

BOARD OF REGENTS

BRIEFING PAPER

1. AGENDA ITEM TITLE: University of Nevada, Reno- Request for Approval of Third Amended Lease Agreement between UNR and the Davidson Academy of Nevada

MEETING DATE: September 11 - 12, 2025

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Pursuant to the Board of Regents Handbook, Title 4, Chapter 10, Section 1(9), Table 9.1, any modification to a lease agreement requires Board approval.

On March 7, 2025, the Board of Regents approved a Second Amended Lease Agreement (the “Lease”) between the University of Nevada, Reno (the “University”) and the Davidson Academy of Nevada (the “Academy”) for the Academy’s continued occupancy of the Jot Travis Building (Exhibit 1).

The Lease stipulated that both parties would confirm the gross square footage of the premises. An audit by University Facilities Services has now been completed. The audit found that previous calculations had incorrectly included building mechanical space, which should be excluded from the leased gross square footage. The parties have agreed on the corrected measurement and seek to amend the Lease accordingly (Exhibit 2).

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Brian Sandoval, President of the University of Nevada, Reno, requests the Board of Regents' approval of the Third Amended Lease Agreement between the University and the Davidson Academy of Nevada.

Additionally, President Sandoval requests that the Board grant the Chancellor authority to execute:

1. The Third Amended Lease Agreement.
2. Any non-material or corrective amendments thereto.
3. Any other ancillary documents required to implement the agreement.

All such documents will be subject to review and approval by the Chancellor and the NSHE Chief General Counsel to ensure they align with the terms approved by the Board of Regents.

4. IMPETUS (WHY NOW?):

Following the completion of the space audit, the Lease must be amended to accurately reflect the square footage of the leased premises.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase access to higher education)**
- Success (Improve student success)**
- Close Institutional Performance Gaps**
 - Workforce (Meet workforce needs in Nevada)**
 - Research (Increase solutions-focused research)**

X Coordination, Accountability, and Transparency (Ensure system coordination, accountability, and transparency)

Not Applicable to NSHE Strategic Plan Goals

6. INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

This amendment reinforces the University's strategic goals by strengthening its long-standing, mutually beneficial partnership with the Davidson Academy. For over two decades, this collaboration has brought gifted students and their families to the region, exposing them to the University of Nevada, Reno. Academy students are integrated into University programs and activities, which enhances the academic environment and brings positive recognition to both institutions.

7. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Strengthens the student recruitment pipeline by attracting gifted students and their families to Reno and the University.
- Protects the University's interests by ensuring an accurate allocation of facility costs based on the Academy's use of campus space.
- Fosters the continued growth of a vital, 20-year partnership that provides substantial benefits to both the University and the Academy.

8. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None have been identified.

9. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

The alternative is to not approve the amendment. This would leave the Lease with an inaccurate description of the premises, which could lead to future disputes regarding space allocation and associated costs.

10. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

The Chancellor's Office recommends approval.

11. COMPLIANCE WITH BOARD POLICY:

Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1(9), Table 1.9
 Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
 Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
 Other: _____
 Fiscal Impact: Yes No _____
Explain: The University will receive monthly O&M payments from Davidson Academy, commencing after expiration of the initial term in December 2027, which will cover expenses and direct costs of their use of space not received previously.

SECOND AMENDED LEASE AGREEMENT

THIS SECOND AMENDED LEASE AGREEMENT (this "Amended Lease"), is made effective as of the 10th day of March, 2025 (the "Amendment Effective Date") by and between the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno (referred to herein as "NSHE," "Lessor" and/or "Landlord," as the context may indicate) and The Davidson Institute for Talent Development, a Nevada non-profit corporation, acting through its unincorporated division, THE DAVIDSON ACADEMY OF NEVADA, a university school for profoundly gifted pupils pursuant to NRS Chapter 388C (referred to herein as "Lessee" and/or "Tenant," as the context may indicate). Lessor and Lessee may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Lessor and Lessee are party to that certain Lease Agreement dated December 20, 2007, as amended by that certain First Amended Lease Agreement dated December 6, 2024 (the Lease Agreement and First Amended Lease Agreement, collectively, the "Lease"), pursuant to which Lessor has leased to Lessee, and Lessee has leased from Lessor, certain real property as more fully defined in the Lease. Unless otherwise defined in this Amended Lease, all capitalized terms used herein shall have the meaning ascribed thereto in the Lease;

WHEREAS the Parties desire to amend the Lease, as provided for herein.

NOW, THEREFORE, Lessor and Lessee, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree to modify, and amend the Lease as follows:

1. **DESCRIPTION.**

The second and third paragraphs of Section 1(a) of the Lease, titled "Premises" and "Joint Use Area," respectively, are hereby deleted in their entirety and replaced with the following:

"Premises: Tenant shall have exclusive use of the portion of the Building outlined in Yellow on the floor plan attached hereto as Exhibit "B" (collectively, the "Exclusive Use Area"). Tenant shall have non-exclusive use of the portion of the Building outlined in Green on the floor plan attached hereto as Exhibit "B" (collectively, the "Mechanical Space") for purposes of storage of Building mechanical equipment and systems. The Exclusive Use Area and Mechanical Space are hereinafter collectively referred to as the "Premises."

Additionally, Exhibit "B" to the Lease is hereby deleted and replaced with the new Exhibit "B" attached to this Amended Lease, and incorporated by this reference. All references in the Lease to the "Joint Use Area" of the Building are hereby replaced with the term "Mechanical Space."

2. EXPANSION.

The third (3rd) paragraph of Section 1(b) of the Lease is hereby deleted in its entirety and replaced with the following:

“In the event space is not available in the Building, Landlord shall determine whether other space on campus, mutually acceptable to the respective parties, is available and Landlord and Tenant shall attempt to negotiate rental terms mutually acceptable to the parties for the space, including Tenant’s payment of costs for relocating Tenant to the space, if necessary, costs for operation and maintenance of the space, costs for relocating University departments to make the space available, also referred to as direct costs under paragraphs 5 and 7 of this Lease for the space, provided, however, notwithstanding any other provision of this Lease to the contrary, during the original term of this and during the period of any extension options exercised by Tenant, Basic Rent shall continue at the rate of one dollar (\$1.00) per year for that amount of space in the relocated venue as was contained in the original JTSU space. Such terms shall be subject to the approval of the Board of Regents.”

3. OPTIONS TO RENEW.

Section 2(B) of the Lease is hereby deleted in its entirety and replaced with the following:

“(B) Options to Renew: Tenant shall have four (4) options to extend the term of the Lease, each for an additional five (5) years (each an “Option Period,” and collectively, the “Option Periods”). Basic Rent during each Option Period shall be continued at the same rental rate of \$1.00 per year (unless Tenant has opted to expand, in which case, paragraph 1(b) shall apply). In the event Tenant desires to exercise any such option, Tenant shall give no less than one (1) year’s prior written notice to Landlord that Tenant is exercising the option.”

4. TERMINATION OF LEASE.

The first sentence of Section 2(C) of the Lease is hereby deleted in its entirety and replaced with the following:

“Notwithstanding anything contained in this Lease to the contrary, Lessor shall have the right to terminate this Lease, effective as of December 6, 2037, upon giving Tenant a minimum three (3) years’ prior written notice of intent to terminate.”

5. FISCAL FUND-OUT.

A new final paragraph is added to the end of Section 2(C) of the Lease as follows:

“Notwithstanding any other provision, term or condition of this Lease to the contrary, but subject to the terms of this Section 2(C), Lessor, pursuant to Article 9, Section 3 of the Nevada Constitution, or any applicable law enacted by the

Nevada legislature, may terminate this Lease in the event any funding authority fails to appropriate funds to enable the obligations of this Lease to be fulfilled. If, for any reason, Lessor's funding from state and/or federal sources is not appropriated or is withdrawn, limited, or impaired, such that sufficient funding is not available to meet its obligations under this Lease, then by written notice to Lessee, Lessor shall be excused from such performance, without any penalty whatsoever, to the extent of such failure to appropriate and for so long as such failure continues. In such event, Lessee shall have the right, but not the obligation, to perform such excused obligations at Lessee's sole cost and expense; provided, to the extent Lessee is then paying Lessee's Share of Operating Expenses and the obligations not performed by Lessor are included in the Recharge Rate (as each such term is defined in Section 5(d)), the Recharge Rate shall be reduced to reflect such obligations not performed. Should Lessee decline to perform such excused obligations, Lessor may, in its reasonable discretion, terminate this Lease upon giving Lessee notice of intent to terminate with an effective date equal to the greater of (i) ninety (90) days from the date of such notice, or (ii) the end of Lessee's then-current academic year. Lessee recognizes and understands that appropriation is beyond the control of Lessor, and Lessor shall not be considered in default of any provision, term, or condition of this Lease by suspending performance and/or terminating the Lease pursuant to this paragraph."

6. RENT.

Section 3 of the Lease is hereby deleted in its entirety and replaced with the following:

"3. RENT.

During the term of this Lease, including any Option Periods, Lessee shall pay to Lessor the following amounts (collectively, "Rent"): (a) basic rent in the sum of One U.S. Dollar (\$1.00) per year (the "Basic Rent"), which Basic Rent Lessee shall pay annually in advance; (b) reimbursement of Direct Costs, as defined in Section 5(c) below; (c) costs and rents as identified in Section 1(b), if applicable; (d) the most favorable standard reserved parking fees for each parking space in the parking area described in Exhibit "C" (the "Parking Fees"), which shall be payable in advance to Landlord annually; and (e) commencing as of December 7, 2027, Lessee's Share of Operating Expenses, as defined in Section 5(d) below, which shall be payable in advance to Landlord in equal monthly installments."

7. UTILITIES AND OTHER SERVICES; OPERATING EXPENSES.

Section 5 of the Lease is hereby deleted in its entirety and replaced with the following:

"5. UTILITIES AND OTHER SERVICES; OPERATING EXPENSES.

(a) Lessor's Obligations.

Except as otherwise provided in this Lease, including without limitation in Sections 2(C), 5(c), 7(a), and 7(b), and as more fully set forth above, during the

term, Lessor shall provide, and shall pay each and every item of cost and expense incurred for, the maintenance, repair, and operation of the Premises, including, without limitation, all Premises equipment, custodial services (subject to Section 5(e) below), plumbing, maintenance, and repair services, along with the following utilities: electric, heating and cooling, water, gas or other fuel or energy, sewer, trash and garbage disposal, and university-standard internet access. Nothing within this Section shall be construed to require Lessor to provide or pay for any alterations or improvements to the Premises (other than those required for the maintenance and repair of the Premises). Lessee shall furnish and pay for any services, supplies, and utilities not described above.

(b) Interruptions in Utilities.

Lessor does not warrant that any utilities or other services provided by any utility company or Lessor will be free from shortages, failures, variations or interruptions caused by repairs, maintenance, replacements, improvements, alterations, changes of service, strikes, lockouts, labor controversies, accidents, inability to obtain services, fuel, steam, water or supplies, governmental requirements or requests, or other causes beyond Lessor's reasonable control (each an "Interruption"). None of the same shall be deemed an eviction or disturbance of Lessee's use and possession of the Premises or any part thereof, or render Lessor liable to Lessee for abatement of Rent, or relieve Lessee from performance of Lessee's obligations under this Lease; provided, however, that in the event any such Interruption shall continue for a period in excess of thirty (30) consecutive days, Lessee's Share of Operating Expenses shall be proportionally abated thereafter until services are restored, to the extent the cost of providing the utility(ies) that is/are the subject of the Interruption is included as a component of the Recharge Rate. Lessor in no event shall be liable for damages by reason of such shortage, failure or variation, including without limitation loss of profits, business interruption or other incidental or consequential damages.

(c) Direct Costs.

Lessee shall be responsible to reimburse Lessor for Direct Costs. "Direct Costs" are defined as those costs Lessor incurs above the normal University operating expenses in connection with Lessee's use of the Premises, including alterations or improvements requested by Lessee (but excluding repairs). Except as may be required by law, the determination of Direct Costs shall be determined in accordance with generally accepted accounting principles, consistently applied at all times. There shall be no charge to Lessee as Direct Cost for the use of the Premises or any other item specified in Section 5(a) above as the responsibility of Lessor unless otherwise stated within this Lease.

(d) Operating Expenses.

Lessee shall pay to Lessor, commencing as of December 7, 2027, and continuing thereafter during the entire remaining term of the Lease, including any

subsequent Option Periods, Lessee's Share of Operating Expenses. "Lessee's Share of Operating Expenses" shall be calculated as the product of the Applicable Gross Square Footage of the Premises, and the then-applicable Recharge Rate (as adjusted pursuant to Section 2(c), Section 5(b) and Section 5(e), if applicable).

(i) The "Applicable Gross Square Footage" of the Premises shall be the sum of (A) the gross square footage of the Exclusive Use Area, and (B) the product of Lessee's Percentage and the gross square footage of the Mechanical Space. Subject to each party's rights under Section 5(d)(iii) below, the parties agree that (x) the gross square footage of the Exclusive Use Area equals 38,800 gross square feet, (y) the gross square footage of the Mechanical Space equals 3,512 gross square feet, and (z) "Lessee's Percentage" equals 31.89 percent, for a total Applicable Gross Square Footage of 39,920 gross square feet.

(ii) The "Recharge Rate" as of March 10, 2025 is nine and eighty-four one hundredths U.S. Dollars (\$9.84) per gross square foot annually. Landlord reserves the right to recalculate the Recharge Rate effective the start of each biennium (e.g., July 1, 2025 and July 1, 2027). The Recharge Rate used to calculate Lessee's Share of Operating Expenses shall be the same Recharge Rate used by Lessor across its Reno campus.

(iii) Square Footage Adjustment. Lessor and Lessee agree that (A) the gross square footage of the Exclusive Use Area and the Mechanical Space, (B) Lessee's Percentage, and (C) the resulting Applicable Gross Square Footage used in this Section 5(d) are all based on Lessor's records and calculations. The parties agree to meet and confer regarding all such items within sixty (60) days of March 10, 2025. In the event the parties agree that any such item is incorrect by an amount not greater than twenty percent (20%) of the values stated above, the parties shall amend this Lease to reflect the agreed upon values. In the event the parties cannot reach an agreement as to the correct values, or, in the event any discrepancy in the above values exceeds twenty percent (20%), Lessee shall have the option to remeasure and/or challenge each of such calculations at Lessee's sole expense (including, without limitation, the proper allocation of square footage between the Exclusive Use Area and the Mechanical Space). If Lessee's calculations differ from the calculations specified above, Lessee may notify Lessor, but must do so within one hundred twenty (120) days after March 10, 2025. If Lessee so notifies Lessor, Lessor may either (y) accept Lessee's calculations, or (z) remeasure or redo its calculations and, if they do not agree with Lessee's calculations, deliver written notice of such disagreement to Lessee within one hundred twenty (120) days after receipt of Lessee's notice. If either party does not timely deliver a notice as described in this paragraph, such party shall be deemed to have mutually accepted the other party's calculations and to have waived any and all rights, claims, or liabilities against the other party as it relates to the calculation of the Applicable Gross Square Footage. If, after timely engaging in the above process, the parties cannot reach agreement on the Applicable Gross Square Footage, the dispute shall be resolved pursuant to Section 9 of this Lease.

(iv) The Board of Regents of the Nevada System of Higher Education expressly delegate authority to the Chancellor of the Nevada System of Higher Education to execute any amendments made pursuant to the above Section 5(d)(iii).

(e) Lessee's Option to Provide Custodial Services.

Notwithstanding anything contained in this Lease to the contrary, Lessee shall have the right, but not the obligation, to provide, at its sole cost and expense, custodial services to the Exclusive Use Area as provided in this paragraph. In the event Lessee elects to provide custodial services to the Exclusive Use Area hereunder, the following shall apply:

(i) Lessee shall provide Lessor not less than ninety (90) days' prior written notice of Lessee's election to provide such custodial services to the Exclusive Use Area;

(ii) Lessee may provide the custodial services either directly or through a third-party vendor reasonably acceptable to Landlord. The parties agree that any proposed vendor under this paragraph must: (1) obtain and maintain any applicable permits and licenses necessary to perform the services; (2) agree in writing to indemnify, defend and hold harmless Landlord, its regents, officers, employees, and agents from and against any and all liabilities, claims, losses, costs, damages, injuries, lawsuits, and/or expenses, including reasonable attorney fees, of any kind or nature whatsoever arising directly or indirectly from any act or omission of the vendor or any of its officers, employees, or agents, in the course of performing the services and/or accessing the Premises; and (3) obtain, maintain and furnish proof of insurance meeting or exceeding the then-existing insurance requirements applicable to other vendors performing a similar type and scope of services on Landlord's campus;

(iii) Whether performed by Lessee directly or through an approved vendor, the custodial services shall be reasonably consistent with the standard, frequency, and quality applicable to custodial services provided by Landlord in the portions of the Building not leased to Lessee hereunder;

(iv) During any portion of an Option Period in which Lessee provides custodial services to the Exclusive Use Area under this paragraph, Lessee's Share of Operating Expenses shall be reduced to remove from the applicable Recharge Rate any costs associated with Landlord's provision of custodial services, but solely as to the gross square footage of the Exclusive Use Area. For the avoidance of doubt, there shall be no similar reduction as to the gross square footage of the Mechanical Space; and

(v) Lessee shall provide Lessor not less than ninety (90) days' prior written notice of Lessee's election, if any, to discontinue providing such custodial services to the Exclusive Use Area."

8. LESSEE'S INSURANCE.

Section 6 of the Lease is hereby deleted in its entirety and replaced with the following:

“6. LESSEE'S INSURANCE.

Lessee shall, at Lessee's sole expense, procure, maintain, and keep in force the following insurance conforming to the minimum requirements specified below. Unless specifically noted herein or otherwise agreed to by the Lessor, the required insurance shall be in effect as of March 10, 2025 and shall continue in full force and effect until this Lease expires or is earlier terminated and Lessee vacates the Premises.

(a) Workers' Compensation Insurance. Lessee shall carry and provide proof of workers' compensation insurance if such insurance is required of Lessee by NRS 616B.627 or proof that compliance with the provisions of Nevada Revised Statutes, Chapter 616A-D and all other related chapters, is not required.

(b) Commercial General Liability Insurance.

- (i) Minimum limits required:
 - \$2,000,000 General Aggregate
 - \$1,000,000 Products & Completed Operations Aggregate
 - \$1,000,000 Personal and Advertising Injury
 - \$1,000,000 Each Occurrence

(ii) Coverage shall be on an occurrence basis and shall cover liability arising from premises, operations, independent contractors, completed operations, personal injury, products, and liability assumed under contract.

(iii) Lessor shall be added as an additional insured on Lessee's liability policy.

(c) Property Insurance. Lessee shall carry property insurance on an all-risk basis for loss to any Lessee's personal property and fixtures, improvements or betterments, and the personal property of others in Lessee's possession in, upon or about the Premises. This coverage shall be written on a replacement cost basis and Lessor shall be named as a loss payee on the policy if Lessee makes any improvements or betterments to the Premises. Lessee further agrees to waive its right of subrogation against Lessor and to require that its property insurer do the same.

(d) Deductibles and Self-Insured Retentions. Insurance maintained by Lessee shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the Lessor. Such approval shall not relieve Lessee from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by Lessor in writing. Lessor

hereby consents to Lessee having a deductible not to exceed \$5,000 per occurrence on any insurance required hereunder.

(e) Waiver of Subrogation. Each required liability insurance policy shall provide for a waiver of subrogation against Lessor. The Commercial General Liability Policy shall provide for a waiver of subrogation in favor of Lessor using ISO form CG 24 04. Lessee's umbrella liability policy, if any, shall also provide for a waiver of subrogation in favor of Lessor, using language as broad as that used on the Commercial General Liability policy. Each Workers Compensation policy shall provide for a waiver of subrogation in favor of Lessor using National Counsel of Compensation Insurance endorsement WC 00 03 13.

(f) Evidence of Insurance. Within thirty (30) days after March 10, 2025 and as reasonably requested by Lessor thereafter, Lessee must provide to Lessor the Accord 25 Certificate of Insurance form or a form substantially similar to evidence the insurance policies and coverages required of Lessee."

9. MAINTENANCE.

The first sentence of Section 7(a) of the Lease is hereby deleted in its entirety and replaced with the following:

"Lessor has general responsibility for the maintenance and repair of the Building and the Premises, with expenses of such being paid in accordance with Section 5 of this Lease."

10. FURTHER IMPROVEMENTS AND ALTERATIONS.

Section 7(d) of the Lease is hereby deleted in its entirety and replaced with the following:

"(d) Further Improvements and Alterations.

(i) Lessee shall not make, or suffer or permit to be made, any alterations, additions, or improvements to the Premises without the prior written consent of Lessor, which shall not be unreasonably withheld, conditioned or delayed. Prior to commencement of any alteration or improvement, Lessee shall prepare plans and specifications of such alterations or improvements and submit same to Lessor. The prepared plans and specifications must receive formal approval from Lessor's Facilities Services Department, which approval shall not be unreasonably withheld, conditioned or delayed,, prior to initiating construction work. All alterations or improvements to be completed by Lessee shall be permitted and inspected by the State Public Works Division, as applicable.

(ii) Lessee agrees that it shall not paint, erect immovable partitions, or install or change any doors or windows, without the prior written consent of the Lessor.

(iii) Lessor reserves the right from time to time at its own expense to make such improvements, alterations, renovations, changes, and repairs in and about the Premises as Lessor shall deem desirable, provided such improvements, alterations, changes, and repairs do not unreasonably disrupt Lessee's use and peaceful enjoyment of the Premises. Lessee shall make no claim against Lessor for abatement of Rent for interference with Lessee's leasehold interest or for loss or damage to its business during such improvements, alterations, renovations, changes, and repairs.

(iv) The parties agree that all erections, additions, fixtures, and improvements made in or upon the Premises by Lessee and remaining upon the Premises at the termination of this Lease by lapse of time or otherwise, shall be Lessor's property, without compensation to Lessee. Lessee may, at its option, remove any such improvements that can be removed without materially injuring the Premises, provided that Lessee repairs any damage to the Premises. Notwithstanding anything contained in this Section to the contrary, however, Lessor may, at its sole discretion, require any erections, additions, fixtures, and improvements made on or after March 10, 2025 and before the end of the Lease term ("New Improvements") to be removed by Lessee upon termination of this Lease unless Lessor agrees otherwise in writing when the New Improvements are made, and Lessee shall remove the same at Lessee's sole expense. If not removed by Lessee within five (5) days' written notice by Lessor, Lessor can, at its sole discretion, remove and dispose of such New Improvements and charge Lessee for such removal and disposal plus a twenty-five percent (25%) administrative fee to coordinate such removal due immediately by Lessee to Lessor.

(v) Lessee's erection, construction, installation, or making of any approved improvements shall be accomplished and completed in a workmanlike manner and in compliance with all applicable University policies, and state, federal, and local laws, regulations, and codes.

(vi) Compliance with Nevada Lien Laws.

Notwithstanding anything to the contrary contained herein, Lessee understands and agrees that any and all improvements made in relation to the Premises must comply with Nevada's construction lien laws, including without limitation NRS 108.2403. Without limiting the generality of the forgoing, Lessee acknowledges that NRS 108.2403 requires Lessee, before causing any work of improvement to be constructed, to record a notice of posted security with the Washoe County Recorder and either (1) establish a construction disbursement account in compliance with NRS 108.2403(1)(b)(1), or (2) record a surety bond for the prime contractor performing the work in compliance with NRS 108.2403(1)(b)(2).

Not less than ten (10) business days before Lessee commences any work with respect to the Premises, Lessee shall notify or cause to be notified Lessor in writing of (1) the expected date of commencement thereof, and (2) the name and

contractor's license number of the prime contractor performing the work. Lessor shall have the right at any time and from time to time to post and maintain on the site on which the work is located, and/or record, such notices as the Lessor reasonably deems necessary to protect the site and Lessor from liens arising out of any work performed, materials furnished or obligations incurred by Lessee or its agents, including, without limitation, a Notice of Non-Responsibility."

11. MECHANICS' LIENS; ENCUMBRANCES.

Section 11 of the Lease is hereby deleted in its entirety and replaced with the following:

"11. MECHANICS' LIENS; ENCUMBRANCES.

Lessee shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee or its agents. If Lessee does not, within thirty (30) days following Lessee's receipt of notice of the imposition of any such lien, cause the same to be released of record, post a bond or take such other action reasonably acceptable to Lessor, it shall be a Lessee event of default under this Lease, and Lessor shall have, in addition to all other remedies provided by this Lease or by applicable law, the right but not the obligation to cause the same to be released by such commercially reasonable means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by Lessor for such purpose, and all costs or expenses incurred by Lessor in connection therewith, shall be payable to Lessor by Lessee within thirty (30) days following written demand."

12. NOTICES.

Section 15 of the Lease is hereby deleted in its entirety and replaced with the following:

"15. NOTICES.

Any notice by either party to the other hereunder shall be in writing and shall be deemed to have been duly given only if delivered personally or sent by registered or certified mail in a postpaid envelope, addressed as follows:

If to Lessee:

The Davidson Institute for Talent Development
c/o The Davidson Group
Post Office Box 4300
Incline Village, Nevada 89450
Attn.: Mark R. Herron
Attn: Matthew F. Maccoby

With a Copy to:
Holland & Hart LLP
5470 Kietzke Lane, Suite 100
Reno, Nevada 89511

Attn: Megan M. Fogarty, Esq.

If to Lessor:

University of Nevada, Reno
Attn: Office of Community & Real Estate Management
1664 N. Virginia St./MS 243
Reno Nevada 89557-0243

With a copy to:

University of Nevada, Reno
Attn: General Counsel
1664 N. Virginia St./MS 550
Reno Nevada 89557-0550

or to such other addressee as may be hereafter designated by written notice in accordance with this paragraph. All such notices shall be effective only when received by the addressee.”

13. FORCE MAJEURE.

Section 29 of the Lease is hereby deleted in its entirety and replaced with the following:

“29. FORCE MAJEURE.

Neither party shall be deemed to be in violation of this Lease if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, governmental restrictions, governmental regulations, governmental controls, act of public enemy, pandemics, epidemics or other outbreaks of diseases or other infections accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms; provided, however, nothing contained in this Section 29 shall (i) excuse Lessee from the timely payment of any Rent or other sum required of Lessee hereunder or (ii) excuse Lessor from the timely payment of any sum required of Lessor hereunder. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the provisions of this Lease after the intervening cause ceases.”

14. EXECUTION

This Amended Lease may be executed in counterparts, and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. The Parties each agree that this Amended Lease may be electronically delivered and executed by electronic signatures (including DocuSign) and the Parties hereto may execute and exchange, by electronic mail, PDF counterparts of the signature pages.

15. CONTINGENCIES

Effectiveness of this Amended Lease is contingent upon approval by (a) the Board of Governors of the Davidson Academy, and (b) the Board of Regents of the Nevada System of Higher Education, in each their sole and absolute discretion. If either the Governing Board of the Davidson Academy or the Board of Regents, in their respective sole and absolute discretion, do not approve the terms hereof, this Amended Lease shall be deemed null and void without the necessity of further documentation and shall be deemed to be of no binding effect whatsoever.

16. REAFFIRMATION

The Parties agree that except as amended herein, the Lease has not been modified or amended in any other regard, and the Lease and all other terms contained therein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year written below.

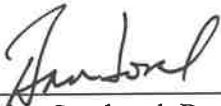
Lessor:

Lessee:

BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, ON BEHALF OF THE UNIVERSITY OF NEVADA, RENO

THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT, A NEVADA NON-PROFIT CORPORATION

Recommended by:



Brian Sandoval, President
University of Nevada, Reno

By: _____

Printed Name: _____


3/7/25

Date

Title: _____

Date: _____

Approved by:



Patricia Charlton, Chancellor
Nevada System of Higher Education

3/10/2025

Date

15. CONTINGENCIES

Effectiveness of this Amended Lease is contingent upon approval by (a) the Board of Governors of the Davidson Academy, and (b) the Board of Regents of the Nevada System of Higher Education, in each their sole and absolute discretion. If either the Governing Board of the Davidson Academy or the Board of Regents, in their respective sole and absolute discretion, do not approve the terms hereof, this Amended Lease shall be deemed null and void without the necessity of further documentation and shall be deemed to be of no binding effect whatsoever.

16. REAFFIRMATION

The Parties agree that except as amended herein, the Lease has not been modified or amended in any other regard, and the Lease and all other terms contained therein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year written below.

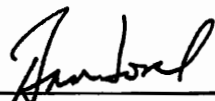
Lessor:

Lessee:

BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION, ON
BEHALF OF THE UNIVERSITY OF
NEVADA, RENO

THE DAVIDSON INSTITUTE FOR
TALENT DEVELOPMENT, A NEVADA
NON-PROFIT CORPORATION

Recommended by:



Brian Sandoval, President
University of Nevada, Reno

By: 

Printed Name: Mark P. Herron


3/7/25

Date

Title: President

Date: 3/10/25

Approved by:



Patricia Charlton, Chancellor
Nevada System of Higher Education

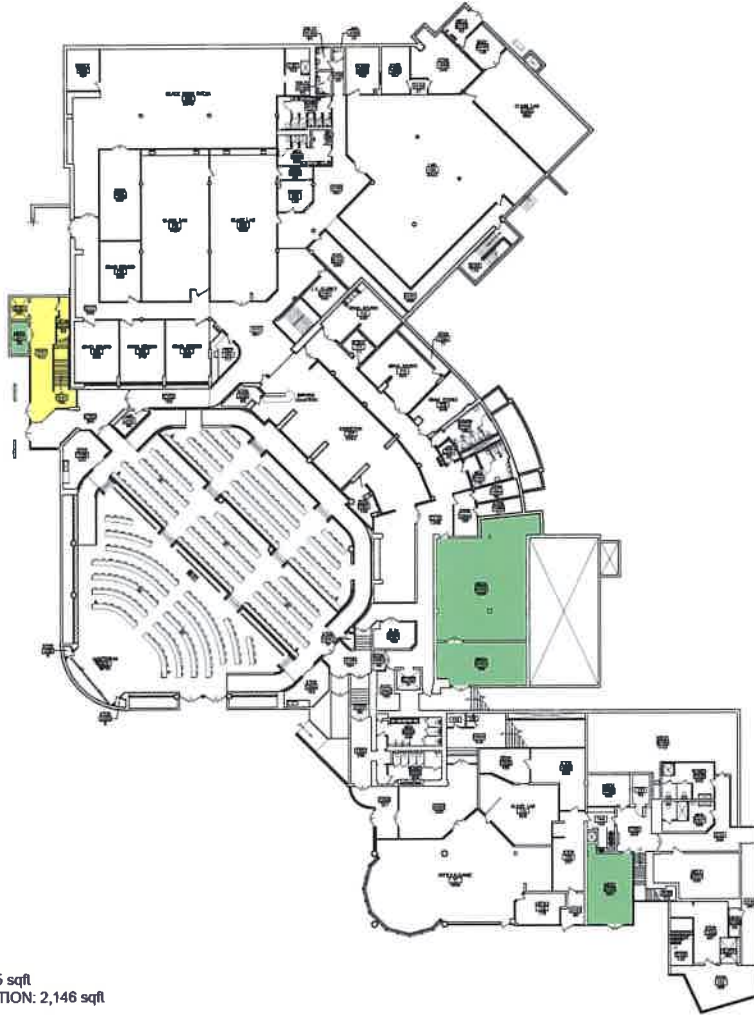
3/10/2025

Date

EXHIBIT "B"
AMENDED FLOOR PLAN

Handwritten signature

Jot Travis Building 1st Floor

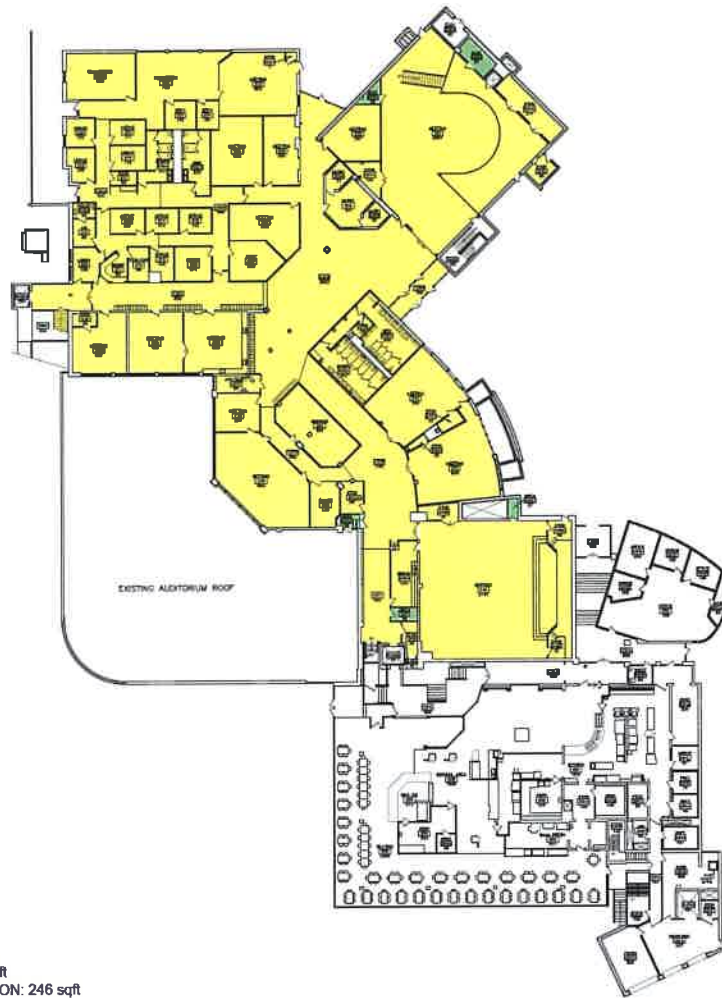


Legend

- DAVIDSON ACADEMY - 956 sqft
- MECHANICAL SPACE - 3,151 sqft
 - DAVIDSON ACADEMY PORTION: 1,005 sqft
 - UNIVERSITY OF NEVADA, RENO PORTION: 2,146 sqft

Date: 2/7/2025

Jot Travis Building 2nd Floor

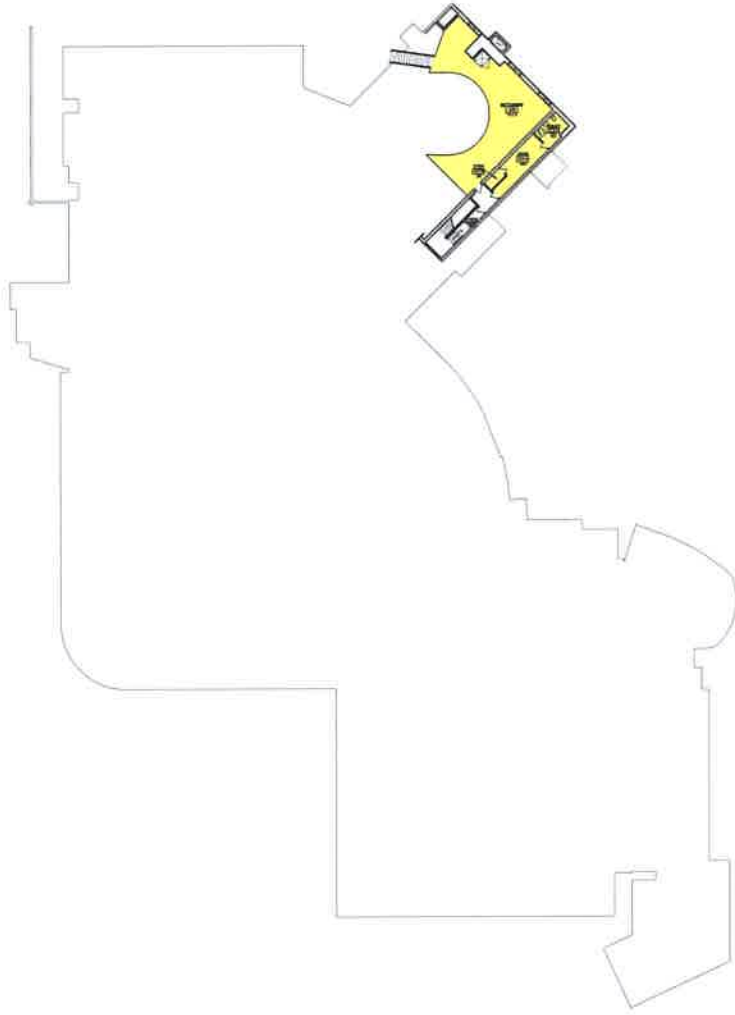


Legend

- DAVIDSON ACADEMY - 35,933 sqft
- MECHANICAL SPACE - 361 sqft
 - DAVIDSON ACADEMY PORTION: 115 sqft
 - UNIVERSITY OF NEVADA, RENO PORTION: 246 sqft

Date: 2/7/2025

Jot Travis Building 3rd Floor



Legend

 DAVIDSON ACADEMY - 1,912 sqft

Date: 2/7/2025

FIRST AMENDED LEASE AGREEMENT

THIS FIRST AMENDED LEASE AGREEMENT (this "Amended Lease"), is made effective as of the 6th day of December, 2024 (the "Amendment Effective Date") by and between the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno (referred to herein as "NSHE," "Lessor" and/or "Landlord") and The Davidson Institute for Talent Development, a Nevada non-profit corporation, acting through its unincorporated division, THE DAVIDSON ACADEMY OF NEVADA, a university school for profoundly gifted pupils pursuant to NRS Chapter 388C (referred to herein as "Lessee" and/or "Tenant"). Lessor and Lessee may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Lessor and Lessee are party to that certain Lease Agreement dated December 20, 2007 (the "Lease"), pursuant to which Lessor has leased to Lessee, and Lessee has leased from Lessor, certain real property as more fully defined in the Lease. Unless otherwise defined in this Amended Lease, all capitalized terms used herein shall have the meaning ascribed thereto in the Lease.

WHEREAS, the Parties desire to amend the Lease, as provided for herein, to modify the period of time in which Lessor can give notice to Lessee of Lessor's intent, if any, not to renew the Lease beyond the initial 20-year term;

NOW, THEREFORE, Lessor and Lessee, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree to modify and amend the Lease as follows:

1. **TERM**

The first sentence of Section 2(C) of the Lease is hereby deleted in its entirety and replaced with the following:

"In the event Lessor gives Tenant written notice of intent to terminate this Lease not later than March 14, 2025, this Lease shall expire at the end of the initial 20-year term."

2. **EXECUTION**

This Amended Lease may be executed in counterparts, and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. The Parties each agree that this Amended Lease may be electronically delivered and executed by electronic signatures (including DocuSign) and the Parties hereto may execute and exchange, by electronic mail, PDF counterparts of the signature pages.

3. **CONTINGENCY**

Effectiveness of this Amended Lease is contingent upon approval by the Board of Regents of the Nevada System of Higher Education in their sole and absolute discretion. If the Board of Regents, in their sole and absolute discretion, do not approve the terms hereof, this Amended Lease

shall be deemed null and void without the necessity of further documentation and shall be deemed to be of no binding effect whatsoever.

4. REAFFIRMATION

The Parties agree that except as amended herein, the Lease has not been modified or amended in any other regard, and the Lease and all other terms contained therein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year written below.

Lessor:

Lessee:

BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION, ON
BEHALF OF THE UNIVERSITY OF
NEVADA, RENO

THE DAVIDSON INSTITUTE FOR
TALENT DEVELOPMENT, A NEVADA
NON-PROFIT CORPORATION

By: 

By: 

Printed Name: Patricia Chariton

Printed Name: Mark R. Herron

Title: Chancellor

Title: President

Date: Nov^{PC} 5, 2024

Date: Nov. 5, 2024

LEASE AGREEMENT

This Lease Agreement ("Lease") is made effective as of the 20th day of December, 2007 by and between the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION (referred to herein as "NSHE" or "Lessor and/or Landlord") and THE DAVIDSON ACADEMY OF NEVADA, a university school for profoundly gifted pupils pursuant to NRS Chapter 392A and a division of the Davidson Institute for Talent Development, a Nevada non-profit corporation (referred to herein as "Lessee and/or Tenant").

RECITALS

A. Pursuant to the terms of a Gift Agreement of even date herewith (the "Gift Agreement") with Lessor and the University of Nevada, Reno Foundation, the Davidson Foundation, Inc. ("Donor") agreed to make a substantial gift to the University of Nevada, Reno Foundation in support of (A) the Robert and Janice Davidson Mathematics and Sciences Center (the "M & S Complex") and (B) the Davidson Academy of Nevada, in support of the relocation of its school for profoundly gifted children (the "Academy") to the Jot Travis Student Union Building on the University of Nevada, Reno Campus (the "Building"). A copy of the gift Agreement is attached hereto as Exhibit A.

B. In order to fully set forth and implement those provisions of the Gift Agreement relating to this Lease and in partial fulfillment of obligations of Lessor set forth in the Gift Agreement and in that certain Agreement Regarding The Davidson Academy of Nevada approved by Lessor on or about December 1-2, 2005, (the "Basic Agreement"), Lessor and Lessee agree as follows:

1. DESCRIPTION.

(a) Lessor hereby leases to Lessee and Lessee hereby hires and leases from Lessor, all that certain real property consisting of the following:

Premises: Tenant shall have exclusive use of the premises of the Building as outlined in Red on the floor plan attached hereto as exhibit "B"

Joint Use Area: The Joint Use Area of the Building is outlined in Green on the floor plan attached hereto as exhibit "B." Tenant shall have exclusive use of the Joint Use Area from 7:00am until 5:00 pm Monday through Friday and at other times as needed to meet the operational needs of the Academy and related, permitted uses, with the approval of Landlord, which approval shall not be unreasonably withheld. Tenant agrees that at all other times Landlord may use this Joint Use Area for university related activities at no cost to Landlord. Such use shall be subject to policies and procedures to be developed from time to time by Landlord and Tenant, such policies and procedures approved by the President of the University and the Director of the Academy.

Parking:

Tenant shall have the exclusive use from 7:00am to 5:00pm, Monday through Friday and at other times as needed to meet the operational needs of the Academy and related, permitted uses, with the approval of Landlord, which approval shall not be unreasonably withheld, and excluding evening and weekends of University sporting events, of the parking area as outlined in Blue on the site plan attached as Exhibit "C" (the "Parking Area"). This area shall be for picking up and dropping

off of students and visitors and for Tenant employee and visitor parking. In order to avoid disruptive traffic congestion on Landlord's surrounding property and adjacent public streets, Landlord will provide a student drop-off and pick-up area at a mutually agreed location on campus, with sufficient access for vehicles to facilitate morning drop-off and afternoon pickup by parents of students. Tenant will separately contract with the NSHE (or a third party, at its option) for shuttle bus service to the drop off and pick up area. Any improvements made to such drop off and pick up area shall be set forth in a separate agreement, which agreement may be subject to the approval of the Board of Regents. Costs related to such drop off and pick up area shall be at Tenant's sole expense, and shall be paid for from funds separate from any improvement/gift dollars within this lease or referenced gift agreement,

Tenant's employees shall have the non exclusive right to park in the permitted parking lots of the University. Tenant and/or Tenant's employees shall be responsible for purchasing parking permits with the same rights as Landlord's employees and students as stated in paragraph 4b.

(b) Expansion:

If additional space becomes available within the JTSU building after January 1, 2012 and the University of Nevada, Reno elects not to use such additional space, Landlord agrees to give Tenant the right of first refusal on the space with rent and terms mutually acceptable to both Landlord and Tenant, including Tenant's payment of costs for remodeling the space, if necessary, and costs for operation and maintenance of the space, before offering such space to any third party outside the University of Nevada, Reno or the Nevada System of Higher Education .. Such terms shall be subject to the approval of the Board of Regents.

At any time after January 1, 2012, Tenant may give Landlord three (3) years written notice if its desire to expand its space in the building. If, in Landlord's sole discretion, Landlord determines space is available in the Building, Landlord and Tenant shall attempt to negotiate rental terms mutually acceptable to the parties for the expansion space, including Tenant's payment for costs of remodeling the space, if necessary, and costs for operation and maintenance of the expansion space, it being the intent of the parties that the rental terms for the original space shall remain as provided above. Such terms shall be subject to the approval of the Board of Regents.

In the event space is not available in the Building, Landlord shall determine whether other space on campus, mutually acceptable to the parties, is available and Landlord and Tenant shall attempt to negotiate rental terms mutually acceptable to the parties for the space, including Tenant's payment of costs for relocating Tenant to the space, if necessary, costs for operation and maintenance of the space, costs for relocating University departments to make the space available, also referred to as direct costs under paragraphs 5 and 7 of this Lease for the space, provided, however, notwithstanding any other provision of this Lease to the contrary, during the original term of this Lease and during the period of any extension options exercised by Tenant, rent shall continue at the rate of one dollar (\$1.00) per year for that amount of space in the relocated venue as was contained in the original JTSU space. Such terms shall be subject to the approval of the Board of Regents.

If additional Land, at the sole discretion of Landlord, is available immediately adjacent to the premises, Landlord may permit Tenant to develop expansion space for Tenant's expansion. Such

cost, expense and continued operations as well as any other expenses that may be incurred shall be at the sole expense of Tenant and Landlord shall have no monetary or any other obligations to Tenant for expansion space whatsoever. Such amendment to this lease for such expansion shall be conditioned on approval of the Board of Regents and shall be for the existing term herein and shall not have any additional extensions unless approved solely by Landlord following its rules and procedures for such. Tenant shall fully gift to Landlord any property developed on the above mentioned land at such expiration or termination of this Lease.

2. TERM.

(A) **Initial Term: Twenty (20) years** from the effective date of this Agreement, December 7, 2007.

(B) **Options to Renew:** Four (4) additional Five (5) Year Options.

Options will be continued at the same rental rate of \$1.00 per year (unless Tenant has opted to expand and terms listed under paragraph 1b expansion will prevail thereafter).

In the event Tenant desires to exercise any such option, Tenant shall give 1 year written notice to Landlord that Tenant is exercising the option.

(C) **Termination of Lease:**

In the event Lessor gives Tenant a minimum 3 year written notice of intent to terminate this Agreement, this Agreement shall expire at the end of the initial 20-year term.

Tenant shall have the right to terminate this lease at anytime with One Hundred Eighty (180) day prior written notice to Landlord of its intent to terminate.

Upon termination, as listed above, Landlord and Tenant shall no longer have any obligation or liability to each other thereafter.

Either party may terminate this Agreement in the event the other party breaches a material provision of the Agreement and does not cure such default within thirty (30) calendar days after written notice from the other party specifying the default and stating in detail how such default may be cured; provided that, if the default is of a nature such that it cannot reasonably be cured within such thirty (30) calendar days, the defaulting party shall commence the cure as soon as reasonable and prosecute it diligently to completion within a reasonable period not to exceed one hundred twenty (120) calendar days from the date of notice of breach. Moreover, if the party alleged to be in default claims in good faith that it is not in default or that such default has been or will be cured as permitted hereby and submits such dispute to the dispute resolution process set forth in section 9 below, both parties shall continue to perform under this Agreement as if not terminated until the dispute is resolved pursuant to section 9 either by settlement or by arbitration (or the arbitrator issues a determination that this Agreement has been terminated.) In determining whether a breach gives rise to a right to terminate, the standard shall be whether the breach is of such a nature to permit termination pursuant to applicable principles of Nevada Law.

3. RENT.

During the term of this Lease, Lessee shall pay, in advance, to Lessor rent ("Basic Rent") in the sum of One and 00/100 Dollars (\$1.00), per year (which Lessee may pay in advance for the entire initial lease term), plus reimbursement to Lessor of any Direct Costs as defined in Section 5 below or costs and rents as identified in Section 1B (expansion). In addition, Lessee shall pay the most favorable standard reserved parking fees for each parking space in the parking area described in Exhibit "C" on an annual basis ("Parking Fees").

4. USE OF PREMISES.

- (a) Lessee shall use and occupy the Premises for the purposes of the Academy and uses related thereto. Lessee may also use and occupy the Premises for purposes reasonably related to services for profoundly gifted children. While on campus, all students and staff of Academy shall conform to all rules and policies regarding on-campus activities and practices. In addition, all activities shall be conducted in compliance with the University policies as set forth in the NSHE Board of Regents Handbook. The Academy shall have the right to impose discipline upon its students and staff, provided that the University, through its president, maintains the right to withdraw consent for students or academy staff to be on campus. Lessee shall comply with any and all governmental laws, ordinances, rules and orders applicable to Lessee's occupation or the use of the Premises or to Lessee's business.

Lessee shall be responsible for all costs associated with obtaining all business licenses or permits for the use and occupancy of the Premises and for the conduct of its business. Lessee shall not use the Premises in any manner that will constitute waste, nuisance, violation of laws/statutes of the city, state or federal authority or promote or participate in unreasonable annoyance to owners or occupants of adjacent properties. Lessee shall be free to operate and use the Premises and conduct its activities at the Premises pursuant to its own rules, procedures and policies (including without limitation policies concerning its students, faculty and other staff and security of the Premises)

(b) Except as expressly limited by this Lease, Lessee shall have full control over the parking areas within the area outlined in Blue on the attached site plan Exhibit "B". Without limiting the foregoing, Lessee shall have full right to designate the use of all parking spaces therein for students, parents, visitors, non-employees, and the like. Lessor shall provide traffic enforcement services in the parking area and shall maintain the parking area in good condition throughout the lease term. Employees of Lessee who wish to use on-campus parking shall be responsible for buying a parking permit. They shall have the same rights as Lessor's employees and students to utilize Lessor's other parking facilities.

5. DIRECT COSTS AND LESSOR'S OBLIGATIONS REGARDING UTILITIES AND OTHER SERVICES.

- (a) Lessor's Obligations.

Except as hereafter provided as to Direct Costs, and as more fully set forth above, Lessor

shall pay all expenses of the Premises, including, without limitation, each and every item of cost and expense incurred for the maintenance, repair, operation, and use of the Premises, including, without limitation, the cost of all direct labor, materials, service contracts, equipment, and janitorial service, and charges and connection fees for utilities, HVAC, sewage, trash and garbage disposal, internet use and connection, electricity, water, and gas or other fuel or energy furnished to Lessee or consumed by it upon the Premises. Lessee shall pay the costs associated with its telecommunications infrastructure, system, and usage.

(b) Direct Costs

Lessee shall be responsible to reimburse Lessor only for "Direct Costs". "Direct Costs" are defined as those costs Lessor incurs above the normal University operating expenses in connection with Lessee's use of the Premises. Except as may be required by law, the determination of Direct Costs shall be determined in accordance with generally accepted accounting principles, consistently applied at all times. There shall be no charge to Lessee as Direct Cost for the use of the Premises, and any other item specified in Section 5(a) above unless otherwise stated within this agreement. Each of the foregoing are considered part of University overhead and administrative charges and there shall be no charge to Lessee for the use thereof.

6. LESSEE'S INSURANCE.

Lessee shall, at Lessee's sole expense, procure, maintain, and keep in force for the duration of the Lease the following insurance conforming to the minimum requirements specified below. Unless specifically noted herein or otherwise agreed to by the Lessor, the required insurance shall be in effect at commencement of the Lease and shall continue in force as appropriate until the lease expires and Lessee vacates the premises.

Workers' Compensation and Employer's Liability Insurance

Lessee shall carry and provide proof of workers' compensation insurance if such insurance is required of Lessee by NRS 616B.627 or proof that compliance with the provisions of Nevada Revised Statutes, Chapter 616A-D and all other related chapters, is not required.

Commercial General Liability Insurance

a. Minimum limits required:

\$1,000,000 General Aggregate

\$1,000,000 Products & Completed Operations Aggregate

\$1,000,000 Personal and Advertising Injury

\$1,000,000 Each Occurrence

b. Coverage shall be on an occurrence basis and shall be at least as broad as ISO 1996 form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, completed operations, personal injury, products, and liability assumed under contract.

Deductibles and Self-Insured Retentions: Insurance maintained by Lessee shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the Lessor. Such approval shall not relieve Lessee from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by NSHE Risk Manager.

Approved Insurer: Each insurance policy shall be:

- a. Issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made, and
- b. Currently rated by A.M. Best as "A- IX" or better.

Evidence of Insurance: Prior to the start of the Lease, Lessee must provide the following documents to the Lessor:

- a. Certificate of Insurance: The Accord 25 Certificate of Insurance form or a form substantially similar must be submitted to the Lessee to evidence the insurance policies and coverages required of Lessee.
- b. Policy Cancellation Endorsement: Except for ten (10) days notice for non-payment of premium, each insurance policy shall be endorsed to specify that without sixty (60) days prior written notice to the Lessor, the policy shall not be canceled, non-renewed, or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to the address specified herein.

Waiver of Subrogation: Lessee and Lessor shall have no liability to one another, or to any insurer, by way of subrogation or otherwise, on account of any loss or damage to their respective property, the premises or its contents, or the building regardless of whether such loss or damage is caused by the negligence of Lessee or Lessor, arising out of the peril or casualties insured against by the property insurance policies carried, or required to be carried, by the parties pursuant to this Lease. The insurance policies obtained by Lessee or Lessor pursuant to this Lease shall permit waivers of subrogation which the insurer may otherwise have against the non-insuring party. In the event the policy or policies do not allow waiver of subrogation prior to loss, either Lessee or Lessor shall, at the request of the other party, deliver to the requesting party a waiver of subrogation endorsement in such form and content as may reasonably be required by the requesting party or its insurer.

Access: Lessee agrees to provide Lessor and its insurer access and authority to investigate on site and to obtain such information from Lessee as may be required to defend the Lessor and its officers or employees from claims or litigation arising from activities under this Lease.

7. MAINTENANCE OF PREMISES; DAMAGE TO PREMISES; ALTERATIONS TO PREMISES.

(a) Maintenance.

Lessor has general responsibility for the maintenance and repair of the Building and the Premises. Lessee shall keep the Premises in good order and condition, as it was on the Occupancy Date (the date Tenant occupies the Premises for operation), excepting ordinary wear and tear, damage by fire and other casualties and maintenance and repair. Lessor shall keep the glass of all windows and doors clean, immediately repair and replace broken glass on the property, make all necessary repairs to or replacements of all door closure apparatus and mechanisms, provide and replace light bulbs, keep all plumbing and other systems (including air conditioning and heating, as well as utilities within the Premises) clean and in a good state of repair. Lessor shall also maintain any exterior landscaping, inside and outside lighting, and reasonable painting in the Building and the parking area of the Premises per university standards. Lessor shall be responsible, at its cost, for the repair, maintenance, and replacement of the floor slabs, roof, exterior walls, foundation and all other items that constitute structural components of the building in which the Premises are located. Lessor shall also be responsible for any capital expenditures, such as the replacement of any components of building systems, including but not limited to, the electrical, mechanical and plumbing systems. Notwithstanding anything to the

contrary herein, Lessee shall be responsible for any costs of any repair, maintenance and replacement to the extent of damage caused by Lessee's or Lessee's employees, students, invitees and/or agents gross negligence or willful misconduct.

(b) Damage to Premises.

In the event of any damage or destruction to the Premises during the lease term, Lessor shall restore the Premises to their condition immediately prior to such damage and destruction, and this Lease shall continue in full force and effect, unless such damage or destruction is caused by the gross negligence or willful action of Lessee or its employees, students, invitees, and/or agents in or on the Premises, in which case Lessor shall still have the obligation to restore the Premises upon receipt from Lessee of a commitment of the funds necessary to complete such restoration of the Premises to the extent of the damage or destruction for which Lessee is responsible. The parties acknowledge that Lessor is self-insured.

(c) Improvements.

Landlord shall deliver the Premises in the condition described within the construction drawing dated _____ approved by both Landlord and Tenant and attached hereto as Exhibit "D". Tenant has reviewed the work letter attached hereto as Exhibit "D1" and agrees that these are the approved and final plans and any additional improvements/change orders not included in these plans, which increase the total cost of construction beyond \$5 million dollars, will be an additional cost to the Tenant. . Lessor will contract for all of the Improvements and obtain all permits and otherwise complete the Improvements entirely at Lessor's expense within the contract bid above attached hereto as Exhibit D2, subject to Lessee's right to reasonably approve the contractor and general contractor and the general contract, including, within reasonable standards based on local customary business practices, the proposed dates of completion. Funds to pay for all Improvements shall be allocated from the Gift Agreement funds up to \$5 million dollars. Tenant agrees the maximum funds to be spent out of the gift agreement for improvements to Tenant's space shall be \$5 million dollars.

(d) Further Improvements and Alterations.

Lessee shall have the right, at its own expense, subject to the prior written approval of Lessor (and subject to reasonable steps against mechanic's and materialman's liens), to make improvements and non-structural changes to the Premises beyond the Improvements (and this section applies only to such additional improvements and changes). Any such approval shall not unreasonably be withheld or delayed. No such work shall be commenced or carried on which will structurally alter the building or damage or undermine its support. All work to be performed by Lessee shall be performed in a good and workmanlike manner by contractors and subcontractors licensed to do business in the state of Nevada and to protect Lessor and its interests, free of any liens for labor and materials. Lessee agrees to indemnify Lessor and hold it harmless against any loss, liability, or damage resulting from such work. Further, all additions, improvements, and alterations made by Lessee in and upon the Premises during the term of this Lease shall become and remain the property of Lessor if not removed prior to the end of the Term. Lessee shall obtain all required permits and comply with all applicable laws when performing any such work. Lessee shall also provide insurance related to such construction reasonably required by

Lessor. Lessee may remove any such improvements or changes that can be removed without materially injuring the Premises, provided that Lessee repairs any damage to the Premises.

8. DEFAULT OF LESSEE.

Any of the following events shall be a default of Lessee: (a) Lessee's default in the payment on the due date of the rent and/or any other payment required of Lessee by this Lease, unless Lessee shall cure such default within ten (10) days after written notice of failure to pay when due such monthly rent and/or other payment required of Lessee hereunder; (b) Lessee's abandonment of the Premises and the failure to occupy the Premises within thirty (30) days after written notice from Lessor claiming abandonment; (c) Lessee's default in the performance of any of the other covenants of Lessee or conditions of this Lease, unless Lessee shall cure such default within thirty (30) days after notice of such default, provided that, if such default is of such nature that it cannot be completely cured within such period, Lessee shall not be in default if Lessee shall commence such curing within thirty (30) days after notice of such default and shall thereafter diligently and in good faith proceed and continue to cure such default and shall succeed in curing such default within a reasonable period of time, not to exceed one hundred eighty (180) days; (d) Lessee's failure to make the payments required under the Gift Agreement; (e) a general assignment for the benefit of Lessee's creditors, or the appointment of a receiver of any property of Lessee or of Lessee's leasehold hereunder in any action, suit or proceeding by or against Lessee if such appointment shall not be vacated or annulled within thirty (30) days, or if the interest of Lessee in the Premises shall be sold under execution or other legal process; (f) the sale or attempted sale by or under execution or other legal process of Lessee's leasehold interest hereunder and/or substantially all of Lessee's other assets; and/or (g) assignment by operation of law of Lessee's leasehold interest hereunder other than pursuant to the federal bankruptcy laws, Title 11 USC. No notice given by Lessor pursuant to this paragraph shall be deemed a forfeiture or termination of this Lease unless Lessor so expressly elects in the notice.

9. DEFAULT; DISPUTE RESOLUTION.

(i) The parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement or the transactions or arrangements arising out of or relating to this Agreement. The complaining party shall give the other party written notice of any dispute. Within ten (10) business days after receipt of said notice, the complaining party shall submit to the other party a written position statement. The statements of the complaining party's position shall include the claims of that party's position and a summary of the evidence and arguments supporting such position. Within ten (10) business days after receipt of such position paper, the responding party shall submit to the complaining party a written position paper. The statement of the responding party shall include a response to the complaining party's position and a summary of the evidence and arguments supporting the responding party's position. The parties shall meet at a mutually acceptable time and place within ten (10) business days after the due date of the responding party's papers. If the matter has not been resolved pursuant to the aforesaid negotiation procedure within ten (10) business days of the first meeting, the controversy will be submitted for mediation. The parties shall agree on an acceptable mediator from a reputable business mediation service and work in good faith with such mediator toward resolution. The foregoing will not prevent a party from seeking immediate equitable relief in any court of competent jurisdiction to prevent irreparable harm or otherwise obtain preliminary relief or remedies ("Excepted Court Matters").

(ii) If the parties fail to resolve the dispute by mediation, the complaining party may then initiate the arbitration process by sending a demand for arbitration to the other party. Discovery shall be available in any such proceeding to the same extent as would be available in a State Court of the State of Nevada, subject to limitations the arbitrator may place in order to avoid undue delay or burden. Nothing in this paragraph shall prevent a party from filing Excepted Court Matters.

(iii) Within a reasonable time after the date that a demand for arbitration has been sent, but in no event more than 30 days after the date a demand has been sent, the parties shall mutually agree in writing on a particular arbitrator.

(iv) Within fifteen (15) business days of the date the arbitrator is chosen, or on the first available date thereafter on the arbitrator's calendar, a scheduling conference will be held either in person or by telephone. At such scheduling conference, pre-arbitration depositions, discovery and a projected date for the arbitration hearing shall each be scheduled. The arbitration hearing shall take place at Reno, Nevada or any other location mutually agreeable to the parties.

(v) The arbitrator shall determine the prevailing party and shall order any and all relief of an equitable nature, including without limitation such relief as a temporary restraining order, a temporary injunction, or a permanent injunction, and may also award damages, with or without an accounting and costs. The arbitrator shall include in any award the prevailing party's attorneys' fees and costs (at actual cost unless patently unreasonable). The decree of judgment of an award rendered by the arbitrator may be entered in any court of appropriate jurisdiction in the State of Nevada and each party consents to personal jurisdiction of such court over such party with respect to such matters.

(vi) In any action permitted by Section 7(G)(vii), the prevailing party shall be entitled to attorneys' fees, costs, and necessary disbursements (at actual cost unless patently unreasonable) in addition to any other relief to which that party may be entitled.

(vii) No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by either party except (a) an action to compel arbitration pursuant to this Section; (b) an action to enforce an award obtained in an arbitration proceeding in accordance with this Section; or (c) Excepted Court Matters. Without limiting the scope or effectiveness of this foregoing, each party hereby consents to the exclusive jurisdiction of the state and federal courts sitting in Reno, Nevada or the federal district in which Reno is located for any judicial action that may properly be brought under or in connection with this Agreement or the transactions contemplated by this Agreement. Each party further agrees that personal jurisdiction over it may be effected by personal service of process.

10. RIGHT TO CURE DEFAULTS.

If either party fails to perform any covenant or condition of this Lease, the other party may, on thirty (30) days advance written notice to the breaching party (except that no notice need be given in case of emergency), cure such default at the expense of the breaching party and the reasonable amount of all expenses, including, without limitation, attorneys' fees, incurred by the non-breaching party in so doing shall be deemed payable on demand of the non-breaching party. The breaching party also agrees to pay interest to the non-breaching party on any sums

expended by the non-breaching party to cure such default at the rate equal to the prime rate plus one percent (1%) per annum from the date of payment by the non-breaching party until repaid.

Lessor represents to Lessee that at commencement of this Lease, there will be no hazardous substances in, on or about the Premises.

11. MECHANICS' LIENS/ENCUMBRANCES.

Each party shall keep the improvements and the Premises free and clear of all mechanics' liens, encumbrances, or security interest which result from any work, labor, material, equipment, services furnished to or for that party. A party breaching this provision shall, within fifteen (15) days after written notice from the other party, discharge or satisfy by bonding, cash or surety, (in the full amount of the claim, including fees and costs, and in full compliance with Nevada law), any mechanics' liens, encumbrances, security interest or other liens for equipment, materials, labor, goods or services claimed to have been furnished to the Premises by or on behalf of such party.

12. ASSIGNMENT; SUBLETTING.

This Agreement may not be assigned and Tenant may not sublet any of the rented areas without the prior written consent of the Lessor, which consent shall not be unreasonably withheld, and without the approval of the Board of Regents.

13. SURRENDER.

When this Lease shall terminate in accordance with the terms hereof, Lessee shall deliver up possession of the Premises to Lessor without notice from Lessor other than as may be specifically required by any provision of this Lease. Lessee expressly waives the benefit of all laws now or hereafter in force requiring notice from Lessor with respect to termination. Subject to Lessor's maintenance and repair obligations as set forth herein, Lessee shall deliver up possession of the Premises (including the improvements thereon) in as good a condition as they are in when Lessee takes possession of the same, ordinary wear and tear excepted. Lessee shall, no later than five (5) days before the last day of the term of this Lease, at Lessee's expense, (i) remove from the Premises all personal property of Lessee, (ii) remove from the Premises all fixtures and signs of Lessee, (iii) remove any alterations, additions or improvements made by Lessee that Lessee is allowed to remove and elects at its option to remove and (iv) repair all injury or damage done to the Premises by or in connection with installation and/or removal of any and all personal property, fixtures, alterations, additions and/or improvements of Lessee, and Lessee, at its cost, shall restore the Premises to the same condition it was in at the time of commencement of this Lease, ordinary wear and tear and the obligations of Lessor to repair and maintenance excepted. In the event that Lessee does not remove any personal property, fixtures, signs as hereinabove required, Lessor shall provide Lessee with a written list of such items. In the event that Lessee does not thereafter remove such items within ten (10) days of such written notice and list, Lessee shall be conclusively deemed to have abandoned such items and such items may be kept or removed by Lessor. Lessee shall reimburse Lessor for the cost of such removal and repair and restoration of any injury or damage resulting from removal. Lessor may, at Lessor's sole discretion, have any such personal property or fixtures stored at Lessee's risk and expense, but shall not be required to do so after such Ten (10) day notice period above.

14. QUIET ENJOYMENT.

Lessor covenants that if, and so long as, Lessee is not in material default hereunder, Lessor shall do nothing to affect Lessee's right to peaceable and quietly have, hold and enjoy the Premises for the term herein provided, subject to the provisions of this Lease.

15. NOTICES.

Any notice by either party to the other shall be in writing and shall be deemed to have been duly given only if delivered personally or sent by registered mail or certified mail in a postpaid envelope, addressed as follows:

If to Lessee: The Davidson Foundation, Inc.
 c/o The Davidson Group
 Attn.: Mark Herron
 Davidson Academy of Nevada
 Post Office Box 4300
 Incline Village, Nevada 89450

With a Copy to:

Michael J. Melarkey, Esquire
Avansino, Melarkey, Knobel & Mulligan
4795 Caughlin Parkway, Suite 100
Reno, Nevada 89519

If to Lessor: Board of Regents of the Nevada System of Higher
 Education
 c/o Mary Phelps Dugan, General Counsel
 University of Nevada, Reno
 2601 Enterprise Road
 Reno, Nevada 89512

or to such other address as Lessee or Lessor, respectively, may designate by written notice in accordance with this paragraph. Notice shall be deemed to have been effective and duly given, if delivered personally, on delivery thereof, and if mailed, upon the fifth (5th) day after mailing thereof. Any notice to terminate Lessee's possession shall be given pursuant to statute.

16. AMENDMENTS

This Agreement may only be amended in writing by the mutual consent of the parties; all amendments are contingent upon the approval of the Board of Regents of the Nevada System of Higher Education.

17. ENTIRE AGREEMENT.

This Lease agreement, including all exhibits and schedules referenced herein and attached hereto, constitutes the entire agreement between the parties hereto, pertaining to the subject matters hereof, and it supersedes all negotiations, preliminary agreements, and all prior and

contemporaneous discussions and understandings of the parties in connection with the subject matters hereof. Except as otherwise expressly provided herein, no covenant, representation, promise or condition not expressed in this Lease agreement, or in an amendment hereto made and executed in accordance with this Lease agreement, shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Lease agreement.

18. APPLICABILITY TO HEIRS, ASSIGNS AND SUCCESSORS.

The provisions of this Lease shall apply to, bind and inure to the benefit of Lessor and Lessee, and their respective heirs, successors, legal representatives and assigns.

19. WAIVER.

Each party agrees that the failure of the other party in one (1) or more instances to insist upon strict performance or observance of one (1) or more of the covenants or conditions hereunder or to exercise any rights, remedies, privileges, or option provided by law or in equity, or provided or reserved to such party in this Lease, or any other agreement, shall not operate or be construed as a relinquishment or waiver for the future of such covenant or condition or of the right to enforce the same or to exercise such right, remedy, privilege or option, but rather, the same shall continue in full force and effect. The receipt and acceptance by Lessor, and the payment by Lessee, of rents and/or additional rents and/or any other payments hereunder, or any part or portion thereof, shall not be a waiver of any other rents and/or additional rents and/or any other payments hereunder, or any part or portion thereof, and such receipt and acceptance by Lessor or payment by Lessee, even though with knowledge on the part of Lessor or Lessee of such breach or any other breach. The receipt and acceptance by Lessor of delinquent rent shall not constitute a waiver of any default, but it shall constitute only a waiver of timely payment of the particular monthly rental payment due, and shall not prevent Lessor from enforcing, in the future, timely payment of rent. No waiver by either party of any of the provisions of this Lease, or of any of that party's rights, remedies, privileges or options under this Lease, shall be deemed to have been made unless the party specifies such waiver in writing. If Lessor shall consent to the assignment of this Lease or to a subletting of all or a portion of the Premises, or if any such assignment or subletting may be made hereunder without Lessor's consent, no further assignment or subletting shall be made without the prior written consent of Lessor. This provision with respect to an assignment or subletting without Lessor's consent shall not constitute a waiver, nor in any way lessen Lessor's rights and remedies with respect to an assignment or subletting made without Lessor's consent.

20. GOVERNING LAW.

This Lease agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

21. SEVERABILITY.

If any paragraph, subparagraph or other provision of this Lease agreement, or application of such paragraph, subparagraph or provision is held invalid, then the remainder of the Lease agreement, and the application of such paragraph, subparagraph or provisions to persons, parties or circumstances other than those with respect to which it is held invalid shall not be affected thereby.

22. PARAGRAPH HEADINGS.

The paragraph and subparagraph headings in this Lease and position of its provisions are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions. The words "hereof," "herein," "hereunder" and words of similar import refer to this Lease agreement as a whole, and the word "including" means including, without limitation.

23. INTERPRETATION.

In the event any claim is made by either party relating to any conflict, omission or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of which party initially drafted this Agreement and it shall be deemed as if both parties jointly drafted this Agreement. It is understood that both parties were represented by counsel and had the right and ability to negotiate any changes to this Agreement as it might have wanted.

24. TIME OF ESSENCE.

It is expressly agreed between the parties hereto that time shall be of the essence of each and every provision contained herein.

25. COMPLIANCE WITH LAW AND ENVIRONMENTAL IMPAIRMENT.

Each party, at their expense, shall, as to their uses and obligations hereunder, comply with all applicable laws, regulations, rules and orders with respect to their specific use of or obligations with respect to the Premises and the Building (to the extent of a party's obligations as to the Building) (excluding the effect of laws, regulations, rules and orders applicable to the public generally), regardless of when they become or became effective, including, without limitation, those relating to construction, grading, signage, health, safety, noise, environmental protection, waste disposal, and water and air quality, and shall furnish satisfactory evidence of such compliance upon request of the other party.

Should any discharge, leakage, spillage, emission, or pollution of any type, including, without limitation, petroleum or any hazardous substance, occur upon or from the Premises due to Lessee's use or occupancy thereof or to the Building, Lessee in conjunction with the applicable party, at its expense, shall clean all property affected thereby to the satisfaction of the other party and any governmental body having jurisdiction thereover.

26. COUNTERPARTS.

This Lease may be executed in counterparts and, when taken together with the other signed counterparts, shall constitute one agreement that shall be binding upon and effective as to all signatory parties.

27. INDEMNIFICATION.

To the extent limited in accordance with NRS 41.0305 to NRS 41.039, Lessor shall indemnify, defend, and hold harmless Lessee from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses, including attorney fees, arising either directly or indirectly from any act or failure to act by the Lessor or any of its officers or employees, which may occur during or which may arise out of the performance of this Agreement. The Lessor will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Lessor's indemnity obligation for actions sounding in tort is limited in accordance with the provisions of NRS 41.035.

Lessee shall indemnify, defend, and hold harmless NSHE, its officers, employees, and agents from and against any and all liabilities, claims, losses, costs or expenses to the person or property of another, lawsuits, judgments, and/or expenses, including attorney fees, arising either directly or indirectly from any act or failure to act by Lessee or any of its officers or employees, which may occur during or which may arise out of the performance of this Agreement.

28. ATTORNEYS' FEES.

In the event any party to this Lease should commence legal proceedings to enforce any of the terms of this Lease, the prevailing party in the legal proceeding shall be entitled to a reasonable sum as attorneys' fees and costs as may be allowed by the Court.

29. Force Majeure

The performance of this Agreement by either Party shall be excused by acts of God, war, government, regulations, disaster, strikes, civil disorder, terrorism, complete curtailment of transportation, or other emergencies making it illegal or impossible to substantially perform this Agreement. In such an event, prompt notice shall be given by the Party canceling pursuant to this section. The Party seeking cancellation of performance under this provision must exercise due diligence and take all reasonable steps to avoid, remove and overcome the effects of the force majeure event. In such event, both Parties agree to negotiate in good faith a mutually acceptable alternative.

For the purpose of this section, "terrorism is defined as acts of persons acting on behalf of or in connection with any organization which carries out activities within the United States directed toward the overthrowing or intimidating of the United States government by violence or other force, which is intended to cause serious bodily injury. War is that which is declared by Congress.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have hereunto set their hands the date subscribed below.

Lessor:

BOARD OF REGENTS OF THE NEVADA SYSTEM
OF HIGHER EDUCATION

By: *Daniel J. Klaich*
Daniel J. Klaich
Executive Vice Chancellor

By: *MS Gill*
Its: *President*

Lessee:

DAVIDSON ACADEMY OF NEVADA

By: *Robert M. Davidson*
Its: *Chairman*

STATE OF NEVADA)
)ss:
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2007 by

Notary Public

STATE OF NEVADA)
)ss:
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 20__ by

Notary Public

Agreement Regarding The Davidson Academy of Nevada

COPY

This Agreement is between (1) The Davidson Institute for Talent Development, a Nevada non-profit corporation (the "Institute"), on behalf of its division, the Davidson Academy of Nevada (the "Academy") and (2) the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno (the "University", and with the Institute, individually, each a "Party" and, collectively, the "Parties").

Recitals

- A. The Institute provides educational and other services to profoundly gifted children.
- B. The Institute shall form and operate the Academy as a "university school for profoundly gifted children" as defined in Nevada SB 461 (the "Statute"). The Academy will be operated by a separate division of the Institute, to be known as the Academy Division. Pursuant to the Statute, the Academy will provide a full-time alternative program of education for profoundly gifted pupils ("Students") who have been identified as possessing the abilities and skill necessary for advanced academic work, including accelerated middle school, junior high school, high school and early university admission.
- C. The University provides university level education to students.
- D. This document sets forth the terms and conditions upon which the Academy and the University will work together and upon which the University will provide premises and services and rights and privileges to the Academy and the Students.
- E. As set forth below, the Parties anticipate that their relationship will develop over time as they work together and the Academy grows and develops as an institution. The Parties thus envision this Agreement as an iterative process and a document to be amended as the practices and policies of the Academy develop and change.
- F. Pursuant to the Statute, the Institute is establishing a governing board for the academy (the "Academy Board") which will govern all aspects of the Academy to the extent required by Statute. It is intended that, upon its formation, the Academy Board will ratify this Agreement.
- G. In consideration of the sum of \$1.00 paid by the Academy to the University concurrently herewith and the mutual covenants and conditions contained herein, the Parties agree as follows:

Terms

- 1. Location on Reno Campus. As specified in Section 5, the Academy shall be located on the University of Nevada, Reno campus (the "Campus").

EXHIBIT A

2. Term and Termination.

a. Initial Term. This Agreement shall commence on the date it is fully executed and shall continue for an initial term ending on June 30, 2010 (the "Initial Term"), subject to earlier termination as provided herein. The Agreement will continue after the Initial Term unless terminated by either Party on at least three (3) years' advance notice. Any such termination will be effective on the June 30th occurring at least three (3) years after such notice. The Academy intends to commence operations in the 2006-2007 academic year.

b. Agreement by Mutual Termination. This Agreement may be terminated at any time upon the mutual written consent of the Parties.

c. Termination for Good Reason. This Agreement may be terminated by the University or the Academy for "good reason" (as defined below) as provided below in this Section 1.c. Any such termination shall be without penalty or default of any kind. "Good reason" shall exist only in the following events:

i. The University shall have good reason to terminate this Agreement in the event it is required to expend "direct costs" (defined below in Section 5.c.) arising from payments or obligations under this Agreement and either no funds or insufficient funds for such direct costs are appropriated and budgeted or funds are otherwise unavailable in any fiscal period for such direct costs. Upon learning of any actual or potential funding shortfall described above, the University will promptly notify the Academy. The Academy shall have the right (but not the obligation) to elect to fund any unfunded shortfall for the applicable period or periods; upon any such election, this Agreement may not be terminated by the University and no good reason for termination shall exist. Any termination under this subparagraph shall occur on the last day of the fiscal period for which appropriations were received. The foregoing shall only apply to each fiscal period after the 2006-7 fiscal year at such time as funds are appropriated for such fiscal period (and not if funds subsequently become unavailable during a then-current period). The University shall provide as much notice as practicable to the Academy when the University becomes aware of the possibility of any shortfall under this Section.

ii. The Academy shall have good reason and may terminate this Agreement at any time that it ceases operation, provided that the Academy will provide as much notice as possible to the University of any intent to cease operation.

d. Termination for Breach. Either party may terminate this Agreement in the event the other party breaches a material provision of this Agreement and does not cure such default within thirty (30) calendar days after written notice from the other party specifying the default and stating in detail how such default may be cured; provided that, if the default is of a nature such that it cannot reasonably be cured within such thirty (30) calendar days, the defaulting party shall commence the cure as soon as reasonable and prosecute it diligently to completion within a reasonable period not to exceed one

hundred twenty (120) calendar days from the date of notice of breach. Moreover, if the party alleged to be in default claims in good faith that it is not in default or that such default has been or will be cured as permitted hereby and submits such dispute to the dispute resolution process set forth in Section 17.8 below, both parties shall continue to perform under this Agreement as if not terminated until the dispute is resolved pursuant to Section 17.8, either by settlement or by arbitration (or the arbitrator issues a determination that this Agreement has been terminated). In determining whether a breach gives rise to a right to terminate, the standard shall be whether the breach is of such a nature to permit termination pursuant to applicable principals of Nevada law.

e. Mitigation of Effect on Students. Upon any termination of this Agreement for any reason above, the Parties will each use reasonable efforts, and will work together, to attempt to minimize the effect of such termination on Students who will not complete their education at the Academy and the University by the time such termination occurs. Without limiting the foregoing, to the fullest extent permitted by law and University policies, the University shall allow Students to continue their enrollment in the University.

3. Governance. As provided by the Statute, the Academy Board will govern all aspects of the Academy, although all aspects of the participation of the University shall be governed by this Agreement. The President of the University shall be an ex-officio member of the Academy Board. The Academy Board will be responsible for all acts of the Academy, subject to the terms and conditions of this Agreement. There shall be an "Implementation Committee" for this Agreement consisting of the Provost of the University (or such other person approved by the Academy) and a member of the Academy Board. The Implementation Committee shall meet as necessary to implement any actions that may be advisable hereunder and to resolve any operational issues that arise. Meetings shall be held upon reasonable notice, subject to scheduling requirements of the members. Subject to any internal requirements of the University and the Academy, the members of the Implementation Committee may act on behalf of the University and the Academy with respect to matters relating to this Agreement.

4. Operating Plans and Budget. The Academy, with advice and assistance from the University, shall establish yearly operating plans for each academic year, each such operating plan to be submitted to the University by May 1 of each year prior to the following academic year. It is recognized that plans and budgets involving material additional or different obligations by the University may require earlier submission to be considered by the Board of Regents of the University. Any matters requiring expenditure by the University shall be subject to its reasonable approval, including, within a range set forth in the operating plans, the number of Students expected to be enrolled. The University shall use commercially reasonable efforts to provide the resources required for its obligations with respect to the Academy.

5. Facilities.

a. Initial Location. The University agrees that all facilities of the Academy will be located on the Campus including office space and classrooms. The University and the Academy will agree upon the initial location and facilities for exclusive use of the

Academy for its offices and exclusive classrooms on the University campus (the "Initial Location"). The University has agreed to provide suitable offices and classroom facilities at the Initial Location (including all required hookups and facilities, including all utilities and high speed internet connections, as well as drop off facilities for cars to leave and pick up Students) (the "Initial Facilities). The Academy shall have the right of reasonable approval of all of the foregoing. The University shall have the Initial Facilities ready for occupancy with all required governmental permits by May 1, 2006. The Initial Location and the Facilities shall be available until the "New Building" (as defined below) is ready for occupancy. If additional space and facilities are needed for operation of the Academy, the University will provide them on the terms of this Agreement and as mutually agreed. The Academy will have the right to use the Initial Facilities at all times, twenty four hours a day, seven days a week, subject only to University policies.

b. New Building; Other Classrooms. It is intended that Academy offices and classrooms will subsequently be relocated in a new Science and Mathematics building (the "New Building") the University intends to construct. Additional classrooms may be provided elsewhere on the Campus for non-exclusive use.

c. Terms. All space and facilities will be provided on terms mutually agreed to by the Parties, provided that (a) any space initially provided and designated for the Academy in the New Building will be provided free of charge and (b) any charges by the University will be reasonably limited to such amounts as will reasonably cover direct costs incurred by the University for such space. "Direct costs" are defined as those costs the University incurs above the normal University operating expenses for the purpose of hosting the Academy on its campus. These may include, but are not limited to, the purchase or lease of facilities to house the Academy, installation of temporary structures to house the Academy, utilities, remodeling and other routine maintenance costs that may not be covered under the University's operation and maintenance allocation from the State Legislature; provided that, except as may be required by law, the foregoing shall be determined in accordance with generally accepted accounting principles, consistently applied at all times. By way of example, the Initial Facilities may be in modular buildings owned by the University. There shall be no rent or similar charge for such building. Moreover, water, HVAC and electricity and internet connection and usage are considered part of University overhead and administrative charges and there will be no charge to the Academy for use thereof. However, by way of example, the Academy shall pay for direct costs of moving the modular buildings to the Locations and installing it at the Location (including costs of hook up of utilities). The Academy shall also pay for its phone usage.

6. Furniture, Equipment and Supplies. The Academy shall provide any furniture, equipment and supplies that are dedicated solely to the use of the Academy or its students. The University shall provide any furniture, equipment and supplies whose use is shared by both the Academy students and University students. To the extent it may do so by the terms of such programs and agreements or by law, the University may allow (but may not require) the Academy to use all purchasing programs and agreements that the University has for the purchase of furniture, equipment (including computer hardware and software) and supplies.

7. Students: Curriculum. The Academy shall exclusively (1) establish the number of Students (subject to approval of the range of number of Students by the University as part of approval of yearly operating plan as provided in Paragraph 4), (2) determine eligibility of all applicants and (3) determine all of the curriculum (also subject to approval by the University of the usage of University classes as part of the yearly operating plan). University personnel may participate in this process, but all final decisions will be made by the Academy. All Students shall be deemed admitted to the University as non-degree students and shall be treated for all purposes as if they are members of the University "Honors Program" (including without limitation all rights of such students to preferential registration), subject to satisfaction, testing out, or waiver, of any pre-requisites). Students who have completed all requirements for admission as students pursuing a degree shall be admitted as such upon application. Except as otherwise mutually agreed upon by the parties, Students shall have the same rights, obligations and benefits as full-time, residential students of the University, provided that disciplinary actions shall be determined by the Academy subject to the University's right of reasonable approval of the disciplinary procedures (but not the specific application).

8. Staff. All faculty and other staff (collectively, "Staff") of the Academy shall have substantially the same rights with respect to the use of the University campus and facilities (for example, library rights) as full-time Staff of the University (provided that all compensation and employee benefits will be established by and be the responsibility of the Academy). The Academy may engage University Staff to teach some Academy classes on an exclusive basis, as mutually agreed upon. The Academy Staff shall participate in the University's sexual harassment training and such other anti-discrimination training as the University may provide.

9. Compliance with University Policies. While on Campus, all Students and Staff of the Academy shall conform to all rules and policies regarding on-campus activities and practices. In addition, all activities shall be conducted in compliance with the University policies as set forth in the NHSE Board of Regents Handbook, including without limitation, as to University faculty teaching classes at the Academy, the provisions of Title 4, Chapter 3, Section 8, entitled Compensated Outside Professional Services. The Academy shall have the right to impose discipline upon Students and its Staff, provided that the University, through its president, maintains the right to withdraw consent for Students or Academy Staff to be on campus.

10. Fees. As required by the Statute, no tuition shall be charged to Students by the Academy. The University will charge fees and tuition for University classes on a per-credit basis on the same terms as other enrollees of the University. The Parties will agree upon any other fees to be charged by the University to Students or the Academy, provided that fees for the Academy shall be limited to amounts required to cover direct costs. Fees for such Students shall all be as provided by applicable University policies.

11. Use of Campus and Facilities. Academy faculty will be permitted to use all University facilities and programs to the same extent as full-time professors of the University. Students will be permitted to use all facilities and programs to the same extent as full-time Honor Program students of the University, provided that the Parties may agree upon certain uses that would not be appropriate for Students.

12. IT Support. The University shall make available to the Academy for its use the URL www.davidsonacademy.unr.edu and shall provide to the Academy reasonable IT support and maintenance for and related to such URL (provided that the site itself shall be hosted and maintained by the Academy), including all support and maintenance required for the connection to the University network and internet connections, for operation within the University firewall and for other operations. The University and Academy Staffs shall each use reasonable best efforts to cooperate with each other to effectuate the foregoing. The Academy agrees that the site may only be used for non-commercial purposes consistent with its educational purposes.

13. Responsibility for Students. The University shall have the same responsibility for Students when on Campus as for any other students of the University. All other responsibilities of the University and the Academy as to Students shall be as set forth in applicable law and shall be allocated between the Parties in that manner.

14. Publicity. The University shall have the right to review and approve use of its name, the names of its faculty and programs, its trademarks or other graphic markings in any marketing and information materials for accuracy and context. The Academy shall have the right to review and approve use of its name, the names of its faculty and programs, its trademarks or other graphic markings in any marketing and information materials for accuracy and context. Requests for approval that are not rejected within five (5) business day after submission shall be deemed approved. Each Party hereby approves of any use referring only to the existence or location of the Academy at the Campus. For example, either Party may refer to "the Davidson Academy at the University of Reno, Nevada" or make substantially similar references without further approval of the other Party.

15. Compliance with Law. Each Party will be responsible to make certain all of its activities are conducted in accordance with applicable laws, rules and regulations, including the Statute.

16. Force Majeure. The performance of this Agreement by either Party shall be excused by acts of God, war, government, regulations, disaster, strikes, civil disorder, terrorism, complete curtailment of transportation, or other emergencies making it illegal or impossible to substantially perform this Agreement. In such an event, prompt notice shall be given by the Party canceling pursuant to this section. The Party seeking cancellation of performance under this provision must exercise due diligence and take all reasonable steps to avoid, remove and overcome the effects of the force majeure event. In such event, both Parties agree to negotiate in good faith a mutually acceptable alternative.

For this purpose of this section, "terrorism" is defined as acts of persons acting on behalf of or in connection with any organization which carries out activities within the United States directed toward the overthrowing or intimidating of the United States government by violence or other force, which is intended to cause serious bodily injury. War is that which is declared by Congress.

17. Miscellaneous.

17.1 Complete Agreement. This Agreement constitutes the complete and exclusive statement of agreement among the Parties with respect to the subject matter herein (i.e., the Academy) and replaces and supersedes all prior written and oral agreements or statements by and among the Parties. No representation, statement, condition or warranty not contained in this Agreement will be binding on the Parties or have any force or effect whatsoever.

17.2 Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

17.3 No Third Party Rights. Nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any parties other than the two Parties hereto.

17.4 Pronouns References. All pronouns and all variations thereof shall be deemed to refer to the masculine, feminine, or neuter, singular or plural, as the context in which they are used may require.

17.5 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

17.6 Interpretation. In the event any claim is made by either Party relating to any conflict, omission or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of which Party initially drafted this Agreement and it shall be deemed as if both Parties jointly drafted this Agreement. It is understood that both Parties were represented by counsel and had the right and ability to negotiate any changes to this Agreement as it might have wanted.

17.7 References to this Agreement. References herein to numbered or lettered sections and subsections refer to such sections and subsections of this Agreement and their sub-parts unless otherwise expressly stated.

17.8 Disputed Matters.

17.8.1 The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement or the transactions or arrangements arising out of or relating to this Agreement. The complaining Party shall give the other Party written notice of any dispute. Within ten (10) business days after receipt of said notice, the complaining Party shall submit to the other Party a written position statement. The statements of the complaining Party's position shall include the claims of that Party's position and a summary of the evidence and arguments supporting such position. Within ten (10) business days after receipt of such position paper, the responding Party shall submit to the complaining Party a written position paper. The statement of the

responding Party shall include a response to the complaining Party's position and a summary of the evidence and arguments supporting the responding Party's position. The Parties shall meet at a mutually acceptable time and place within ten (10) business days after the due date of the responding Party's papers. If the matter has not been resolved pursuant to the aforesaid negotiation procedure within ten (10) business days of the first meeting, the controversy will be submitted for mediation. The Parties shall agree on an acceptable mediator from a reputable business mediation service and work in good faith with such mediator toward resolution. The foregoing will not prevent a Party from seeking immediate equitable relief in any court of competent jurisdiction to prevent irreparable harm or otherwise obtain preliminary relief or remedies ("Excepted Court Matters").

17.8.2 If the Parties fail to resolve the dispute by mediation, the complaining Party may then initiate the arbitration process by filing a demand for arbitration with the American Arbitration Association ("AAA") in accordance with the rules and regulations of the AAA, or by any other body mutually agreed upon by the Parties to such arbitration. Discovery shall be available in any such proceeding to the same extent as would be available in a State Court of the State of Nevada, subject to limitations the arbitrators may place in order to avoid undue delay or burden and provided that the arbitrators shall give active, attentive case management to the scope, form, cost-effectiveness and scheduling of all discovery. Nothing in this paragraph shall prevent a Party from filing Excepted Court Matters.

17.8.3 Within ten (10) business days after the date that a demand for arbitration has been filed with the AAA or any other body the Parties have agreed upon, selection of the arbitrator shall proceed promptly as follows: The Parties or their representatives shall each alternately strike a name from a list of seven arbitrators supplied by the AAA, or by such other body as the Parties may agree upon. Once the list of names is received, neither Party may insist upon using a different source of arbitrators. The remaining named person shall be the arbitrator of the matter. Either Party may disqualify any individual arbitrator who is a present or past employee, owner, or consultant or otherwise related to the opposing Party or a customer or supplier thereof. As an alternative to the selection procedure set forth in this paragraph, the Parties may mutually agree in writing on a particular arbitrator.

17.8.4 Within fifteen (15) business days of the date the arbitrator is chosen, or on the first available date thereafter on the arbitrator's calendar, a scheduling conference will be held at a location designated by the arbitrator or by phone, if determined by the arbitrator. At such scheduling conference, pre-arbitration depositions, discovery and a projected date for the arbitration hearing shall each be scheduled. The scheduled date of the arbitration hearing shall be within one hundred twenty (120) calendar days after the scheduling conference or on the first available date thereafter on the arbitrator's calendar unless the arbitrator determines that a later date is required to accommodate reasonable discovery or other matters. Unless otherwise determined by the arbitrator, all depositions and discovery must be completed prior to the scheduled date of the arbitration hearing or else the right thereto shall be deemed waived by the person

seeking such discovery or deposition testimony. The arbitration hearing shall take place at Reno, Nevada or any other location mutually agreeable to the Parties.

17.8.5 The arbitrator shall determine the prevailing Party and shall order any and all relief of an equitable nature, including without limitation such relief as a temporary restraining order, a temporary injunction, or a permanent injunction, and may also award damages, with or without an accounting and costs. The arbitrator shall include in any award the prevailing Party's attorneys' fees and costs (at actual cost unless patently unreasonable). The decree or judgment of an award rendered by the arbitrator may be entered in any court of appropriate jurisdiction in the State of Nevada and each Party consents to personal jurisdiction of such court over such Party with respect to such matters.

17.8.6 In any action permitted by Section 17.8.7, the prevailing Party shall be entitled to attorneys' fees, costs, and necessary disbursements (at actual cost unless patently unreasonable) in addition to any other relief to which that Party may be entitled.

17.8.7 No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by either Party except (a) an action to compel arbitration pursuant to this Section; (b) an action to enforce an award obtained in an arbitration proceeding in accordance with this Section; or (c) Excepted Court Matters. Without limiting the scope or effectiveness of the foregoing, each Party hereby consents to the exclusive jurisdiction of the state and federal courts sitting in Reno, Nevada or the federal district in which Reno is located for any judicial action that may properly be brought under or in connection with this Agreement or the transactions contemplated by this Agreement. Each Party further agrees that personal jurisdiction over it may be effected by personal service of process.

17.9 Severability. If any provision of this Agreement or the application of such provision to any person or circumstance is held invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected.

17.10 Additional Documents and Acts. Each Party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

17.11 Notices. Any notice to be given or to be served upon either Party in connection with this Agreement must be in writing and will be deemed to have been given and received when delivered to the address specified by the Party to receive the notice. Notice must be provided by certified mail, return receipt requested, by overnight courier providing evidence of receipt or by personal delivery. A Party may, at any time by giving five (5) calendar days' prior written notice to the other Party, designate any other address in substitution of the foregoing address to which such notice will be given.

17.12 Amendments. This Agreement may only be amended in writing by the mutual consent of the parties; all amendments are contingent upon the approval of the Board of Regents of the Nevada System of Higher Education.

17.13 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

17.14 Time is of the Essence. All dates and times in this Agreement are of the essence.

17.15 Remedies Cumulative. The remedies under this Agreement are cumulative and shall not exclude any other remedies to which any person may be lawfully entitled.

17.16 Relationship. Each Party shall have all responsibilities and obligations required by the Statute. The Parties shall also agree as to how to characterize to third parties and for legal purposes their relationship and the relationship of the University to the Academy.

In witness whereof, the Parties have executed this Agreement as of the dates written below.

The Davidson Institute for Talent
Development, on behalf of its
Academy Division

Board of Regents of the Nevada System
of Higher Education, on behalf of the
University of Nevada, Reno

By 

By 

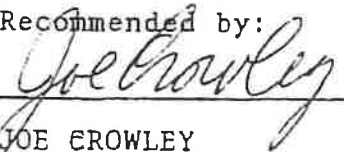
Printed Name: Mark R. Herron

Printed Name: Daniel J. Klaich

Title: Trustee

Title: Executive Vice Chancellor and Chief
Counsel

Recommended by:



JOE CROWLEY
Interim President, University of
Nevada, Reno

Addresses for Notice:

9665 Gateway Drive, Suite B
Reno, NV 89511

General Counsel, UNR
2601 Enterprise Road
Reno, Nevada 89512

December 1, 2005

President John M. Lilley
Office of the President/001
University of Nevada
Reno, NV 89557

Dear John:

Thank you for your proposal concerning a gift to the University of Nevada, Reno for its new Math and Science building. The Davidson Institute for Talent Development is pleased to offer the University a significant gift of \$15 million toward the construction of this facility. We view this gift as an affirmation of our broader partnership with the University in establishing the Davidson Academy of Nevada, which will serve profoundly-gifted students as a designated "University School" on your campus.

The gift will be paid out over a term to be determined and in a manner consistent with the University's normal practices for such gifts. We will work with you and your staff in the next few weeks to determine the exact details of the donation and other terms of the gift and document such in a formal Gift Agreement.

We look forward to housing the Davidson Academy of Nevada as a separate part of the new building, with its own entrance and identity, as we have discussed with you and other representatives of the University. We are excited about having the Academy located near your premier science and math education facility as we believe that it will not only fulfill the needs of University students in science, math, and engineering, but will also enhance the educational opportunities available to Davidson Academy students.

As we continue to plan the facilities for both the University's and the Academy's needs, we have been pleased by your inclusion of us in the design of the facility and by your assurances that the Academy will be provided space sufficient to house its separate classrooms, offices, and other needs, as we have discussed, on the University campus, both now and in the future.


As you know, the Davidson Academy is currently funding the renovation of temporary quarters for its use on the University campus. We appreciate your assistance in securing that space for our use and your willingness to provide additional facilities should our needs outgrow the temporary space before the permanent facility is available.


EXHIBIT B

In the long term, the Davidson Academy is giving serious consideration to providing a residential program for its profoundly gifted students who wish to attend the Academy but can not relocate their families. We have begun discussions with your staff about how we would arrange for those students to rent rooms in a residence hall, or portion thereof under appropriate conditions and supervision. With your support, we will continue working with the University to address this need in a way that is mutually beneficial and satisfactory.

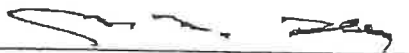
We believe that together, the Davidson Institute for Talent Development and the University have forged a powerful partnership in the creation of the Davidson Academy of Nevada. We look forward to many years of working with the University to promote the success of the Academy and the education of our country's brightest young minds. We feel confident that, should our partnership remain healthy and strong, meeting the reasonable needs of the Davidson Academy, the Davidson Institute would be in a position to consider future gifts to the University.

Sincerely yours,


Bob Davidson


Jan Davidson

We acknowledge our understanding of, and concurrence with, this letter:
University of Nevada, Reno

By: 
John M. Lilley, President

Date: 12-20-05

sheehan
van woert
bigotti

2011 South Nevada Blvd., Suite 200, Reno, NV 89502
775.784.1100 • FAX 775.784.1101
www.sheehanvanwoertbigotti.com

ARCHITECTS



REVISION FROM PLAN
CHECK SET

Architect: JTB
Contractor: HWVW
Construction and materials shall comply with 2003 International Building Code.
See Section and drawings connected herewith and referenced under A.C.A. 802 and see Chapter 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

REMODEL JOT TRAVIS BUILDING FOR
THE DAVIDSON ACADEMY OF NEVADA
UNIVERSITY OF NEVADA, RENO

Travis Bldg
SECOND FLOOR
REMODEL PLAN
10/4/07

A2.3

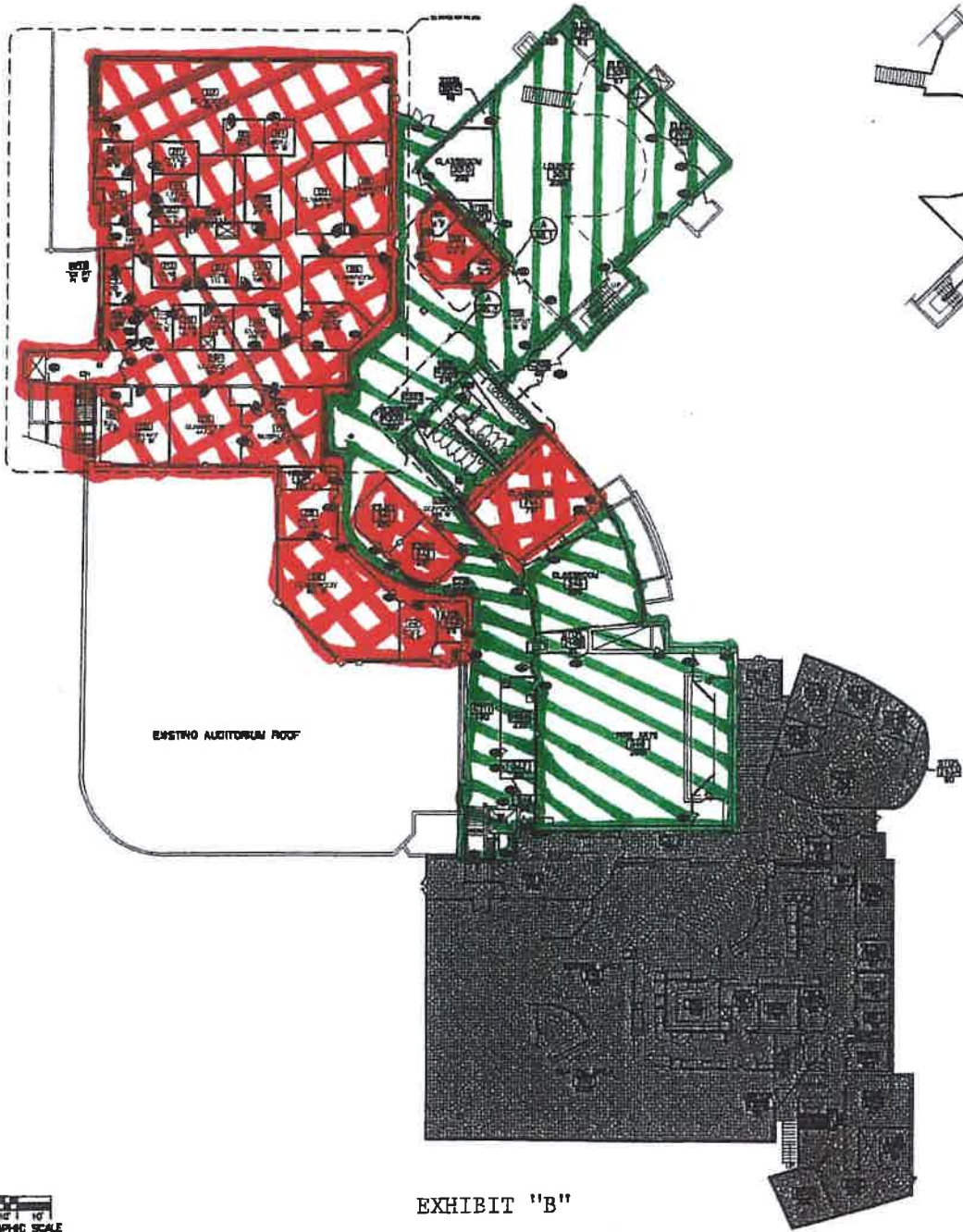
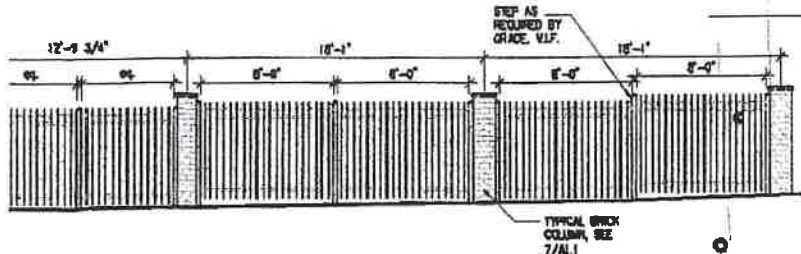


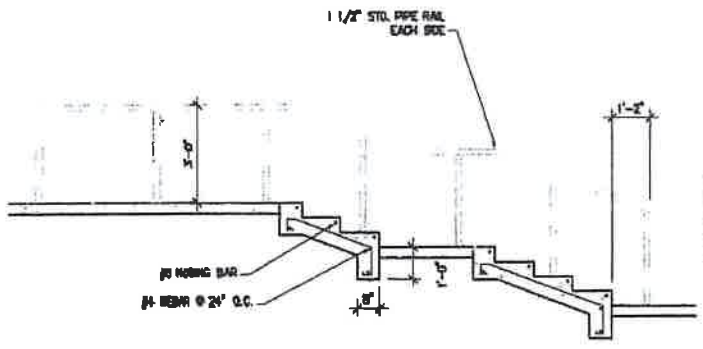
EXHIBIT "B"



OVERALL
SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"



ST FENCE ELEVATION
S 1/4" = 1'-0"



JR SECTION
S 1/2" = 1'-0"

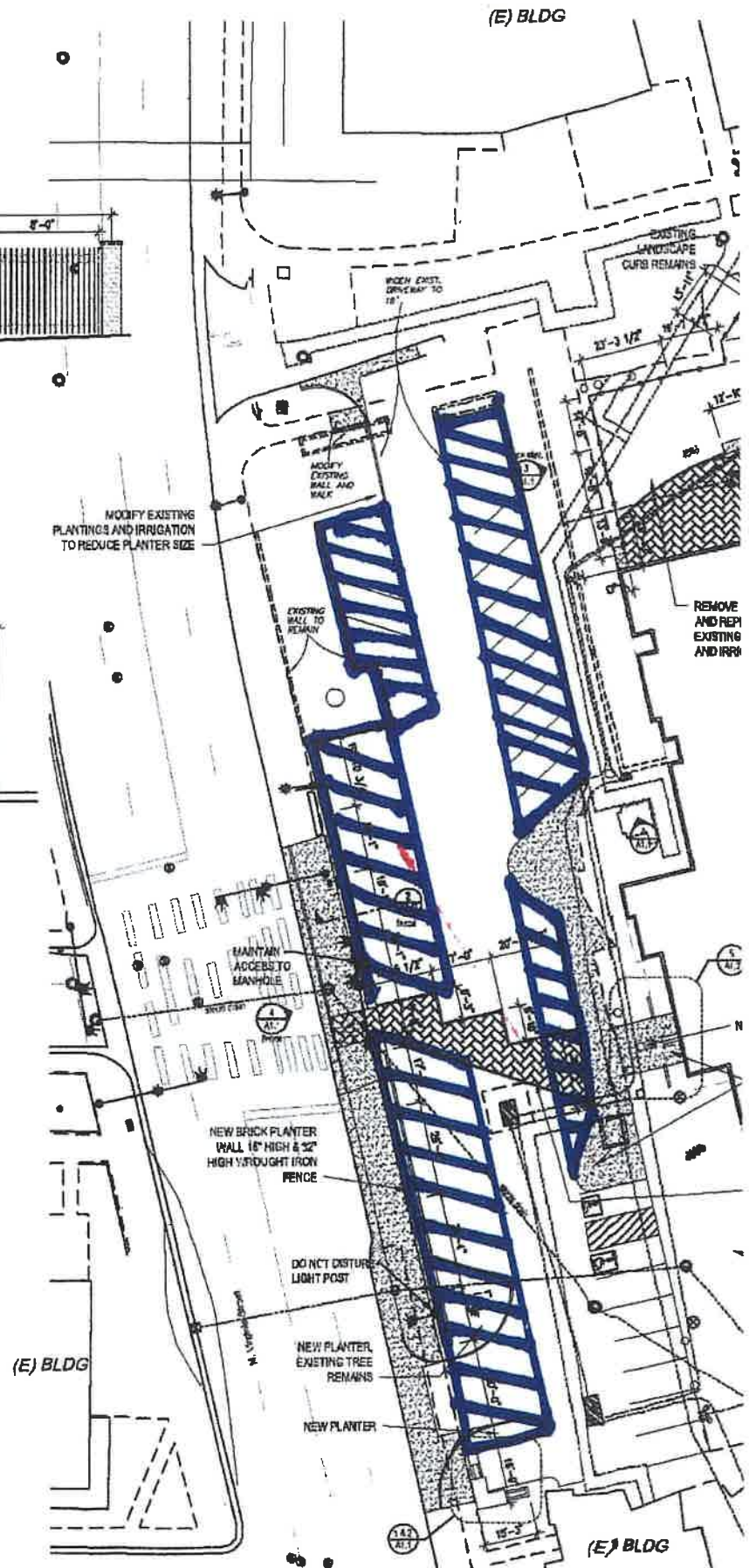


Exhibit "C"

THIRD AMENDED LEASE AGREEMENT

THIS THIRD AMENDED LEASE AGREEMENT (this "Amended Lease"), is made effective as of the 10th day of May, 2025 (the "Amendment Effective Date") by and between the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno (referred to herein as "NSHE," "Lessor" and/or "Landlord," as the context may indicate) and The Davidson Institute for Talent Development, a Nevada non-profit corporation, acting through its unincorporated division, THE DAVIDSON ACADEMY OF NEVADA, a university school for profoundly gifted pupils pursuant to NRS Chapter 388C (referred to herein as "Lessee" and/or "Tenant," as the context may indicate). Lessor and Lessee may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Lessor and Lessee are party to that certain Lease Agreement dated December 20, 2007, as amended by that certain First Amended Lease Agreement dated December 6, 2024, and that certain Second Amended Lease Agreement dated March 10, 2025 (the Lease Agreement First Amended Lease Agreement, and Second Amended Lease Agreements, collectively, the "Lease"), pursuant to which Lessor has leased to Lessee, and Lessee has leased from Lessor, certain real property as more fully defined in the Lease. Unless otherwise defined in this Amended Lease, all capitalized terms used herein shall have the respective meanings ascribed thereto in the Lease;

WHEREAS, Section 5(d)(iii) of the Lease provides for a process by which the Parties may resolve any dispute regarding the calculation of (A) the gross square footage of the Exclusive Use Area and the Mechanical Space, (B) Lessee's Percentage, and (C) the resulting Applicable Gross Square Footage used in Section 5(d) of the Lease to calculate Lessee's Share of Operating Expenses;

WHEREAS, Lessee has disputed Lessor's calculations of such amounts;

WHEREAS, pursuant to Section 5(d)(iii) of the Lease, the Parties have met and conferred regarding such calculations and have reached agreement regarding such calculations; and

WHEREAS the Parties now desire to amend the Lease, as provided for herein, to reflect such agreement.

NOW, THEREFORE, Lessor and Lessee, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree to modify and amend the Lease as follows:

1. **DESCRIPTION.**

Exhibit "B" to the Lease is hereby deleted and replaced with the new Exhibit "B" attached to this Amended Lease and incorporated by this reference.

2. OPERATING EXPENSES.

Section 5(d)(i) is hereby deleted in its entirety and replaced with the following:

“(i) The “Applicable Gross Square Footage” of the Premises shall be the sum of (A) the gross square footage of the Exclusive Use Area, and (B) the product of Lessee’s Percentage and the gross square footage of the Mechanical Space. The Parties agree that (x) the gross square footage of the Exclusive Use Area equals 27,703 gross square feet, (y) the gross square footage of the Mechanical Space equals 702 gross square feet, and (z) “Lessee’s Percentage” equals 28 percent, for a total Applicable Gross Square Footage of 28,405 gross square feet.”

In addition, Section 5(d)(iii) and Section 5(d)(iv) of the Lease are hereby deleted in their entirety.

3. CONTINGENCIES

Effectiveness of this Amended Lease is contingent upon approval by the Board of Regents of the Nevada System of Higher Education in its sole and absolute discretion. If the Board of Regents in its sole and absolute discretion does not approve the terms hereof, this Amended Lease shall be deemed null and void without the necessity of further documentation and shall be deemed to be of no binding effect whatsoever.

4. REAFFIRMATION

The Parties agree that except as amended herein, the Lease has not been modified or amended in any other regard, and the Lease and all other terms contained therein shall remain in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year written below.

Lessor:

BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION, ON
BEHALF OF THE UNIVERSITY OF
NEVADA, RENO

Recommended by:

Brian Sandoval, President
University of Nevada, Reno

Date

Approved by:

Matt McNair, Chancellor
Nevada System of Higher Education

Date

Lessee:

THE DAVIDSON INSTITUTE FOR
TALENT DEVELOPMENT, A NEVADA
NON-PROFIT CORPORATION

By:  _____

Printed Name: Mark R. Herron

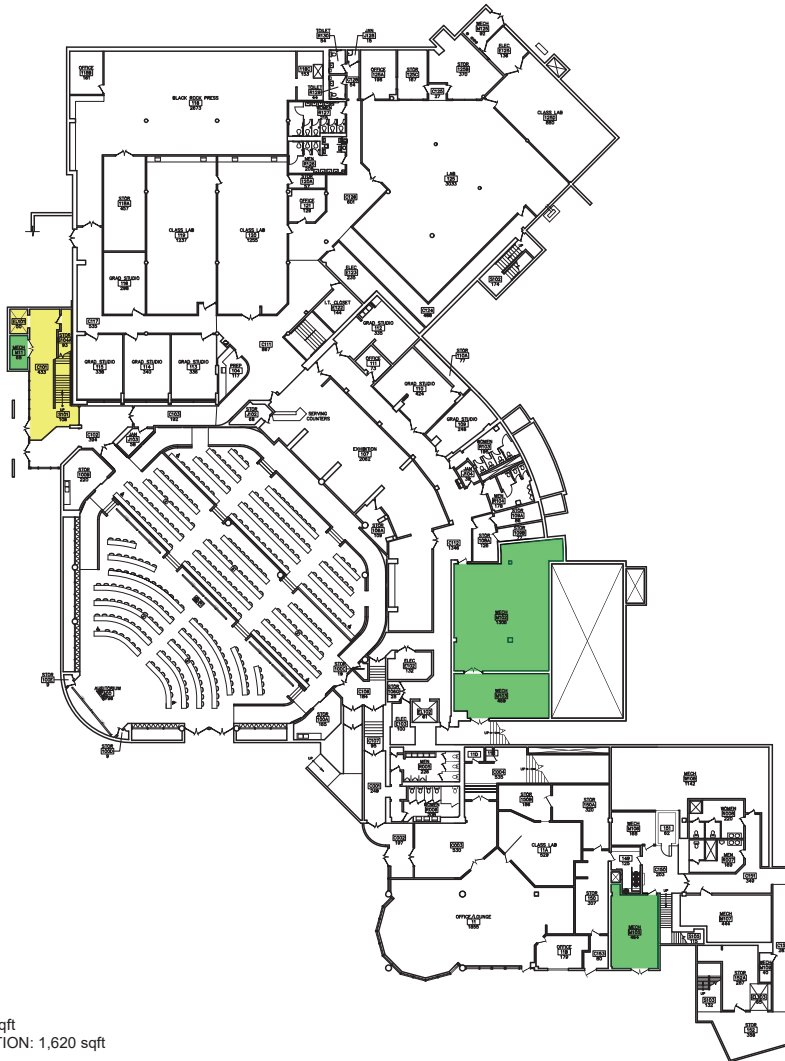
Title: President

Date: August 4, 2025

EXHIBIT "B"
AMENDED FLOOR PLAN

Exhibit B

Jot Travis Building 1st Floor

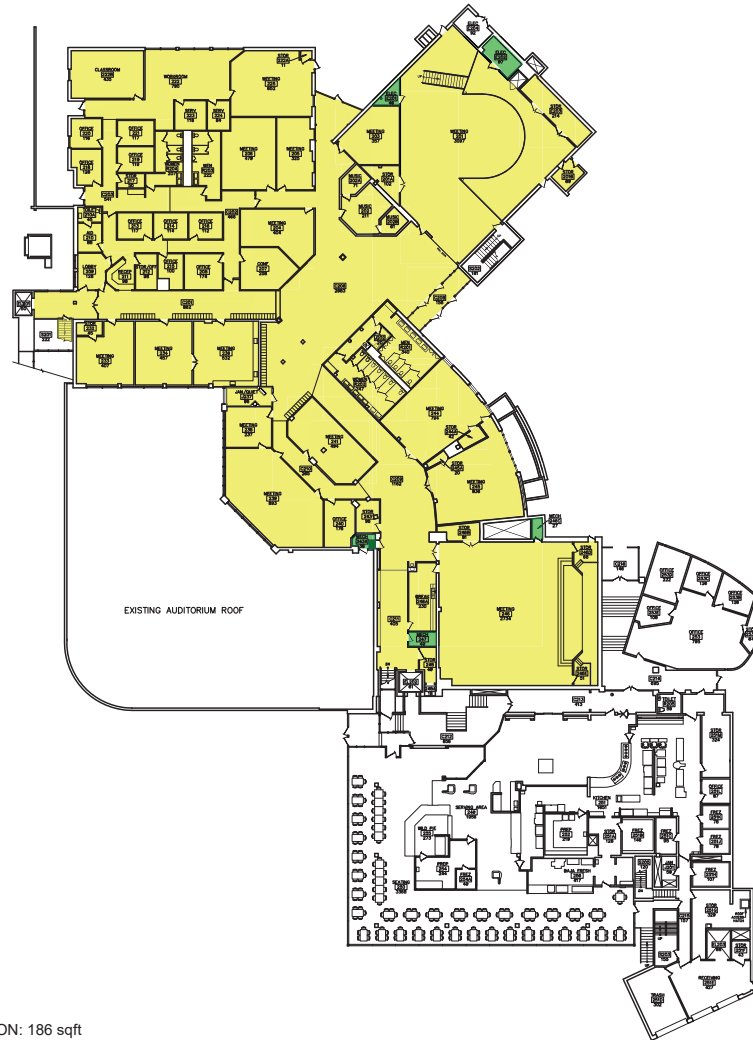


Legend

- DAVIDSON ACADEMY - 683 sqft
- MECHANICAL SPACE - 2,250 sqft
 - DAVIDSON ACADEMY PORTION: 630 sqft
 - UNIVERSITY OF NEVADA, RENO PORTION: 1,620 sqft

Date: 4/18/2025

Jot Travis Building 2nd Floor

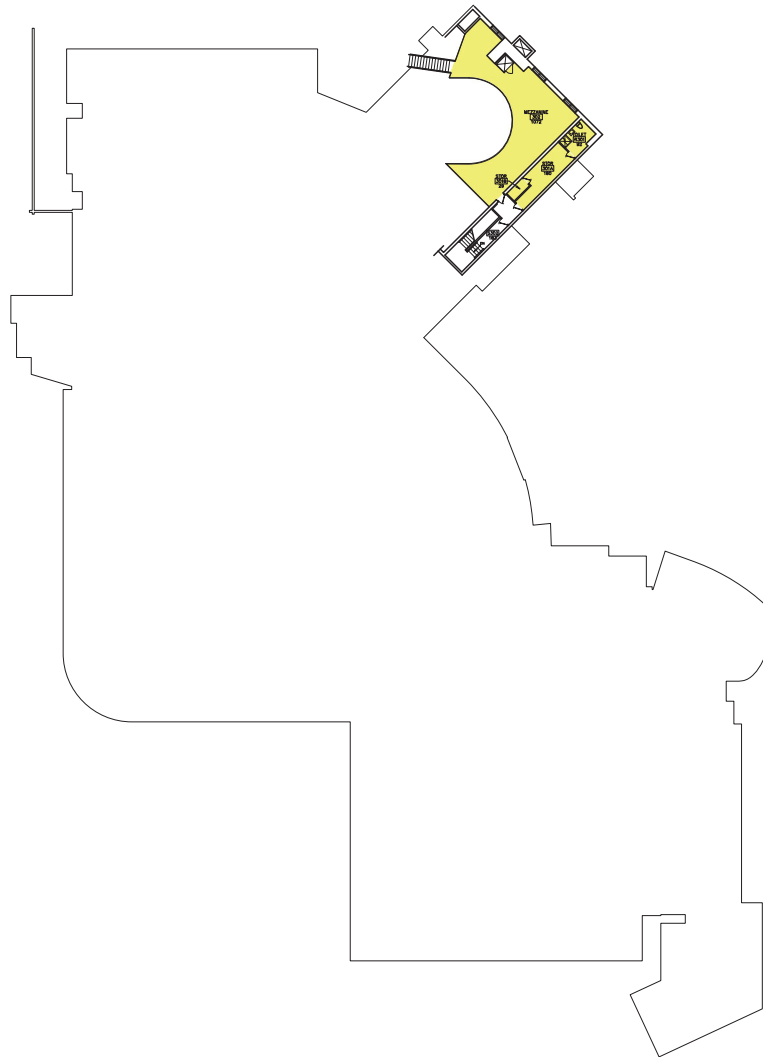


Legend

- DAVIDSON ACADEMY - 25,655 sqft
- MECHANICAL SPACE - 258 sqft
 - DAVIDSON ACADEMY PORTION: 72 sqft
 - UNIVERSITY OF NEVADA, RENO PORTION: 186 sqft

Date: 4/18/2025

Jot Travis Building 3rd Floor



Legend

 DAVIDSON ACADEMY - 1,365 sqft

Date: 4/18/2025