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Skagit County Auditor

3/18/2010 Page 1 of 7 3:16PM

Return Address:  
Ralph Maimon  
Law Office of Ralph Maimon, P.S.  
1100 Dexter Avenue North, Suite 100  
Seattle, WA 98109

**SKAGIT COUNTY AUDITOR/RECORDER'S INDEXING FORM**

<b>DOCUMENT TITLE(S):</b> 1. MEMORANDUM OF APPLICABILITY OF LLC AGREEMENT
<b>REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:</b>  Additional reference numbers are on page _____ of document.
<b>GRANTOR(S):</b> <i>(Last name first, then first name and initials)</i> 1. RYAN TREE FARM, L.L.C. Additional names on page _____ of document.
<b>GRANTEE(S):</b> <i>(Last name first, then first name and initials)</i> 1. RYAN TREE FARM, L.L.C. Additional names on page _____ of document.
<b>LEGAL DESCRIPTION:</b> <i>(abbreviated i.e. lot, block, plat, section, township, and range)</i> Lot 5 and the SW QRT of Section 27 SET FORTH ON EXHIBIT A Full legal description is on page Exhibit A of document.
<b>ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER:</b> 351027-3-003-0007 and 351034-2-001-0002 <input type="checkbox"/> Assessor Tax # not yet assigned
The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.

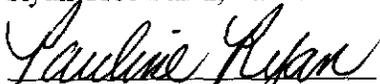
Signature of Requesting Party \_\_\_\_\_

**MEMORANDUM OF APPLICABILITY OF  
LIMITED LIABILITY COMPANY AGREEMENT**

This memorandum is intended to constitute public notice of record of the existence and validity of the Limited Liability Company Agreement of Ryan Tree Farm, L.L.C., a Washington Limited Liability Company (the "Agreement") executed on February 26, 2010, which limited liability company is the sole owner of the real property legally described on Exhibit A hereto and incorporated herein by this reference and which Agreement governs compliance with, *inter alia*, the transferability of interests in the said limited liability company and its provisions relating to dissolution or termination of the said limited liability company.

1. Purpose: The purpose of the Ryan Tree Farm, L.L.C., is to own and manage a tree farm on the real property identified and legally described on the attached Exhibit A. The purpose of this Memorandum is to provide notice of the applicability of the provisions of the Agreement as to the transferability (by sale or gift, as defined therein) and/or encumbrance of the said real property and of interests in the limited liability company itself and relating to the dissolution and termination of the said limited liability company. The pertinent provisions thereof are attached hereto as Exhibit B.
2. Duration: These restrictions shall survive as long as the forming member, Pauline Ryan, has living descendants, by birth or lawful adoption or the earlier termination or dissolution of the LLC.
3. Contact Information: Contact regarding the same should be made to Jacob Menashe, attorney at law, Hickman Menashe, 601 108<sup>th</sup> NE, No. 1900, Bellevue, WA 98004 or Law Office of Ralph Maimon, 1100 Dexter Avenue N., Seattle, WA 98109 or to the Registered Agent for Ryan Tree Farm, L.L.C.

Ryan Tree Farm, L.L.C.



Pauline Ryan, sole member and manager

Dated March 5, 2010



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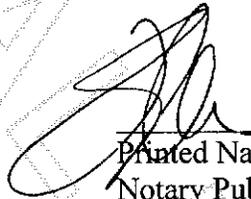
Skagit County Auditor

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me, Pauline Ryan, to me known to be the sole member and manager of Ryan Tree Farm, L.L.C., the limited liability company that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument.

GIVEN UNDER my hand and official seal this 5th day of March, 2010.



  
Printed Name: RALPH MAIMON  
Notary Public in and for the State of  
Washington, residing at Seattle, WA  
My commission expires 3-1-14.



201003180087  
Skagit County Auditor

EXHIBIT A

REAL PROPERTY DESCRIPTION:

Lot five and the southwest quarter of the southwest quarter of Section twenty-seven (Tax Account No. 351027-3-003-0007) and the north half of the northwest quarter of Section thirty-four (Tax Account No. 351034-2-001-0002) in Township thirty-five North, Range ten east, Willamette Meridian in Washington.

AND

Government Lot 5 and the Southwest quarter of the Southwest quarter of Section 27 and the North one-half of the Northwest quarter of Section 34, all in Township 35 North, Range 10 East, W.M. EXCEPT the County road right-of-way known as the Rockport-Cascade Road.

All situate in the County of Skagit, State of Washington.



201003180087  
Skagit County Auditor

EXHIBIT B

1.1. **Returns and Other Elections.** The Members shall be jointly responsible to cause the preparation and timely filing of all tax and information returns required to be filed by the Company pursuant to the Code and all other tax and information returns deemed necessary and required in each jurisdiction in which the Company does business. All elections permitted to be made by the Company under federal or state laws shall be made by the unanimous consent of all Members.

**ARTICLE 2.  
TRANSFERABILITY**

2.1. **General.** Except as otherwise expressly provided in this Agreement, a Member shall not have the right to:

A. sell, assign, transfer, exchange or otherwise transfer for consideration, (collectively, "sell" or "sale"),

B. gift, bequeath or otherwise transfer for no consideration whether or not by operation of law, except in the case of bankruptcy (collectively "gift"),

ALL OR ANY PART OF ITS INTEREST IN THE COMPANY TO ANYONE OTHER THAN A DESCENDANT OF PAULINE L. RYAN, WHICH SHALL BE DEFINED AS ANY CHILD OR GRANDCHILD BORN TO OR LAWFULLY ADOPTED BY A NATURAL OR LAWFULLY ADOPTED DESCENDANT OF PAULINE RYAN OR BY A GIFT, DEVISE OR TRANSFER UNDER THE UNIFORM TRANSFERS TO MINORS ACT OR A TRUST OF ANY KIND ESTABLISHED FOR THE BENEFIT OF ANY SUCH DESCENDANT. ANY ATTEMPTED SALE OR GIFT IN VIOLATION OF THIS ARTICLE 12 SHALL BE DEEMED NULL AND VOID.

**ARTICLE 13.  
ADDITIONAL MEMBERS**

New Members may be added to the Company but only with the prior written consent of all Members, except by a sale or gift that is not restricted pursuant to Article 12.



201003180087  
Skagit County Auditor

EXHIBIT B

**ARTICLE 14.  
DISSOLUTION AND TERMINATION**

- 14.1. **Dissolution.** The Company shall be dissolved upon the occurrence of any of the following events:
- A. upon expiration of the term specified in Section 2.1;
  - B. by the written agreement of all Members; or
  - C. a Person ceases to be a Member upon the occurrence of any of the events specified in Section 304 of the Act, unless the business of the Company is continued with the consent of all of the remaining Members within ninety (90) days following the occurrence of such event.

At such time as (1) all the Members agree to the dissolution of this company, or at such time as (2) any Amendment of Article 12 is made that would allow the sale or gift of any interest in the Company to a person who is not a descendant of Pauline Ryan or at such time as (3) the Members shall formally or informally decide to no longer fulfill or to change the purpose of the Company as stated in Article 3 above, i.e., to operate the real property described on Exhibit A hereto as a tree farm, then the real property shall be sold to The Nature Conservancy whose current address is 4245 North Fairfax Drive, Suite 100, Arlington, VA 22203-1606 or to any successor not for profit organization with the same purpose or, if none, to any similarly purposed not for profit organization for the sum of One Hundred Thousand and no/100 Dollars (\$100,000.00) adjusted annually (with January 1, 2010 as the base date and the adjustments commencing on January 1, 2011 and annually thereafter) according to the Consumer Price Index, all items, all US Cities published by the Department of Labor (or the then-existing index most similar to it).. If, after a good faith attempt to make such a sale, no such organization wishes to make such a purchase, then the Members shall be free to sell or transfer the real property, without restriction of any kind.



201003180087  
Skagit County Auditor

## EXHIBIT B

At such time as there are no living descendants of Pauline Ryan as described in 12.1, the last living Member's estate shall take the place of the last living Member and shall wind down the Company's business and affairs and distribute the net proceeds to the last living Member's estate, except that the real property identified on Exhibit A shall be dealt with as follows: The estate serving as the last Member shall arrange and carry out the transfer of the real property to The Nature Conservancy or to any successor not for profit organization with the same purpose or, if none, to any similarly purposed not for profit organization, provided that such organization agrees to pay the Company the nominal sum of Thirty Five Thousand and no/100 Dollars (\$35,000), indexed for inflation adjusted annually, using January 1, 2010 as a starting date, by annually (with January 1, 2010 as the base date and the adjustments commencing on January 1, 2011 and annually thereafter) according to the Consumer Price Index, all items, all US Cities published by the Department of Labor (or the then-existing index most similar to it). If such organization does not wish to receive such a transfer on such terms, then the estate serving as the last Member shall be free to sell the same and to receive the proceeds for ultimate distribution to the estate.

14.2 **Allocation of Net Profit and Loss in Liquidation.** The allocation of net profit, net loss and other items of the Company following the date of dissolution, including but not limited to gain or loss upon the sale of all or substantially all of the Company's assets, shall be determined in accordance with Article 9 and Article 10 hereinabove and shall be credited or charged to the Capital Accounts of the Members in the same manner as net profit, net loss and other items of the Company would have been credited or charged if there were no dissolution and liquidation.



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