

**PROSPECTOR
 PO BOX 65
 Rico CO 81332**

Fees Due		
Renewal Fee		Waived due to 20B-001
Storage Permit	\$100 X _____	\$
Sidewalk Service Area	\$75.00	\$
Additional Optional Premise Hotel & Restaurant	\$100 X _____	Waived due to 20B-001
Related Facility - Campus Liquor Complex	\$160.00 per facility	Waived due to 20B-001
Amount Due/Paid		\$

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Retail Liquor or Fermented Malt Beverage License Renewal Application

Please verify & update all information below

Return to city or county licensing authority by due date

Licensee Name RICO HIGH INC		Doing Business As Name (DBA) PROSPECTOR		
Liquor License # 03-05821	License Type Hotel & Restaurant (city)	Sales Tax License # 30349519	Expiration Date 01/19/2022	Due Date 12/05/2021
Business Address 124 SOUTH GLASGOW AVENUE Rico CO 81332		County Dolores	Phone Number 9709673000	
Mailing Address PO BOX 65 Rico CO 81332		Email ricobnb@fone.net		
Operating Manager Eamon O'Hara	Date of Birth 12-28-58	Home Address 20, N. Silver St. Rico Co. 81332	Phone Number 970-403-7191	
1. Do you have legal possession of the premises at the street address above? <input checked="" type="radio"/> Yes <input type="radio"/> No Are the premises owned or rented? Owned <input type="radio"/> Rented <input checked="" type="radio"/> *If rented, expiration date of lease 10/31/22				
2. Are you renewing a storage permit, additional optional premises, sidewalk service area, or related facility? If yes, please see the table in upper right hand corner and include all fees due. Yes <input type="radio"/> No <input checked="" type="radio"/>				
3a. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business? Yes <input type="radio"/> No <input checked="" type="radio"/>				
3b. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.? Yes <input type="radio"/> No <input checked="" type="radio"/>				
4. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. Yes <input type="radio"/> No <input checked="" type="radio"/>				
5. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. Yes <input type="radio"/> No <input checked="" type="radio"/>				
6. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. Yes <input type="radio"/> No <input checked="" type="radio"/>				
7. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. Yes <input type="radio"/> No <input checked="" type="radio"/>				

Affirmation & Consent		
I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.		
Type or Print Name of Applicant/Authorized Agent of Business	Title	
EAMONN O'HARA	President	
Signature	Date	
<i>[Handwritten Signature]</i>	01/27/2022	
Report & Approval of City or County Licensing Authority		
The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 44, Articles 4 and 3, C.R.S., and Liquor Rules. Therefore this application is approved.		
Local Licensing Authority For	Date	
Signature	Title	Attest

Tax Check Authorization, Waiver, and Request to Release Information

I, Eamann O'Hara am signing this Tax Check Authorization, Waiver and Request to Release Information (hereinafter "Waiver") on behalf of Rico High Inc / DBA Prospector the "Applicant/Licensee") to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documentation that may otherwise be confidential, as provided below. If I am signing this Waiver for someone other than myself, including on behalf of a business entity, I certify that I have the authority to execute this Waiver on behalf of the Applicant/Licensee.

The Executive Director of the Colorado Department of Revenue is the State Licensing Authority, and oversees the Colorado Liquor Enforcement Division as his or her agents, clerks, and employees. The information and documentation obtained pursuant to this Waiver may be used in connection with the Applicant/Licensee's liquor license application and ongoing licensure by the state and local licensing authorities. The Colorado Liquor Code, section 44-3-101. et seq. ("Liquor Code"), and the Colorado Liquor Rules, 1 CCR 203-2 ("Liquor Rules"), require compliance with certain tax obligations, and set forth the investigative, disciplinary and licensure actions the state and local licensing authorities may take for violations of the Liquor Code and Liquor Rules, including failure to meet tax reporting and payment obligations.

The Waiver is made pursuant to section 39-21-113(4), C.R.S., and any other law, regulation, resolution or ordinance concerning the confidentiality of tax information, or any document, report or return filed in connection with state or local taxes. This Waiver shall be valid until the expiration or revocation of a license, or until both the state and local licensing authorities take final action to approve or deny any application(s) for the renewal of the license, whichever is later. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license, if requested.

By signing below, Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority or agency in the possession of tax documents or information, release information and documentation to the Colorado Liquor Enforcement Division, and is duly authorized employees, to act as the Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to allow the state and local licensing authorities, and their duly authorized employees, to investigate compliance with the Liquor Code and Liquor Rules. Applicant/Licensee authorizes the state and local licensing authorities, their duly authorized employees, and their legal representatives, to use the information and documentation obtained using this Waiver in any administrative or judicial action regarding the application or license.

Name (Individual/Business) <u>Rico High Inc DBA Prospector</u>		Social Security Number/Tax Identification Number <u>46-2212826</u>	
Address <u>124, Glasgow Ave</u>			
City <u>Rico</u>		State <u>Co.</u>	Zip <u>81332</u>
Home Phone Number <u>970-967-3000</u>		Business/Work Phone Number <u>970-403-7191</u>	
Printed name of person signing on behalf of the Applicant/Licensee <u>EAMANN O'HARA</u>			
Applicant/Licensee's Signature (Signature authorizing the disclosure of confidential tax information) <u>E. J. O'Hara</u>			Date signed <u>01/27/2022</u>

Privacy Act Statement

Providing your Social Security Number is voluntary and no right, benefit or privilege provided by law will be denied as a result of refusal to disclose it. § 7 of Privacy Act, 5 USCS § 552a (note).

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is entered into this 15th day of November, 2021, by and between **RICO HOTEL, LLC**, a Delaware limited liability company ("Lessor") and **RICO HIGH, INC.** ("Lessee") and supercedes and replaces that expired original lease agreement" by and between Lessor and Lessee with an Effective Date of November 1, 2020 between the Parties (the "Original Lease Agreement").

This Lease concerns the old Rico Hotel, now used as apartments (the "Hotel") and adjacent and associated Prospector Restaurant (the "Restaurant") in Rico, Colorado, described herein.

This Lease makes material changes to the Original Lease Agreement by, among other things, removing the Hotel portion from the Lease.

Lessor hereby leases to Lessee and Lessee hereby Leases from Lessor, the Premises, described below, under the terms set forth herein.

1. **Premises and Project.** Lessor is the owner of the Rico Hotel, in Rico, Colorado, which consists of a hotel ("Hotel") and Restaurant commonly known as the Prospector (the "Restaurant"). The Hotel and Restaurant, together, are situated on land legally described as follows: Lots 25, 26, 27, 28, 29, 30 and 31, Block 5 in the Town of Rico, according to the official plat of said Town, recorded in the office of the Clerk and Recorder, Dolores County, State of Colorado, as known by street and number as: 124 S. Glasgow Avenue, Rico, CO 81332 ("Project"). This Lease is solely for the Restaurant, which shall also be referred to as "the Premises" and consists of approximately 2,500 square feet, as well as non-exclusive access to certain common areas of the Project, including parking, which Lessee and its guests shall have the right to use free of charge, in common with other users or occupants of the Project ("Common Areas"). Lessor may develop rules regarding the use of Common Areas, which Lessee agrees to abide by.
2. **Use.** The use of the Premises shall be as a Restaurant, in compliance with the laws, rules, regulations and orders promulgated by the Town of Rico, Colorado, the County of Dolores, Colorado and/or the State of Colorado.
3. **Term.** The Lease Term shall be from November 1, 2021 through October 31, 2022 ("Term"). Lessee acknowledges that it has been is currently in possession of the Premises via the expired Original Lease Agreement. Either Party shall have the right to terminate this Lease at any time and for any reason by providing the other Party with thirty (30) days written notice of termination. If not otherwise terminated, the Term may be extended on upon mutual, written consent of the Parties.
4. **Rent.** Lessee shall pay Lessor monthly rent in the amount of One-Thousand dollars (\$1,000.00) per month or Six percent (6%) of gross revenue, whichever is more, payable on or before the 10th of each month during the Term. Gross revenue shall be defined as all revenue received by Lessee from the sale of goods and services, including all food and beverage sales (alcohol included) at the Restaurant, excluding sales taxes. Nothing else shall be deducted from Gross revenue.

5. **Lessee's Operations.** Lessee shall employ all persons associated with Lessee's operation of the Restaurant under its name and in compliance with all laws and Landlord shall have no role, liability or affiliation with Lessee's operation. Lessor is not a partner of Lessee's nor does this Lease create a joint venture between Lessor and Lessee.
6. **Licenses or Permits.** If any governmental license or permit shall be required for the proper and lawful conduct of the Lessee's operations Restaurant, then Lessee at its sole cost and expense, shall procure and maintain such license or permit. Further, Lessee, at its sole cost and expense, shall at all times comply with the requirements of all such licenses and/or permits.
7. **Assignment, Subletting.** Lessee shall not assign this Lease nor sublet all or any portion of the Premises without the prior written consent of Lessor. Lessor shall have the right to sell, transfer or assign the Premises subject to this Lease, and the right to assign its interest under this Lease.
8. **Restaurant Equipment.** All furniture, fixtures and equipment (the "FF&E") located in the Restaurant are the property of Lessor. Lessee agrees to maintain the FF&E in good condition at all times and to return the FF&E in good condition at the termination of the Lease.
9. **Utilities.** Lessee shall pay all utility charges, including water, sewer, gas, electricity, telephone and other services and utilities used by Lessee on the Premises during the Term of this Lease, unless otherwise expressly agreed in writing by Lessor. Lessee shall cause all utilities to be placed in Lessee's name and pay the utility providers directly. Electricity and water are shared between the Restaurant and Hotel. Lessee and Lessor agree that during the months of November through April shall split the cost of electricity and water equally. During the months of May through October shall split the costs of electricity and water eighty percent (80%) Restaurant and twenty percent (20%) Hotel. Lessee may deduct Lessor's portion of utilities from monthly rent as long as a copy of respective utility invoice is provide.
10. **Maintenance, Repair.** Lessee has operated the premises for more than 3 years and has been responsible for the maintenance and condition of the premises, by agreement, which included keeping the building and equipment in good use and serviceable condition, as a standard that meets all applicable codes and requirements for lessee's use of the premises as a restaurant. Lessee agrees it shall maintain the Restaurant hood at all times during the Term, and have it professionally cleaned at a minimum of once during the Lease Term. Lessee further agrees it shall maintain the Project septic system at all times during the Lease, and shall have it professionally cleaned and pumped at least twice during the Term. Lessee accepts the Premises in its "AS IS" condition and agrees to return the Premises in good condition, reasonable wear and tear excepted. Lessor has made no representations or warranties regarding the Premises or Lessee's intended use and hereby disclaims anything to the contrary. Lessee shall, at its sole cost and expense during the Term, keep and maintain the Premises in good state of condition and repair, reasonable wear and tear excepted, and shall maintain the premises in compliance with all applicable regulatory agencies and authorities. Lessee shall not permit anyone to injure or deface any portion of the Premises. Lessor agrees to maintain, at its sole cost

and expense, any costs related to the structural portions of the Premises, the roof and exterior of the Restaurant building, provided that such repair is not the result of Lessee's failure to properly maintain such areas. If Lessee fails to comply with the maintenance and cleaning requirements set forth herein, Lessor may terminate the Lease with 10-days prior notice, if such failure is not cured or reasonable steps, agreed to by Landlord, taken by Lessee to remedy such failure within the 10 day cure period.

11. **Exterior Maintenance.** Lessee shall be responsible for repair and maintenance of any exterior portions of the Premises and property surrounding the Premises, walkways, stairways, decks, propane tank and Restaurant entries and trash areas reasonably clear of snow and ice.
12. **Insurance.** Lessee shall bear all risk of loss of, damage to, or destruction of the Premises during the Term. Lessee agrees to procure and maintain at all times on and after the Effective Date and during the Restaurant Term a general commercial liability and general restaurant coverage insurance, including coverage for bodily injury, property damage, death and personal injury (employee and contractual liability exclusions deleted), products and completed operations, alcohol liability, and contractual liability (including coverage for the contractual liability of Lessee for performance of the indemnification provisions of this Lease); owner's protective liability, independent contractors and broad form property damage, with limits of not less than One Million Dollars (\$1,000,000.00) each occurrence combined single limit for bodily injury, property damage, business interruption, independent contractors and personal injury and Two Million Dollars (\$2,000,000.00) aggregate for bodily injury and property damage, and for any claims that may be brought in association with the use of the Premises. Lessee shall provide to Lessor evidence of such policy. Lessee's policies shall name Rico Hotel, LLC and TSG Ski & Golf, LLC as additional insureds and provide landlord with a certificate of insurance evidencing the required insurance.

13. **Indemnification and Damages.**

Lessee shall indemnify, defend and hold harmless Rico Hotel, LLC and TSG Ski & Golf, LLC and, their parents, subsidiaries, affiliated companies, agents, employees, representatives, directors, officers, partners and/or shareholders and insurance carriers of and from any and all liability, claims, loss, costs, demands, liens, actions and causes of action whatsoever (including reasonable attorneys' fees and expenses as well as in-house attorneys' fees) arising from or in connection with the use of the Premises, including, without limitation, any loss, damage or injury to person or property, including death.

Lessor shall not be liable for any damages to Lessee for any failure to perform under this Lease. Lessee shall look solely to its own insurance for any damages caused by Lessor or otherwise. In the event the Premises is damaged, due to no fault of Lessee, so that Lessee is unable to continue its business, Lessee's sole remedy shall be to terminate the Lease.

14. **Entire Agreement.** This Lease contains the entire understanding and Lease between the parties respecting the subject matter and supersedes any and all prior Leases or understandings. Any modification to this Lease must be in writing and duly executed by Lessor and Lessee.

15. **Noticing.** All notices required or permitted to be given hereunder shall be in writing and shall be effective if sent by electronic mail to the following e-mail addresses:

Rico Hotel, LLC
ssolomon@tellurideskiresort.com
sreeder@tellurideskiresort.com

Rico High, Inc.
ricobnb@fone.com

16. **Modifications and Waivers .** No change, modification or waiver of any provision of this Lease shall be valid or binding unless it is in writing, dated subsequent to the date hereof and signed by the parties hereto. No waiver of any breach term or condition of this Lease by any party shall constitute a subsequent waiver of the same or any other breach, term or condition.
17. **Governing Law /Venue.** The parties consent and agree that Colorado law shall apply to all disputes concerning this Lease, and any and all legal proceedings relating to the subject matter of this Lease shall be maintained in state courts sitting in San Miguel County, Colorado or federal district courts sitting in the District of Colorado, and the parties further consent and agree that jurisdiction and venue for such proceedings shall lie exclusively with such courts.
18. **Severability.** If any one or more of the provisions contained herein for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
19. **Counterparts and Scanned Copies.** This Lease may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Scanned copies of any party's signature hereon shall be deemed an original for all purposes of this Lease.
20. **Access.** Lessor shall have the right to access the Premises for any reasonable purpose during the Term in such a manner as to not disturb Lessee's operation unless the circumstances require otherwise. Such access shall be to inspect or maintain the Premises.
21. **Authority.** The individuals signing below on behalf of Lessor and Lessee, individually represent and warrant to the each other that they are duly authorized to sign this Lease.
22. **Remedies:** Failure to perform any conditions, covenants or agreements required of tenant, shall give Lessor the right, but not the obligation, to give notice of termination of this Lease agreement, and to take possession of the property and to seek damages from Lessee,

together with unpaid rents and costs of collection.

LESSOR:

RICO HOTEL, LLC, A Delaware limited liability company

Sherril K Raeder
Authorized Signer

1/26/2022
date

LESSEE:

RICO HIGH, INC

Eamonn O'Hara
Eamonn O'Hara, President

1/21/2022 _____
date