**OPTION AGREEMENT**

THIS AGREEMENT is made by and among **, LLC**, a Washington limited liability company (the “Company”), , a Washington limited liability company (“ ”), **, LLC**, a limited liability company (“ ”), and (“ ”).

RECITALS

1. and are currently the only members of the Company and

and \_\_\_\_\_\_\_\_\_\_, are currently the only managers of the Company.

1. As of the “Effective Date” of this Agreement, as defined in **Section 18** below, the Company, as Landlord, and\_\_\_\_\_\_\_\_\_\_\_, a Washington professional service corporation (“ ”), as Tenant, signed that certain lease pertaining to premises more commonly known as , , Washington (the “Lease”).
2. is currently the sole shareholder of .
3. As a condition to signing the Lease, expressed a desire to become a member in the Company and and agreed in consideration of

’s approval of ’s adoption and signing of the Lease to grant

an option to purchase a Membership Interest in the Company in accordance with and subject to the terms of this Agreement.

In consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

* 1. Grant of Option. Upon and subject to the conditions and limitations set forth in this Agreement, and/or his assignee as provided in **Section 11** (“Optionee”) shall have the option (the “Option”) to purchase a percent ( %) membership interest in the Company (the “Optionee Membership Interest”).
  2. Exercising the Option. The Optionee may exercise the Option only in strict accordance with the terms and conditions of this **Section 2**. The Optionee shall exercise the Option, if at all, by delivering to the Company written notice (the “Exercise Notice”) of the Optionee’s exercise of the Option within the third (3rd) anniversary of this Agreement’s Effective Date. Notwithstanding any provision of this Agreement to the contrary, the delivery of the Exercise Notice to the Company shall only be deemed an effective and valid delivery if

is not in breach of any term or condition of the Lease at the time of such delivery. Failure by the Optionee to deliver the Exercise Notice by such third (3rd) anniversary shall constitute a waiver of the Optionee’s right to exercise the Option, and the Optionee shall have no further right under this Agreement to exercise the Option.

* 1. Rights of Optionee to Examine the Company Records. At any time commencing sixty (60) days following the Effective Date of this Agreement until the Optionee exercises the Option, the Optionee and its agents shall have a right to inspect all of the Company’s books, records, including but not limited to the Company’s minute book, the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ LLC Operating Agreement (the “Operating Agreement”), all contracts including loans, mortgages, deeds of trust, and leases to which the Company is a party, and all of the Company’s financial statements, operational budgets, financial projections, and informational tax returns (collectively the “Company Records”) during the Company’s normal business hours.
  2. Confidentiality. Because the Company Records are proprietary and of importance to the Company, the Optionee agrees (i) to use the Company Records for the sole purpose of determining whether or not to exercise the Option and to purchase the Optionee’s Membership Interest, and (ii) not to disclose the Company Records to any third person without the prior written consent of one of the Company’s managers except that the Optionee may without such prior consent disclose the Company Records to its professional advisors who are assisting Optionee with its decision to exercise the Option; provided, however, such advisors first agree in writing to be bound to the terms of this **Section 4**. The Optionee shall not be deemed in breach of this **Section 4** with respect to that portion of the Company Record, if any, that is part of the public domain prior to the Effective Date of this Agreement through no fault of the Optionee or its agents, or if the Optionee is required to disclose a portion of the Company Record under law or pursuant to a court order. The duties and obligations of the Optionee and its professional advisors under this **Section 4** shall survive and continue after the termination of this Agreement.
  3. Return of Company Records. In the event the Optionee does not exercise the Option the Optionee shall promptly return all Company Records in whatever format and all photocopies thereof that it has possession of or that is under its control over to the Company (but in no event later than the third (3rd) anniversary of the Agreement’s Effective Date). If any Company Records has been electronically transmitted to Optionee and is stored on a computer that is owned by or under Optionee’s control, the Optionee shall promptly delete the Company Records from the computer’s file server and shall certify to the Company in writing the completion of such deletion.
  4. Investigation and Acknowledgment by Optionee. The Optionee acknowledges and agrees that (i) its decision to exercise the Option and to purchase the Optionee’s Membership Interest shall be based solely upon its own due diligence and investigation of the Company and the Company Records, and (ii) it is not relying upon any warranties or representations made by the Company, \_\_\_\_\_\_\_\_\_\_\_\_\_, TNT or by any Company manager about the Company or about the Company’s financial condition and operations, except for those warranties or representations expressly stated in this Agreement.
  5. Consent to Issuance of Optionee’s Membership Interest by Company’s Lender. Notwithstanding any provision of this Agreement to the contrary, the right of Optionee to exercise the Option and to purchase the Optionee’s Membership Interest in accordance with the terms of this Agreement shall be subject to and conditioned upon the written consent or approval by all parties who are the then current mortgagees named in mortgages that encumber the building in which the premises described in the Lease are a part (the “Building”), or who are the

then current beneficiaries named in deeds of trust that encumber the Building. Promptly after the Optionee exercises the Option the Company agrees to notify the current mortgagees and beneficiaries, if any, and to request their consent to the Optionee’s purchase of the Optionee’s Membership Interest. If the Company is unable to obtain such consents, it will notify the Optionee at which point this Agreement shall be deemed terminated. If the Company is able to obtain all of the necessary consents, it will notify the Optionee that the condition stated in this **Section 7** has been satisfied.

* 1. Purchase Price.
     1. Appraisal. Within thirty (30) days after the Effective Date of this Agreement the Company shall retain the services of a qualified disinterested appraiser to determine the appraised value of the Optionee’s Membership Interest (the “Appraisal”). The qualified disinterested appraiser must (i) have at least five (5) years in valuing membership interests in limited liability companies that are engaged in business activities in Richland, Washington similar to those activities engaged by the Company, and (ii) not been previously retained by the Company or any Member of the Company. For purposes of the Appraisal, the appraiser shall not include any minority ownership discount. The Appraisal shall be completed within thirty (30) days after the appraiser has been retained and the Appraisal shall be paid by the Company. The Appraisal will be deemed part of the Company Records.
     2. Initial Purchase Price. The appraised value of the Optionee’s Membership Interest as stated in the Appraisal shall be deemed the initial purchase price of the Optionee’s Membership Interest as of the date of the Appraisal. This initial purchase price shall be increased in accordance with the terms of **Section 8(c)** (the “Purchase Price”).
     3. Increases to the Initial Purchase Price. Commencing the first day of the first full month following the completion of the Appraisal and on the first day of each successive month thereafter until the Option is exercised (the “Adjustment Date”), the Purchase Price that is in effect on the day immediately preceding an Adjustment Date shall be multiplied by 1.00125 and that product shall be the new Purchase Price until it is increased on the next Adjustment Date in accordance with the terms of this **Section 8(c)**. The following is for illustrative purposes only:

*Assume the initial purchase price for the Optionee’s Membership Interest is*

*$50,000.00. Further assume that the Appraisal was completed on October 15, 2009. In accordance with the terms of Section 8(c), this initial purchase price will increase to $50,062.50 on November 1, 2009 (an Adjustment Date) ($50,000 x 0.00125 = $50,062.50) and will be the Purchase Price for the Optionee’s Membership Interest if the Optionee exercises the Option during the month of November. On December 1, 2009 the purchase price would increase to*

*$50,125.08 ($50,062.50 x 0.00125 = $50,125.08) and so forth.*

* 1. Purchase of Optionee’s Membership Interest.
     1. Date of Closing. The Optionee’s purchase of the Optionee’s Membership Interest call close within thirty (30) days of the satisfaction of the condition stated in **Section 7** above (the “Closing”).
     2. Place of Closing. The Closing shall occur at the Company’s principal offices unless the parties otherwise agree.
     3. Duties and Deliverables of Optionee at Closing. At the Closing the Optionee shall deliver to the Company the following:
        1. The Purchase Price in one single lump sum which shall be deemed a capital contribution by the Optionee to the Company in exchange for the Optionee’s Membership Interest.

Membership Interest.

* + - 1. An executed subscription agreement pertaining to the Optionee’s
      2. An executed adherence agreement whereby the Optionee documents its agreement to comply with and to be bound to the terms of the Operating Agreement as if the Optionee had been an initial Member of the Company.
      3. A copy of duly adopted resolutions authorizing Optionee to exercise the Option and to acquire the Optionee’s Membership Interest in accordance with this Agreement.
    1. Duties and Deliverables of the Company at Closing. Upon the Optionee’s payment of the Purchase Price and compliance with the provisions of **Section 9(c)**, and provided

is not in default of the Lease as of Closing, the Company shall deliver to the Optionee a Unit Certificate that represents the Optionee’s Membership Interest.

* 1. No Right to be Manager. Optionee acknowledges and agrees that Optionee is not entitled to and will not become a manager of the Company upon the acquisition of the Optionee’s Membership Interest. If Optionee should become a manager of the Company after the Closing such appointment will be made in accordance with the terms of the Operating Agreement.
  2. Eligible Assignee. Except as otherwise provided herein, shall have no right to assign his Option to any third party without the prior written consent of the Company, whose consent may be withheld for any reason within the Company’s sole discretion.

Notwithstanding any provision of this **Section 11** to the contrary,

shall have the right

to assign his Option at any time after the Agreement’s Effective Date but prior to the exercise of the Option to an “eligible assignee” For purposes of this Agreement, an eligible assignee is an entity in which has more than percent ( %) of the voting stock (if such entity is a corporation) or more than percent ( %) of the voting interests (if such entity is a limited liability company or partnership). If at any time proposes to assign his Option to an eligible assignee, shall first notify the Company in writing of such proposed

assignment and shall provide the Company with such information as is reasonably required by the Company to document that such assignee is an eligible assignee. Only after the Company has approved of the eligible assignee in writing shall have a right to assign his Option to such eligible assignee. Once the Option is assigned over to an eligible assignee the eligible assignee shall have no further right to assign the Option to a third party without the prior written consent of the Company whose consent may be withheld for any reason within its sole discretion.

* 1. Time. Time shall be of the essence in the performance of the terms and conditions of the Option.
  2. Interpretation. Whenever herein the singular number is used, the same shall include the plural, and words of any gender shall include each other gender. Since has had an opportunity to have this Agreement reviewed by his own legal counsel, the parties agree that any ambiguous language in this Agreement shall not be construed against one party in favor of another party, but that such language will be given its fair and objective meaning. The captions used herein are for convenience only and do not limit or amplify the provisions hereof.
  3. Waivers. One or more waivers of any covenant, term or condition of this Agreement by a party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by a party to or of any act by another party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.
  4. Governing Law. The laws of the State of Washington shall govern the interpretation, validity, performance and enforcement of this Agreement without regard to its conflict of laws principles.
  5. Severability. If any provision of this Agreement should be held to be invalid or unenforceable by a court of competent jurisdiction, then such provision shall be severed from the Agreement and the validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby. In addition such court shall be authorized to amend the severed provision so that it is enforceable to the fullest extent permitted under the law.
  6. Successors and Assigns. The terms, provisions and covenants contained in this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors in interest and legal representatives.
  7. Effective Date. This Agreement shall not be valid or binding on the parties hereto until it has been signed and dated by all of the parties. For purposes of this Agreement, its “Effective Date” will be the latest date that a party signs this Agreement.
  8. Notices. All notices and other communications required under this Agreement shall be in writing and shall be (i) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, and addressed to the intended addressee at his/her/its address specified below in his/her/its signature block, (ii) delivered to the intended addressee

personally, or (iii) delivered or by national air courier service to the intended addressee at his/her/its address specified below in his/her/its signature block. All notices mailed pursuant to item (i) above shall be effective three (3) business days after being deposited whether or not the intended addressee accepts such notice, all notices delivered pursuant to item (ii) above shall be deemed delivered upon delivery to the addressee, and all notices delivered pursuant to item (iii) above shall be deemed delivered one (1) business day after being deposited with such national air courier service. The parties hereto may change their respective addresses by giving notice thereof to the other parties in conformity with this Section.

* 1. Entire Agreement. This Agreement contains the sole agreement by and among the parties and supersedes, merges, combines and completely integrates any prior understandings or written or oral agreements by and among the parties respecting the subject matter. No other representations, promises or oral agreements have been made.
  2. Default and Remedies. In the event a party is in default of this Agreement and fails to cure such default within the applicable cure period, if any, the non-defaulting party shall have the right to pursue all rights and remedies available to it under law or in equity and the non- defaulting party may pursue such remedies concurrently or consecutively at its own election and the pursuit of one remedy shall not constitute a waiver of the other remedies. Optionee specifically acknowledges and agrees that any violation of the covenants stated in **Section 4** will have an immediate adverse and unfair impact on the Company’s business that is not adequately compensated through monetary damages and further acknowledges that the Company would not have entered into this Agreement without such covenants by Optionee. Accordingly with respect to each breach or violation or threatened breach or violation by Optionee of these covenants, the Company shall be entitled to seek an injunction enjoining the commencement or continuation of such activities by the Optionee and, without notice to Optionee, may apply to any court of competent jurisdiction for entry of an immediate restraining order or injunction without posting of a bond.
  3. Waiver of Jury Trial; Attorneys’ Fees. Each party hereto waives trial by jury in any action, proceeding or counterclaim brought by a party against another party on any matter whatsoever arising out of or in any way connected with this Agreement. If a party institutes an action or proceeding against another party relating to the provisions of this Agreement, then the non-prevailing party in such action or proceeding shall reimburse the prevailing party for its reasonable attorneys’ fees, and all fees, costs and expenses incurred on any appeal or in collection of any judgment.
  4. Counterparts. This Agreement may be executed in multiple counterparts and all executed counterparts shall be deemed on fully executed Agreement.

[This Space Intentionally Left Blank – Signature Blocks on the Following Page]

[Signature Blocks for the Option Agreement]

**, LLC**, a Washington limited , a Washington limited liability

liability company

By

, Manager Dated - , 20

company

By

, Manager Dated - , 20

**[DO NOT SIGN – DRAFT ONLY]**

By

, , Manager Dated - , 20

Company Address for Notice Purposes:

Company Address for Notice Purposes:

**, LLC**, a liability company

limited

By

, , Manager Dated - , 20

**,**

Dated - , 20

Address for Notice Purposes:

Optionee Address for Notice Purposes: