

Return to;

**Lands Manager
Afognak Native Corporation
215 Mission Road, Suite 212
Kodiak, AK 99615**

Transfer and Amendment of Lease

Number _____

THIS AGREEMENT, entered into as of _____, 20____, by and among _____, as Transferor; the following person or persons, collectively, as Transferee: _____; and AFOGNAK NATIVE CORPORATION, an Alaska corporation formed pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. § 1601, *et seq.*, (“ANC” or “Lessor”). The residence addresses of the individual parties accompany their signatures below.

RECITALS

A. ANC is the Lessor, and Transferor is the Lessee under the terms of a lease agreement dated _____, as it may have been amended from time to time (the “Lease”), pursuant to which Transferor leased from ANC the following described five-acre parcel of real property located at _____, which is legally described as follows:

T ____S, R ____, W, Section ____, Parcel ____ S.M.

located in the Kodiak Recording District, Third Judicial District, State of Alaska (“Property”) and identified by the Kodiak Island Borough as tax parcel number _____.

B. The Lease provides that only shareholders of ANC may own any interest in the Lease and that the Lessor may transfer, sell or assign the Lease only to one or more ANC shareholders.

Transferor and Transferee are both or all ANC shareholders. The ANC shareholder numbers of the Transferor and Transferee accompany their signatures below.

C. The Lease requires the Lessee to pay when due all taxes assessed against the Property (“Property Taxes”) and to reimburse ANC for any Property Taxes paid by ANC on behalf of the Lessee (“Tax Reimbursements”).

D. Transferor has provided Transferee with a copy of the fully executed Lease and all amendments thereto.

E. Transferor desires to assign, and Transferee desires to accept, all of Transferor’s right, title and interest in, and obligations under, the Lease, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and adequacy of which are expressly acknowledged, the parties agree as follows:

TERMS AND CONDITIONS

1. Transfer and Assumption of Lease.

(a) Transferor hereby assigns, transfers and sets over unto Transferee all of Transferor's right, title and interest in, under and to the Lease. Transferee shall have possession of the Property on the date this Agreement is recorded pursuant to Section 3 (“Effective Date”).

(b) Transferee, having reviewed the Lease and being familiar with its terms and conditions, hereby accepts the foregoing assignment, and hereby agrees to perform all of the terms and conditions of the Lease to be performed on the part of the Transferor and assumes all of the liabilities and obligations of Transferor under the Lease, as amended hereby, arising or accruing on or after the Effective Date, and for the due performance as Lessee of all the terms, covenants and conditions of the Lease as amended hereby including, without limitation, liability for the payment of the property taxes due the Kodiak Island Borough (“Property Taxes”) Property Taxes when due.

2. Property Tax Liabilities.

(a) **Current Year Taxes. As between themselves only,** Transferor and Transferee agree they shall divide the Property Taxes due and payable in the year of the transfer (“Current Year Taxes”) as follows:

_____. The amount of the Current Year Taxes that have already been paid is \$_____, and the amount that remains to be paid (including any amount not yet due) is \$_____.

Transferor and Transferee acknowledge that notwithstanding the agreement set forth in the previous sentence, that they are both potentially liable for payment of the Current Year Taxes.

(b) **Unpaid Tax Liabilities.** Transferor estimates that as of the date of this Agreement, the combined amount of delinquent Property Taxes, interest, penalties and unpaid Tax Reimbursements, as defined in Section C of the Recitals (collectively, “Unpaid Tax Liabilities”), owed by the Lessee as of the effective date, if any, is \$_____. As between themselves only, Transferor and Transferee agree they shall divide the Unpaid Tax Liabilities as follows and pay such amounts on the dates set forth below:

Transferor and Transferee acknowledge that notwithstanding the agreement set forth in this section, that they are both potentially liable for payment of the Unpaid Tax Liabilities. Transferor and Transferee further acknowledge that notwithstanding the agreement set forth in this section that (i) the existence of the Unpaid Tax Liabilities is a breach of the Lease that permits ANC (among other remedies) to terminate the Lease and (ii) that ANC by permitting this transfer, is not waiving its remedies with regard to any such breach.

(c) **Future Taxes.** As between themselves only, Transferee and Transferor agree that Transferee shall be liable for all Property Taxes due and payable in any year the first day of which occurs on or after the date this Agreement is signed by all Transferees and all Transferors.

3. **Recording; Release of Transferor.** Transferor shall deliver to ANC the original Agreement after it has been fully executed. ANC shall record the Agreement in

the records of the Kodiak Recording District and send a conformed copy, showing the date of recording, to the Transferor and each Transferee at the addresses accompanying their signatures below. Upon receipt of the fully executed Agreement, ANC shall be deemed to have released Transferor from Transferor's obligations to ANC under the Lease as of the Effective Date.

4. **Designated Transferee Representative.** In the event that there are multiple Lessees of the Property, the Lease requires that one of such Lessees be designated as the "Lessee Representative" to receive on the behalf of all Lessees any notice required under the terms of the Lease and any other correspondence or notices relating to the Property, including notices of property tax assessment and collection. The Lessee Representative shall be: _____, whose mailing address and physical address, if different, is:

The Lessee Representative shall notify ANC and the Kodiak Island Borough Tax Assessor in writing of any change in the name or address of the Transferee Representative. Notice properly given to the Lessee Representative designated at the time such notice is given shall be deemed to be effective notice to all Lessees.

5. **Binding Effect.** This Agreement will apply to, be binding upon and inure to the benefit of the successors, representatives, heirs, and permitted assigns of the parties hereto.

6. **Entire Agreement; Amendment.** This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter and, together with the terms of the Lease, constitutes a complete and exclusive statement of the terms of the agreement between and among the parties. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the party to be charged with the amendment. Nothing herein modifies the rights of ANC as Lessor under the Lease, including as to any prior or existing breaches of the Lease.

7. Counterpart Execution. This Agreement may be executed in multiple original counterparts, all of which constitute one and the same agreement.

Transferor: **Date:** _____

Signature _____
ANC Shareholder No. _____
Name / Address _____

Transferor: **Date:** _____

Signature _____
ANC Shareholder No. _____
Name / Address _____

REPEAT AS NECESSARY FOR ALL TRANSFEREES TO SIGN

Transferee: **Date:** _____

Signature _____
ANC Shareholder No. _____
Name / Address _____

STATE OF _____
____ JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known and acknowledged to me that she/he signed the foregoing instrument freely and voluntarily for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for _____
My Commission Expires: _____

STATE OF _____
____ JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known and acknowledged to me that she/he signed the foregoing instrument freely and voluntarily for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for _____
My Commission Expires: _____

[REPEAT ACKNOWLEDGEMENTS AS NECESSARY]

LESSOR:
AFOGNAK NATIVE CORPORATION

Howard W. Valley
General Manager of Lands

STATE OF ALASKA
3rd. JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known and acknowledged to me that she/he signed the foregoing instrument freely and voluntarily for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for _____
My Commission Expires: _____