



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 13-54

of the

SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, the Squaxin Island Tribal Council is empowered to acquire, manage, lease, or use Tribal real property under its Constitution, Article III, Section 1(b), and its inherent authority; and

WHEREAS, the Squaxin Island Tribal Council has been apprised of the terms and conditions for the purchase the real property belonging to Tom Lee Knight;


NOW THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council hereby agrees and/or ratifies the purchase and sale of the real property belonging to Tom Lee Knight, on the terms and conditions set out in the attached June 20, 2013 Agreement of Purchase and Sale, said Agreement having been signed and executed by Tom Lee Knight and Don Whitener, as the Tribal Administrator of the Squaxin Island Tribe; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the Squaxin Island Tribal Council hereby authorizes Tribal Administrator Don Whitener or in his absence Tribal Attorney Kevin Lyon to do any and all acts necessary to acquire the Knight property by executing any and all documents contemplated by the June 20, 2013 Agreement of Purchase and Sale.

NOW THEREFORE BE IT FURTHER RESOLVED, CFO Deborah Stoehr is authorized and instructed to transfer funds sufficient to purchase the Knight property from the “on Island” account to the “off Island”, and to use such funds for the purchase, subject to availability and to the reserve requirements.

CERTIFICATION


The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 13 day of June , 2013, at which time a quorum was present and was passed by a vote of 6 for and 0 against, with 0 abstentions.



Dave Lopeman, Chairman

Attested by:  *FOR*

Pete Krueger, Secretary



Arnold Cooper, Vice Chairman

AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (hereafter "Agreement") is made this 20th day of June, 2013 (Effective Date), by and between the Squaxin Island Tribe, a federally recognized Indian Tribe ("Buyer"), and Tom Lee Knight, ("Seller").

RECITALS

A. WHEREAS, Seller, as his separate property, is the owner of certain real property and personal property ("Property") as fully described in Exhibit A; and

B. WHEREAS, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, all on the terms and conditions as set out below.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

1. PURCHASE AND SALE.

Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, on the terms and conditions set forth in this Agreement.

2. PURCHASE PRICE.

The total purchase price ("Purchase Price") for the Property shall be Five Hundred Thousand Dollars (\$ 500,000.00) payable by Buyer to Seller as follows:

2.1 The cash sum of Five Hundred Thousand Dollars (\$ 500,000.00) shall be paid upon Close of Escrow.

3. CONDITION OF TITLE TO REAL PROPERTY.

3.1 Title to the Property shall be conveyed to Buyer upon Close of Escrow.

3.2 Title to the Property shall be conveyed to Buyer by a Statutory Warranty Deed, free and clear of all liens except for (i) liens securing real property taxes and assessments (which constitute liens not yet due and payable); and (ii) such other exceptions and reservations shown on a Preliminary Title Report ("Preliminary Report") issued by Mason County Title Company ("Title Company") which are approved by



Buyer. Buyer received a Preliminary Title Report No. 118046 dated June 10, 2013. Buyer approves the exceptions to title in Preliminary Title Report No. 118046 (All exceptions to title permitted pursuant to this Paragraph are referred to in this Agreement as "Permitted Exceptions.")

3.3 Title to the Property shall be evidenced by the commitment of the Title Company to issue a standard policy of title insurance with liability in the amount of the Purchase Price showing title to the Property vested in (or as designated by) Buyer. The Buyer shall pay for the Lender's Policy, if any, and the additional premium and additional costs for Extended Coverage.

4. CONTINGENCIES.

Buyer's obligation to purchase the Real Property is subject to the following contingencies described in subparagraph (4.1) below, ("Contingencies"). Each and all of the following Contingencies are for the sole benefit of Buyer and may be waived or deemed satisfied by Buyer in Buyer's sole and absolute discretion:

4.1 Buyer's determination that the use of the Real Property is satisfactory for Buyer's intended use. Buyer shall have 5 days after the Effective Date of this Agreement to make such determination and to give written notice to Seller if its anticipated project is not feasible.

If Buyer disapproves of the satisfaction of any Contingency within the applicable time period provided above, Buyer's sole remedy shall be to terminate this Agreement and Seller shall have no obligation to remedy any Contingency which Buyer disapproves. If Buyer fails to give written notice to Seller of its disapproval of any Contingency within the respective applicable time limit set forth above in Paragraphs 4.11, it shall conclusively be deemed that Buyer has waived such Contingency and such Contingency shall conclusively be deemed satisfied.

5. BUYER'S CONDITIONS.

This Agreement is further contingent upon:

5.1 Seller shall provide to Buyer copies of all leases, easements and licenses and future interests in the Property, together with copies of all liens, encumbrances, adverse claims or other matters respecting the Property within 2 days Effective Date of this Agreement.

5.2 Seller shall deliver the Property to Buyer free and clear of all claims and liens upon Closing.

5.3 Buyer shall have access to the Property until the Closing, as necessary and reasonable, for due diligence, inspection and land use planning purposes.

5.4 Seller agrees to provide Buyer with confirmation that any underlying encumbrance(s) has been paid in full at or before Closing.

6. REPRESENTATIONS AND WARRANTIES BY SELLER

Seller makes the representations and warranties in this Paragraph 6, each and all of which shall survive any and all inquiries and investigations made by Buyer and shall survive the Close of Escrow and recordation of the Statutory Warranty Deed.

6.1 The specific, individual parties signing this Agreement on behalf of Seller represent and warrant that the parties signing this Agreement on behalf of the Seller have the full legal power, authority and right to execute and deliver this Agreement.

6.2 Neither the entering into this Agreement nor the performance of any of Seller's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which Seller is a party.

6.3 To Seller's knowledge, there is no legal action of any kind or nature affecting the Property that will in any way detrimentally affect Buyer completing the purchase of the Property and Seller is unaware of any violations of law affecting the Property.

6.4 To Seller's knowledge there are no pending or contemplated assessments or similar charges that will affect the Property.

6.5 Seller owns the Property free of all claims and liens other than taxes currently due on the Property.

6.6 At or before Closing Seller will have sufficient funds to pay any underlying encumbrance, and shall, in fact, pay those underlying encumbrances in full at or before Closing.

6.7 The Seller believes, to the best of its knowledge, that the Real Property is free of contamination. Seller has not been served (by means of formal, legal service of process as required by law) or formally notified in writing by any governmental or quasi-governmental authority (i) that the Property or any adjoining property, contains or may contain any "Hazardous Materials" in violation of any "Environmental Regulations" (as those terms are defined below); or (ii) that the Seller has stored, used or maintained Hazardous Materials or suffered, permitted, allowed or acquiesced in any storage, use or maintenance of Hazardous Materials on, in or under the Property in violation of any Environmental Regulations. In addition, to the best of Seller's

knowledge, but without any specific investigation therefore, there are no Hazardous Materials in any way relating to all or any portion of the Property or the area surrounding the Property.

6.7.1 As used in this Agreement, the terms "Environmental Regulations" and "Hazardous Materials" shall have the following meanings:

(a) "Environmental Regulations" shall mean all applicable statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, and similar items, of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial and administrative and regulatory decrees, judgments and orders relating to the protection of human health or the environment, including, without limitation: (i) all requirements, including but not limited to those pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases or threatened releases of Hazardous Materials, whether solid, liquid or gaseous in nature, into the air, surface water, groundwater or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, whether solid, liquid or gaseous in nature; and (ii) all requirements pertaining to the protection of the health and safety of employees or the public.

(b) "Hazardous Materials" shall mean (i) any flammables, explosive or radioactive materials, hazardous wastes, toxic substances or related materials including, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq.; the hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Toxic Substances Control Act, 15 U.S.C., Section 2601 et seq.; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq.; the Washington Model Toxics Control Act; and in the regulations adopted and publications promulgated pursuant to said laws; (ii) those substances listed in the United States Department of Transportation Table (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 C.F.R. Part 302 and amendments thereto); (iii) those substances defined as "hazardous wastes," "hazardous substances" or "toxic substances" in any similar federal, state or local laws or in the regulations adopted and publications promulgated pursuant to any of the foregoing laws or which otherwise are regulated by any governmental authority, agency, department, commission, board or instrumentality of the United States of America, the State of Washington or any political subdivision thereof, (iv) any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials, or substances within the

meaning of any other applicable federal, state, or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, all as amended; (v) petroleum or any by-products thereof; (vi) any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. Sections 2011 et seq., as amended, and in the regulations adopted and publications promulgated pursuant to said law; (vii) asbestos in any form or condition; and (viii) polychlorinated biphenyls.

6.8 Seller has neither engaged nor dealt with any broker or finder in connection with the sale contemplated by this Agreement. Seller shall pay, and shall hold Buyer harmless from and against, any commission or finder's fee payable to Broker or any other party who represents or claims to represent Seller. Buyer shall hold Seller harmless from and against, any commission or finder's fee payable to Broker or any other party who represents or claims to represent Buyer.

6.9 Seller will not alter the physical condition of the Property from and after the date of this Agreement. If, through no fault of Seller, the physical condition of the Property is different on the date scheduled for the Close of Escrow as of Effective Date of this Agreement, the terms and conditions of Paragraph 4, above shall apply.

6.10 If, prior to the Close of Escrow, new events have occurred which were beyond the control of Seller and which render any previously true representation or warranty untrue, Seller shall, within two (2) days thereafter, disclose those matters by written notice to Buyer. Buyer shall have one (1) day after the earlier of (i) such disclosure; or (ii) Buyer's independent discovery that such representation or warranty has become untrue, to elect, in its sole and absolute discretion, and as its sole remedy, by written notice to Seller within said two (2) day period, whether (i) to purchase the Property or (ii) terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this Paragraph 4, Escrow shall immediately terminate upon Seller's receipt of Buyer's notice of election to terminate this Agreement and all sums and documents deposited in Escrow shall be returned to the parties who deposited the same. If Buyer fails to notify Seller and Escrow Holder of its election to terminate this Agreement within said two (2) day time period provided above, Buyer shall be deemed to have accepted the modified representations and warranties and elected to purchase the Real Property.

6.11 Other than those express representations and warranties contained in this Agreement, Seller makes no warranty or representation, express or implied, including but not limited to, implied warranties of merchantability and fitness for a particular purpose.

7. REPRESENTATIONS AND WARRANTIES BY BUYER.

Buyer makes the following representations and warranties, each and all of which shall survive any and all inquiries and investigations made by Seller and shall survive the Close of Escrow and recordation of the Statutory Warranty Deed.

7.1 The Buyer, or any individual party signing this Agreement on behalf of Buyer, represents and warrants that they have the full legal power, authority and right to execute and deliver this Agreement.

8. INDEMNIFICATION.

Subject to any other provisions of this Agreement to the contrary, each party agrees to indemnify and hold the other party harmless from and against any claim, loss, damage or expense, including any reasonable attorneys fees (including attorneys fees on appeal), asserted by any Third-Party to this Agreement and resulting from any of the following: (1) any alleged breach of this Agreement by one of the parties; and (2) any liability of a party with respect to the Property.

9. ASSUMPTION OF LIABILITIES.

9.1 Effective as of the Close of Escrow, Buyer shall be deemed to have assumed all obligations and liabilities of Seller pertaining to the Property, except all obligations and liabilities with respect thereto which arise prior to the Close of Escrow or which arise as a result of events which occur prior to the Close of Escrow. Except for the foregoing assumption of obligations and liabilities by Buyer, Buyer does not assume and shall not be liable for any of the obligations or liabilities of Seller of any kind or nature affecting or otherwise relating to Seller, the Property, or otherwise.

9.2 Seller shall, prior to the Close of Escrow, timely perform and discharge all obligations and liabilities of every kind whatsoever to be discharged prior to the Close of Escrow and arising from or relating to (i) the Property, including, but not limited to, the use and ownership of the Property; (ii) the operation of the Property; and or (iii) the other contracts.

10. ESCROW AND CLOSING.

10.1 As soon as possible after the full execution of this Agreement, Buyer and Seller shall open an escrow for the purpose of consummating the purchase and sale contemplated by this Agreement ("Escrow") by depositing an executed copy of this Agreement with the Mason County Title Company, in Shelton, Washington ("Escrow Holder"). This Agreement shall constitute escrow instructions to Escrow Holder. Seller and Buyer shall, promptly upon request by Escrow Holder, execute such additional escrow instructions as may be reasonably required by Escrow Holder, including Escrow



Holder's standard printed conditions and stipulations with respect to escrows concerning the purchase and sale of real property; provided, however, that if there is any conflict between the provisions of this Agreement and the provisions of any such additional instructions, the provisions of this Agreement shall prevail. Upon delivery to Escrow of a fully executed copy of this Agreement by both parties, Escrow shall be deemed opened on the terms and conditions set forth in this Agreement.

10.2 Escrow shall close on or before July 15, 2013 ("Close of Escrow"). The parties agree to use their best efforts to close at the earliest possible date prior to Close of Escrow.

10.3 Within the time set forth below, or if none is specified, prior to the Close of Escrow, Seller shall deliver to Escrow Holder, or if so indicated, to Buyer, the following documents and items:

(a) At least 2 days prior to the Close of Escrow, a duly executed and acknowledged Statutory Warranty Deed.

(b) At least 2 days prior to the Close of Escrow, Seller shall deliver such certifications, declarations or other documents as may be required under Internal Revenue Code Sec. 1445 together with any and all other documents required by law pertaining to foreign or out-of-state Sellers.

10.4 Buyer shall deliver to Escrow Holder prior to the Close of Escrow the cash portion of the Purchase Price set forth in Paragraph 2, as adjusted pursuant to this Agreement.

10.5 On the Close of Escrow, the Escrow Holder shall record the Statutory Warranty Deed and shall deliver the monies and instruments to which each party is entitled pursuant to this Agreement, only when the Title Company is in a position to issue its policy of title insurance subject only (i) to the Permitted Exceptions; and (ii) Title Company's standard pre-printed exceptions, with liability in the amount of the purchase price, together with any Lender's Policy and/or Extended Coverage showing title to the Real Property vested in Buyer (or as designated by Buyer) ("Title Policy").

10.6 Upon Close of Escrow, possession of the Real Property shall remain with Buyer consistent with the terms of an executed Use and Occupancy Agreement (Exhibit B), said Agreement to be executed on or before Close of Escrow. The following items, documents and monies shall be delivered to the parties by Escrow Holder as set forth below:

(a) To Seller: the cash portion of the Purchase Price as set forth in Paragraph 2 as adjusted pursuant to this Agreement and reduced by the amount of Seller's costs as set forth in Paragraph 10.7(a), below.

- (b) To Buyer: the Title Policy; Statutory Warranty Deed.

10.7 Upon Close of Escrow, Escrow and title charges shall be paid in the manner provided below.

- (a) Seller shall pay:
 - (i) The cost of any and all documentary transfer tax or stamps or other sales/excise taxes;
 - (ii) Special exceptions on Title Policy, of or relating to delinquent taxes or assessments, if any.
 - (iii) The cost of the standard Title Policy.
 - (iv) All recording fees.
 - (v) One-half of the Escrow fees.
- (b) Buyer shall pay:
 - (i) Additional costs for Lender or Extended Coverage Title Policy, if any;
 - (ii) One-half of the Escrow fees.

10.8 If Escrow fails to close as a result of the default of this Agreement by a party, the defaulting party shall pay all title and escrow charges; provided, however, that nothing in this paragraph shall be deemed to limit, and the provisions of this paragraph shall be in addition to, all other rights and remedies of the non-defaulting party.

10.9 Escrow Holder is authorized and instructed to debit Seller for Seller's closing costs as set forth in Paragraph 10.7, above.

11. PRORATIONS.

Prorations shall be made as of the Close of Escrow. All prorations shall be made on the basis of the actual number of days in the month of closing and shall be paid in cash to Seller if it is entitled thereto, or shall be credited against the cash portion of the Purchase Price if Buyer is entitled thereto. Such prorations shall be made by Escrow Holder on the basis of a statement(s) approved by Buyer and Seller and deposited into the Escrow prior to the Close of Escrow. The date used for prorations is hereinafter referred to as the "Proration Date."

All real estate taxes and all personal property taxes due and owing as of the Proration Date, and all penalties and interest thereon, shall be paid by Seller. Current real estate taxes, special assessments and personal property taxes which are not yet due and owing shall be prorated based upon the most recent tax bill, so that the portion of current taxes allocable to the period from the beginning of such tax year through the

Proration Date shall be charged to and paid by Seller and the portion of the current taxes allocable to the portion of such tax year from the Proration Date to the end of such tax year shall be charged to and paid by Buyer. Proration of taxes and assessments shall be final as of the Proration Date, regardless of the amount of taxes or assessments that actually are, or subsequently become, due.

12. SURVIVAL OF CLOSE OF ESCROW.

All representations, warranties, covenants, conditions, agreements and obligations contained in or relating to this Agreement shall survive the Close of Escrow and the recordation of the Statutory Warranty Deed and shall not merge therein unless specifically stated otherwise in this Agreement.

13. NOTICES.

All notices to be given pursuant to this Agreement shall be either (i) personally delivered; (ii) sent via certified or registered mail, postage prepaid; (iii) overnight courier (such as Federal Express, DHL, etc.); or (iv) by telecopy transmittal. If sent via certified or registered mail, receipt shall be deemed effective forty-eight (48) hours after being deposited in the United States mail. If sent via telecopy transmission, a confirming copy shall be sent to the sender, and receipt of the telecopy transmittal shall be deemed made twenty-four (24) hours after the sending thereof. If sent via overnight courier, receipt shall be deemed effective twenty-four (24) hours after the sending thereof. All notices to be given pursuant to this Agreement shall be given to the parties at the following respective address.

To Buyer: Squaxin Island Tribe
10 SE Squaxin Lane
Shelton, WA 98584
Phone: 360.426.9781
Fax: 360.426.6577

With a copy to: Kevin R. Lyon, Director
Squaxin Island Legal Department
3711 SE Old Olympic Highway
Shelton, WA 98584
Phone: 360.432.1771
Fax: 360.432.3699

To Seller: Tom Lee Knight
941 W State Route 108
Shelton, Wa., 98584
Phone 360.463.1007

14. ENTIRE AGREEMENT.

This Agreement, and the Exhibits attached hereto, represent the entire Agreement between the parties in connection with the transactions contemplated hereby and the subject matter hereof and this Agreement supersedes and replaces any and all prior and contemporaneous agreements, understandings and communications between the parties, whether oral or written, with regard to the subject matter hereof. There are no oral or written agreements, representations or inducements of any kind existing between the parties relating to this transaction which are not expressly set forth herein. This Agreement may not be modified except by a written agreement signed by both Buyer and Seller. Without limiting the foregoing, Buyer and Seller expressly acknowledge and agree that they have not relied on any written or oral statements made by the other party's real estate broker in entering into this Agreement.

15. BINDING EFFECT AND ASSIGNMENT.

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, legal representatives, administrators, successors in interest and assigns. The Seller specifically acknowledges the Buyer has the right it in its sole discretion to assign this Agreement without review or approval by the Seller.

16. WAIVER.

No waiver by any party at any time of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision herein or consent to any subsequent breach of the same or another provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action.

17. CAPTIONS AND HEADINGS.

The captions and paragraphs numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope or intent of this Agreement.

18. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute one and the same instrument.

20. ATTORNEYS FEES.

If either party named herein brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action (or proceeding), on trial or appeal, shall be entitled to its reasonable attorneys' fees to be paid by the losing party as fixed by the Court (or if applicable, the arbitrator).

21. TIME OF ESSENCE.

Time is of the essence with respect to all matters contained in this Agreement.

22. DATE OF AGREEMENT.

All references in this Agreement to "the date of this Agreement" or "the date hereof" shall be deemed to refer to the date set forth in the first paragraph of this Agreement.

23. INVALIDITY OF ANY PROVISION.

If any provision (or any portion of any provision) of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, the legality, validity, and enforceability of the remaining provisions (or the balance of such provision) shall not be affected thereby.

24. NO RECORDATION.

Buyer shall not record this Agreement, any memorandum of this Agreement, any assignment of this Agreement, or any other document which would cause a cloud on the title to the Real Property.

25. DRAFTING OF AGREEMENT.

Buyer and Seller acknowledge that this Agreement has been negotiated at arm's length, that each party has been represented by independent counsel and that this Agreement has been drafted by both parties and no one party shall be construed as the draftsman.

26. NO THIRD PARTY BENEFICIARY RIGHTS.

This Agreement is entered into for the sole benefit of Buyer and Seller and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

27. INCORPORATION OF EXHIBITS.

Each and all of the exhibits attached to this Agreement are incorporated herein as if set forth in full in this Agreement.

28. DUTY TO COOPERATE AND ASSIST AFTER CLOSING

The Seller agrees to cooperate with the Buyer, and the Buyer agrees to cooperate with the Seller, as appropriate, on all matters that may arise post Close of Escrow of or relating to the tax status of the Seller, the Buyer, or the Property. Any request to cooperate is conditioned upon the cooperating party not having to incur any additional liability or expenses as a result of such cooperation.

29. NO JOINT VENTURE, PARTNERSHIP OR OTHER RELATIONSHIP CREATED.

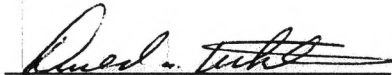
The relationship between Buyer and Seller is that solely of a Seller and Buyer and no joint venture, partnership or other relationship is created or implied by this Agreement.

30. DEFAULT. In the event of default, the non-defaulting party may, at that party's option, (a) keep as liquidated damages all or a portion of the Earnest Money as the sole

and exclusive remedy available for such failure; (b) bring suit against the defaulting party for actual damages; (c) bring suit to specifically enforce this Agreement and recovery any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth in the first paragraph of this Agreement.

"Buyer"

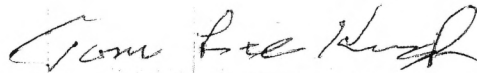


Squaxin Island Tribe

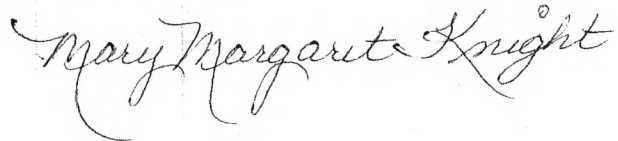
By:

Its:

"Seller"



Tom Lee Knight



SCHEDULE OF EXHIBITS

Exhibit A – Legal Description of Land

Exhibit B – Use and Occupancy Agreement

File Number: 118046

EXHIBIT "A"

IN MASON COUNTY, WASHINGTON

PARCEL 1:

All that portion of the Northwest quarter (NW ¼) of Section nineteen (19), Township nineteen (19) North, Range three (3) West, W.M., particularly described as follows:

COMMENCING at the Northwest corner of said Northwest quarter (NW ¼); thence South 87°32'31" East along the North line thereof, 2,487.61 feet; thence South 2°58'39" West, 1,011.79 feet; thence South 2°12'38" East, 443.96 feet; thence South 75°01'34" West, 1,515.41 feet to the POINT OF BEGINNING of the tract of land hereby described; thence South 75°01'34" West, 490 feet, more or less, to the Southeasterly right-of-way line of State Route 108; thence Northeasterly, along said Southeasterly right-of-way line, 1009.67 feet to a point North 8°51'44" West of the point of beginning; thence South 8°51'44" East, 820.32 feet to the POINT OF BEGINNING.

Parcel No. 31919 23 00050

PARCEL 2:

All that portion of the Northwest quarter (NW ¼) of Section nineteen (19), Township nineteen (19) North, Range three (3) West, W.M., particularly described as follows:

COMMENCING at the Northwest corner of said Northwest quarter (NW ¼); thence South 87°32'31" East along the North line thereof, 2,487.61 feet; thence South 2°58'39" West, 1,011.79 feet; thence South 2°12'38" East, 443.96 feet; thence South 75°01'34" West, 1,246.85 feet to the POINT OF BEGINNING of the tract of land hereby described; thence South 75°01'34" West, 268.56 feet; thence North 8°51'44" West, 820.32 feet, more or less, to the Southeasterly right-of-way line of State Route 108; thence Northeasterly, along said Southeasterly right-of-way line, 301.07 feet to a point North 9°26'26" West of the point of beginning; thence South 9°26'26" East, 944.60 feet to the POINT OF BEGINNING.

Parcel No. 31919 22 00070

EXHIBIT B

USE AND OCCUPANCY AGREEMENT

1. *Parties.* This Use and Occupancy Agreement ("Agreement") is made this 20th day of June, 2013, between the SQUAXIN ISLAND TRIBE, a federally recognized Indian Tribe, ("Landlord"), and Tom Lee Knight ("Tenant").

2. *Use and Occupancy Agreement.* Landlord hereby grants Tenant the use and occupancy of the property situated at 941 W State Route 108, Shelton, 98584 in Mason County, Washington, more fully described as the property owned by the Landlord as described in Exhibit A, ("Premises"). It is recognized between Landlord and Tenant that Tenant previously owned the Premises, has sold such Premises to Landlord, and Landlord desires the Tenant to caretake and use the Premises in a fashion as when Tenant owned it, and upon terms and condition as set out herein.

3. *Term.* Term of this Agreement shall commence on the Close of Escrow date (as determined in the corresponding Purchase and Sales Agreement), and terminate on September 30, 2013, unless terminated sooner pursuant to the terms of this Agreement.

4. *Rent.* Landlord agrees to forgo any rent on the Premises.

5. *Utilities and Services.* Tenant shall pay for all services and utilities supplied to the Premises.

6. *Damages.* Upon termination of this Agreement, Tenant shall vacate and turn the Premises over to Landlord free of any damages occurring during Tenant's tenancy, normal wear and tear excluded.

8. *Use of Premises.* The Premises shall not be used for any purposes other than as a private dwelling, solely for Tenant or Tenant's immediate family, or for any other purpose specifically allowed herein. Tenant shall not conduct, or permit to be conducted, any activity on the Premises in violation of any applicable local, State or Federal law or regulation.

9. *Tenants' Obligations.* Tenant agrees as follows: Not to make or permit to be made any alterations or additions to the Premises without first obtaining Landlord's written consent. Tenant may not remove, damage, cut, alter, or endanger any timber on the Premises or permit any other person to do the same.

10. *Termination.* The Tenant may terminate this Agreement at any time by giving five (5) days written notice to the Landlord. This Agreement shall automatically terminate on September 30, 2013, or upon the death of Tenant, whichever ever occurs first. Upon termination of this Agreement, Landlord may immediately enter and take possession of the Premises. Tenant, or Tenant's heirs, shall be responsible for removing all of Tenant's personal property from the Premises. Failure to timely remove such personal property shall entitle Landlord to remove and store the property, at Tenant's expense.

11. *Subletting and Assignment.* Tenant shall not sublet the Premises, nor any part thereof, nor assign this Agreement in whole or in part.

12. *Hold Harmless, Indemnification.* Tenant agrees to hold Landlord harmless from: (1) any claims made by themselves, or any third-parties; (2) for injuries occurring in or around the Premises; and (3) such injuries are the direct or indirect result of any act, failure to act, or conduct of Tenant.

14. *Tenant's Property – Insurance.* Tenant agrees that all of their personal property in and about the Premises shall be at their risk. Tenant further agrees not to hold Landlord or Landlord's agent liable in any matter for or on account of loss or damage to Tenant's personal property resulting by action of a third party, or by fire, water, theft, or the elements of nature or for loss of any articles from any cause. Neither shall Landlord be liable for any injury to Tenant, his family members, guests, employees, or any person entering the dwelling, building, or property of which the Premises are a part. Tenant acknowledges that Landlord is not required to insure any property belonging to Tenant; nor is Landlord required to repair, rebuild, replace, or otherwise compensate Tenant for damage or destruction of all or part of the Premises.

15. NO RECORDATION.

Neither Landlord nor Tenant shall record this Agreement, any memorandum of this Agreement, any assignment of this Agreement, or any other document which would cause a cloud on the title to the Premises.

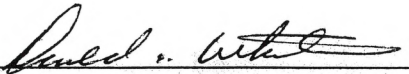
16. *Notices.* Unless otherwise specified, any notices required or permitted under this Agreement shall be delivered in person or by first class mail, postage prepaid, as follows:

If to Landlord: Don Whitener
Squaxin Island Tribe
SE 10 Squaxin Lane
Shelton, WA 98584

If to Tenant: Tom Lee Knight
941 W State Route 108
Shelton, WA 98584

17. *Signature.* Landlord and Tenant acknowledge that they have read this Agreement and will abide by its terms.

Executed as of the date first written above.


Landlord: Squaxin Island Tribe
By:
Its:

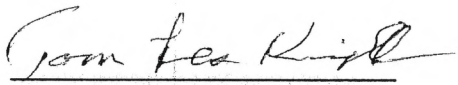
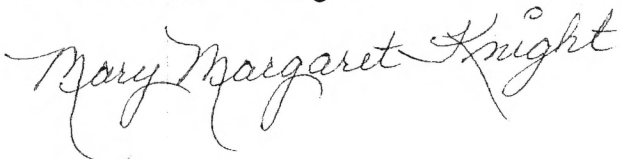

Tenant: Tom Lee Knight




EXHIBIT A 2

Supplement to Agreement of Purchase and Sale

Personal Property List to be included in the sale.

- ~~MM~~ Propane tank
- ~~MM~~ Two freezers
- ~~MM~~ Refrigerator
- ~~MM~~ Dishwasher
- ~~MM~~ Kitchen range
- ~~MM~~ Table and four chairs, upstairs
- ~~MM~~ Propane stove
- ~~MM~~ Kitchen island
- ___ Browning safe
- ~~MM~~ Transformer
- ~~MM~~ Soft water filter
- ~~MM~~ Orange 1 Kabota farm vehicle

Mary Margaret Knight

