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Kathy Hill, Skagit County Auditor

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RETURN TO: Shamrock Lands Inc  
~~DA Gardner Timber Co.~~

DOCUMENT TITLE(S) (or transactions contained herein):

Agreement

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

[ ] ADDITIONAL REFERENCE NUMBERS ON PAGE \_\_\_\_\_ OF DOCUMENT.

GRANTOR(S) (Last name, first name and initials):

- 1. Trillium Corp.
- 2.
- 3.
- 4.

[ ] ADDITIONAL NAMES ON PAGE \_\_\_\_\_ OF DOCUMENT.

GRANTEE(S) (Last name, first name and initials):

- 1. Shamrock Lands Inc
- 2.
- 3.
- 4.

[ ] ADDITIONAL NAMES ON PAGE \_\_\_\_\_ OF DOCUMENT.

LEGAL DESCRIPTION (Abbreviated: i.e., lot, block, plat or quarter, quarter, section, township and range):

10-35-7 etal

[ ] ADDITIONAL LEGAL(S) ON PAGE \_\_\_\_\_ OF DOCUMENT.

ASSESSOR'S PARCEL/TAX I.D. NUMBER:

P42210 P42230 P42232  
P42231 P42365 P42334

[ ] TAX PARCEL NUMBER(S) FOR ADDITIONAL LEGAL(S) ON PAGE \_\_\_\_\_ OF DOCUMENT.

## ROAD USE & ROYALTY AGREEMENT

This ROAD USE & ROYALTY AGREEMENT ("Agreement" herein) is made and entered into as of this 18 day of July, 2000, by and between TRILLIUM CORPORATION, a Washington corporation ("Trillium" herein), and SHAMROCK LANDS, INC., a Washington corporation ("Shamrock" herein), with reference to the following facts and objectives.

### RECITALS

A. Trillium owns of that certain parcel of land consisting of approximately 2,150 acres, portions of which land are located in Sections 2, 3, 9 and 10, Township 35 North, Range 7 East, Skagit County, State of Washington. The portions of said parcel of land which are subject to this Agreement (the "Property" herein) are legally described on Exhibit "A" hereto, and are depicted on the map marked as Exhibit "B" hereto. Said Exhibits are incorporated herein and made a part hereof by this reference. The Property is currently improved with several existing forest roads (collectively the "Access Road" herein), the location and configuration of such Access Road being more specifically depicted on Exhibit B.

B. Shamrock is presently seeking to obtain a permit/license to operate a commercial gravel quarry in the vicinity of the Property. As a condition precedent to the issuance of such permit/license for said quarry, Shamrock is required to demonstrate that it has secured good and proper right of access to and from the proposed quarry site. Such required proof of access includes Shamrock's right of access over, upon and across the Property.

C. Following negotiations between the parties, and in order to satisfy such access requirements, Shamrock has requested, and Trillium has agreed, that Shamrock shall be granted the right and license to use the Access Road upon the Property, in exchange for the royalty payments to be made hereunder, and for the purposes and in accordance with the terms and conditions as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Access; Scope of Use. Trillium hereby grants to Shamrock (and its authorized agents, employees and contractors) a nonexclusive right and license to use the Access Road upon the Property for vehicular ingress and egress as may be reasonably necessary or required to facilitate Shamrock's commercial gravel quarry business operations conducted at its quarry site in the vicinity of the Property.

(a) License Personal. The right of access granted to Shamrock hereunder shall be personal to Shamrock, subject to its continuing gravel quarry operations in the vicinity of the Property, and shall not be assignable or otherwise transferable (voluntarily or by operation of

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law) to any third parties without the prior written consent of Trillium, granted or withheld in Trillium's sole discretion. Any such transfer without said prior written consent shall be void and of no effect and shall constitute a material default hereunder.

(b) Use Limited. The parties contemplate and agree that the Access Road will be used by Shamrock only for the transport of gravel material, and gravel moving vehicles, equipment, machinery and personnel, to and from said gravel quarry site, over, across and upon the Property so that such gravel may be delivered to the nearest public road access point for further commercial transport and distribution.

2. Term; Extended Term; Termination. The term of this Agreement shall commence upon full execution hereof and shall continue thereafter for an initial term which shall be five (5) years in duration measured from January 1, 2001, and which initial term shall expire on December 31, 2005.

(a) Upon expiration of the initial term, and provided that Shamrock is not then in material default hereunder past any applicable cure period, Shamrock shall have the right and option to extend the term of this Agreement for three (3) additional and consecutive periods of five (5) years each, for a cumulative total of fifteen (15) years of such extended terms.

(b) Shamrock shall give Trillium prior written notice of its intention to exercise any such option to extend, which notice must be delivered to Trillium not more than one (1) year and not less than six (6) months prior to the expiration of the initial, and/or the then-current extended term, as the case may be.

(c) Said options to extend this Agreement term shall be personal to Shamrock and shall not be assignable or otherwise transferable (voluntarily or by operation of law) to any third parties without the prior written consent of Trillium, granted or withheld in Trillium's sole discretion.

(d) Notwithstanding the foregoing, the parties acknowledge and agree that, beginning in the year 2012, and thereafter at any time during the continuing existence of this Agreement, Trillium reserves the right, without payment of any consideration and in its sole discretion, with or without cause, and upon not less than one (1) year prior written notice to Shamrock, to terminate this Agreement. It is understood that Trillium is unwilling to bind the Property and Access Road to this Agreement beyond said 2012 date due to concerns relating to potential limitations on or loss of land use, development or other opportunities for the Property.

3. Royalty Payments. In consideration for Shamrock's use of the Access Road as granted hereunder, Shamrock shall pay to Trillium a royalty payment to be based on and calculated upon the gross amount of gravel material transported by Shamrock over and across the Property and Access Road.



(a) Terms of Payment. Except as to initial commencement of payment, said royalty payments shall be assessed and paid on a monthly basis, due on the first day of each and every month of the initial and any extended term hereof. If any portion of said payments is not paid within ten (10) days after it is due, a late charge of five percent (5%) of the unpaid amount, plus an interest charge thereon assessed at eighteen percent (18%) per annum, or the highest rate permitted by law, whichever is less, shall be assessed and payable on any such amount, from its due date until paid. Said royalty payments shall be in the amount of ten cents (\$0.10) per each cubic yard of gravel material so transported over and upon the Access Road.

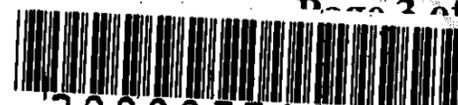
(b) Verification of Amounts. Along with each monthly royalty payment made by Shamrock to Trillium hereunder, Shamrock shall also submit with each such payment copies of all purchase and/or shipping orders, hauling logs, weights and volume records, material receipts and invoices, cancelled checks and/or any other appropriate documentation as may be required to accurately show the actual amount of gravel material transported over and across the Access Road during any given month, and to verify that the tendered amount of royalty payment is complete and correct.

(c) Records Audit. Upon prior written notice, and not more frequently than twice annually, Trillium and its accountants, consultants or other authorized representatives shall have the right to inspect and copy the records, tax returns, financial statements, books, receipts and other ledgers and accounts of Shamrock, at said gravel quarry site in the vicinity of the Property, and elsewhere, as may be appropriate or required to conduct an audit of Shamrock's gravel production, sale, distribution and transport operations conducted over, upon and across the Property and Access Road, for the purpose of confirming that all royalty payments due hereunder have been paid on time and in full, and have otherwise been properly accounted for. All costs and expenses of any such audit shall be paid by Shamrock if it is determined as a result of any such audit that said royalty payments have been understated or underpaid by 3% or more, otherwise, Trillium shall pay for such costs and expenses

(d) Commencement of Royalty Payments. The parties agree that for the first portion of the initial term of this Agreement, measured from the date of full execution hereof to December 31, 2002, Shamrock's obligation to make royalty payments as otherwise required hereunder shall be suspended, so long as Shamrock fully and timely performs, and is not in material default, hereunder. Such suspension of royalty payment obligations shall be in consideration for the initial renovations and improvements which the parties intend Shamrock will make to the Access Road as part of and as required for its start-up business operations at the quarry site. It is understood that such suspension of royalty payments is in the nature of a free rent or license fee concession granted to Shamrock, contingent upon Shamrock's continued and proper performance hereunder. In the event of any material default by Shamrock hereunder, Trillium reserves the right to retroactively collect all or any part of such suspended royalty payments as a result of and in compensation for any such default.

(e) Royalty Payments During Extended Term. The royalty payments due

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hereunder during any extended term hereof shall be subject to adjustment and increase as provided herein, based on a then-current fair market valuation. Within seventy-five (75) days prior to the commencement of each five (5) year extension term, the parties shall seek to agree on the amount of the royalty payments to be made by Shamrock to Trillium hereunder during any such five (5) year extension term.

(i) If the parties are unable to agree on such new royalty payment amount within said sixty (60) day period, each party, by giving written notice to the other, shall, within seven (7) days of receipt of such notice appoint an appraiser or other qualified expert or consultant, then having at least five (5) years of current experience in appraising or valuing commercial gravel product of like-kind or reasonably comparable to the gravel so produced and transported from Shamrock's gravel quarry site described herein.

(ii) The two (2) appraisers so chosen shall seek to agree between themselves on an amount which represents the current fair market value of the gravel then being so produced and transported from said quarry upon and across the Access Road. Said appraisers shall also attempt to establish a fair and current market value royalty payment to be made upon such gravel transport by Shamrock hereunder during such extension term, to be calculated and assessed per cubic yard of gravel as so transported, in a fashion similar to such royalty payments made during the initial five (5) year term hereof.

(iii) If the two (2) appraisers are unable to agree on such royalty payment for the applicable five (5) year period within twenty (20) days, they shall jointly select a third appraiser that meets the qualifications set forth herein within five (5) days after the last date that the two (2) appraisers are given to set such new royalty payment for the applicable five (5) year period. The third appraiser shall be a person who has not previously acted in any capacity for either party.

(iv) Within twenty (20) days after the selection of the third appraiser, a majority of the appraisers shall set the amount of the royalty payments for the applicable five (5) year period. If a majority of the appraisers are unable to so set the royalty payments within such twenty (20) day period, the two (2) closest appraisals shall be added together, and their total divided by two (2). The resulting quotient shall be the royalty payment for the applicable five (5) year period.

(v) Each party shall be responsible for the costs, charges and fees of the appraiser appointed by that party, plus one-half of the cost of the third appraiser. In no event shall the royalty payment so determined be less than the royalty payment which was due hereunder immediately prior to such determination. Upon such determination of new royalty payment due hereunder, the parties hereto shall prepare and execute an amendment to this Agreement stating the new rent in effect.

(f) Consideration in Addition to Royalty Payments. In addition to the royalty

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payments to be made by Shamrock hereunder, Shamrock shall also pay promptly, in full, and when due, any increase in insurance premiums and all real property taxes as may be payable with respect to or as may be levied against the Property or Access Road which are a result of or are attributable to Shamrock's use and/or improvement of the Property or Access Road. Trillium agrees to provide proof of any such increases to Shamrock prior to, and as a condition of, Shamrock's payment of the same.

4. Condition, Use and Maintenance of Access Road; Security; Permits; Compliance With Law; Liens; Insurance; Waste, Nuisance and Accidents. Prior to full execution hereof, Shamrock has inspected and evaluated the physical condition and features of the Property and Access Road, and Shamrock accepts the same in their present "AS IS" and "WHERE IS" condition. Shamrock expressly acknowledges that Trillium has made no warranties, representations or guarantees of any kind, either express or implied, in writing or orally, regarding the suitability or desirability of the Access Road for Shamrock's intended purposes.

(a) Road Security. From time to time during the term hereof the Access Road may be secured through installation of gate, chain or similar devices. Any key, lock combination or other means of access securing the same shall be shared and maintained as confidential between Shamrock and Trillium, and shall not be provided to third party users without the express prior written permission of Trillium, given or withheld in Trillium's sole discretion.

(b) Licenses and Permits; Compliance With Law. Shamrock shall obtain and pay for all licenses, permits, and/or any other governmental clearances or approvals as may be necessary for such gravel transport operations, road maintenance and improvement, and/or other activities of Shamrock on the Property as permitted hereunder. Trillium shall reasonably cooperate, at Shamrock's expense, with any such applications or other acts as may be necessary to allow Shamrock to so comply with such governmental approval and regulatory process. All such gravel transporting and other activities of Shamrock upon the Property and Access Road shall be performed by properly licensed, registered, bonded and insured contractors (as and to the extent required by law), in a prompt, competent and workmanlike manner, in full compliance with all applicable zoning, land use, health, safety, environmental and other laws, rules, ordinances, statutes and regulations relating to the Property and use of the Access Road.

(c) Mechanic's Liens; Insurance. No activities of Shamrock on the Property or the Access Road shall result in any mechanic's, materialman's, supplier's or labor liens or claims being filed or asserted against the Property or Trillium, and Shamrock shall pay, bond against, release or otherwise resolve any and all such liens and claims at Shamrock's expense, promptly upon demand by Trillium. Shamrock shall, prior to commencing any such activities on the Property, secure and maintain automobile and business operations comprehensive liability and casualty insurance with coverage and liability limits of not less than One Million Dollars (\$1,000,000) for injury to or death of one or more persons in any one occurrence, and Five Hundred Thousand Dollars (\$500,000) for damage to or destruction of property in any one occurrence. Such coverage shall be maintained directly by Shamrock, and by its contractors as

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required, protecting against all loss, injury, damage, claims or liability to persons or property arising from or related to Shamrock's activities on the Property. Such insurance shall be primary to any insurance as may be carried by Trillium, and shall be in amounts and with scope of coverage acceptable to Trillium and naming Trillium as an additional insured as Trillium's interests may appear, with proof of such insurance coverage being provided to Trillium prior to commencement of any such activities. Said insurance shall also insure the performance by Shamrock of the indemnity and hold harmless obligations on the part of Shamrock hereunder, however, the limits of such insurance coverage shall not limit Shamrock's liability hereunder in such regard.

(d) Nuisance and Waste; Accidents; Public and Third Party Access.

Shamrock shall not commit or allow any waste or nuisance upon the Property, through its use and maintenance of the Access Road, or otherwise. Shamrock shall immediately report to Trillium, to Shamrock's insurance carriers, and to all appropriate governmental agencies, any injury, damage or loss caused to or sustained by any person or property in connection with Shamrock's activities on the Property or use of the Access Road. Shamrock shall take all required steps, at its sole cost and expense, to prevent any and all unauthorized pedestrian, animal or motorized vehicle access to the Property and Access Road by the general public or any third parties, without the express prior written consent of Trillium, granted or withheld, on a case-by-case basis, in Trillium's sole discretion. At all times during the term hereof, Trillium and its agents, employees, representatives and other authorized users shall have joint, free and unrestricted access to and use of the Property and Access Road with Shamrock, and Shamrock shall not unilaterally lock, bar, barricade, remove or leave open or unsecured any gate or Access Road security device without the prior written consent of Trillium.

(e) Repairs and Maintenance. During the term hereof, Shamrock shall repair and maintain any improvements or renovations it makes to the Access Road, and all portions of the Access Road and the Property as permitted to be used by Shamrock hereunder, in good and safe order, condition and repair. The portions of the Access Road utilized by Shamrock shall be so repaired and maintained in accordance with the degree or percentage of Shamrock's actual use thereof, as compared to other current users of the Access Road, which Access Road shall be kept in such good and safe condition, and all ruts, cracks, potholes, fissures, fractures, soil subsidence, depressions, surface drainage, erosion, rocks, debris, and other features of, improvements upon, or damage to the Access Road shall be promptly corrected, repaired, replaced, and maintained by Shamrock at its sole cost and expense. Trillium shall not be obligated to arrange, pay for or perform any such Access Road repair or maintenance work except to the extent the same may be caused or necessitated by Trillium's use or operation of the Access Road, either directly or through its employees, invitees, agents, contractors, licensees, representatives or other authorized users. In the event that the access road shall become damaged, obstructed, closed for use, or otherwise inoperable during the initial or any extended term hereof, by reason of any act of God, inclement weather, flood, land or mud slide, strike, civil disturbance, or other cause or event which is not the fault of and is beyond the control of either party, then neither party shall be liable to the other for any damage, injury or loss caused by such prevention or interference with



use of the Access Road, the parties shall promptly and reasonably cooperate with one another to repair and to place the Access Road into a safe and useable operating condition, each bearing the cost and responsibility for such repair and restoration work in proportion to their respective percentage of actual use of the Access Road immediately prior to any such damage to or interference with the Access Road.

5. Indemnity; Hold Harmless. Shamrock agrees that, except for those events which may be directly caused by or attributable to either Trillium's gross negligence or intentional misconduct, Trillium shall not at any time or to any extent whatsoever be liable, responsible, or in any way accountable for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by Shamrock, its agents, employees or contractors, the general public, or by any person who may at any time be using, occupying or visiting the Property or Access Road in connection with Shamrock's activities thereon, or who be in, on or about the same, whether or not such loss, injury, death or damage shall be caused by or in any way result from or arise out of any act, omission or negligence of Shamrock, or of any agent, employee, contractor, visitor or invitee of Shamrock on the Property or the Access Road. Shamrock shall forever indemnify, protect, defend, hold and save Trillium free and harmless of, from and against any and all claims, liability, loss, cost or damage whatsoever, including attorney's fees and costs, on account of any such loss, injury, death or damage.

6. Default and Termination; Damages. Shamrock shall be in default under this Agreement if: (i) Shamrock shall fail or refuse to pay any royalty payment or other monetary amount due hereunder within 5 days after Trillium shall have given to Shamrock written notice requesting and specifying such payment, or (ii) Shamrock shall neglect, refuse or fail to perform or observe any of the nonmonetary covenants herein contained on the part of Shamrock to be performed and observed, and Shamrock shall fail to remedy the same within 10 days after Trillium shall have given to Shamrock written notice specifying such neglect, refusal or failure.

(a) In the event of any such uncured default by Shamrock, and without the need for any further notice or demand, Trillium shall have the right, at Trillium's election, then or at any time thereafter, to terminate this Agreement and Shamrock's granted rights hereunder to so use the Access Road as provided herein, and to seek such other equitable or legal relief (including injunctive and/or declaratory relief) as may be available to Trillium as a result of such default by Shamrock.

(b) Should Trillium terminate this Agreement as provided herein, Trillium shall have the right to recover from Shamrock any amount or award of relief as may be necessary to compensate Trillium for all damage, loss and/or detriment proximately caused by Shamrock's breach and default hereunder, or which in the ordinary course of things would be likely to result therefrom.

(c) Should Trillium fail, neglect or delay for any reason to take advantage of any of the terms or provisions herein provided for the termination of this Agreement, or if

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Trillium, having the right to declare this Agreement terminated, shall fail to do so, the parties agree that any such failure, delay or neglect of Trillium shall not be, or be deemed or construed to be, a waiver or release of any of the covenants, terms or conditions of this Agreement continuing to exist or subsequently arising, or as a waiver or release of any of the covenants, terms or conditions of this Agreement or of the timely and full performance thereof by Shamrock. None of the covenants, terms or conditions of this Agreement can be waived or released by conduct of the parties or by estoppel, and any such waiver or release must be in writing and signed by the parties hereto in order for the party claiming or alleging the same to benefit therefrom.

7. Rights Reserved by Trillium. Trillium expressly reserves all rights in and with respect to the Property and the Access Road which are not inconsistent with Shamrock's right to use the Access Road as granted hereunder. Such reserved rights of Trillium shall include, without limitation, the right of Trillium at all times to enter upon the Property, through and along the Access Road, or to grant easements or licenses for such use to others, for the purpose of installing, using, maintaining, renewing and replacing such overhead, surface or underground water, oil, gas, sewer, drainage and other pipe lines, conduits and telephone, electric, power, television and other lines, cables and conduits as Trillium may deem desirable in connection with any timber growth and harvesting, mining, and/or other development or use of the Property, any land or property adjacent to or in the vicinity of the Property, or for access to or use and development of neighboring properties, if and as applicable.

8. Environmental Concerns. Shamrock hereby agrees to and makes the following, covenants, representations and warranties to Trillium:

(a) Shamrock has no knowledge of any permits, licenses, or authorizations which are required under Environmental Laws, as defined below, with respect to Shamrock's permitted gravel movement activities upon the Property and Access Road as contemplated hereunder.

(b) Shamrock is not aware of, and has not received notice of, and Shamrock will not conduct or allow to be conducted any activities upon the Property or the Access Road which involve the presence, release, migration, transport, storage or handling of Hazardous Substances, and Shamrock has no other reason to believe that any such Hazardous Substances are involved with or contained within the gravel moving activities to be conducted on or about the Property or Access Road by Shamrock as contemplated hereunder.

(c) There is not pending or threatened against Shamrock, (and Shamrock knows of no circumstances that might give rise to) any civil, criminal or administrative action, or claim relating in any way to Environmental Laws with respect to the Property or Access Road, and to the extent that any of the same should become known, arise or be asserted in the future, Shamrock shall immediately cease and desist, and notify Trillium of the same in writing.

(d) As used herein the following terms shall have the following meanings:  
"Environmental Laws" shall mean all federal, state and local laws relating to pollution or

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protection of the environment. "Hazardous Substances" shall mean any pollutant, contaminant, hazardous or dangerous waste, substance or material regulated or controlled pursuant to any Environmental Law.

9. Notice. All notices required or permitted hereunder must be given in writing and shall be delivered by hand, by national overnight express delivery service, by U.S. registered or certified mail, return receipt requested, postage prepaid, or by facsimile to the addresses set forth below:

TRILLIUM:

Trillium Corporation  
4350 Cordata Parkway  
Bellingham, WA 98226  
Attn: Randy Bartelt

SHAMROCK:

Shamrock Lands, Inc.  
P. O. Box 157  
Stanwood, WA 98292

Any notice or other communication mailed as provided above shall be deemed effectively given (a) on the date of delivery, if delivered by hand, or (b) on the date mailed, if sent by overnight express delivery or U.S. mail.

10. Road Relocation. At any time during the Term hereof, Trillium shall have the right, but not the obligation, at its expense, to relocate the Access Road, or any portion thereof, upon and through the Property, in such manner and at such new location as Trillium shall choose, in its sole discretion.

11. General Provisions.

(a) Remedies Cumulative. The specific remedies to which Trillium may resort hereunder are cumulative, and are not intended to be exclusive of any other remedies or means of redress to which Trillium may be lawfully entitled in case of any breach or threatened breach by Shamrock of any provision, covenant or condition of this Agreement.

(b) Scope of Agreement; Legal Counsel; Successors and Assigns. The parties have had an opportunity to seek the advice of legal counsel regarding their execution of and performance hereunder, and they each accept responsibility for their assumed duties and obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the agents, employees, representatives, attorneys, heirs, successors and assigns of the parties hereto; provided, however, that Shamrock shall not be permitted to assign, convey, or otherwise transfer its interest hereunder, voluntarily, by operation of law, or otherwise, without the prior written consent of Trillium, which may be granted or withheld in Trillium's sole discretion. Only the parties specifically named herein shall be bound by and benefit from the terms and provisions hereof, and this Agreement is not intended to be, nor shall it be interpreted or construed as, a third party beneficiary contract. Shamrock agrees that it does not possess and shall not claim or

acquire hereunder any interests in the Property, or rights of use, occupancy or otherwise, beyond or in excess of those as specifically set forth herein, and Shamrock's rights with respect to the Property and Access Road are detailed solely in this Agreement and no rights are to be implied if not expressly set forth herein.

(c) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any legal action between the parties hereunder shall be placed in the Superior Court of Whatcom County, Washington.

(d) Additional Documents; Authority to Execute. The parties agree to execute and deliver such other and further instruments and documents as may be reasonably necessary or required to carry out and effectuate the terms, conditions and objectives of this Agreement. The parties warrant and represent that the individuals executing this Agreement on their behalf have full and proper power and authority to do so, and are authorized by valid corporate resolution or otherwise to enter into and perform under this Agreement upon the terms and conditions set forth herein, which shall be binding upon and enforceable against each of the parties hereto.

(e) Entire Agreement; Severability. This Agreement constitutes the entire understanding of the parties hereto relating to the subject matter contained herein, and this Agreement cannot be changed, rescinded or terminated orally. This Agreement supersedes all prior agreements, understandings, discussions, statements and negotiations of the parties. Each party acknowledges that no representations, inducements, promises or agreements, oral or written, with reference to the subject matter hereof have been made other than as expressly set forth herein, and that the terms and Recitals of this Agreement are contractual and not mere recital. If any term, provision or condition of this Agreement shall be found to be void, illegal or unenforceable, the remaining terms, provisions and conditions hereof shall continue in full force and effect so as to allow the purposes and intent of this Agreement to be carried out.

(d) Attorneys' Fees. If any action, suit, enforcement effort, or proceeding is brought or commenced by any party to this Agreement against any other party to this Agreement, the prevailing party in any such action, suit, effort or proceeding, whether the same be judicial or non-judicial in nature, shall be entitled to recover all costs and expenses actually and reasonably expended or incurred in connection therewith, including, without limitation, attorneys' fees, enforcement costs and collection charges.

(f) Counterparts; Time of Essence. This Agreement may be executed in two or more counterparts, each of which shall be a duplicate original, but all of which together shall constitute one and the same instrument. Time is hereby expressly declared to be of the essence of this Agreement, and of each and every covenant, term, condition or provision hereof.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SHAMROCK"

Shamrock Lands, Inc., a  
Washington corporation

By: Steve Dorsey

Its: Vice Pres.

"TRILLIUM"

Trillium Corporation, a Washington  
corporation

By: Randy R. Forster

Its: FORESTER



## Exhibit A

Portions of: NWSW of Section 2, T35N R7E

Portions of: NESE, SWSE of Section 3, T35N R7E

Portions of: SENE, SWNE, NWSE of Section 9, T35N R7E

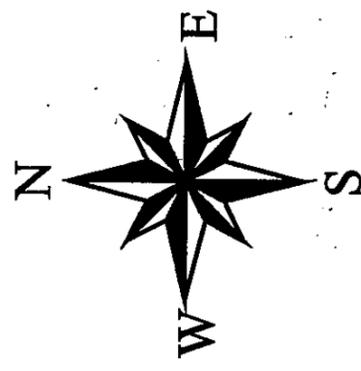
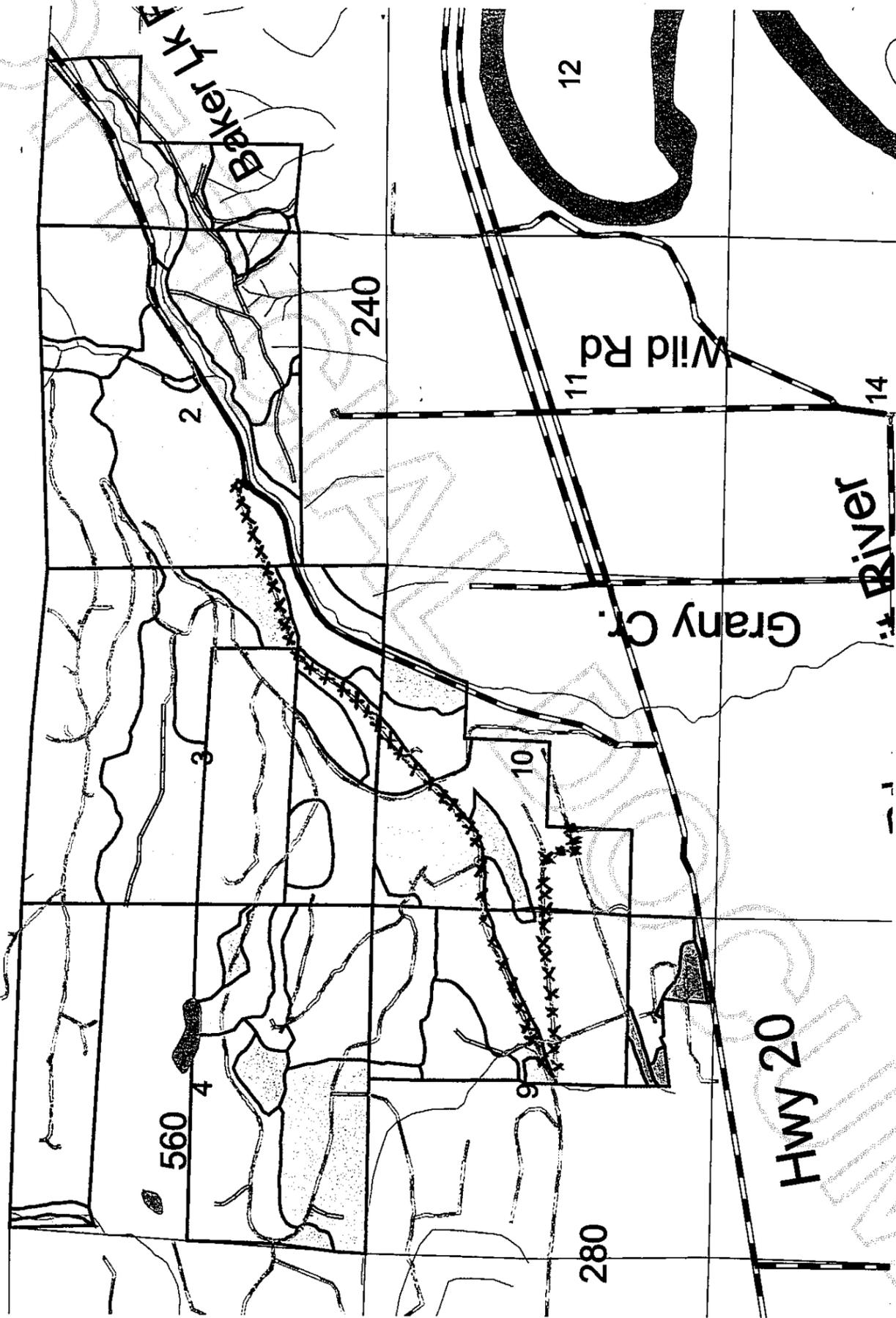
Portions of: NWNE, NENW, SWNW, NWSW of Section 10, T35N R7E



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EXHIBIT B



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ROAD USE AGREEMENT AREA: XXXXX