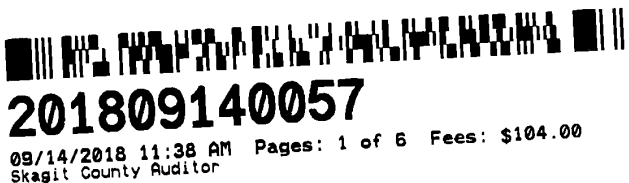


When Recorded, Return to:

GLACIER NORTHWEST, INC.  
Attention: Vice President &  
General Manager/Northwest Division  
P.O. Box 1730  
Seattle, WA 98111



CHICAGO TITLE

620034549

### EASEMENT AGREEMENT

<b>Grantor:</b>	GALBRAITH TREE FARM, LLC
<b>Grantee:</b>	GLACIER NORTHWEST, INC.
<b>Legal Description</b> (abbreviated):	PTN NW AND NE 14-36-08 AND PTN SW, 11-36-08
<input checked="" type="checkbox"/> Additional on:	EXHIBIT A
<b>Assessor's Tax Parcel ID #:</b>	P51496 / 360814-1-003-0009; P51447 / 360811-3-001-0000
<b>Reference Nos. of Documents Released or Assigned:</b>	N/A

THIS EASEMENT AGREEMENT ("*Agreement*") is dated for reference purposes September 12, 2018 and is made and entered into by GALBRAITH TREE FARM, LLC, a Washington limited liability company, as "*Grantor*" and GLACIER NORTHWEST, INC., a Washington corporation, as "*Grantee*."

### RECITALS

A. Grantor is purchasing certain real property described in **Exhibit A** (the "*Property*") from Grantee.

B. In connection with the purchase of the Property from Grantee, Grantor agreed to grant an easement for mining and hydroelectric power operations on the Property as more particularly described herein.

### AGREEMENTS

In consideration of the promises and mutual covenants herein contained, the parties hereby agree as follows:

*Easement Agreement*  
ND: 10552.240 4832-3507-7490v1

SKAGIT COUNTY WASHINGTON

REAL ESTATE EXCISE TAX

EASEMENT

SEP 14 2018

page 1

Amount Paid \$  
Skagit Co. Treasurer  
By: *HB* Deputy

1. **Grant of Easement.** Grantor hereby conveys and grants to Grantee, its successors, and assigns, a perpetual, royalty-free easement on, over, and across the Property for the purposes of mining, transportation, and storage of minerals and construction, operation, maintenance, and repair of facilities for, and the generation and transmission of, hydroelectric power (the "**Easement**"), subject to the terms and conditions set forth below, provided that, notwithstanding anything to the contrary contained in this Agreement, Grantee does not materially interfere with Grantor's operations on or use and enjoyment of the Property.

2. **Restrictions and Reservations.** Grantee shall exercise Grantee's rights under this Agreement upon commercially reasonable terms. Grantor reserves the right to enter upon and make use of the Property so long as such uses are not inconsistent with this Easement. Grantor reserves the right to use the Property for all uses not inconsistent with the terms of this Agreement.

3. **Damage to Property.** Notwithstanding anything to the contrary herein, any damage or destruction of the Property resulting from any actions or negligent omissions of the Grantee or its agents shall be promptly repaired or replaced at the sole expense of the Grantee.

4. **Indemnification.** Grantee shall indemnify and hold Grantor harmless from and against all claims, losses and liabilities resulting from injuries and/or damages that may be caused by Grantee's exercise of the rights herein granted or use of the Easement Area as provided herein; provided, that Grantee shall not be responsible to Grantor for any claims, losses or liabilities resulting from injuries and/or damages caused by the negligence of Grantor.

5. **Insurance.** Before exercise Grantee's rights under this Agreement, Grantee shall obtain and maintain comprehensive general liability insurance that (a) has coverage for commercially reasonable amounts and on commercially reasonable terms, (b) covers liability for Grantee's actions on the Property pursuant to this Agreement, and (c) names Grantor as an additional insured. Grantee shall furnish to Grantor certificates evidencing such insurance within ten (10) days after Grantor's request therefor from time to time.

6. **Covenants Running with the Land; No Merger; Termination.** This Easement and the terms contained herein shall be deemed covenants running with the land and shall inure to the benefit of and shall be binding upon the respective grantees, heirs, successors and assigns of the parties. The Easement established hereby is not intended and shall not be deemed to have merged with the fee interest in such properties. Accordingly, the Easement may be terminated only by the recording of a "Notice of Termination" executed by the owners of both properties.

7. **Attorneys' Fees.** If any legal proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party in such suit shall be entitled to recover, in addition to all other remedies or damages, its reasonable attorneys'

fees and expenses. Neither party may recover punitive or consequential damages for a breach hereof.

EXECUTED as of the day and year first above written.

**GRANTOR:**

GALBRAITH TREE FARM, LLC, a  
Washington limited liability company

By: \_\_\_\_\_

Robert Janicki, Manager

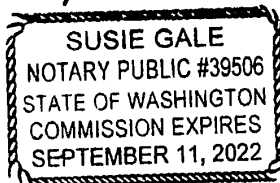
STATE OF WASHINGTON }

ss.

COUNTY OF KING }

On this day personally appeared before me ROBERT JANICKI, to me known to be the Manager of GALBRAITH TREE FARM, LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such corporation and limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 13<sup>th</sup> day of  
Sept., 2018.



Printed Name Susie Gale  
NOTARY PUBLIC in and for the State of Washington,  
residing at Bellingham  
My Commission Expires 9/11/22

**GRANTEE:**

GLACIER NORTHWEST, INC., a  
Washington corporation

By: 

Ronald E. Summers  
Vice President

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On Sept. 12, 2018 before me, Margaret Ann Knight, Notary Public,  
(insert name and title of the officer)

personally appeared Ron Summers  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Margaret Ann Knight (Seal)

**EXHIBIT A**  
Legal Description of the Property

**For APN/Parcel ID(s): P51496 / 360814-1-003-0009 and P51447 / 360811-3-001-0000**

**PARCEL A:**

The West half of the Northwest quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter, EXCEPT that portion deeded to Puget Sound Power and Light Company under deed recorded November 5, 1925, under Auditor's File No. 188710, Volume 138 of deeds page 117, being a correction of Auditor's File No. 183521, Volume 136 of deeds, page 398; all that portion of the Northeast quarter of the Northwest quarter, described as follows:

Commencing at a point which is the quarter corner between Sections 11 and 14 and running South a distance of 1320 feet; thence West a distance of 590 feet; thence North 25° 25' West a distance of 1475 feet; thence East a distance of about 1240 feet to the point of beginning, and all that portion of the Southeast quarter of the Northwest quarter, described as follows:

Commencing at a point which is the Northeast corner of the Southeast quarter of the Northwest quarter of Section 14; thence running South a distance of 977 feet; thence North 30° 45' West a distance of 1148 feet; thence East a distance of 590 feet, more or less, to the point of beginning, all in Section 14, Township 36 North, Range 8 East, Willamette Meridian except the following tract conveyed to Puget Sound Power and Light Company by deed recorded November 5, 1925, under Auditor's File No. 188710: Beginning at a point on the East and West center line of Section 14, Township 36 North, Range 8 East, Willamette Meridian, which point is 1248.68 feet West of the quarter corner common to Sections 13 and 14 and is the point of true beginning; thence North 64° 36' 10" West 39.0 feet; thence North 10° 45' 10" West 25.6 feet; thence North 12° 53' 50" East 41.5 feet; thence North 21° 25' 10" West 74.7 feet; thence North 43° 23' 40" West 43.7 feet; thence North 33° 40' 10" West 119.2 feet; thence North 54° 37' 40" West 108.1 feet; thence North 83° 00' 10" West 105.8 feet; thence North 40° 43' 10" West 111.1 feet; thence North 87° 47' 10" West 59.0 feet; thence North 76° 10' 10" West 109.8 feet; thence North 62° 14' 10" West 83.2 feet; thence North 73° 03' 10" West 69.8 feet; thence North 62° 55' 10" West 145.0 feet; thence North 74° 48' 10" West 67.0 feet; thence North 73° 40' 10" West 84.1 feet; thence North 56° 24' 40" West 142.7 feet; thence North 42° 01' 40" West 59.3 feet; thence North 32° 02' 10" West 48.5 feet; thence North 21° 17' 50" East 152.0 feet; thence North 16° 48' 40" West 52.6 feet; thence North 34° 48' 10" West 237.1 feet; thence North 10° 56' 10" West 125.4 feet; to a point, said point bearing south 1° 19' 20" East 1576.16 feet from the quarter corner common to sections 11 and 14, township 36 North, Range 8 East, Willamette Meridian; thence South 39° 02' 50" West 183.7 feet; thence South 31° 28' 40" East 261.8 feet; thence South 25° 58' 50" West 163.0 feet; thence South 22° 52' 40" East 300.5 feet; thence South 57° 50' 40" East 88.1 feet; thence South 84° 34' 10" East 239.8 feet; thence South 61° 29' 10" East 251.5 feet; thence South 79° 59' 40" East 118.3 feet; thence South 61° 44' 05" East 169.57 feet; thence South 25° 9' 25" West 44.6 feet; thence South 76° 43' 25" West 126.6 feet; thence South 43° 12' 55" West 88.6 feet; thence South 44° 26' 55" West 82.5 feet; thence North 80° 01' 25" East 186.8 feet; thence South 71° 56' 05" East 97.4 feet; thence South 34° 55' 35" East 44.98 feet to a point on the East and West center line of Section 11, Township 36 North, Range 8 East, Willamette Meridian, which point is 1641.42 feet West of the quarter corner common to Sections 13 and 14; thence East along center line of Section 392.74 feet to the point of beginning. Situated in Skagit County, Washington.

PARCEL B:

The Southwest Quarter of Section 11, Township 36 North, Range 8 East, W.M., EXCEPT that portion lying within the Baker Lake Road.

Situated in Skagit County, Washington.