Mart complex are not permitted and shall not be distributed or permitted to be distributed in the Denver Merchandise Mart complex or the parking areas by the Tenant or others under its authority.

17. TAXES, OTHER GOVERNMENTAL IMPOSITIONS, REQUIREMENTS.

Tenant shall be liable for all taxes, assessments and/or other governmental impositions levied upon or against personal property, fixtures and improvements placed by Tenant in or about the Demised Premises. Tenant shall be liable for any excise, sales, use transaction or allied taxes of any character arising from or connected with any transaction done or business transacted on or from the Demised Premises, and the Landlord shall have no liability of any kind for any such taxes or other governmental impositions. If such taxes or other governmental impositions are levied or claimed against the Landlord or Landlord's property and if the Landlord pays the same, which the Landlord shall have the right to do to protect itself, giving reasonable notice to the Tenant, regardless of the validity of such levy or claim, or if the assessed value of the Landlord's premises is increased by the inclusion therein of a value placed upon such personal property or improvements of the tenant and the Landlord pays the taxes based on such increased assessment, which the Landlord shall have the right to do to protect itself, giving reasonable notice to the Tenant regardless of the validity thereof, Tenant upon written demand by the Landlord shall promptly repay to the Landlord any and all such taxes or other governmental impositions so levied against the Landlord or Landlord's property, paying in the case of taxes against Landlord's property the proportion of such taxes resulting from such increase in the assessment.

In the event that either (i) taxes, and/or (ii) utility costs should increase for the Denver Merchandise Mart by more than fifteen percent (15%) in a one-year period (using Landlord's fiscal year), Landlord may, at its option, pass through to, Tenant, Tenant's equitable share of such increase basing such share on Tenant's pro-rata portion of the permanent leased area in the Denver Merchandise Mart. Tenant shall in no event bear any part of any such increase properly apportionable to space used for hotel, food or beverage or temporary exhibit purposes.

18. SUPPLEMENTAL CHARGES.

Additional and supplemental charges and fees may be required in connection with special shows or market exhibitions in the Denver Merchandise Mart complex as more fully set forth in paragraph 5 of this Lease Agreement.

In the event Landlord shall advance upon Tenant's request, or for the account of the Tenant, any amount of money for labor, material, packing, shipping, postage, freight or express upon articles delivered to and from the Demised Premises, or for the safety, care or cleanliness of the Demised Premises, the amounts so paid shall constitute additional rent and shall be due and payable immediately by the Tenant to the Landlord.

The Landlord shall have no obligation to make any such advance or advances for the Tenant or on its behalf, and the Landlord has and may in its discretion, from time to time make, modify and enforce rules and regulations relating to such advances by the Landlord and relative to receipt by Landlord of any goods, wares or merchandise directed or consigned to the Tenant.

In the event of delivery or attempted delivery to the Landlord, its agents or employees, of freight, parcels, merchandise or other goods ("merchandise") consigned to or for the use and benefit of the Tenant, the judgment of the Landlord as to the acceptance or refusal of such merchandise shall be conclusive. The Landlord shall have no liability whatsoever to the Tenant for any damage arising, or claimed to arise out of or in connection with, the acceptance or rejection of such merchandise, the same being acknowledged to be purely an accommodation for the benefit of the said Tenant. In the event of receipt of any such merchandise, the Landlord shall have no obligation relative to the care, maintenance or storage thereof save and except a duty not to affirmatively damage or injure the same, it being acknowledged that the keeping of the same is purely an accommodation to and for the benefit of the Tenant only. In any such case of receipt of merchandise, the Landlord shall be authorized to cause its placement in the Demised Premises, and thereupon shall have no further or other obligation of any kind with relation thereto, and no liability of any kind for or on account of damage, loss of or injury thereto.

19. CARE OF THE DEMISED PREMISES.

Tenant shall during the Term hereof take good care of the Demised Premises and of the hallways and corridors adjacent to them and keep them free from waste and nuisance of any kind. Tenant shall not deposit in the corridors or common areas any packing material, waste or debris, except in designated disposal areas, and in the manner prescribed from time to time by the Landlord. Tenant shall not permit the Demised Premises or the hallways or common areas adjacent thereto to be used for any purpose or in any manner which makes them unattractive or which would render insurance on the building void or the insurance risk more hazardous. Tenant agrees to keep the Demised Premises, including all fixtures installed by the Tenant, in good condition, and in a clean and sanitary and orderly condition, and to make all necessary repairs thereto, and perform all requisite housekeeping, janitorial, and maintenance work therein. At the end and termination of this Lease Agreement, Tenant shall deliver up the Demised Premises in good and proper repair and condition, reasonable wear and tear excepted. Landlord shall be responsible for cleaning of windows on the hall side only, but not inside the Demised Premises, and shall be responsible for the ordinary cleaning and maintenance of hallways and common areas, but not for rubbish or trash removal therefrom, being responsible for rubbish and trash removal only from areas designated as rubbish and trash disposal areas, when deposited therein in the manner and in accordance with regulations from time to time promulgated by the Landlord.

20. ALTERATIONS.

Tenants shall make no alterations or additions to the Demised Premises without first obtaining the written consent of the Landlord, and all additions or improvements made by the Tenant, including carpeting and track lighting, (except only moveable office furniture, cabinets, and

display equipment not attached) shall be deemed part of the real estate and permanent structure thereon and shall remain upon and be surrendered with the said premises as a part thereof at the end of the said term, whether by lapse of time or otherwise.

21. INJURY TO PERSONS OR PROPERTY.

All personal property of any kind or description whatsoever in the Demised Premises shall be there at the Tenant's sole risk. It is understood and agreed that Landlord does not carry insurance covering Tenant's property within the Demised Premises. The Tenant agrees neither to hold or attempt to hold the Landlord liable for accident, injury, loss or damage to property within or to the Demised Premises, in adjacent premises or other parts of the Denver Merchandise Mart complex not herein demised, nor liable for any injury or damage occasioned by fire, gas, smoke, rain, snow, any Acts of God, defective electric wiring, or the breakage or stoppage of plumbing or sewage upon or in the complex or adjacent premises, or defects, stoppage or breakage of heating, ventilating or air conditioning equipment, whether said breakage or stoppage results from freezing or otherwise.

22. INDEMNITY TO LANDLORD.

The Tenant agrees to indemnify and save the Landlord harmless of and from all liability for damages or claims on account of injuries to the person or property of any other tenant or any person in or upon the said Denver Merchandise Mart complex for any purpose whatsoever, including Landlord's reasonable costs and attorney's fees, where the injuries are caused by the negligence or misconduct of the Tenant, its agents, servants or employees or any other person entering upon the Denver Merchandise Mart complex under express or implied invitation of Tenant (collectively "Tenant"), or where such injuries are the result of the violation by Tenant of laws, statutes, ordinances, rules, regulations, governmental orders of any kind or of rules, regulations, or provisions which may hereafter be provided by Landlord. Nothing in this indemnity agreement shall be construed to create or to constitute any admission of liability on the part of the Tenant, its agents, or employees.

23. SIGNS.

Tenants shall not paint, place or install any signs on the exterior doors, the plate glass or the exterior walls of the Demised Premises or install any electrically lighted signs in or upon the Demised Premises without the prior written consent of the Landlord. No show cases or other fixtures or objects or obstructions of any kind shall be placed by the Tenant in front of the building, in the corridors, or elsewhere about the building, or other than in the Demised Premises and within the same.

24. SUB-LETTING AND ASSIGNMENT.

Tenant agrees that it will neither sub-let the Demised Premises nor any part thereof, nor assign this Lease Agreement or any interest herein without the advance, written consent of Landlord. In the event that Tenant is a partnership, corporation or other business entity, any assignment or other transfer of more than 50% of the ownership of such business entity must have the advance, written consent of Landlord. Any attempted assignment (whether of an interest in this Lease Agreement or of more than 50% of the ownership in Tenant business entity) without Landlord's advance, written consent shall be void and of no effect and such attempt shall constitute default hereunder. In the event of Landlord's written consent being given, Tenant shall, nevertheless, remain responsible hereunder jointly and severally with the approved sublessee or assignee.

25. ADMISSION TO BUILDING.

Tenant recognizes that the Denver Merchandise Mart is operated as a closed facility, providing facilities for the wholesale (and not retail) vendition of merchandise, and agrees that Landlord may establish conditions of admission of persons into the building(s), and that Tenant will abide by the conditions so established. Landlord hereby reserves the right to exclude from the building any person whom it may consider an improper person or a person whose presence it considers detrimental to the Denver Merchandise Mart complex or to the Landlord or to any Tenant in the building.

26. DEFAULT AND RE-ENTRY.

It is further and mutually agreed that in case the Demised Premises are left vacant and/or any part of the rent herein reserved is not paid when due, then the Landlord may, without in any way being obliged to do so, and without terminating this Lease Agreement, retake possession of the Demised Premises and re-let the same for such rent and upon such terms and conditions as to the Landlord, in its sole discretion, may appear proper, making such changes and repairs and doing such remodeling as may be necessary and/or, in the opinion of the Landlord, desirable, and paying all other costs of re-letting the Demised Premises, including reasonable legal fees, court costs, appropriate commissions or other costs of re-letting, giving the Tenant credit for the amount of rent so received, less all costs and expenses of such changes, repairs and re-letting. Tenant shall be liable for the balance of the rent herein reserved until the expiration of the Term of this Lease Agreement.

Upon default by Tenant and re-taking of the Demised Premises by Landlord, Landlord may, at its option, declare all further rentals and other charges due from Tenant for the balance of the Term immediately due and payable and the same shall be immediately paid in full by Tenant without the necessity of waiting for future monthly installments to come due as if this Lease Agreement were not in default. Any credit balance remaining in Tenant's account as the result of re-letting during the balance of the Term hereunder shall be refunded to Tenant at the end of the Term hereunder.

It is expressly understood and agreed by and between the parties that if the rent above reserved, or any part thereof, or any payment required to be made hereunder, shall be in arrears, or if default shall be made in any of the covenants or agreements herein contained, to be kept by the said Tenant, Landlord shall have the option and right to terminate this tenancy without notice, and in event of any such termination, Tenant agrees to vacate the Demised Premise forthwith, paying the required rent and leaving the Demised Premises in good order as hereinabove provided. Cumulative of any remedy to which the Landlord may be entitled hereunder or by law and without prejudice thereto, the Landlord, upon default by Tenant in payment of rent or other default or breach by Tenant shall have the right to do any or all of the following without the

necessity of judicial process: (a) remove all personal property and fixtures from the Demised Premises, with the right, but not the obligation, to store the same in private or public storage at Tenant's sole expense; (b) expel, remove, and put out the Tenant or any other person or persons occupying the Demised Premises, using such force as may be necessary in so doing, without being liable to prosecution or for damages therefor; (c) lock up the Demised Premises; (d) discontinue such utility services as are being furnished by Landlord or at Landlord's expense at the time of any such default or breach; (e) re-enter and take possession of the Demised Premises and the contents thereof (in this connection it is agreed that Landlord shall have, and is hereby granted, and express lien on Tenant's personal property located in or about the Demised Premises as security for Tenant's obligations, and Tenant waives any exemptions in regard thereto, including exemptions from forced sale, and agrees that upon default in the payment of the rent or other payments which shall become payable by Tenant, Landlord may without suit, warrant or bond, take possession of any and all of such personal property and retain possession of same until all sums owing Landlord by Tenant are paid; it is understood that such express lien shall not be construed as a waiver of any statutory lien in favor of Landlord, but shall be in addition thereto); (f) without terminating the Lease Agreement, Landlord may enter the Demised Premises, remove Tenant's property therefrom, and attempt to re-let the Demised Premises upon terms and conditions satisfactory to Landlord and if a sufficient sum shall not be realized from re-letting, after paying all costs, fees and expenses incident thereto, Tenant shall satisfy such deficiency; (g) without removing said personal property or fixtures, or after removing the same, Landlord may, at its sole discretion and without obligation to do so, sell or dispose of any of said personal property or fixtures at public or private sale without further notice to Tenant, in which event the proceeds therefrom may be applied by Landlord to any indebtedness due from Tenant to Landlord. Tenant agrees that none of such actions mentioned in (a) to (g), inclusive above, shall constitute any trespass, act of conversion or other tort on Landlord's part, or in anywise render Landlord liable to Tenant for any damages or claims. Tenant specifically waives all claims for damages that may be caused by Landlord re-entering and taking possession of the Demised Premises and removing any personal property or fixtures therefrom.

Any and all remedies provided herein or in law or in equity shall be cumulative, and not exclusive, and the determination of which remedy or remedies to use shall be exclusive with the Landlord. No re-entry or re-rental of the premises shall be deemed to terminate this Lease Agreement or liability hereunder unless expressly so declared by the Landlord, and in any such event, the Landlord shall be entitled to rental as provided hereunder, accruing monthly as provided hereunder, less only such credit as any result from re-rental as above provided, but nothing herein shall be construed as requiring the Landlord to re-rent the whole or any part of the Demised Premises.

If attachment, garnishment or execution be levied against Tenant's property in the Demised Premises or against Tenant's interest in this Lease agreement, or if the Tenant shall be adjudicated a bankrupt or make assignment for the benefit of creditors, or if a receiver or other officer appointed by a Court of any state or of the United States shall take charge of the Demised Premises under authority of Court or Order of Court, or any taxing or other authority shall take charge of, or claim to take charge of the Demised Premises, then and in any of such events, the Landlord may, in its sole option, with or without terminating this Lease Agreement, re-enter the Demised Premises or any part thereof and remove any and all samples, goods, furniture and persons therefrom either with or without legal process or may proceed otherwise as in case of breach hereinabove or at law provided. No such receiver or other officer, Trustee, whether in Bankruptcy or otherwise, or other person, by process of law or in any other manner, shall have any right, title, or interest in the Demised Premises or in or under this Lease Agreement without the express and affirmative written approval of the Landlord, and no act of the Landlord shall be construed to be or constitute a waiver or acceptance of any such interest, which shall be permitted only upon affirmative and written agreement of the Landlord.

In the event that Landlord shall employ counsel or if any action or suit should be brought by the Landlord to enforce any provision of this Lease Agreement, Tenant shall pay the Landlord's reasonable attorneys' fees, whether or not the matter shall be prosecuted to judgment.

27. SUBORDINATION OF LEASE.

Tenant agrees that this Lease Agreement is and shall be subordinate to any mortgage, Deed of Trust or other instruments of security which have been or shall be placed on the land or building of which the Demised Premises form a part, and such subordination is hereby made effective without any further act by Tenant.

28. ADVISORY BOARD OF GOVERNORS.

At the option of the Landlord, there may be established an Advisory Board of Governors comprised of representatives selected by the tenants from among the tenants of the Denver Merchandise Mart complex, to advise and counsel with the Landlord on matters pertaining to the orderly conduct of markets within the complex. The Advisors Board of Governors may be consulted on setting market dates, establishing business hours of market dates, determining the start and closing of market weeks, and similar matters. Said Advisory Board of Governors shall consist of representatives of major trade categories representative of the various tenancies in the complex. Such Advisory Board of Governors may exist, however, as a matter of goodwill relations with the tenants, and may perform an advisory function only, having no power in any manner to derogate from the rights of management and ownership of the Landlord, and may be terminated by the Landlord at its discretion.

29. RULES AND REGULATIONS.

The Landlord reserves the right to make such reasonable Rules and Regulations as in its judgment may from time to time be necessary and/or desirable for the safety, care, and cleanliness of the Denver Merchandise Mart complex, and for the preservation of order therein and for its orderly conduct as a merchandise mart; and the Tenant agrees that it will abide thereby and that its employees, agents, servants and any others permitted by the Tenant to occupy or enter the Demised Premises,

will, at all times, abide by such rules and regulations, and that a default in the performance and observation thereof shall operate the same as a default in the terms of any of the covenants or conditions herein contained.

30. ENTIRE AGREEMENT; AMENDMENT OR MODIFICATION.

This Lease Agreement supercedes and replaces any and all previous leases, agreements and understandings, whether oral or written, between the parties concerning the Demised Premises, it being their express intention that this Lease Agreement be their entire agreement.

Tenant acknowledges and agrees that it has not relied upon any statements, representations, agreements, or warranties, except such as are expressed herein, and that no amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by the parties hereto in the same manner as the execution of this Lease Agreement.

31. SEVERABILITY.

If any term, clause, or provision of this Lease Agreement is illegal, invalid, or unenforceable under present or future laws effective during the Term of this Lease Agreement, then and in that event, it is the purpose and intention of the parties hereto that the remainder of this Lease Agreement shall not be affected thereby, and it is also the purpose and intention of the parties to this Lease Agreement that, in lieu of each such term, clause, or provision hereof that is so illegal, invalid or unenforceable, there be added as a part of this Lease Agreement a clause or provision as similar in terms as may be to such clause so declared illegal, invalid or unenforceable as may be possible within the bounds of legality, validity and enforceability.

32. GRAMMATICAL CHANGES, SECTION AND/OR PARAGRAPH HEADINGS.

Whenever the words "Landlord" and "Tenant" are used herein, the said words shall include as well "Landlords" and "Tenants," and shall apply to persons, both men and women, companies, partnerships, corporations, or other business organizations, and in the reading of this Lease Agreement, necessary grammatical changes requisite with relation to number, with relation to general, with relation to pronouns and otherwise shall be considered to have been made and to exist in such manner as to make the provisions hereof applicable to those persons and all thereof who may be parties to the Lease Agreement in like manners though the said changes had been specifically written into and incorporated in this Lease Agreement.

The section and/or paragraph headings herein inserted are inserted only as a matter of convenience and for reference, and in no way define, limit, or prescribe the scope or intent of this Lease Agreement, nor in any way affect its meaning, and are not to be considered of its substance or in interpretation of the provisions hereof.

33. WAIVER.

No waiver of any breach of any one or more of the conditions or covenants of this Lease Agreement by the Landlord, and no acquiescence by the Landlord in any single instance or repeated instance of default of any of the terms or provisions hereof, shall be deemed to imply or constitute a waiver of any other or succeeding or repeated breach or default hereunder.

34. SUCCESSORS AND ASSIGNS.

All terms, conditions, and covenants to be observed and performed by the parties hereto shall be applicable to and binding upon their respective heirs, administrators, successors, personal representatives, and assigns, but nothing herein shall be construed as a consent or authorization to assign this Lease or any interest herein except with the written permission of the Landlord as required hereinabove.

35. NOTICE.

Whenever under the provisions of this Lease Agreement, provision is made for notice of any kind, such notice shall be in writing and if to the Tenant, addressed to its last known address or to the Demised Premises and deposited in the United States Mail, postage prepaid, certified with return receipt requested or delivered to the Tenant or to the Demised Premises. Notice to the Landlord shall be delivered to the Landlord or its representative at the place where rent is then payable or addressed to the Landlord at the address where rent is then payable and deposited in the United States Mail, postage prepaid, certified with return receipt requested. Notices shall be effective on the earlier of (i) the date mailed, (ii) the date delivered (to Landlord or Tenant, as the case may be), or (iii) the date delivered to the Demised Premises, (in the case of notices to Tenant). If Landlord or Tenant shall consist of more than one person or entity, notice shall be sufficient if sent or delivered to one of the said persons or entities.

36. DOCUMENTS PART OF LEASE.

This Lease Agreement consists of this printed document, together with those attachments hereinafter set forth and no other documents whatsoever:

EXHIBIT A — FLOOR PLAN

37. APPLICABLE LAW.

This Lease Agreement shall be governed by the laws of the State of Colorado.

38. RELATIONSHIP.

Neither party shall be considered in any way to be a partner or joint venturer of the other, their entire relationship being that of Landlord and Tenant.

39. INTEREST ON PAST DUE OBLIGATIONS.

Except as expressly herein provided, any amount due to Landlord not paid when due shall bear interest at eighteen percent (18%) per annum from the due date. Payment of such interest shall not excuse or cure any default by Tenant under this Lease Agreement.

40. ESTOPPEL CERTIFICATE.

(a) Tenant agrees that it will, at any time upon not less than ten (10) days prior written request from Landlord, promptly execute, acknowledge and deliver to Landlord its statement in writing (i) certifying that this Lease Agreement is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease Agreement, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed. Any such statement may be

conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

(b) Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant that: (i) this Lease Agreement is in full force and effect, without modification except as may be represented by Landlord, (ii) there are no uncured defaults in Landlord's performance and (iii) not more than one month's rent has been paid in advance.

(c) At the conclusion of this Lease Agreement, Landlord shall have the right to a written quit-claim or lease termination duly executed and promptly delivered by Tenant upon the Landlord's request.

IN WITNESS WHEREOF, The parties have set their hands and seals or have subscribed their names by their proper officers, agents, or representatives on the day and year first above written at Denver, Colorado.

TENANT:

LANDLORD:

COPY

.....

DENVER MERCHANDISE MART

By:

By:.....

.....

.....

.....

authorized signatory

.....

authorized signatory

Address:.....

.....

.....

Phone:

GUARANTEE

The undersigned Guarantor, in consideration of Landlord entering into this Lease Agreement, specifically guarantees any and all of Tenant's duties and obligations hereunder including specifically Tenant's obligation to pay rent and agrees to be jointly and severally liable for all of such duties and obligations of Tenant.

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