

LAND LEASE AGREEMENT BETWEEN
YAK-TAT-KWAAN AND YAKUTAT REGIONAL AQUACULTURE ASSOCIATION, INC.
FOR A FISHERIES INCUBATION & REHABILITATION FACILITY

THIS LEASE entered into this _____ day of _____, 2017 by and between

YAK-TAT-KWAAN (YTK)

Hereinafter known as the Lessor and the

YAKUTAT REGIONAL AQUACULTURE ASSOCIATION, INC (YRAA)

Hereinafter known as the Lessee

ARTICLE I

Basic Agreement: The Lessor and Lessee enter into this Land Lease agreement for a Fisheries Incubation & Rehabilitation Facility for the rent and upon the terms and conditions hereinafter set out. The Lessor does hereby let and lease unto Lessee, and Lessee does let and hereby lease from Lessor the property which is included within the boundaries described in Exhibit I, attached hereto. The Lessor and Lessee agree that the Fisheries Incubation & Rehabilitation Facilities are to the benefit of the citizens of Yakutat and the State of Alaska, and the parties enter into this agreement in furtherance of promoting management of the fisheries resources of the State of Alaska.

Lessor's Representations: Lessor represents and warrants that the property described in Exhibit 1 is the subject of a conveyance to the Lessor from the Bureau of Land Management, Department of the Interior, United States of America under the terms and provisions of the Alaska Native Claims Settlement Act, and that the Lessor, alone, has the right, power, Authority to make and enter into this Lease. Lessor represents and warrants that, at the date hereof, there are no restrictions, covenants, easements, rights-of-way, or uses which would prevent the Lessee from constructing and operating a fisheries incubation and rehabilitation facility on the property described in Exhibit I.

ARTICLE II

Rent and Terms: This lease shall be for the term of _____ years commencing on the _____ day of _____, 2017 and ending on the _____ day of _____, 20____ at and for a rent of \$ _____ per acre for the first five years starting on _____ day of _____, 20____ and ending on _____ day of _____ 20____ ; for a rent of \$ _____ per acre for

years 6 through 10, starting on _____ day of _____, 20__ and ending on _____ day of _____ 20__; and for a rent of \$ _____ per acre for the remainder of the lease starting on _____ day of _____, 20__ and ending on _____ day of _____ 20__. Payment will be made once a year in the month the lease was signed. The above stated rent amount shall remain in effect during the first (1) ten (10) years from the date of the execution of this agreement. For each succeeding five (5) year period the base rent established during year eleven (11) shall be adjusted in accordance with changes in the Consumer Price Index (CPI) (Pacific/Cities and U.S. Average promulgated by the Bureau of Labor Statistics of the U.S. Department of Labor, hereinafter referred to as the "Index") and more specifically, the price figures for Anchorage in said Index since the date of execution of this agreement. The parties agree that a substantially comparable index or set of statistics shall be substituted if the CPI is discontinued or substantially changed from its format in 1981.

ARTICLE III

1. Covenants of the Lessee: The Lessee does hereby covenant and agree with Lessor that Lessee will:
 - a. Pay the rent at the time and place determined by Lessor and in the manner aforesaid;
 - b. Use and occupy said premises in a careful and proper manner;
 - c. Conduct all operations on the property in a manner consistent with all applicable local, state and federal environmental codes, regulations, and statutes and shall bear sole responsibility for any violations thereof. The Lessee shall be solely responsible for securing any permits necessary for their activities on the property. In the event of any legally-prohibited release of any materials to the environment, the Lessee will indemnify the Lessor for any costs of environmental cleanup and restoration as well as any penalties, fines, judgements or other amounts incurred by the Lessee as a result of such release.
 - d. Hold and save Lessor, its officers, agents, and employees, harmless from liability of any nature or kind, including costs and expense for or on account of any and all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or property by virtue of any act performed solely by Lessee, its agents, officers, or employees pursuant to this Lease; and
 - e. Not use or occupy said premises for any unlawful purpose;
 - f. Not assign this Lease, nor sublet said premises, nor any part thereof;
 - g. Limit the use of the premises to the area, facilities, and works necessary for access to and establishment of a hatchery, fisheries research and management station, and any necessary support structures thereon, or other fishery or administrative purposes which will not have undue adverse impact upon Lessor's use or enjoyment of adjacent property;

structures. Such improvements shall remain the property of Yakutat Regional Aquaculture Association, Inc. and must be removed by YRAA at the expiration or prior to termination or within ninety (90) day of termination of this Lease. Restoration of premises to substantially the same condition as prior to the construction of the improvements will be made if any damage to the premises results from removal of the same;

- e. The Lessee shall pay the rent as herein provided, and shall keep, observe, and perform all of the covenants of this Lease the lessee shall and may, peaceably and quietly, have, hold and enjoy the said premises for the term aforesaid;
- f. The Lease and all the covenants, provisions, and conditions herein contained shall inure to the benefit and be binding the successors and assigns of the parties hereto;
- g. This Lease is subject to all applicable laws of the State of Alaska;
- h. All conditions and covenants of this Lease shall remain in full force and effect during any extension hereof. Any holding over after the expiration date of this Lease or any extension or renewal thereof, shall be construed to be a tenancy form month-to-month, at the same monthly rental and on the terms and conditions herein specified so far as applicable;
- i. If the Lessee shall at any time be in default in the payment of rent herein reserved, or in the performance of any of the covenants, terms and conditions, or provisions of this Lease, and the Lessee shall fail to remedy such default within sixty (60) days after written notice thereof from the Lessor, it shall be lawful for the Lessor to enter upon said premises and again have, repossess, and enjoy the same as if the Lease had not been made, and thereupon this Lease and everything herein contained on the part of the Lessor to be done and performed shall cease and determine without prejudice.

ARTICLE IV

The Lessee hereby agrees to the following conditions:

1. That it shall endeavor to incur the minimum amount of damage or disturbance to the areas of the property leased not necessary for development during construction and use.
2. That all infrastructure be removed and the property returned to an undeveloped status, (i.e. as natural as possible) such as it was prior to occupation.

ARTICLE V

Grant and Term of Option: Should the Lessor determine to sell these parcels, Lessor grants to Lessee the first option to purchase the property described in Exhibit I. This option may be exercised at any time during the term of this Lease. If YRAA chooses to not exercise the first option to purchase if offered by the Lessor, the property will be sold with the condition that this Lease remain valid and in place.

Consideration: The consideration, in the form of rent, includes consideration for this option to purchase and rent for the Lease.

Purchase Price: The purchase price of the property shall be the fair market value of the property as if vacant and unimproved as of the date of the notice of intent to sell. If Lessor and Lessee cannot reach an agreement as to the fair market value of the property, a professional real estate appraiser selected by both Lessor and Lessee shall determine fair market value. The cost of the appraisal shall be borne equally by Lessor and Lessee.

Closing: In the event that Lessee shall exercise this option, closing of this transaction shall take place within one (1) year from the date of the appraisal or a current appraisal shall be obtained at the Lessee expense.

ARTICLE VI

Termination of Lease: Yak-Tat-Kwaan and Yakutat Regional Aquaculture Association, Inc. by written notice, may terminate this Lease, in whole or part when it is in the best interests of the YTK and YRAA by mutual agreement. YRAA may terminate the contract for any reason by notifying YTK in writing 180 days in advance of final termination with the acknowledgement that they must remove all infrastructure and return the land to an undeveloped status unless an alternative agreement is reached with YTK.

ARTICLE VII

Time Is Of the Essence: Time, whenever expressed herein, shall be deemed to be of the essence of this agreement.

Partial Invalidity: If any terms, covenant, article, or condition of this lease or the application thereof, to any person or circumstances shall, to any extent, be illegal, invalid, or unenforceable because of present or future laws, or any rule or regulation of the State of Alaska, or become unenforceable because of judicial construction, the remaining terms, conditions, articles, and covenants of this Lease or the application of such term, covenant, articles, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, article, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Rights Cumulative: All rights, powers, and privileges conferred herein upon the parties shall be cumulative but not restrictive to those given by law.

Amendment: No amendment or extension of this Lease shall be effective unless expressed in a writing executed by the parties.

Entire Agreement: This Lease contains the entire agreement of the parties and no representations or agreements, oral or otherwise, between the parties not embodied herein or attached hereto shall be of any force and effect. Any additions or amendments to this Lease

subsequent hereto shall be of no force or effect unless in writing and signed by the parties hereto.

DRAFT

IN WITNESS WHEREOF, the parties hereto have set their hand on the day and year written below.

LESSOR
YAK-TAT-KWAAN

By _____

Title _____

Date _____

STATE OF ALASKA)

) ss.

(Insert))

This is to certify that on this _____ day of _____, 20____, before me a Notary Public in and for the State of Alaska duly commissioned and sworn personally appeared _____ to me known and known by me to be the person described in and who executed the instruments set forth above and be severly stated to me under oath that he is _____ and that he has been authorized by the YAK-TAT-KWAAN Corporation to execute the foregoing Lease for and on behalf of YAK-TAT-KWAAN Corporation and they executed same freely and voluntarily for the uses and purposes therein set forth. WITNESS my hand and official seal the day and year this certificate first above written.

Notary Public for Alaska

Residing at

My Commission expires

IN WITNESS WHEREOF, the parties hereto have set their hand on the day and year written below.

LESSEE
YAKUTAT REGIONAL AQUACULTURE
ASSOCIATION, INC.

By _____

Title _____

Date _____

STATE OF ALASKA)

) ss.

(Insert))

This is to certify that on this _____ day of _____, 20____, before me a Notary Public in and for the State of Alaska duly commissioned and sworn personally appeared _____ to me known and known by me to be the person described in and who executed the instruments set forth above and be severally stated to me under oath that he is _____ and that he has been authorized by the YAKUTAT REGIONAL AQUACULTURE ASSOCIATION, INC. to execute the foregoing Lease for and on behalf of YAKUTAT REGIONAL AQUACULTURE ASSOCIATION, INC. and they executed same freely and voluntarily for the uses and purposes therein set forth. WITNESS my hand and official seal the day and year this certificate first above written.

Notary Public for Alaska

Residing at

My Commission expires