

WHEN RECORDED RETURN TO: Sawtooth Technologies, LLC. P. O. Box 857 Stevenson, WA 98648
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DOCUMENT TITLE(S) Utility Easement
REFERENCE NUMBER(S) of Documents assigned or released: [] Additional numbers on page ____ of document.
GRANTOR(S): Interlaken Resort Company [] Additional names on page ____ of document.
GRANTEE(S): Sawtooth Technologies, LLC. [] Additional names on page ____ of document.
LEGAL DESCRIPTION (Abbreviated: i.e. Lot, Block, Plat or Section, Township, Range, Quarter): 11 acres in Sec. 14 and 7.5 acres in Sec. 11, T 2 N, R 7 E, EWM. [] Complete legal on page ____ of document.
TAX PARCEL NUMBER(S): 02071400020000 02071100050000 [] Additional parcel numbers on page ____ of document.
The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information.

Interlaken Resort Company/Sawtooth Technologies, LLC

UTILITY EASEMENT

This Easement is between Sawtooth Technologies, LLC, a limited liability company in the State of Washington; its successors and assigns, herein called "Grantee," and the Interlaken Resort Company, a Washington corporation, herein called "Grantor," dated as of October 18, 2011, the "Effective Date."

Conveyance and Purpose. Interlaken Resort Company hereby grants and conveys to Sawtooth Technologies, LLC, a limited liability company in the State of Washington; its successors and assigns, a non-exclusive easement (hereinafter referred to as the "Easement") for the specific purpose of constructing, installing, operating, maintaining, repairing, replacing, inspecting, upgrading, using and removing at any time and from time to time while this Easement is in effect, the lines and appurtenant facilities and equipment pertaining to Grantee's fiber optic facilities including broadband internet access and appurtenant telecommunication structures and facilities, whether located above or below ground within an existing Skamania PUD powerline easement adjacent to Washington State Route 14 (collectively the "Facilities"), over, across and along that certain real property described as follows (hereinafter referred to as the "the Easement Area"):

Skamania County Parcel Numbers 02071400020000 and 02071100050000 as shown in EXHIBIT "A" attached hereto and by this reference made a part hereof.

Grantor further conveys to Grantee the right of ingress and egress to and from the Easement Area during all periods of construction, maintenance, installation, reinforcement, repair and removal over and across Grantor's lands with the right to clear and keep cleared all trees and other obstructions within the Easement boundaries as may be necessary for Grantee's use of the Easement Area, provided that Grantee shall promptly restore all soils and other vegetation disturbed as result of the Grantee's construction, maintenance, installation, reinforcement, repair and removal activities to their original conditions. All trees removed within the Easement Area shall remain the property of the Grantor. The Grantee shall remove no trees or conduct excavation outside the easement area without the express written consent of the Grantor. In any case, all soils and vegetation disturbed by Grantee's ingress and egress to and from the Easement Area shall be promptly restored. Failure to promptly restore disturbed soils and vegetation shall be considered a material breach of this Easement.

Grantor covenants and warrants that Grantor is the fee simple owner of the Easement Area, that it has the authority to grant this Easement. It is expressly understood that this Easement does not convey any right, title, or interest except those expressly stated in this Easement, nor otherwise prevent Grantors from the full use and dominion thereover; provided, however, that such use shall not interfere with the uses and purposes of the intent of the Easement.

The consideration paid by the Grantee to the Grantor for this conveyance is \$10.00, plus the performance by Grantee of the terms and conditions specified herein and in receipt of other good and valuable consideration received from Grantee.

The Grantee shall be responsible for securing and providing the Grantor the written approval of the Skamania PUD allowing the Grantee to utilize the PUD's existing easement and facilities for the purposes set forth in this Easement.

The purpose of this Easement shall not be changed or modified without the consent of the Grantor which shall be at its sole discretion. Any unauthorized use of this Easement Area shall be considered a material breach of this Easement.

Covenants Run with the Land/Assignment. The rights, conditions and provisions of this Agreement shall run with the land and shall inure to the benefit of and be binding upon Grantor and Grantee and their respective successors and assigns. Without limiting the foregoing, Grantor acknowledges that Grantee's rights under this Easement are assignable. Nothing contained in this Easement, however, shall in any way be construed as releasing Grantee's successors and assigns from any obligations to Grantor created by this Easement or to in any way limit Grantor's remedies at law or in equity as against such successors and assigns.

Compliance with Laws. Grantee shall, at its own expense, conform to all applicable laws, regulations, permits, or requirements of any public authority affecting the Easement Area and the use thereof. Grantee shall supply Grantor with copies of permits, approvals, or orders.

Indemnity. Grantee shall indemnify, defend with counsel acceptable to Grantor, and hold harmless the Grantor, its employees, officers, and agents from any and all liability, damages, expenses, causes of action, suits, claims, costs, fees (including attorney's fees), penalties, or judgments, of any nature whatsoever, arising out of the use, occupation, or control of the Easement Area by Grantee, its contractors, subcontractors, invitees, agents, employees, licensees, or permittees. This indemnification shall survive the expiration or termination of the Easement.

Insurance. Before using any of said rights granted herein and at its own expense, the Grantee shall obtain and keep in force during the term of this Easement and require its contractors, subcontractors, or other permittees to obtain while operating on the Easement Area, the following liability insurance policies, insuring Grantee against liability arising out of its operations. Failure to buy and maintain the required insurance may result in the termination of the Easement at the Grantor's option. Grantee shall provide the Grantor proof of insurance shall be before using any of said rights granted herein. The limits of insurance, which may be increased by Grantor, as deemed necessary, shall not be less than as follows:

- (a) Commercial General Liability (CGL) insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit.
- (b) Employer's liability ("Stop Gap") insurance, and if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Waste/Hazardous Substance. Grantee shall not cause or permit any filling activity to occur in or on the Easement Area, except as approved by Grantor. Grantee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the Easement Area except in accordance with all applicable laws. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 et seq.), or the Washington Model Toxic Control Act (MTCA RCW 70.105D.010.).

Recording. Grantee shall record this Easement in Skamania County at Grantee's sole expense. Grantee shall provide Grantor with a copy of the recorded Easement. Grantee shall have thirty (30) days from the date of delivery of the final executed Easement to comply with the requirements of this section. If Grantee fails to record this Easement, State may record it and Grantee shall pay the costs of recording, including interest, upon Grantor's demand.

Forfeiture. In the event that any portion of the Easement Area is not used by the Grantee, or its assigns, for the purpose for which it was granted, within a period of two (2) years from the Effective Date, the rights of the Grantee within said portion(s) of the Easement Area shall revert to the Grantor, its successors or assigns; and said portion(s) of the Easement Area shall be freed from the Easement as fully and completely as if this Easement had not been entered into.

Abandonment. If Grantee ceases to use the Easement Area for the purposes set forth herein for a period of two (2) successive years, this Easement shall be deemed abandoned and terminate without further action by Grantor.

Termination. The Grantor shall have the right to terminate this Easement if Grantee fails to cure a material breach of this Easement within sixty (60) days of notice of default (Cure Period). If a breach is not reasonably capable of being cured within the Cure Period for reasons other than lack of or failure to expend funds, Grantee shall commence to cure the default within the Cure Period and diligently pursue such action necessary to complete the Cure. In addition to the right of termination, Grantor shall have any other remedy available in law or equity. Any Grantee obligations not fully performed upon termination shall continue until fully performed. Designation of certain breaches as material throughout this Easement shall not preclude other breaches from being declared material.

Effective Date. The Effective Date of this Easement shall be the date on which the last party (Grantee or Grantor) executes this Easement. The Effective Date will be inserted on the first page of the Easement when such date is determined.

Exhibits. All exhibits referenced in this Easement are incorporated as part of the Easement.

Headings. The headings in this Easement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

Modification. Any modification of the Easement must be in writing and signed by the Grantor and Grantee. The Grantor shall not be bound by any oral representations or statements.

Non-waiver. The waiver by Grantor of any breach or the failure of Grantor to require strict compliance with any term herein shall not be deemed a waiver of any subsequent breach.

Severability. If any provision of this Easement shall be held invalid, it shall not affect the validity of any other provision herein.

Federal Interest. Grantee will be using funds under a Federal Grant under the Broadband Technology Opportunities Program ("BTOP") to finance construction of broadband facilities and equipment to be located within the Easement Area. Pursuant to BTOP, Grantee holds its interest in the Easement and the broadband facilities and equipment located in the Easement Area as trustee for the Federal Agency administering that program, specifically, the National Telecommunications and Information Administration ("NTIA"). BTOP further requires participants in that program to file a Covenant of Purpose, Use and Ownership (the "Federal Covenant") with the County Auditor where the property is located. The Federal Covenant, a copy of which is attached as Exhibit __ hereto, requires the Grantee's interest in the Easement or in the broadband facilities or equipment located on or in the property that is subject to the Easement, not be sold during the useful life of those items without the prior consent of NTIA. In light of the foregoing, the parties hereto agree as follows:

- (a) Grantee may file a Federal Covenant against the Easement Area in a form substantially to that attached hereto.
- (b) Any provisions of this Easement that conflict with the rules and regulations under BTOP are made subject to the provisions of those rules and regulations.
- (c) Grantee may assign its interest in the Easement to NTIA if required to do so under the rules and regulations of BTOP.

IN WITNESS WHEREOF, the parties hereto have executed this instrument, in duplicate, as of the day and year first above written.

SAWTOOTH TECHNOLOGIES

Date: 10/7 2011 By: [Signature]

Title: MANAGER

INTERLAKEN RESORT COMPANY

Dated: 10-18, 2011. By: [Signature]

Title: President

Interlaken Resort Company Acknowledgement

State of Washington

County of Cowlitz

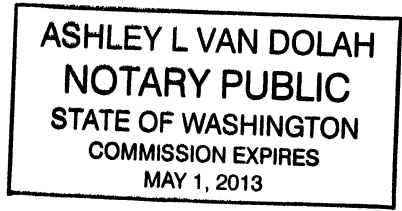
I certify that I know or have satisfactory evidence that Jeffrey P. Breckel is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the President of Interlaken Resort Company to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10-18-11

Ashley L. Van Dolah

(Signature)

(Seal or stamp)



Ashley L. Van Dolah

(Print Name)

Notary Public in and for the State of Washington,
residing at Riverview Community Bank

My appointment expires May 1, 2013

Unofficial Copy

Sawtooth Technologies, LLC

State of Washington

County of Skamania

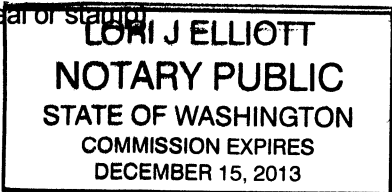
I certify that I know or have satisfactory evidence that Brian Jason Adams is the person who appeared before me, and said person acknowledged that ~~(he)~~(she) signed this instrument, on oath stated that ~~(he)~~(she) was authorized to execute the instrument and acknowledged it as the MANAGER of SAWTOOTH TECHNOLOGIES LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10/7/11

[Signature]

(Signature)

(Seal or Stamp)

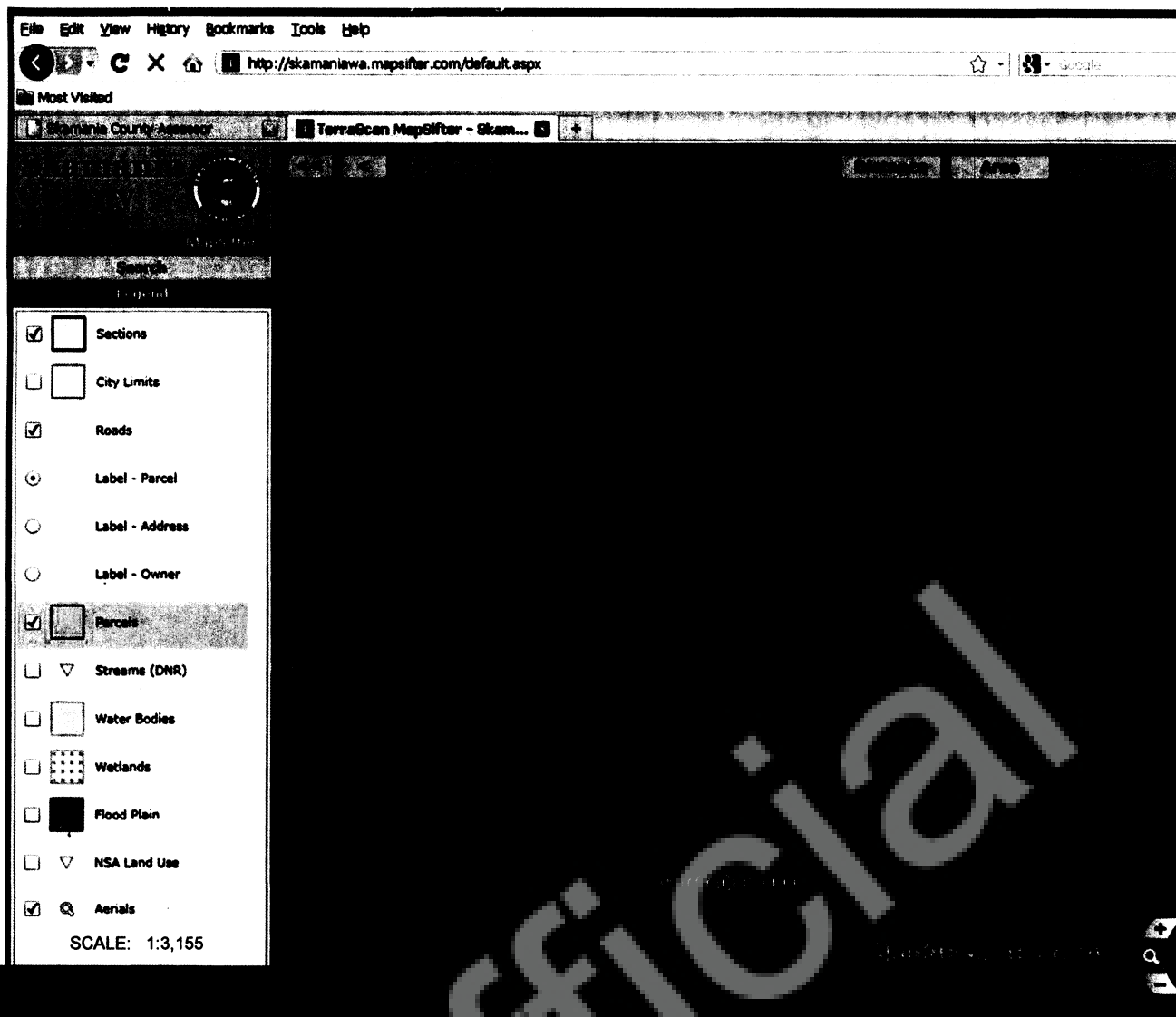


Lori Elliott

(Print Name)

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

My appointment expires Dec 15, 2013



— Aerial fiber-optic cable
— Buried fiber-optic cable

Utility Easement through Parcel Number:
02071400020000
INTERLAKEN RESORT
c/o DIANE BASDEN, TREAS
1275 SE MIMOSA DRIVE
GRESHAM, OR 97080

SAWTOOTH TECHNOLOGIES, LLC.
P.O. BOX 857
STEVENSON, WA 98658
TEL. (509) 427-4865
FAX. (509) 427-4828

EXHIBIT B

COVENANT OF PURPOSE, USE AND OWNERSHIP

THIS COVENANT OF PURPOSE, USE AND OWNERSHIP dated this ___ day of _____, 20___, by and between SAWTOOTH TECHNOLOGIES, LLC. (hereinafter with its successors and assigns called "Recipient"); and the National Telecommunications and Information Administration ("NTIA") through the [National Oceanographic and Atmospheric Administration ("NOAA")] [National Institute of Standards and Technology ("NIST")], in its capacity as the BTOP Grants Office, UNITED STATES OF AMERICA, whose address is _____ (hereinafter with successors and assigns called ["NOAA"/"NIST"]):

RECITALS

WHEREAS, Northwest Open Access Network, a Washington non-profit mutual corporation ("Applicant") submitted an application to NTIA for financial assistance under the Broadband Technology Opportunities Program ("BTOP"), pursuant to the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009) (hereinafter the "Act"); and

WHEREAS, by offer of Award, dated _____, NTIA offered to Applicant a financial assistance award designated as Award No. NT10BIX5570047 (the "Award") in the amount of \$ 84,347,997 (hereinafter called "Award Amount") to assist in financing the construction of "middle mile" fiber optic infrastructure in unserved and underserved areas of Washington State, and to perform related activities, all as set forth in the Award (hereinafter called "Project"); and

WHEREAS, Recipient is the Applicant or a first tier recipient, that is, one of the parties who will be receiving portions of the Award; and

WHEREAS, during the period of the Award, to execute such Project, Recipient has acquired or improved real property using Award funds or the Recipient or a third party has contributed real property to the Project a portion of which is described in Exhibit "A" attached hereto and incorporated herein (hereinafter with all improvements thereto called the "Property"); and

WHEREAS, Applicant accepted the Award by signing Form CD-450 (together with all documents attached thereto or incorporated therein, the "Award Agreement") issued in connection with the above-referenced Award Number, thereby binding itself and making itself subject to the terms and conditions contained in the Award Agreement including, without limitation, the applicable requirements of 15 C.F.R. Parts 14 or 24, as applicable, and the terms of the Notice of Funding Availability, 74 Fed. Reg. 33104 (Jul. 9, 2009); Recipient hereby ratifies that acceptance on its own behalf to the extent it receives portions of the Award; and

WHEREAS, the Award Agreement provides the purposes for which the Award Amount may be used and provides, inter alia, that Recipient holds title to the Property in trust for the

public purposes of the Project, and may not sell, lease, transfer, convey, hypothecate, mortgage, or otherwise alienate any right to or interest in the Property, or use the Property for purposes other than, and different from, those purposes set forth in the Award Agreement and the application made by Recipient therefore (hereinafter called "Project Purposes"), without the approval of NTIA, such alienation and use being prohibited by 15 C.F.R. Parts 14 or 24, as applicable; and

WHEREAS, NTIA is not authorized to grant such approval unless NTIA is repaid its share of the current fair market value of the Property, as set forth below;

WHEREAS, Recipient as owner of all or part of the Property, agreed to record this Covenant in the appropriate office for the recording of public records affecting real property in the jurisdiction where the Property is located so as to constitute notice to all persons of the restrictions contained herein on title to and use of the Property for the benefit of the public purposes of the Project; and

WHEREAS, the Skamania County Courthouse
located at Stevenson, WA
is the proper office to record this covenant:

NOW THEREFORE, in consideration of financial assistance rendered and/or to be rendered by NTIA, and of other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and to assure that the benefits of the Project will accrue to the public and be used as intended by both NTIA and Recipient, Recipient hereby covenants and agrees as follows:

1. The estimated useful life of each element of the Property, as determined by the BTOP Schedule of the Useful Life of Property, is set forth in Exhibit B hereto.

2. Recipient agrees that for the useful life set forth above, Recipient will not lease, sell, transfer, convey, hypothecate, mortgage, or otherwise alienate any interest in the Property, nor shall Recipient use the Property for purposes other than the Project Purposes without the prior written approval of the [NTIA] Grants Officer, or his/her designee or successor. Such approval may be withheld until such time as Recipient first pays to NTIA the Federal Interest in the Property. The Federal Interest is that percentage of the current fair market value of the Property attributable to the NTIA participation in the Project. NTIA's percentage participation in the Project is hereby agreed to be _____ (XX%) percent. After the end of the useful life of an item, then Recipient may sell the item (or the Property if the useful life of all elements of the Property) has expired, then this restriction will no longer apply and Recipient will not be required to pay any portion of the fair market value of the property to NTIA.

3. Recipient further covenants that, except as provided in Section 2 above, in the event NTIA permits the Property to be used for purposes other than the Project Purposes, or if the Property is sold, leased, transferred, conveyed, hypothecated, mortgaged, or otherwise alienated, Recipient will compensate the Federal Government for the Federal Interest in the Property.

4. Recipient further agrees that, as a prerequisite to [or condition of – if the funds are disbursed before recordation] accepting the disbursement of any portion of the Award Amount, Recipient shall provide NTIA with evidence that it has executed and placed on record against the Property, this Covenant of Purpose, Use and Ownership. Recipient further agrees that until the end of the useful life of the Property as set forth on Exhibit __, whenever the property is sold, leased, or otherwise conveyed pursuant to 15 C.F.R. Parts 14 or 24, as applicable, if Federal Government has not been fully compensated for the Federal Interest in the Property, Recipient or the transferor shall add to the document conveying such interest a statement that title is transferred subject to this Covenant of Purpose, Use and Ownership. NTIA will in its sole discretion determine whether the Covenant is satisfactory.

5. It is stipulated and agreed that the terms hereof constitute a reasonable restraint on alienation of use, control, and possession of or title to the Property given the Federal Interest expressed herein.

6. This covenant shall run with the land until the Federal Interest is discharged.

IN WITNESS WHEREOF, the recipient has hereunto set their hand as of the day and year first above written by their duly authorized officer. A completed duly recorded copy of this Covenant shall be forwarded to [operating unit]. (The appropriate acknowledgment must be included for recording in Recipient’s jurisdiction.)

Recipient: _____

By: _____

Title: _____

ATTEST:

By: _____

Title: _____

Exhibit A (Legal Description of the Property)

Exhibit B (BTOP Schedule of the Useful Life of Property)