

ENTRY NO. 00857422

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ALAN SPRIGGS, SUMMIT COUNTY RECORDER

FEE 0.00 BY SUMMIT COUNTY ENGINEER



**DEVELOPMENT IMPROVEMENTS AGREEMENT
FOR
RICHARDSON FLAT PARK & RIDE PROJECT**

THIS AGREEMENT is made this 18th day of July, 2008, by and between Summit County, a political subdivision of the State of Utah ("the County"), and United Park City Mines Company, a Delaware corporation ("Developer").

RECITALS:

A. Developer is the owner of certain Project situated in the County of Summit, State of Utah, and desires to develop a parking and transportation project thereon known as the Richardson Flat Park & Ride ("Project") which is required of Developer by Park City Municipal Corporation ("PCMC") and which, when completed, will be owned or long-term leased by PCMC. The Project is generally described on Exhibit "A" attached hereto.

B. Developer has submitted Site Improvement Plans for the Project to the County (sometimes referred to as the "Construction Drawings"), and will continue to submit plans for those improvements and landscaping plans as described in the Development Agreement being constructed by the Developer in connection with the Project, collectively the "Site Improvements Plans."

C. The County has approved the Project subject to certain requirements and conditions, which involve the installation and construction of utilities and the improvements shown on the Site Improvements Plan for the Project.

D. To assure completion of the Project, and to establish security for the Project warranty, the Developer has delivered to PCMC an Irrevocable Letter of Credit drawn on Wells Fargo Bank (the "Letter of Credit"), together with an Agreement for Construction of Public Improvements Agreement (the "Improvements Agreement"), copies of which are attached as Exhibit "B".

NOW, THEREFORE, in consideration of the premises and the terms and conditions herein stated and for other valuable consideration, the adequacy of which is acknowledged by the parties hereto, it is agreed as follows:

1. Developer's Guarantee and Warranty

Developer hereby guarantees the installation, as hereafter provided and as necessary to serve the Project, and payment therefore, of all utility lines, storm drainage improvements, and any other improvements described in the Site Improvements Plan. Developer hereby warrants all road improvements and utility improvements constructed or installed by Developer against defects in materials and workmanship for a period of two full year's normal operation after acceptance by the County Engineer or the utility companies of such improvements. To establish security for the foregoing guarantee and warranty, the County shall be added as a beneficiary of the Letter of Credit, and shall be added as a party to the Improvements Agreement (and shall have the same rights as PCMC under the Improvements Agreement) until twenty four months from the date of completion of the improvements and acceptance thereof by the County, as a guarantee should the improvements prove to be defective during said 24-month period. Developer agrees to promptly correct any deficiencies in installation in order to meet the requirements of the plans and specifications applicable to such installation. In the event such installation is not completed according to the specific plans set forth in the Site Improvements Plan, the County shall have the right to cause such work to be done as is necessary to complete the installation in such manner and Developer shall be liable for the cost of such additional work.

2. Water Lines and Sanitary Sewer Collection Lines

- (a) Water and sanitary sewer infrastructure is not a part of this project.

3. Electric, Gas, Telephone and Cable TV Facilities

- (a) At the request of the Developer, Rocky Mountain Power and/or Hunt Electric shall engineer and provide for the installation of all electric distribution lines and facilities required for the Project, and Developer shall pay for such work in accordance with the established charges of Rocky Mountain Power.

- (b) Natural gas infrastructure is not a part of this project.
- (c) Telecommunications infrastructure is not a part of this project.
- (d) Cable television infrastructure is not a part of this project.
- (e) The installation of the electrical facilities is anticipated to be completed concurrent with completion of the Project.

4. Storm Drainage Improvements

- (a) The Developer shall install all storm drainage facilities described in the Site Improvements Plan and in accord with Summit County Ordinance 381-A.

(b) Developer anticipates completing the installation concurrent or in advance of the completion of the Project.

5. Trail Easements

Trails and trail easements are not a part of this project.

6. Roads

As part of the Project, Developer agrees to construct, or to have constructed by PCMC, improvements to the county road presently known as "the old dump road", within the Project, in accordance with the plans and specifications of the Site Improvements Plan. Developer anticipates completion of said road and road improvements construction within two years from the date hereof. Developer agrees to install or to have installed any traffic control signs and standard street name signs as required by the County and to re-vegetate all cuts and fills resulting from construction in a manner which will prevent erosion. The construction of such roads shall be subject to inspection and approval by the County Engineer, and the cost of such inspection shall be Developer's responsibility.

7. Landscaping

Developer shall install or shall cause to be installed by PCMC landscaping in accordance with the Site Improvements Plan and within two years from the date hereof. All such landscaping is subject to approval by the Community Development Director.

8. Weed Control

The Developer agrees to comply with Summit County Ordinance 484 relative to control and elimination of all noxious species of plants as identified within the project boundaries. The Developer further agrees to coordinate with the Summit County weed department, prior to commencement of work, relative to inspections and importations of weed free project materials.

9. Road Cuts

Developer acknowledges that the County has adopted a road cut ordinance, the provisions of which shall apply to the alteration of any road necessitated by the installation of any utilities described in this Agreement.

10. Traffic Control

During the construction of any utilities or improvements described herein, Developer shall be responsible for controlling and expediting the movement of vehicular and pedestrian traffic through and around all construction sites and activity. Such control shall be according to the latest version of the Manual of Uniform Traffic Control Devices.

11. Maintenance and Repair

(a) Developer agrees that it shall repair or pay for any damage to any existing public improvements damaged during the construction of new improvements. The County shall notify Developer within a reasonable time after discovery of any claim hereunder, and Developer shall have a reasonable period of time within which to repair said damage.

(b) At such time as the County Engineer accepts, in writing, the improvements described in the Site Improvement Plan, the Developer shall be released from the obligation and liability to provide maintenance services for the county road or to be responsible for the cost of such maintenance. At such time as the Warranty Period is successfully completed, and/or all required repairs are completed, the Developer shall be released from the obligation to provide further maintenance and/or repairs of any county roads or other improvements completed per the Site Improvement Plan. The County acknowledges that PCMC has assumed responsibility for the operation and maintenance of the park and ride parking lot.

12. Financial Assurances

As indicated above, to insure Developer's performance under this Agreement, (except for the installation of the Sanitary Sewer Collection Lines described in Paragraph 2 above which are to be directly guaranteed to the District with separate financial assurances from Developer), the Developer shall cause the County to be added as a beneficiary of the Letter of Credit, and the County shall be added as a party to the Improvements Agreement and the County shall have the same rights as PCMC under the Improvements Agreement.

As portions of the improvements are completed in accordance with this Development Improvements Agreement, County regulations, and the approved Site Improvements Plan, the Developer may make application to the County Engineer to reduce the amount of the original Letter of Credit. If the Chief Executive Officer of the County is satisfied that such portion of the improvements has been completed in accordance with County standards, they may cause the amount of the Letter of Credit to be reduced by such amount that they deem appropriate (but by an amount that is consistent with the Improvements Agreement), so that the remaining amount of the Letter of Credit adequately insures the completion of the remaining improvements.

13. Default

If Developer shall default in the performance of Developer's obligation hereunder and shall fail to cure such default within thirty (30) days after receipt of written notice from the County specifying the nature of such default (or if such default cannot be cured within the aforesaid period of time, if the Developer shall fail to promptly commence to cure the same and to thereafter diligently proceed with such cure), then the County shall be entitled to undertake such work as may be necessary and appropriate to cure such default and the County shall be reimbursed for the reasonable costs thereof either by

payment of such costs to cure the default within 30 days of delivery of an invoice to Developer or by obtaining funds under the security.

14. Limitation of Liability

No recourse shall be had for any obligation of or default by Developer under this Agreement or for any claim with respect to this Agreement against any partner or joint venturer of Developer or seller of the Project or any other creditor or lender of Developer under any rule of law (including, without limitation, the rule of law that general partners and joint ventures are jointly and severally liable for the indebtedness of a partnership or joint venture, as applicable), contractual provision, statute or constitution or otherwise, it being understood that all such liabilities of the partners or joint ventures of Developer are to be, by the execution of this Agreement by the County, expressly waived and released as a condition of, and in consideration for, the execution and delivery of this Agreement. Nothing contained herein shall constitute a waiver of any obligation of Developer to the County under this Agreement or shall be taken to prevent recourse to or of the enforcement of any rights of the County as against the security posted by the Developer pursuant to this Development Improvements Agreement.

15. Amendment

This Agreement and the Site Improvements Plan referred to herein, may only be amended by written instrument signed by the County and the Developer.

16. Binding Effect

This Agreement and the covenants contained herein shall run with the land and shall be binding upon and shall insure to the benefit of the parties hereto and their successors, heirs and assigns of the Project owners. This Agreement shall be recorded in the Office of the Summit County Recorder and on file with the Department of Community Development. All existing lien holders shall be required to subordinate their liens to the covenants contained in the Development Improvements Agreement.

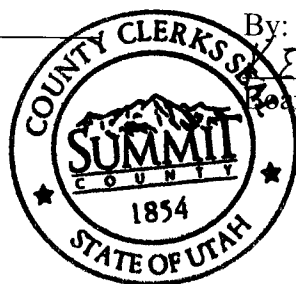
IN WITNESS WHEREOF, the parties have caused this Agreement to be signed the date and year first written above.

APPROVED:

ATTEST:

SUMMIT COUNTY


Summit County Clerk




By:  Chair,
Board of County Commissioners

APPROVED AS TO FORM:


Deputy County Attorney

ACCEPTED:

"Developer": United Park City Mines Company


By: David J. Smith
Its: Authorized Signing Officer

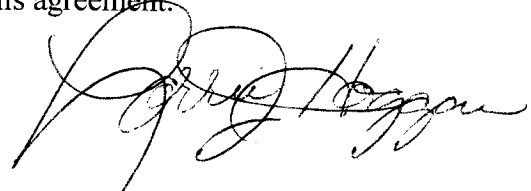
STATE OF UTAH:

County of Summit

Personally appeared before me this 4th date of August, 2008 the following:

David J. Smith
who acknowledged to me that he executed this agreement.

MY COMMISSION EXPIRES 6-3-12
NOTARY PUBLIC
RESIDING IN Oakley, Utah



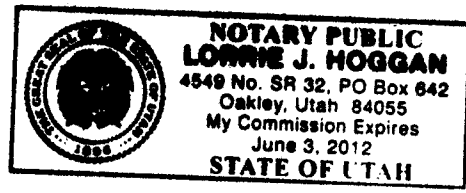


EXHIBIT "A"

S 2 T 2S R 4E THE NE 1/4, THE N 1/2 OF THE SE 1/4 & THAT PORTION LYING S OF THE UPRR CO. R/WIN THE NE 1/4 OF THE SW 1/4 OF SEC 2, T2SR4E, SLBM CONT 249.0 ACRES EXCEPTING THEREFROM THE FOLLOWING BEG AT THE N 1/4 COR OF SEC 2 T2SR4E, SLBM, & RUN TH ALG THE N LINE OF SEC 2, 800 FT TH S 25¹/₂ 13' W 1870 FT M/L TO THE W LINE OF THE NE 1/4 OF SD SEC 2, TH N ALG SD WEST LINE 1700 FT M/L TO THE PT OF BEG CONT 15.5 ACRES BAL 233.50 ACRES LESS 32.43 AC TO EXPRESSWAY PROJECT NF-19 PART OF SS-92-A-X 471-321 BAL 201.07 ACRES

AND

S 1 T 2S R 4E N 1/2 & SW 1/4 SEC 1 T2SR4E SLBM CONT 479.76 AC (LESS 38.33 AC ASSESSED IN WASATCH COUNTY) (LESS APPROX 21.40 AC TO US HWY 40) (LESS 17.18 AC TO WIDENING OF US HWY 40 PROJECT #NF-61) (LESS 22.85 AC 1468-1153 SS-87-B-X) BAL 380.00 AC M/L