

[PROPOSED] SETTLEMENT AGREEMENT

Ahtna, Inc. (“Ahtna”) and the State of Alaska, Department of Natural Resources and Department of Transportation and Public Facilities (collectively, the “State”), hereby agree to the following settlement terms to resolve litigation pending in the Superior Court for the State of Alaska in Anchorage (*Ahtna v. State of Alaska et al.*, Case No. 3AN-08-06337 CI). These terms are binding on Ahtna and the State (collectively, “the Parties”). The State enters this agreement pursuant to AS 44.23.020 and AS 19.05.070(a).

1. Recitals.

1.1. Management of public lands in and access to areas in the vicinity of Klutina River, Klutina Lake, and the Gulkana River in a manner that respects public and private property rights while reducing conflicts is in the interest of the Parties and the public. The State and Ahtna both have significant interests in these issues as they impact public use and land management in many areas, including in the Klutina River and Klutina Lake vicinity and at the Gulkana River.

1.2. Klutina Lake Road runs southwesterly from Copper Center approximately 25 miles to the mouth of Klutina Lake, generally following the Klutina River. Ahtna is the fee owner of most land underlying the road right-of-way and most lands adjacent to the road (landward of the ordinary high water mark). The State is the fee owner of the land below the ordinary high water mark of the Klutina River and Klutina Lake.

1.3. The State asserts that Public access to the Klutina River and Klutina Lake is important for fishing, hunting, boating, and other outdoor activities that occur from

many locations along the road. The Parties have had significant disputes concerning land ownership, rights, and use in the past.

1.4. Ahtna and the State have been engaged in litigation regarding ownership and public use of Klutina Lake Road since 2008. The dispute underlying the lawsuit has been ongoing since at least 1999.

1.5. In the currently pending superior court litigation, the State asserts that it has a 100-foot R.S. 2477 right-of-way for the length of the road and over other Ahtna lands beyond the end of the constructed road. The State further asserts that the public can utilize this right-of-way for any use related or incidental to travel, including camping and overnight parking, anywhere along the length of the road. Ahtna disputes the State's assertions and asserts that the State and public are limited to a currently existing 60-foot easement that can be used only for ingress and egress to the Klutina River and Klutina Lake. Ahtna also asserts that parking, camping, and other activities can take place only on a one-acre easement near Klutina Lake and limited additional locations, not anywhere along the road. The Court has entered partial summary judgment in Ahtna's favor as to what public uses could occur on the Klutina Lake Road right-of-way if the State proved the existence of a public easement in litigation. The State asserts that it has a 100-foot right-of-way; Ahtna agrees in this settlement that the Klutina Lake Road right-of-way is 100 feet, which provides the greatest public access to the Klutina River and Lake.

1.6. In addition to the beds of the Klutina River and Klutina Lake, the State owns several thousand acres of land along the north shore of Klutina Lake and farther

to the west and north. The State asserts that these lands have excellent potential for public recreation, hunting, and future land sales, and the State desires to ensure public access to these lands via the Klutina Lake Road and a constructed extension.

1.7. The Parties have also been involved in an ongoing dialogue concerning a parcel of land owned by the State adjacent to the Richardson Highway, on the west side of the Gulkana River. The property is within the Ahtna region, near the Native village of Gulkana, and is currently used for multiple purposes, including a highway rest area, camping, parking, and a boat launch facility. Gulkana Village believes it is the rightful owner of a portion of the parcel and seeks to receive title from the State to that portion. The Parties each have interests at issue concerning the Gulkana parcel and surrounding area that are similar to the Parties' interests concerning the Klutina Lake Road.

1.8. Ahtna and Gulkana Village are connected by the values and traditions of the Ahtna Athabascan people and culture. Many of the members of Gulkana Village are also shareholders of Ahtna. Gulkana Village is a federally recognized Native Alaskan tribe that is governed by the Gulkana Village Council ("GVC"). Ahtna also owns land neighboring and near to the Gulkana parcel, to which it desires to gain cost-effective access from the New Richardson Highway.

1.9. At statehood, the State acquired the right-of-way for the then-existing Richardson Highway. In 1971, the Gulkana Village Trustee granted Lot 8, Block 1, Tract G of U.S. Survey 4861 ("Lot 8") in fee to the State for the purpose of disposing of materials associated with the Richardson Highway Big Timber project (F-071-

2(13)). The Trustee's records do not reflect the consent of Gulkana Village prior to this grant and conveyance.

1.10. The State has determined that portions of the former Richardson Highway right-of-way in the vicinity of Lot 8 and the current Gulkana townsite on the east side of the river are no longer necessary for highway purposes (the "Excess Right-of-Way"). The location of the Excess Right-of-Way is depicted on Exhibit M. Except for the portions crossing Lot 8 and Lot 2, Block 3, Tract E of U.S. Survey 4861 ("Lot 2"), the State holds an easement interest in the Excess Right-of-Way. The lands underlying the Excess Right-of-Way and Lot 8 are culturally significant to the Ahtna Athabascan people.

1.11. The State recognizes the cultural significance that Lot 8 and the Excess Right-of-Way have to the Ahtna Athabascan people and desires to convey portions of those properties to Gulkana Village and other neighboring landowners in a manner that is consistent with Alaska law and that protects the interests of all Alaskans.

1.12. Pursuant to AS 19.05.070(a), the Commissioner of the State Department of Transportation and Public Facilities has determined that Lot 8 and the Excess Right-of-Way were acquired for highway purposes, and that the Excess Right-of-Way and a portion of Lot 8 are not now necessary for operation of the Richardson Highway, such that the State's interest in both may be vacated. The Commissioner has further determined, pursuant to AS 19.05.070(a), that upon vacation it is equitable for title to the portion of Lot 8 and the Excess Right-of-Way to inure to GVC and other landowners holding the underlying interest in the Excess Right-of-Way because GVC

and the underlying landowners are the successors in interest to the party from whom the State acquired title to Lot 8 and the Excess Right-of-Way; GVC owns land adjacent to Lot 8 and Lot 2; and GVC and the other underlying landowners are the owners of the fee underlying the Excess Right-of-Way other than Lot 8 and Lot 2.

1.13. GVC owns Lot 7, Block 1, Tract G of U.S. Survey 4861 (“Lot 7”), which lies north of the New Richardson Highway on the western side of the Gulkana River bridge. The location of Lot 7 is depicted on Exhibit M. GVC is willing to transfer Lot 7 to the State to facilitate construction of a rest area and parking facility that could be used in conjunction with the existing boat launch site within the Richardson Highway right-of-way and that will replace parking facilities on Lot 8. Ahtna supports the interests of Gulkana Village in the preservation and protection of its culturally significant lands and has an interest in reducing conflicts in the area.

1.14. Ahtna owns land to the north of the Richardson Highway, adjacent to Lot 7. Ahtna has an interest in using its land to provide fee based camping and parking facilities.

1.15. The State has determined that it is in its best interest to enter into this Agreement.

Accordingly, for the consideration described herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties enter into this compromise and agreement as follows:

2. Definitions.

“Lot 3” means Lot 3 of U.S. Survey No. 6785, situated within Section 26, Township 1 South, Range 3 West, Copper River Meridian, Alaska, Chitina Recording District.

3. Road Right-of-Way.

3.1. *Klutina Lake Road.* The Parties agree that the State hereby has a 100-foot highway right-of-way from the New Richardson Highway to the northwest corner of Lot 3 generally following the existing Klutina Lake Road. The approximate location of the State’s right-of-way is based on the existing road, as shown on Exhibit A, Map of Klutina Lake Road. The exact location of the State’s right-of-way shall be surveyed and recorded as provided in Section 4. Ahtna acknowledges that the State’s right-of-way includes access to (a) the Klutina River east of Lot 3 in the vicinity of the existing gate; (b) the ordinary high water mark of Klutina Lake at the end of the currently constructed road west of Lot 3; (c) the east and west boundaries of Lot 3; and (d) other access rights as set forth in this Agreement. Ahtna will not be obligated for the costs of construction of any improvements within the Klutina Lake Road right-of-way or survey expenses related to the right-of-way. By this Agreement, Ahtna recognizes no greater rights than those described in this Agreement.

3.2. *Lot 3 Bypass Route.* Ahtna shall grant the State a 100-foot wide highway right-of-way on a feasible and economically practicable route as an alternate to the existing road through Lot 3, for use by the general public. The location of this right-of-way shall generally be on the route labeled “Lot 3 Bypass Route” on Exhibit B, Map of Lot 3 Bypass and Klutina Lake Road Extension. The grant shall be by a deed

in substantially the same form as Exhibit C, Form of Deed for Lot 3 Bypass Route. The exact location of the State's right-of-way shall be surveyed and recorded as provided in Section 4. Ahtna will not be obligated for the costs of construction of any improvements within the Lot 3 Bypass Route or survey expenses related to the right-of-way. The right-of-way shall retain access to the Klutina River east of Lot 3 and the existing gate, and to the ordinary high water mark of Klutina Lake at the end of the existing road west of Lot 3. The right-of-way granted in this paragraph is in addition to the right-of-way recognized in Paragraph 3.1. Nothing in this paragraph requires the State to construct any road or trail at any particular time.

3.3. ***Klutina Lake Road Extension.*** Ahtna shall grant the State a 50-foot road right-of-way to construct and maintain a route connecting the Klutina Lake Road and Lot 3 Bypass Route to State lands on the north shore of Klutina Lake. The location of this right-of-way shall generally be on the route labeled "Klutina Lake Road Extension" on Exhibit B, Map of Lot 3 Bypass and Klutina Lake Road Extension. The grant shall be by a deed in substantially the same form as Exhibit D, Form of Deed for Klutina Lake Road Extension. The exact location of the State's right-of-way shall be surveyed and recorded as provided in Section 4. Ahtna will not be obligated for the costs of construction of any improvements within the Klutina Lake Road Extension or survey expenses related to the right-of-way. This route connecting Klutina Lake Road to the State lands will be set back at least 746' from the lake shore. Nothing in this paragraph requires the State to construct any road or trail at any particular time.

4. Survey and Recording of Right-of-Way.

4.1. *Measurement of Right-of-way.* The 100-foot portions of the right-of-way will be measured as 50-feet from centerline of the existing road surface and the road to be constructed under Paragraph 3.2 (Lot 3 Bypass), except as shown on Exhibit E, Right-of-Way Relocations. At the time of the survey provided for in Section 4.3, for the portions of the road indicated on Exhibit E, the centerline of the right-of-way will be measured as 50-feet from the ordinary high water mark of the Klutina River or Klutina Lake. The Parties acknowledge that Exhibit E is not to survey standards and is intended only to provide an approximation of where the right-of-way will be measured from the ordinary high water mark. The 50-foot portions of the right-of-way will be measured as 25-feet from centerline of the route as developed. The surveyed location of the right-of-way shall not change except by written agreement of the Parties.

4.2. *Cost of Survey.* The State will pay for the necessary survey costs associated with surveying and recording the rights-of-way.

4.3. *Survey of Rights of Way.* The State shall prepare a record of survey of the rights-of-way specified in Paragraphs 3.1 - 3.3. The survey shall utilize survey-grade GPS equipment, or other survey procedures that provide an accuracy meeting Class III survey requirements according to 11 AAC 53.110(3) and 11AAC 53.120(4), and accuracy of at least 1:5,000. The survey shall include the Boys' Camp area as discussed in Paragraph 5.3. The State shall complete the survey no later than January 15, 2021. The survey documentation shall consist of a digital file of the positions with

datum specified, along with a complete description of the corner(s) tied to. The State shall provide to Ahtna any maps, plats, surveys, GIS overlays, or any other relevant graphics created from such survey data. The State shall record the record of survey, which will thereafter control the location of the rights-of-way. At least 60 days before the survey may be recorded, the State shall provide a copy of it to Ahtna. Ahtna shall provide written notice to [insert State contact] of any objection it has to the survey. Ahtna and the State will then meet in person to resolve any dispute about the survey. Should there remain a dispute after discussion, the Parties agree to arbitrate the dispute before a mutually agreeable arbitrator. If the Parties cannot agree on an arbitrator, they shall seek appointment of one by the American Arbitration Association. In the absence of an agreement otherwise, the rules of the AAA for commercial arbitration shall govern such dispute. If Ahtna provides written notice of objection to the survey, the State will not record the survey until the dispute is resolved through negotiation or arbitration. The Parties agree that from the date an arbitrator is selected, the matter shall be fully arbitrated and the decision of the arbitrator shall be due within 120 days. The Parties shall each pay half of the arbitrator's cost.

5. Access for Launching Watercraft.

5.1. *Non-trailer launching.* Watercraft may be put-in and taken-out anywhere the State's right-of-way intersects the ordinary high water mark, where such handling can be done without a trespass on Ahtna lands. Launching boats from trailers (i.e. floating a boat off a trailer that has been driven or put into the water) is allowed only at the locations described in Paragraphs 5.2 and 5.3. The State shall take reasonable

measures to prevent erosion due to watercraft launching consistent with Paragraph 8.3. The State may limit or restrict non-trailer launching from the right-of-way at its sole discretion.

5.2. ***Mile 14 and Airstrip Boat Launches.*** Public users shall be allowed to launch watercraft from trailers (i.e. floating a boat off a trailer that has been driven or put into the water) in the two areas initially shown on Exhibit F, Map of State Trailered Launch Locations. These areas shall be more specifically delineated in the survey of Klutina Lake Road provided for in Paragraph 4.3. The State will take reasonable measures to prevent erosion due to watercraft launching consistent with Paragraph 8.3. The State may limit or restrict use of these launches at its sole discretion.

5.3. ***Boys' Camp Boat Launch.*** Ahtna shall permit public access to launch watercraft, including launching watercraft from trailers (i.e. floating a boat off a trailer that has been driven or put into the water), at Boys' Camp as shown on Exhibit G, Map of Boys' Camp Launch Location. This area shall be more specifically delineated in the survey of Klutina Lake Road provided for in Paragraph 4.3. Any fee Ahtna charges for such access shall be reasonable. Until December 31, 2025, a maximum reasonable boat launch fee for an unimproved boat launch shall be within 15 percent of the highest fee that Alaska State Parks charges for boat launch use.

5.4. ***Relocation of Boat Launches for Trailered Watercraft.*** Any boat launch location within the areas specified in Paragraph 5.2 shall be relocated to a reasonably proximate location if it becomes unusable through no fault of the State. The boat

launch location specified in Paragraph 5.3 shall be relocated to a reasonably proximate location if it becomes unusable. In the event of a sudden loss of a boat launch location, the Parties agree to cooperate to promptly identify a temporary replacement so as to minimize disruption to public access.

6. Camping and Parking.

6.1. *Parking Permitted.* The State may allow parking in the right-of-way, except for overnight parking. Signage prohibiting overnight parking shall be posted as provided in paragraph 8.5.

6.2. *Camping and Overnight Parking.* Ahtna will allow camping and overnight parking outside of the right-of-way at Boys' Camp and in other areas (outside of the right-of-way) to provide public users with reasonable fishing and boating access to the Klutina River and Klutina Lake. Camping and overnight parking requires an Ahtna permit. Ahtna will ensure a minimum of 50 camping/overnight parking permits are available per night for public use at Boys' Camp and other areas. Ahtna shall treat all holders of such permits equally for access to camping and overnight parking opportunities. Nothing in this paragraph requires Ahtna to provide more than primitive areas for camping and overnight parking.

6.3. *Reasonable Fees.* Any fee Ahtna charges for primitive camping and overnight parking outside of the right-of-way shall be reasonable. Until December 31, 2025, a maximum reasonable camping and overnight parking fee for primitive camping and overnight parking shall be within 15 percent of the highest fee that Alaska State Parks charges for tent camping and overnight parking.

7. Other Access and Use.

7.1. *Fishing Access.* Subject to all fishing regulations, fishing from the banks of the Klutina River or Klutina Lake is allowed anywhere the ordinary high water mark is within or directly abuts the right-of-way (i.e. where there is no Ahtna land between the right-of-way and the ordinary high water mark). Subject to all fishing regulations, fishing on all State land and waters below the ordinary high water mark is allowed to the extent provided by State law.

7.2. *Protection of Ahtna Property.* Public users may not engage in the following activities within the right-of-way without the permission of the landowner, Ahnta: harvesting of wild plants, mushrooms, berries, or other plant material; harvesting or gathering of timber, whether standing or down. The Parties may have a difference of opinion on other uses a landowner can conduct in this right-of-way; except for the uses and activities expressly described in this Agreement, the Parties do not intend to address that difference of opinion or preclude a future dispute regarding any use or activity not discussed in this Agreement.

8. Right-of-way Maintenance and Development.

8.1. *State Road Maintenance.* The State may construct, maintain, improve, and relocate the road within the right-of-way at its sole discretion. Nothing in this paragraph requires the State to construct, maintain, improve, or relocate the road or improvements.

8.2. *Buildings Prohibited.* Neither party shall construct permanent buildings in the right-of-way nor allow such buildings to be constructed in the right-of-way.

8.3. ***Erosion Prevention.*** The State will take reasonable measures to prevent erosion of river banks as a result of public boat launching and recreational use within the right-of-way. The State's surveyed right-of-way will not be altered or relocated as a result of a State failure to take reasonable measures to prevent erosion of river banks as a result of public boat launching and recreational use within the right-of-way, unless by mutual agreement of the parties.

8.4. ***Signage Generally.*** The State may install signage within the right-of-way. Ahtna shall not install signage within the right-of-way unless permitted by the State under its normal permitting process. The State and Ahtna shall consult on signage as necessary.

8.5. ***Right-of-Way Management Signs.*** No later than October 31, 2018, the State shall install, at its expense, "No Camping" and "No Overnight Parking" signs at every road mile. The State shall install such signs at an additional five locations designated by Ahtna. Ahtna shall make such designation within 120 days of execution of this Agreement. Ahtna may provide written notice to the State of signs in need of replacement. A sign is subject to replacement only when the message is illegible or the sign has been removed. The State shall replace signs during regular maintenance of the roadway, but in no event more than three years after receipt of Ahtna's written notice.

8.6. ***TODS Signs.*** No later than one year after execution of this Agreement, the State shall post the following tourist-oriented directional signs within the right-of-way:

- Three boat launch signs; one each in the vicinity of the Mile 14, Airstrip, and Boys' Camp boat launches.
- Four signs identifying camping areas.

Ahtna shall provide written notice to the State of signs in need of replacement. A sign is subject to replacement only when the message is illegible or the sign has been removed. The State shall replace signs during regular maintenance of the roadway, but in no event more than three years after receipt of Ahtna's written notice

8.7. *Ahtna Fee Station and Signage Development.* At Ahtna's request, the State shall permit Ahtna to design and construct, at Ahtna's expense, minor right-of-way improvements to facilitate Ahtna's development of fee stations and/or signage outside of the right-of-way in a manner that supports Ahtna's use and management of its lands while facilitating public access and management of the right-of-way consistent with this Agreement. These minor right-of-way improvements shall be limited to not more than one every five miles along the right-of-way. Any right-of-way improvements constructed by Ahtna under this Section shall be subject to a land access permit in substantially the same form as Exhibit H, Form of Land Access Permit. The State's approval of such land access permits shall not be unreasonably withheld.

8.8. *State Information Kiosks.* No later than two years after execution of this Agreement, the State shall construct at least two informational kiosks within the right-of-way: one to be located on the first mile of Klutina Lake Road and the second near the Mile 14 boat launch. The State and Ahtna shall coordinate on the provision of

information in the kiosks. Information provided in the kiosks is intended to limit trespassing, to educate public users, and to inform the public of the rules concerning public parking within the right-of-way, fishing, and boat launching, and the availability of camping, overnight parking, boat launch, and other facilities along Klutina Lake Road.

9. 17(b) Easements.

9.1. *North Shore Termination.* Within 3 months of the date of this Agreement, the State and Ahtna will jointly submit a request to Bureau of Land Management to relocate the Federal 17(b) easement along the north shore of Klutina Lake west of the end of the existing Klutina Lake Road, EIN 21E, as shown on Exhibit I, Map of North Shore 17(b) Route for Termination. The parties will propose that the 17(b) be immediately relocated to the route labeled “Klutina Lake Road Extension” on Exhibit B, Map of Lot 3 Bypass and Klutina Lake Road Extension. After development of the State’s access from the end of the existing road to State lands under Paragraph 3.3, the State will support an Ahtna application for termination of the Federal 17(b) easement, EIN 21E, as shown on Exhibit I, Map of North Shore 17(b) Route for Termination, or as relocated, whichever is applicable. The State expressly agrees not to seek development of a trail in the location shown on Exhibit I.

9.2. *Other 17(b) Termination.* Upon recording of the surveys specified in Section 4, the State will support an Ahtna application for termination of 17(b) easements EIN 21 and EIN 11 as depicted on Exhibit J, Map of Other 17(b) Routes for Termination.

9.3. *Other 17(b) easements preserved.* Ahtna shall not seek or support termination of the 17(b) airstrip and adjacent one-acre site easement (EIN 10 and EIN 10a) unless there is alternative protection of the public's use of those sites that is equivalent or superior to the rights provided by those 17(b) easements. The location of those easements is shown on Exhibit K, Map of 17(b) Airstrip and Site Easement Locations.

9.4. *Non-interference with public use.* Ahtna shall not object to or interfere with public use of the 17(b) airstrip and site easement for those purposes for which they were established, pursuant to the terms of those 17(b) easements, including camping at the site easement.

10. Gulkana Boat Launch and Adjacent Lands.

10.1. *Material Land Transactions.* The land transactions described in this section are a material part of this Agreement.

10.2. *Land to be conveyed to the State.* Contemporaneously with execution of this Agreement, Gulkana Village has by separate document conveyed Lot 7, Block 1, Tract G of U.S. Survey 4861 ("Lot 7") to the State. Such conveyance is attached as Exhibit L, Deed for Conveyance of Lot 7 to the State.

10.3. *Land to be vacated at Gulkana Village.* The State shall, at its own expense, perform any survey necessary and vacate its interests in the Excess Right-of-Way and a portion of Lot 8, Block 1, Tract G of U.S. Survey 4861, as shown on Exhibit M, Gulkana Land Diagram. Title to the vacations shall inure to Gulkana Village and other landowners holding title to the fee underlying the Excess Right-of-Way as the

owners of adjacent or underlying real property as shown on Exhibit M. The Commissioner of the Department of Transportation has deemed that the manner and proportion in which the area to be vacated will inure is equitable. The State shall retain an easement over all lands vacated west of the Gulkana River for the purposes of allowing continued public use of Lot 8 until such time as alternative access to the boat launch area is constructed within the highway right-of-way and a parking area is constructed on Lot 7.

10.4. ***Lot 7 Parking Facilities.*** Contemporaneous with this Agreement, and prior to conveyance of Lot 7 to the State, Gulkana Village will convey to Ahtna a driveway easement from the Richardson Highway to the western boundary line of Lot 7. Such conveyance is attached as Exhibit N, Driveway Conveyance. Subject to appropriation, the State intends to construct parking facilities on Lot 7, and the State and Ahtna will agree to relocate and/or realign Ahtna's driveway easement as necessary to allow a reasonable design and reasonable access between the State's parking facilities and Ahtna's land.

10.5. ***Ahtna-Provided Parking and Camping.*** After the completion of State parking facilities on Lot 7, Ahtna shall make available to the public camping facilities on its property adjacent to the western boundary of Lot 7. Ahtna's construction of such facilities is consistent with the purpose of State grants 13-DC-326 and 14-DC-147, to facilitate relocation of Gulkana River boat launch facilities for the protection and restoration of the historic town site. Nothing in this paragraph requires Ahtna to provide more than primitive areas for camping.

11. Payment to Ahtna.

The State shall pay Ahtna \$25,000 by October 15, 2018, subject to appropriation. The State shall promptly seek such appropriation upon execution of this Settlement Agreement. If the State fails to appropriate the full amount required by this Agreement by October 15, 2018, Ahtna will be released from its obligations at the Boys' Camp area, i.e. to provide boat launch and camping access in the area shown on Exhibit G, Map of Boys' Camp Launch Location.

12. Superior Court Order on Scope of Use.

Considering the terms of this Agreement, the Parties agree that the May 11, 2016 superior court "Order Granting Ahtna's Motion for Partial Summary Judgment" (Case No. 3AN-08-06337 CI) is not binding and shall have neither collateral estoppel nor res judicata effect.

13. Dismissal of Litigation.

13.1. *Dismissal.* The parties shall stipulate to dismissal of the pending litigation, Case No. 3 AN-08-06337 CI, with prejudice.

13.2. *No Admissions.* Neither this Agreement nor any communication between the Parties relating to this Agreement shall be deemed or construed to be an admission as to factual or legal contentions.

14. Additional Contract Provisions.

14.1. *Full and Complete Agreement.* This Agreement sets forth the full and complete agreement of the Parties regarding this matter. This Agreement supersedes and replaces any earlier agreements or understandings, written or oral, between or

among the parties or any of them as to the subject matter. This Agreement may not be amended or revised except by a supplemental written agreement signed by all Parties. The Parties agree to work together in good faith to promptly implement and finalize the provisions of this Agreement.

14.2. ***Release of Ahtna Claims.*** Ahtna expressly releases all claims against the State and its agencies and employees that were or could have been brought by Ahtna in this litigation, including all claims arising out of or related to the allegations made by Ahtna in its complaint, as amended.

14.3. ***Release of State Claims.*** The State expressly releases all claims against Ahtna or its shareholders that were or could have been brought by the State in this litigation, including all claims arising out of or related to the allegations made by the State in its answer and counter-claims, as amended.

14.4. ***Attorney Fees and Costs.*** Each party shall bear its own attorney fees and costs with regard to Case No. 3AN-08-06337 CI. In any action by Ahtna or the State to enforce this Agreement, the prevailing party shall recover its actual reasonable attorneys' fees and costs.

14.5. ***Dispute Resolution.*** In the event that there is a dispute regarding this Agreement, the Parties agree they will not initiate litigation until they have made a good faith effort to meet and confer over the dispute and resolve the dispute voluntarily.

14.6. ***Governing Law and Venue.*** Any dispute regarding the interpretation of this Agreement shall be determined by the laws of the State of Alaska and shall be brought in the Alaska Superior Court in Anchorage.

14.7. ***Third Party Beneficiary.*** The Parties intend Gulkana Village to be a third-party beneficiary of Section 10 of this Agreement only; Gulkana Village is not a third-party beneficiary of any other section of this Agreement. Gulkana Village's right to seek judicial enforcement or any other remedy for an alleged breach of this Agreement is limited to an alleged breach of only the obligations set out in Paragraph 10.3.

14.8. ***Eminent Domain.*** Nothing in this Agreement is intended to limit or in any way restrict the State's eminent domain authority.

14.9. ***Counterparts.*** This Agreement may be executed in any number of counterparts and by each party on separate counterparts, each of which, when so executed and delivered shall be deemed an original and all of which when taken together shall constitute but one and the same instrument.

14.10. ***Consultation with Counsel.*** Each of the parties to this Agreement has read this Agreement, fully understands its terms, and has had the opportunity to consult with independent counsel in connection with the review and execution of this Agreement, and further acknowledges that this Agreement is executed upon the advice and approval of independent legal counsel.

14.11. ***Further Acknowledgments.*** The Parties intend for their releases to have the broadest legal effect possible. In entering into this Agreement and releasing

their claims, neither party is relying on any representation of the other party that is not expressly set forth herein. The Parties further acknowledge familiarity with the decision of the Alaska Supreme Court in *Young v. State*, 455 P.2d 889 (Alaska 1969), and expressly waive the protection of that holding. All individuals, corporations, or other entities that could now, or at any past or future time, be possible defendants in the existing litigation between the Parties based on facts which presently exist are also released as fully as if they had been specifically named herein.

For Ahtna, Inc.:

Dated: _____ By: _____
Title: _____

For Alaska Department of Law:

Dated: _____ By: _____
Title: _____

For Alaska Department of Natural Resources:

Dated: _____ By: _____
Title: _____

For Alaska Department of Transportation and Public Facilities:

Dated: _____ By: _____
Title: _____

Exhibits

Exhibit A – Map of Klutina Lake Road

Exhibit B – Map of Lot 3 Bypass and Klutina Lake Road Extension

Exhibit C – Form of Deed for Lot 3 Bypass Route

Exhibit D - Form of Deed for Klutina Lake Road Extension

Exhibit E – Right of Way Relocations

Exhibit F – Map of State Trailered Launch Locations

Exhibit G – Map of Boys’ Camp Launch Location

Exhibit H – Form of Land Access Permit

Exhibit I – Map of North Shore 17(b) Route for Termination

Exhibit J – Map of Other 17(b) Routes for Termination

Exhibit K – Map of 17(b) Airstrip and Site Easement Locations

Exhibit L – Deed for Conveyance of Lot 7 to the State

Exhibit M – Gulkana Land Diagram

Exhibit N – Driveway Conveyance