

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is made between the City of Othello, 500 E Main Street, Othello Washington, a municipal corporation of the State of Washington (Grantor), and Les Schwab Tires 315 S. Broadway Ave. Othello, WA, 99344. (Grantee).
(name and address)

RECITALS

Grantor is a municipal corporation organized as a non-charter code city and as such is the entity in possession and control of public right of way within the corporate limits of the City of Othello.

2. Grantee wishes to occupy the public right of way for purposes related to the Grantee's operations.
3. Grantee's use of Grantor's property, shall be limited to use of the portion and specific areas designated in writing by the Grantor for a definite period of time.

AGREEMENT

The parties therefore agree as follows:

1. **Grant of License to Use and Consideration Therefore.**
Area of Occupancy: Grantor grants to Grantee a limited License to use the following described portions and specific areas of the public right of way controlled by Grantor: Proposed licensed area is located in lot 6 BLK 34 Original Othello, the southeast corner of Broadway and Spruce.

Type of Occupation: The sole purpose of occupying this right of way described above is: To install a Sign for the identification of Les Schwab that will extend into the right of way

- A. *Consideration:* Grantee shall pay to the Grantor the amount of \$ 50.00 per year (period) for the duration of the License. Initial payment is due upon acceptance of this agreement and subsequently on or before January 15th of each year after the first full year that the License is in effect. Failure to pay within ten days after first notice shall terminate this agreement.
2. **Scope of License.** The license is granted for the sole purpose described previous and Grantee's occupation of the right of way shall comply with the following:

- A. Grantee shall comply with all applicable regulations, ordinances, resolution, and laws regarding the use of Grantor's property, including any regulations regarding emissions, noise, dust, surface and ground water issues.
- B. Grantee shall provide Grantor access to the license area in a timely manner after reasonable notice.
- C. The License premises shall be returned to Grantor, within 30 days after termination of this license, in a Grantor approved condition (written consent required), approximately equal to that condition existing prior to this use by Grantee.
3. **Term of License.** The License shall continue for 20 years from the date hereof. This license may be terminated by either party thirty days after written notice delivered to the address first entered above.
4. **Extent of Grantee's Interest.** This License is a grant to use Grantor's property for a specific use only, and does not constitute an interest in land. This License is not inheritable, assignable, nor transferable and is personal to the Grantee.
5. **Insurance and Indemnification.** The Grantee shall maintain throughout the term of this License Agreement liability insurance coverage for any liability or expense, including, but not limited to property damage and personal and bodily injury. The minimum amount of such insurance shall be \$1,000,000 (one million dollars). A copy of such insurance attached hereto and marked as Exhibit B. The Grantor shall be named as an additionally insured on such policies as respects the uses and responsibilities described herein. The insurance policy shall provide for coverage not only of the property, but also to the use of the property. The policy(s) shall stipulate that the Grantor shall be notified in writing, prior to cancellation of said policies.
- The Grantee shall defend, indemnify and hold harmless Grantor, its officers, employees, officials, and successors and assigns, from and against any and all liability, loss, damage, expense, injury, action and claims to the extent asserted or arising directly or indirectly on account of or out of acts or omissions of Grantee, its agents, contractors, employees, licensees or invitees in the exercise of the rights granted in this License.
6. **Governing Law and Venue.** This License Agreement shall be governed by and construed in accordance with the laws of the State of Washington, and any litigation arising out of this License Agreement shall be in Adams County, Washington.
7. **Entire Agreement.** This License Agreement is the complete and exclusive agreement between the parties, which supersedes all proposals or prior oral agreements, and all other communications between them relating to the Grantor's property. Amendments or modifications to this Agreement shall only be effective if they are in writing and signed by both parties.

8. **Attorney's Fees and Costs.** In the event of any action by Grantor or Grantee brought to interpret this Agreement or to enforce any of the provisions herein, then the unsuccessful party in such action shall pay to the prevailing party a reasonable attorney's fee and costs fixed by the Court, including attorney's fees and costs on appeal, if such be had.

In the event one party is required to expend fees on an attorney's services because of a breach or default by the other party, then the breaching/defaulting party shall pay to the other party the actual attorney's fees incurred as a result of that breach and/or default, provided, however, that the defaulting/breaching party be given thirty (30) days' prior written notice of the breach and/or default so that it may have a reasonable opportunity to cure the breach and/or default before attorney's fees are incurred.

DATED this 22nd day of May, 2006.

City of Othello, Grantor

By:

[Signature]

Title: Mayor

Les Schwab Tire Centers of Washington, Inc.

~~Les Schwab Tire~~ Grantee

By:

[Signature]

Title: President, Holding Company Division

EXHIBIT A**Blank****EXHIBIT B****Insurance**

Notwithstanding any provision in the attached License to the contrary, the parties agree as follows:

Grantee elects to self-insure its obligations under the license for all insurance coverages. Grantee is entitled to self-insure such obligations as long as Grantee's net worth exceeds \$15,000,000 or the combined net worth of Grantee and all other parties participating in a common program of self-insurance from which Grantee benefits and which would apply to Grantee's obligations hereunder exceeds \$15,000,000. In the event the foregoing net worth limits are not maintained, or if the self insurance program is terminated, Grantee shall promptly notify Grantor and provide Grantor with a certificate of insurance from a third-party insurance company which evidences the existence of the insurance coverages required to be maintained pursuant to the license.