

LICENSE AGREEMENT

This License Agreement (“Agreement”) is entered into this 17 day of September, 2021, by and between Squalicum Mountain Holdings, LLC, a Washington State limited liability company (hereinafter referred to as “Licensor”) and Whatcom Transportation Authority, a Washington Public Transportation Benefit Area, (hereinafter referred to as “Licensee”).

WHEREAS, Licensor owns a parcel of real property within the State of Washington, legally described in Exhibit A, which is attached hereto by reference (“Property”), upon which is constructed a telecommunications tower and associated enclosure; and

WHEREAS, Licensor wishes to license use of a portion of the Property as defined below to Licensee in accord with the terms and conditions herein, and Licensee wishes to accept such license;

THEREFORE, Licensor and Licensee hereby enter into this Agreement for the purpose of Licensor’s allowing Licensee to occupy and use the parcel in accord with the terms and conditions stated herein.

Terms and Conditions

1. Description of Licensed Parcel: Licensor grants Licensee, and its invitees, employees and agents a license during the term of this Agreement to install, operate and maintain Licensee’s telecommunications equipment within that enclosure operated in association with the existing tower situated on the Property. Licensor’s grant includes the right for Licensee to use the rack space within the enclosures for the construction of transmit and/or receive equipment. Additionally, Licensor grants to Licensee such reasonable ingress, egress and access to and across the Property for the purpose of installing necessary equipment and utilities to operate Licensee’s telecommunications equipment, and for Licensee’s required access to its telecommunications equipment to install, maintain and repair same. In the event that any utility company requires an easement for the purpose of providing services to Licensee’s equipment, such easement will be held exclusively in Licensor’s name.

2. Licensee’s Equipment: Attached hereto is Exhibit B which identifies all equipment and hardware which is or will be installed on the Premises by Licensee pursuant to this Agreement on the Commencement Date (“Equipment”). The license granted under this Agreement only permits Licensee to construct, install and operate the Equipment. If Licensee desires to replace its Equipment or make greater use of the Premises by adding additional equipment, Licensee must first obtain written consent from Licensor, such consent not to be unreasonably withheld. Licensee understands and agrees that the addition of equipment or the installation of similar equipment which increases windload, electrical use, etc., and may result in an increase in rents hereunder to compensate Licensor for the greater services required from the Premises by Licensee.

3. Term and Termination. This Agreement is binding upon execution by the parties. The term shall commence on the first day of the month following the closing of the Radio System Purchase and Sale Agreement between the parties and dated June 17, 2021 without regard to the date of execution by the parties (Commencement Date) and shall continue in effect for a term of ten (10) years ("Term").

(A) Licensor may terminate this Agreement pursuant to thirty (30) days notice, if Licensor's authority to perform hereunder is terminated for a reason other than the default or neglect of Licensor or expires prior to the expiration of the Term.

(B) Licensee may terminate this Agreement for any reason and without cause, subject to the giving of thirty (30) days written notice to Licensor.

(C) Following a material, uncured breach by either party, the non-breaching party may terminate this Agreement at any time by giving the breaching party at least one (1) month's prior written notice. Such right to terminate shall expire should the breaching party cure the default.

(D) Upon termination or expiration of this License in accord with any of its terms, Licensee shall immediately remove its equipment from Licensor's Premises. Licensee's failure to remove its equipment within ten (10) days following the expiration or termination of this Agreement shall entitle Licensor to receive from Licensee storage fees in an amount equal to one hundred dollars (\$100) per day beyond such ten (10)-day period. Licensor hereby waives any and all landlord liens or similar claims to Licensee's equipment, which may be removed by Licensee at any time. However, such removal shall not create any termination of this Agreement or reduction in any amount due Licensor according to the terms herein, unless properly terminated by Licensee.

(E) Any of Licensee's equipment which is deemed stored by Licensor in accord with the terms herein shall not be entitled to receive electrical power during such period of storage and Licensor shall have the right to discontinue power to all stored equipment. Such equipment may also be removed from the Premises by Licensor and stored at Licensor's main facilities, however, the equipment will remain the property of Licensee.

(F) In the event that any of the Premises are damaged or destroyed such that Licensee is unable to operate its equipment thereon, Licensor shall make an election within ten (10) days following such event as to whether Licensor shall make repairs or reconstruct the damaged portion of the Premises to enable Licensee to operate upon the Premises in substantially the same manner as Licensee enjoyed prior to the event of damage or destruction. Such election shall only be effective if Licensor is willing and able to make such repair or reconstruction within ninety (90) days following the making of the election. If Licensor elects not to repair or reconstruct the damaged portion of the Premises within the aforementioned 90-day period; or if Licensor is unable to make such repairs or reconstruct the damaged portion of the Premises during that 90-day period; Licensee shall have the right to terminate this Agreement, without further liability to either party. If Licensor elects to repair or reconstruct the Premises within the aforementioned 90-day period, this Agreement shall continue to bind the parties, providing however, Licensor shall not be entitled to receive rents during the period commencing on the date of damage or destruction and extending to the date of completion of the repairs or reconstruction. In the event that Licensee terminates this Agreement under this Section 3(F), Licensor shall return to Licensee all prepaid rents collected by Licensor which represents that period commencing upon the date of destruction of the Premises. Licensor's failure to make an election during the ten (10)-day period following damage or destruction of the Premises shall be deemed an election by Licensor not to repair or reconstruct the Premises. Nothing contained herein shall be deemed a guarantee by Licensor to repair or reconstruct the Premises following destruction.

4. Maintenance of Equipment by Licensee. Licensee shall, at its own expense, maintain its equipment on or attached to the Premises in a safe condition and in good repair, and in

a manner suitable to Licensor so as not to conflict with the use of the Premises by Licensor, or by any other entity using the Premises. All repair and maintenance of Licensee's equipment shall be performed by qualified technicians, authorized to enter the Premises as the Licensee's agents or employees.

(A) Any and all machinery, equipment and trade fixtures except any electrical service, installed by Licensee shall remain personalty notwithstanding the fact that it may be affixed or attached to the realty, or the Premises, and shall, during the term of this Agreement or any extension or renewal thereof, and upon termination thereof, belong to and be removable by Licensee. Licensee agrees that the Premises and associated realty shall not be damaged by Licensee's occupancy and that Licensee shall, upon termination of occupancy, make any repairs necessitated by Licensee's occupancy or removal of equipment, less ordinary wear and tear.

(B) Licensee acknowledges and agrees that Licensor shall not be liable for any power outages or surges caused by the provision or lack thereof of electricity from the utility company.

(C) Licensor warrants that it has or will include an obligation in any other lease or license with any other third party requiring that he/she/it shall maintain any of his/her/its equipment on or attached to the Premises in a safe condition and in good repair, and in a manner so as not to conflict with the use of the Premises by Licensee.

(D) Licensee warrants and agrees that it shall, at its own expense, maintain any of its equipment on or attached to the Premises in a safe condition and in good repair, and in a manner so as not to conflict with the use of the Premises by Licensee.

5. Access. Licensor agrees to give Licensee, and its invites, employees and agents free and unrestricted access, ingress and egress to the Premises during the Term of this License and any renewals thereof for the purpose of installing, maintaining, operating and removing Licensee's equipment. Licensor's promise does not extend to any portion of the Property or other real property which is not under Licensor's authority or control. Licensor's promise will not be interpreted as a guarantee of Licensee's ability to enter or exit the Premises when weather conditions, road conditions and other elements outside of Licensor's control might affect Licensee's ability to enter the Premises.

6. Maintenance and Operation of Premises. Licensor reserves to itself, its successors, and assigns, the right to maintain the Premises and to operate its facilities thereon in such manner as will best enable it to fulfill its own service requirements, but in accord with the covenants contained herein. Licensor shall not be liable to Licensee for any interruption of Licensee's service or for interference, including but not limited to electrical interference and interference created by intermodulation, with the operation of Licensee's equipment arising from use of the Premises hereunder, unless due to the negligence or unauthorized uses of Licensor, its employees, agents or invitees. However, under no circumstances shall Licensor be liable for consequential damages to any party, including but not limited to third parties, arising out of interruption of Licensee's service.

(A) Licensor hereby agrees to cooperate reasonably with Licensee in relieving any harmful interference to Licensee's use of the equipment caused by the operation of Licensor's or other telecommunications facilities on the Premises, including directing the interfering operator to discontinue the creation of such harmful interference or exercising Licensor's right to disconnect the operation of offending facilities until such time as the harmful interference can be resolved. In the event that the parties' cooperation cannot relieve the receipt of harmful interference to Licensee's equipment, and said interference is not caused by any defect in Licensee's equipment or operation, Licensee may terminate this License upon thirty (30) days written notice to Licensor. Such termination shall be without liability to Licensor.

(B) Licensor shall be solely responsible for compliance with all painting and lighting and all other requirements arising out of operation of the tower, in accord with the existing rules and

regulations adopted or which might be adopted by the Federal Aviation Administration or the Federal Communications Commission; and shall indemnify Licensee for all fines levied against Licensee for Licensor's failure to comply with such rules and regulations.

(C) Prior to Licensee's occupation of the Premises for uses of equipment not identified herein at Exhibit B and upon reasonable request by Licensor, Licensee agrees that it shall be responsible for (i) performing and providing to Licensor any structural analysis of the relevant tower to determine whether Licensee's placement of its replacement or additional equipment upon the tower will threaten the structural integrity of the tower and (ii) performing and providing to Licensor any intermodulation study of Licensee's transmission of signals upon the affected Premises.

(D) Licensor shall provide and maintain combiner equipment, surge arrestors, cabling and antenna facilities for the operation of Licensee's equipment. Such use will not be exclusive and will be deemed shared facilities with other operators at the Premises. All right, title and interest to the combiner(s), cabling and antenna(s) will remain Licensor's. Licensee is responsible for any interconnect systems.

7. Rental of Premises. During the Term of this License, Licensee shall pay to Licensor without demand, a rental rate of Three Hundred and No/100 Dollars (\$300.00) per Channel being used at the Premises by Licensee, per month ("Rent"), payable in advance commencing on the Commencement Date and upon the first day of each calendar month thereafter during the Term of this Agreement or any extended term. All rental payments will be made to Licensor at its address as provided herein. All rental payments shall be due and owed immediately and shall be deemed late if not tendered by the tenth (10th) day of any calendar month during the Term. Licensee agrees to pay a late fee for all rent payments not timely made in an amount equal to five percent (5%) of the overdue amount or the greatest amount allowed under law, whichever is less.

(A) In the event that Licensee fails to make timely rent payments such that the account is greater than sixty (60) days past due, Licensee shall be deemed to have materially breached this Agreement, provided however, Licensor shall have given the Licensee prior written notice of said breach and opportunity to cure as allowed under Paragraph 3(C).

(B) Upon each annual anniversary date of the commencement of the Term of this Agreement as defined by Paragraph 3 herein, including any extended term, the charge for rental of the Premises shall be automatically increased by an amount equal to five percent (5%) of the previous annual rate. Such increases shall be automatic and will not require Licensee's prior approval and by its execution of this Agreement, Licensee agrees to pay each such increase as a portion of its rent. Such increases shall apply to the entire term of this agreement and any extended period.

(C) All rental payments made to Licensor shall be deemed the sole and exclusive property of Licensor and shall not be subject to delay, offset, refund or placement in escrow for any reason or purpose, except as is specifically expressed herein.

(D) The Rent shall be subject to adjustment at any time that there is any increase or decrease in the number of Channels being used at the Premises.

8. Indemnification and Insurance. Licensee shall indemnify Licensor against any and all claims and demands for damages to property and injury or death to persons, arising out of or caused by the installation, maintenance, presence, use or removal of Licensee's equipment on the Premises, unless such damage or injury shall be due to the gross negligence of Licensor, its employees, agents or invitees. Licensor shall indemnify Licensee against any and all claims and demands for damages to property and injury or death to persons arising out of or caused by the acts or omissions of Licensor or Licensor's employees, agents, other tenants or invitees, except such liability as is specifically excluded herein. Licensee shall obtain and maintain public liability insurance or the equivalent, in an amount equal to One Million Dollars (\$1,000,000) during the term of this Agreement and any renewal period, covering Licensee's use of the Premises. Such

insurance coverage shall name Licensor as an additionally insured.

(A) Licensee and Licensor shall each be responsible for maintaining any insurance covering their own equipment on the Premises; the lives and health of their respective agents, employees and invitees; damage or injury to other persons or other persons' property caused by the acts or omissions of their own agents, employees, or invitees; and any other business or liability insurance which each may deem necessary to protect their own interests.

(B) Licensor and Licensee each hereby waive any and all rights of recovery, claim, action, or causes of action, against the other, its agents, officers or employees, for any loss or damage that may occur to the Premises, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements or any other cause which could be insured against under the terms of standard property, liability, fire and extended coverage insurance policies, regardless of cause or origin, including negligence of other party hereto, its agents, officers or employees; and each party covenants that no insurer shall hold any right of subrogation against the other party.

9. Renewal Options. Licensee shall have the option to renew and extend the term of this Agreement upon the same terms and conditions as set forth herein for two (2) successive periods of five (5) years (the "Renewal Period"). Licensee shall be deemed to have exercised its option to renew this Agreement and this Agreement shall automatically renew on the tenth (10th) anniversary following commencement unless the Agreement is already terminated, or Licensee provides written notification to Licensor that it does not intend to exercise its right to renew on a date which is at least ninety (90) days prior to the date of expiration. The word "Term" as used in this Agreement shall include the above-mentioned Renewal Period as may be exercised by the Licensee.

10. Default. Licensee shall not be deemed in default under this Agreement until Licensor has given Licensee at least thirty (30) days written notice of any default hereunder and Licensee has failed to cure the same within thirty (30) days after receipt of such notice; provided, however, that where such default is not related to the payment of rent and cannot reasonably be cured in such thirty (30) day period and if Licensee shall proceed promptly to cure the same and prosecute such curing with due diligence, the time for curing such default shall be extended for such period of time as may be reasonably necessary.

(A) In addition, Licensor will not, except in an emergency as shall be interpreted in Licensor's sole discretion, cure any alleged default by Licensee until after the expiration of thirty (30) days following Licensee's receipt of notice provided for herein and then only if Licensee has failed, during such period, to cure such default or perform such act.

(B) Licensor reserves the right to disconnect Licensee's equipment if, following notification by another Licensee, or Licensee's agents or employees, or by notification by officials of the Federal Government, it is determined that operation of Licensee's equipment is causing injury or damage to other persons or licensees, or is in violation of law. Disconnection by Licensor shall not be performed without informing Licensee prior to Licensor's taking such action (which notification may be by telephone) and without providing Licensee with an opportunity to cure, within seventy two (72) hours, such problems or answer such allegations. If, following notification to Licensee by Licensor, Licensee does not immediately repair or disconnect Licensee's equipment to discontinue continuing injury and/or damage to other persons or licensees, and Licensor deems such repair or disconnection necessary to protect Licensor or other persons, Licensor may disconnect the power source to Licensee's equipment. Licensor shall not be liable for any damages, loss of revenue, claims, or injuries due to Licensor's disconnection of Licensee's equipment to protect Licensor or others. Lessor warrants that the terms contained within this Section 10(B) will be substantially similar and reflected within all other licenses entered into by Licensor for third parties' occupation and use of the Property and shall be included in substantially similar form within future licenses

entered into by Licensor for future licensees' = use of the Property.

(C) Licensee shall be deemed to be in default if Licensee causes to be placed upon its equipment or the Premises any lien or encumbrance, which placement delays, prevents or impedes Licensor and/or third parties' use of the Premises. Notwithstanding the foregoing, Licensor acknowledges that Licensee may have entered into a financing arrangement, including promissory notes and financial and security agreements, for the financing of Licensee's telecommunications facilities and the operation thereof. Accordingly, Licensor hereby consents to Licensee's installation and operation of Licensee's equipment, which is deemed collateral under any such aforementioned financing agreement(s), and Licensor agrees that (i) it disclaims any interest in the collateral, as fixtures or otherwise; and (ii) it shall hold as exempt such collateral from execution, foreclosure, sale, levy, attachment, or distress for any rent due or to become due and that such collateral may be removed by Licensee or pursuant to the terms of such financial arrangement(s) at any time without recourse to legal proceedings. Licensor's consent provided under this subsection 10(C) shall not be employed for the purpose of reducing any obligation of Licensee's created hereunder for the timely payment of rents.

11. Assignment. Licensee shall not assign this Agreement without the prior written consent of Licensor. Licensor covenants and agrees that it will not unreasonably withhold or delay its consent to any assignment. Notwithstanding the above, Licensee need not obtain prior consent from Licensor to assign the Agreement to another municipality principally located in Whatcom County, or to any combination of local municipalities who are collectively operating a radio system. Under no circumstances shall this Agreement be assigned by Licensee to any party which does not agree to be bound by all terms and conditions contained herein.

(A) As a condition precedent to Licensee's right to assign this License to any third party, Licensee covenants that it shall notify Licensor in writing of its intent to make such assignment and, in the event that Licensor's consent is not required or is deemed given hereunder, Licensee shall provide to Licensor all documents reasonably required by Licensor to assure that the assignee agrees to be bound by all terms and conditions contained herein which bind Licensee.

(B) Licensor hereby agrees to Licensee's assignment of this License to any financing entity, or agent on behalf of any financing entity, to whom Licensee (i) has obligations for borrowing money or in respect to guarantees thereof; (ii) has obligations evidenced by bonds, debentures, notes or similar instruments; or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guarantees thereof.

12. Attorneys' Fees. In the event that either party brings a law suit to compel the performance of the other party hereunder, the substantially prevailing party in such suit shall be entitled, in addition to all other remedies at law or equity, to reimbursement for all reasonable attorney's fees and costs paid to bring or defend such suit.

13. Manner of Giving Notice. Any written notice to be given under this License shall be mailed to each party at the address shown below. All notice shall be sent by registered or certified mail with postage prepaid, and shall be deemed given when so mailed.

Squalicum
Licensor: Mountain Holdings LLC
1800 Ellis Street
Bellingham, Washington 98225
(360) 380-0300
Attn. Jerry Noe

Licensee: Whatcom Transportation Authority
4011 Bakeview Spur
Bellingham, Washington 98226
(360) 788-9341
Attn: Josh Nylander
joshn@ridewta.com

14. Quiet Enjoyment. Licensors covenants and agrees that upon Licensee's paying the rent and other applicable charges and performing in accord with the terms and conditions stated herein, Licensee may peacefully and quietly enjoy the Premises, subject to the terms and conditions of this License.

15. Compliance with Statutes and Regulations. Licensee's antennas, wires and appliances shall be erected and maintained in accord with the requirements and specifications of the safety codes of the State where the Premises are located or any applicable jurisdiction or any amendments or revisions thereof, and in compliance with any rules or orders now in effect, or that hereafter may be issued by the Federal Communication Commission.

16. Automatic Termination: Licensors may terminate this agreement immediately and the parties shall deem Licensee to be in material default if any of the following occurs: Licensee is declared bankrupt or files for bankruptcy protection; Licensee is adjudged insolvent; a receiver is appointed to manage Licensee and/or its assets; Licensee dies or is adjudged incompetent (if an individual); or Licensee is found by a court of competent jurisdiction to have engaged in felonious activity in the operation of equipment at the Premises. Termination by Licensors for the causes listed above shall not create a reduction, offset, or relief from liability of all charges due and owing Licensors which have accrued up to the time when termination is elected.

17. Pass Throughs: In addition to the monthly rental payments to be made by Licensee, Licensee agrees to pay its pro rata or representative portion of any increase in all costs and fees, including, but not limited to, taxes, excluding income taxes; any road assessments levied for the provision of ingress and egress to the Premises; special use fees; assignment fees; permit fees, or increase in per unit rate of necessary utilities which occur following the commencement of this License and which are billed to either party for operation of the Premises and Property. Charges for increased utility rates will not be passed through to Licensees which are billed separately by the utility company for power. Charges to Licensee for such increases may be commenced immediately following Licensors receipt of a demand for higher costs from the applicable government agency, utility company, or road maintenance company, without prior notification to or approval from Licensee. Under no circumstances shall Licensors charge Licensee for such increases in a manner which might result in a profit to Licensors. Licensee's failure to pay any such charges upon demand by Licensors shall be deemed to be a failure to pay rents as required herein.

18. Compliance With Law Regarding Authority To Operate: Except as specifically provided herein, each party shall be responsible for compliance with all laws, statutes and regulations for which their authority to operate radio equipment or operate a radio tower is dependent. No party shall indemnify the other or be made liable in any way for any other party's failure to act in compliance with any rule or law, including violations which result in criminal prosecution or punitive action against a party, no matter what the source or cause of the violation of law might be. Accordingly, each party shall be solely responsible for its actions and its defense of such actions before any official agency or relevant court, with the sole responsible party(ies) being those named in such action.

19. Interference. Licensee shall have full and complete responsibility to correct within forty eight (48)

hours any interference caused to other communications equipment at the Premises by operation of its equipment, which cause is a result of a defect in its equipment. The term "defect" shall include any operation of Licensee's equipment which is not in accord with the technical parameters of any license issued by the Federal Communications Commission for operation of Licensee's facilities; any operation in variance with any equipment authorization granted by the Federal Communications Commission for sale, marketing and use of Licensee's equipment; any circumstance or condition which causes Licensee equipment to operate in variance with any Exhibit attached hereto; and any operation of Licensee's equipment which does not conform with generally accepted practices of telecommunications engineering, including but not limited to, applicable ANSI standards which exist or come to exist. Lessor warrants that the terms contained within this Paragraph 19 are substantially similar and reflected within all other licenses entered into by Licensor for third parties' occupation and use of the Property and shall be included in similar form within future licenses entered into by Licensor for future licensees' use of the Premises.

20. Suitability. Licensee warrants that it has examined the Premises to its satisfaction and that it accepts the Premises as suitable for occupation by Licensee for the purposes described herein. Licensee further acknowledges that Licensor does not warrant, in any way, the quality, range or propagation characteristics of any radio signal to be transmitted by operation of Licensee's equipment.

21. Environmental Laws Licensee represents, warrants and agrees that it will conduct its activities on the Premises in compliance with all applicable Environmental Laws. Licensor represents, warrants and agrees that it has in the past and will in the future conduct its activities on the Property in compliance with all applicable Environmental Laws and that the Property is free of hazardous substances as of the date of this License.

Licensor shall be responsible for, and promptly conduct any investigation and remediation as required by any Environmental Laws or common law, of all spills or other release of hazardous substances, not caused solely by Licensee, that have occurred or which may occur on the Property.

Licensee agrees to defend, indemnify and hold Licensor harmless from and against any and all claims, causes of action, demands, and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgements and attorney's fees that Licensor may suffer due to the existence or discovery of any hazardous substance on the Premises or the migration of any hazardous substance to other properties or release into the environment, arising solely from Licensee's activities on the Premises.

Licensor agrees to defend, indemnify and hold Licensee harmless from and against any and all claims, causes of action, demands and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgements and attorney's fees that The Licensee may suffer due to the existence or discovery of any hazardous substance on the Premises or the migration of any hazardous substance to other properties or released into the environment, that relate to or arise from Licensor's activities during this License (or the activities of third parties acting under the authority of Licensor) and from all activities on the Premises prior to the commencement of this License.

The indemnifications in this section specifically include costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any governmental authority or Environmental Laws.

Licensee agrees to cooperate reasonably with Licensor and other third party licensees occupying or which come to occupy the Premises for any purpose related to compliance with all rules, regulations, policies and applicable decisions of authorities with jurisdiction regarding the creation of radio frequency emissions from the operation of Licensee's equipment, either alone or in combination with all other telecommunications operators which are or will employ the Premises.

22. Condemnation. In the event that the Premises or any portion thereof are taken pursuant to a condemnation proceeding or by eminent domain, such that Licensee can no longer operate its telecommunications equipment on the Premises, this License shall terminate without liability to either party and Licensee shall not be entitled to any portion of any award arising out of such proceedings.

23. Entire Agreement, Severability. This Agreement embodies the entire agreement between the parties, making void all previous agreements between the parties. It may not be modified or terminated except as provided herein or by other written agreements between the parties. If any provision herein is held by a court of competent jurisdiction to be invalid, it shall be considered deleted from this Agreement, however, the remainder of this Agreement shall survive and be deemed enforceable.

24. Parties Bound by Agreement. Subject to the provisions hereof, this Agreement shall extend to and bind the parties and their heirs, executors, administrators, successors and assigns.

25. Governing Law and Venue. This Agreement shall be interpreted and governed in accord with the laws of the State of Washington, without regard to conflict of laws. Any action filed to enforce or interpret this Agreement shall be commenced in the Superior Court for the State of Washington, Whatcom County.

26. Headings. The headings included herein are merely a matter of convenience and shall not be employed for the purpose of interpretation of the language contained herein.

27. Warranty Of Signatories. The persons signing below warrant that they possess all actual and apparent authority to bind legally the party which they claim to represent, for all purposes related to performance in accord with the terms contained herein.

28. Counterparts. This Agreement may be executed in counterpart originals and each shall be deemed fully binding on the parties in all respects.

29. Ability To Perform. Licensee warrants that it is a governmental unit in good standing, authorized to do business within the state where the Premises are located and that it knows of no reason why it cannot enter into this Agreement and perform hereunder, including reasons arising under any statute, law, rule, regulation, contractual obligation, decision of any applicable government agency or forum, articles of incorporation, by-law, or pending or threatened litigation. Licensor warrants that it is authorized to do business within the state where the Premises are located and that it possesses all authority, both actual and implied, to enter into and perform under this License. Licensor warrants that it knows of no reason why it cannot perform hereunder, including reasons arising under any statute, law, rule, regulation, contractual obligation, decision of any applicable government agency or forum, articles of incorporation, by-law, or pending or threaten litigation.

30. Memorandum. Licensor acknowledges that a Memorandum of Agreement may be recorded by Licensee where the Property is located and Licensor agrees to cooperate reasonably in Licensee's recording of such document.

WHEREFORE, the parties have executed this agreement on the day and year first above written, intending to be legally bound to the terms and conditions contained herein.

Squalicum

MOUNTAIN HOLDINGS, LLC

WHATCOM
AUTHORITY

TRANSPORTATION

By: Robert L. Lee

Its: Manager

By: Les Reardon
LES REARDON

Its: GENERAL MANAGER

EXHIBIT A

EXHIBIT A

LEGAL DESCRIPTIONS-SQUALICUM HOLDINGS LLC

APN 380312 150175 0000

Parcel A:

That portion of the North Half of the Southwest Quarter of Section 12, Township 38 North, Range 3 East of Willamette Meridian, Whatcom County, Washington, described as follows:

Beginning at the Southwest corner of the Northeast Quarter of said Southwest Quarter; thence South 88°09'09" East on the South line thereof a distance of 510.00 feet; thence North 01°05'39" East 951.70 feet; thence North 87°52'53" West 1835.21 feet to the West line of said Southwest Quarter; thence South 00°58'41" West on said West line a distance of 290.85 feet to the South line of the North Half of the Northwest Quarter of said Southwest Quarter; thence South 87°52'53" East 1324.58 feet to the Southeast corner of said North Half; thence South 01°05'39" West 663.28 feet to the point of beginning.

Situate in Whatcom County, Washington.

Parcel A-1:

An easement for ingress, egress and utilities as described in Auditor's File No. 1510209.

Situate in Whatcom County, Washington.

APN 380312 240210 0000

Parcel C:

That portion of the North Half of the Southwest Quarter of Section 12, Township 38 North, Range 3 East of Willamette Meridian, Whatcom County, Washington, described as follows:

Commencing at the Southwest corner of the Northeast Quarter of said Southwest Quarter; thence South 88°09'09" East on the South line thereof a distance of 933.00 feet to the point of beginning; thence continuing South 88°09'09" East on said South line a distance of 390.13 feet to the Southeast corner of said Northeast Quarter of the Southwest Quarter; thence North 01°12'46" East 1313.98 feet to the Northeast corner of said Northeast Quarter of the Southwest Quarter; thence North 87°36'39" West 2652.14 feet to the Northwest corner of said Southwest Quarter; thence South 00°58'41" West on the West line of said Southwest Quarter a distance of 170.97 feet; thence South 87°52'53" East 2258.66 feet; thence South 01°05'39" West 1157.44 feet to the point of beginning.

Situate in Whatcom County, Washington.

Parcel C-1:

An easement for ingress, egress and utilities as described in Auditor's File No. 1510209.

Situate in Whatcom County, Washington.