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AGREEMENT TO TERMINATE LEASE

Agreement executed August 9, 1984, between the Port of Skamania County, a municipal corporation, as Lessor, and Horizons Forest Products, Inc., a Washington corporation, as Lessee.

Witnesseth:

In consideration of the dismissal with prejudice of that certain lawsuit No. 7487 in the Superior Court of the State of Washington in and for Skamania County, wherein Lessor is Plaintiff and Lessee is Defendant, Lessee agrees to the termination of the lease described herein, the payment to Lessor by Lessee of all rent for the demised premises due and owing as of the date of this agreement, and for all attorney's fees, expert witness fees and court costs incurred in the prosecution of said lawsuit.

Lessee further agrees to indemnify Lessor against the costs of cleanup and for all damage to the demised premises, and for any liability arising therefrom, which are incurred as a result of Lessee's possession of or activities on the premises.

Lessor further agrees to allow Puget Sound Plywood, Inc. to sub-lease a portion of the premises to Lessee provided that Puget Sound Plywood, Inc. agrees to lease the premises from Lessor and provided further, that at minimum, Lessee conducts it business in accordance with all of the terms and conditions of the lease agreement made between Lessor and Puget Sound Plywood, Inc.

Lessee agrees to release Lessor and the agents, employees and representatives of Lessor from any and all liability, of whatever kind and character, by reason of or arising from or in connection with, the execution of this Agreement to Terminate Lease or with the execution of a lease between Lessor and Puget Sound Plywood, Inc., a Washington corporation, for the lease of the premises which are the subject of this agreement and described herein, or by reason of any negotiation with Puget Sound Plywood, Inc. concerning the demised premises.

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Lessee agrees to reimburse Lessor for any reasonable attorney's fees, or costs incurred in the enforcement of any part of this Agreement to Terminate Lease.

The Lease referred to herein is that certain lease dated November 23, 1983, executed by and between Lessor and the Lessee covering certain real property located in the County of Skamania, State of Washington and more particularly described as follows:

The Northwest Quarter of the Northwest Quarter of the Northeast Quarter of Section 1, Township 3 North, Range 71 East, W.M.; said tract of real property being also described as the Northwest Quarter of Government Lot 14 of the said Section 1; except that portion thereof conveyed to the State of Washington for right of way for secondary state highway No. 8-C as relocated.

EXCEPT that portion legally described as follows:

Beginning at the Northeast corner of said property thence West along County Road right-of-way (known as Old State Road) 165 feet; thence South 355 feet; thence West 375 feet; thence North 165 feet; thence West 120 feet to the West property line; thence North to the County Road right-of-way; thence East along said right-of-way to the point of beginning.

LESSOR: PORT OF SKAMANIA COUNTY

BY: Crown Elmer Stacy

LESSEE:

HORIZONS FOREST PRODUCTS, INC.

BY: // Killed A ST

STATE OF WASHINGTON

County of Skamania

On this day personally appeared before me Elmer Stacy, Manager of the Port of Skamania County, known to me to be the individual described in and who executed the within foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein

mentioned =

GIVEN under my hand and official seal this gaugust, 1984.

Notary Public in and for the State of Washington, residing

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STATE OF WASHINGTON

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County of

On this ______ day of August, 1984, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared MICHAEL L. KNOBEL, to me known to be the President-Secretary of HORIZONS FOREST PRODUCTS, INC., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of Washington, residing at Skaruania

NOTICE OF

CERTIFICATION OF AUTHORITY

I, Michael L. Knobel, certify that I am the President-Secretary of the corporation named as Lessee herein; that Michael L. Knobel, who signed this lease on behalf of the Lessee was then President and Secretary of the corporation, respectively; that said lease was duly signed for in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

MICHAEL L. KNOBEL

(Corporate Seal)

President and Secretary

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