

When Recorded Return To:

Paul V. McCarthy

Lane Powell Spears Lubersky LLP

1420 Fifth Avenue, Suite 4100

Seattle, WA 98101-2338



200202260120

Skagit County Auditor

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FIRST AMERICAN TITLE CO.

18012-3

Please print or type information **WASHINGTON STATE RECORDER'S COVER SHEET** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

1. Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

2.

3.

4.

Reference Number(s) of Documents assigned or released: 200005100050 and 9801230057

☐ Additional reference numbers on page no. of document

Grantor(s) (Last name first, then first name and initials)

1. CC Beverage (U.S.) Corporation, a Washington corporation

2.

3.

4.

☐ Additional names on page no. of document

Grantee(s) (Last name first, then first name and initials)

1. Advanced H2O, Inc., a Washington corporation

2.

3.

4.

☐ Additional names on page no. of document

Legal Description (Abbreviated: i.e., lot, block, plat or section, township, range) Lot 22 Hopper road Business Park AF# 200002230067

☐ Additional legal on page no. N/A of document

Assessor's Property Tax Parcel/Account Number L109760

☐ Assessor's Property Tax Parcel/Account Number not yet assigned

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

116413.0014/898245.1

SECOND ASSIGNMENT OF LEASE WITH CONSENT THERETO

&

THIRD AMENDMENT THEREOF

A. FOR VALUE RECEIVED, CC Beverage (U.S.) Corporation, a Washington corporation (and a wholly owned subsidiary of Clearly Canadian Beverage Corporation, a Province of British Columbia corporation; formerly known as Clearly Acquisition Corp., a Washington corporation; formerly known as Cascade Clear Water Co., a Washington corporation; formerly known as Clearly Canadian Beverage (U.S.) Corporation, a Wyoming corporation), as "Assignor," hereby grants, bargains, sells, assigns, transfers and delivers unto ADVANCED H2O, Inc., a Washington corporation, as "Assignee," Assignor's interest and position in and to the LEASE AGREEMENT dated the 20th of December, 1994, by and between the PORT OF SKAGIT COUNTY, a Washington municipal corporation, as "Lessor," and Cascade Clear Water Co., as "Lessee", together with AMENDMENT TO LEASE AGREEMENT dated December 12, 1995 and as amended by the SECOND AMENDMENT TO LEASE recorded May 10, 2000 under Skagit County Auditor's No. 200005150 and as assigned to Assignor by ASSIGNMENT OF LEASE dated January 16, 1998 and recorded under Skagit County Auditor's No. 9801230057 ("Lease"). The current assignment is made at the request of Assignor and Assignee.

B. The PORT OF SKAGIT COUNTY hereby consents to the Assignment of the Lease subject to and contingent upon compliance with the following agreements and conditions.

1. Assignee hereby unconditionally assumes all of Assignor's obligations contained in the Lease and accepts, agrees and covenants to comply with, and guarantees performance and fulfillment of, all the terms and conditions contained in the Lease.

2. Assignor hereby agrees to comply with all its financial obligations as Lessee incurred to the PORT OF SKAGIT COUNTY up to and including the date of assignment or as thereafter may be determined to have been incurred prior to the date of assignment.

769
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

FEB 26 2002

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H2O

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Amount Paid \$ 26,110.82
Skagit Co. Treasurer
By *OK* Deputy



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3. A determination by the PORT OF SKAGIT COUNTY, at its sole discretion, that Assignee is financially responsible to meet its financial obligations pursuant to the Lease.

4. Assignee hereby agrees that all notices and payments hereunder may be delivered or mailed as set forth herein. If delivered by messenger, courier (including overnight air courier) or facsimile transmittal, the same shall be deemed delivered when received at the street addresses or facsimile numbers listed below. All notices and payments mailed, whether sent by regular post or by certified or registered mail, shall be deemed to have been given on the second business day following the date of mailing, if properly mailed to the mailing addresses provided below, and shall be conclusive evidence of the date of mailing. The parties may designate new or additional addresses for mail or delivery by providing notice to the other party as provided in this section.

To Lessor: **Street Address:**
Port of Skagit County
15400 Airport Drive
Burlington, WA 98233

Mailing Address:
Port of Skagit County
P.O. Box 348
Burlington, WA 98233

Phone No.: (360) 757-0011

Fax No.: (360) 757-0014

To Assignee: **Street Address:**
ADVANCED H20, Inc.
13226 S.E. 30th Suite B-3
Bellevue, WA 98005

Mailing Address:
ADVANCED H20, Inc.
same
same

Phone No.: (425) 746-8100

Fax No.: (425) 746-9228

C. The PORT OF SKAGIT COUNTY, as Lessor, and Assignee, as Lessee, hereby mutually agree that the Lease between the PORT OF SKAGIT COUNTY and Assignor, as described in Section A above, is amended as follows:

1. Section 5 (pages 5 & 6) of the SECOND AMENDMENT TO LEASE is amended to read, in its entirety, as follows:

If a Leasehold Mortgage granted by Lessee is foreclosed upon or a deed is given by Lessee in lieu of foreclosure, the

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H20

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Purchaser at the foreclosure sale or the Grantee of a Deed in Lieu of Foreclosure and its successors in interest are referred to as a "Successor Tenant." In the event that a Successor Tenant shall become a Lessee pursuant to this paragraph, then notwithstanding paragraph 10 of the December 20, 1994 LEASE AGREEMENT the Property may be used for any purpose permitted under applicable zoning law.

2. All other provisions of the Lease shall remain in full force and effect.

3. The parties stipulate and agree that the foregoing amendments are based on adequate consideration.

D. All parties hereby stipulate and agree that the foregoing assignment, consent and amendment shall take effect as of 12:01 a.m., Pacific Standard Time, December 1, 2001.

E. The signatures of representatives of Assignee/Lessee shall constitute evidence of Assignee/Lessee's guarantee of the matters set forth above and agreement to the foregoing amendments to the Lease.

F. Signatures of the Assignor hereinafter made will be evidence of Assignor's agreement to the provisions applicable to Assignor herein.

ASSIGNOR:

CC Beverage (U.S.) Corporation,
a Washington corporation

Date: FEB 19/2002

[Signature]

ASSIGNEE/LESSEE:

ADVANCED H2O, Inc.,
a Washington corporation

Date: FEB 19/2002

[Signature]

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof


Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H2O

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State of Washington)

: ss.

King County)

On this 19th day of February, 2002, before me personally appeared DOUG MASON to me known to be the PRESIDENT of CC Beverage (U.S.) Corporation, a Washington corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Stephanie Simmons Ray

STEPHANIE SIMMONS RAY
(Print Name)



NOTARY PUBLIC in and for:

Washington, residing at:
11725 82ND AVE. S., SEATTLE
My Commission expires: 5-17-04

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H2O

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STATE OF WASHINGTON)
)
) : ss.
COUNTY OF King)

On this 19th day of February, 2002, before me personally appeared ROBERT ABRAMOWITZ to me known to be the PRESIDENT & CEO of Advanced H2O, Inc., a Washington corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



Stephanie Simmons Ray
STEPHANIE SIMMONS RAY
(Print Name)

NOTARY PUBLIC in and for the
State of Washington, residing at:

11725 82ND AVE. S., SEATTLE
My Commission expires: 5-17-04

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof
Lessor: Port of Skagit County
Assignor: CC Beverage (U.S.) Corporation
Assignee: Advanced H2O
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CONSENT TO ASSIGNMENT

The PORT OF SKAGIT COUNTY hereby consents to the assignment and amendment of the above referenced Lease specifically on the conditions hereinbefore set forth, and hereby releases Assignor from any further liability under the Lease arising after the date of this assignment.

DATED this 12 day of February, 2002

PORT OF SKAGIT COUNTY

By: _____

President

Attest: _____

Secretary

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H2O

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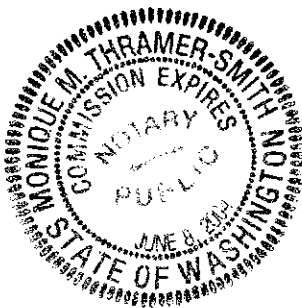
STATE OF WASHINGTON)

: ss.

COUNTY OF SKAGIT)

On this 12 day of February, 2002, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jerry Kaufman and Kevin E. Ware to me known to be the President and Secretary, respectively, of the Port Commission of the Port of Skagit County, a municipal corporation, the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were duly authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



Monique M. Thrasher-Smith

Monique M. Thrasher-Smith
(Print Name)

NOTARY PUBLIC in and for the
State of Washington, residing at:

Burlington WA
My Commission expires: 6-8-04

Second Assignment of Lease with Consent Thereto & Third Amendment Thereof

Lessor: Port of Skagit County

Assignor: CC Beverage (U.S.) Corporation

Assignee: Advanced H2O

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