ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of this 28th of September, 2006 (the "Effective Date"), by and between the SEATTLE POPULAR MONORAIL AUTHORITY ("Seller"), a Washington city transportation authority and the PUGET SOUND CLEAN AIR AGENCY, ("Purchaser"), a Municipal Corporation of the laws of the State of Washington.

RECITALS

WHEREAS, Seller is the sole and complete owner of certain office equipment (the "Equipment"), as listed and described in the Inventory of Assets, attached hereto as Exhibit A; and

WHEREAS, Purchaser desires to purchase, and Seller desires to sell and transfer to Purchaser, the Equipment;

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants set forth herein, the parties agree as follows:

1. Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller shall sell, transfer, convey, assign and deliver to Purchaser and Purchaser shall purchase, acquire and accept from Seller all of Seller's right, title and interest in and to the Equipment. No assets of any other type are being sold by Seller to Purchaser except the Equipment as set forth on Exhibit A of this Agreement.

2. Purchase Price And Other Consideration. Within 14 calendar days of the execution hereof, Purchaser shall deliver to Seller the purchase price ("Purchase Price") for the Equipment. The Purchase Price shall be $17,500 plus all state and local taxes that apply to this transaction. In addition and as further consideration for the purchase and sale herein described, Purchaser shall allow Seller to keep and operate computer servers, cabling and other related equipment in the designated computer facilities of Suite 105 of 1904 Third Avenue, Seattle, Washington 98101, without the payment of any rent or other charges until the Seller shall determine to remove such equipment or July 1, 2008, whichever shall first occur.

3. Representations of Seller. Seller hereby represents and warrants to Purchaser that Seller has full right to sell, convey, transfer, assign and deliver any and all of its right, title and interest in and to the Equipment, free and clear of any pledge, lien, security interest, conditional sale agreement, encumbrance or charge of any kind.

4. Representations of Purchaser. Purchaser hereby represents and warrants to Seller as follows:
4.1 **Good Standing.** The Purchaser is a Municipal Corporation of the laws of the State of Washington duly organized, validly existing, and in good standing under the laws of the State of Washington.

4.2 **Authority; Consent.** The execution and delivery of this Agreement and the performance by Purchaser of its obligations hereunder have been duly authorized by all requisite company action and have been approved by all necessary parties, and no further action or approval is required in order that this Agreement shall be binding upon it and enforceable against it in accordance with its terms.

5. **Transfer of Title.** Title of the Equipment shall transfer to the Purchaser upon payment of the purchase amount in full.

6. **Further Assurances.** The parties shall, from time to time and without further consideration, execute and deliver such other instruments and take such other actions as the other party may reasonably request in order to cause ownership of the Equipment to be transferred to and vest in Purchaser.

7. **Inspection; Disclaimer of Warranties.** Purchaser hereby agrees and understands that the sale of the Equipment is to be on an "AS IS/WHERE IS" basis and that no warranty either real, expressed, or implied and no representation as to the condition of the Equipment has been made by, or is binding upon Seller, or its agents. Purchaser acknowledges that it has entered into this Agreement on the basis of its own examination, personal knowledge and opinion of the value of the Equipment. The Equipment shall be sold in its present condition, reasonable wear and tear expected. **EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO WARRANTIES REGARDING THE EQUIPMENT, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PURCHASER ACKNOWLEDGES THAT THE EQUIPMENT MAY HAVE BOTH APPARENT AND/OR HIDDEN DEFECTS AND PURCHASER ACCEPTS RESPONSIBILITY FOR DETERMINING THE CONDITION OF THE EQUIPMENT AND THE EXISTENCE OF ANY DEFECTS.**

8. **Possession of the Equipment.** Purchaser shall take possession of the Equipment upon the Effective Date of this Agreement.

9. **Entire Agreement; Amendments.** This Agreement, including all Exhibits and other document referenced herein or delivered pursuant hereto and which forms a part hereof, contains the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, warranties, covenants or undertakings other than those expressly set forth herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. This Agreement may be amended only by a written instrument duly executed by all parties hereto or their respective heirs, successors, assigns or legal personal representatives. Any condition to a party’s obligations hereunder may be waived only by a written instrument signed by the party entitled to the benefits thereof. The failure or delay of any
party at any time to require performance of any provision or to exercise its rights with respect to any provision hereof shall in no manner operate as a waiver of or affect such party’s right at a later time to enforce the same.

10. **Binding Effect; Survival.** All terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the respective heirs, successors, assigns and legal or personal representatives of the parties hereto. All representations, warranties, covenants and agreements of the parties contained in this Agreement or in any certificate delivered pursuant hereto shall survive the completion of any duties hereunder.

11. **Severability.** The invalidity of any term or provision of this Agreement shall not affect any other term or provision of this Agreement, the remainder of which shall remain in full force and effect.

12. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Washington, without regard to its conflict of laws rules. The parties consent to the jurisdiction of any federal or state court sitting in King County, Washington.

13. **Headings.** The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretations of this Agreement.

14. **Costs and Expenses.** Each party shall pay the costs and expenses incurred by it pursuant to this transaction, including without limitation any applicable sales taxes properly payable by such party under applicable law.

15. **Attorney Fees.** In the event of any action at law or suit in equity in relation to this Agreement, the prevailing party, in addition to all other sums which the other party may be called upon to pay, shall be entitled to recover such additional sum for the prevailing party’s attorney’s fees incurred therein.

16. **Notices.** All notices, requests, demands and other communications which are required to be or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or on receipt after mailing by certified or registered first class mail, postage prepaid, return receipt requested, to the party to whom the same is so given or made.

If to Seller, to:

Seattle Popular Monorail Authority
Attn: Chief Operating Officer
1904 3rd Avenue, St. 108
Seattle, WA
Phone: (206) 587-1721
If to Purchaser, to:

Puget Sound Clean Air Agency  
Attention: Operations Director  
110 Union St. Suite 500  
Seattle, WA 98101  
Phone: (206)689-4064

or to such other address as any party may designate by giving notice to the other parties hereto.

17. **Counterparts.** This Agreement may be executed simultaneously in one or more counterparts and all such executed counterparts shall together constitute one and the same instrument.

**IN WITNESS WHEREOF,** this Agreement has been duly executed and delivered by the parties hereto as of the date first above written.

**PURCHASER:**  
**PUGET SOUND CLEAN AIR AGENCY**

By: [Signature]  
Bill Evans  
Board of Directors, Chair

Date: 10/18/06

**SELLER:**  
**SEATTLE POPULAR MONORAIL AUTHORITY**

By: [Signature]  
Jonathan Buchter  
Chief Operating Officer

Date: 9/28/06

Attest:

By: [Signature]  
Dennis J. McLerran  
Executive Director

Date: 10/2/06

Approved as to form:

By: [Signature]  
Laurie Halvorson  
General Counsel

Date: 9/29/06
Exhibit A

INVENTORY OF ASSETS IN SUITE 105

- 88 work stations, including the reception desk, comprised of modular furniture with work surfaces, wiring, panels and component connections, attached keyboard trays, shelving
- Various sized waste baskets and recycle bins
- 77 white drawer units
- 6 Black drawer units
- 31 “visitor” stools, 17 with pads and 14 without
- 2 round, green-topped tables
- 6 (2’x6”) green-topped tables on casters
- 46 black upholstered conference room chairs
- 87 beige task chairs
- 12 gray upholstered chairs on casters
- 1 tear-drop shaped, green topped table
- 12 black stacking chairs
- 22 Samsonite upholstered folding chairs
- 5 gray plastic folding chairs
- 5 beige plastic folding chairs
- 1 stepstool
- 4 large wastebaskets
- 1 Kenmore refrigerator
- 2 (2’x2’) pedestal tables
- 1 (18”x6”) console table
- 10 fire extinguishers
- 8 5-drawer file cabinets
- 1 (3’x5’) conference room table, green topped with rounded corners
- 1 (2’x8’) table
- Reception credenza with locking cabinets
- 1 upholstered reception area chair
- 2 reception tables
- 4 reception cubes
- 1 3-piece, (4’x15’) brown-topped conference room table
- 1 2-piece (3’x10’) brown topped conference room table
- 1 (24”x 6”) brown topped “side” table
- 4 plastic rolling carts
- 10 white boards, various sizes
- 4 Computer and 2 telephone system racks (in server room)
- 3 cork bulletin boards
- 1 floor lamp
- 1 wall-mounted first aid box
- 1 3x6 gray-top table with folding legs (server room)
- 8 gray shelving units (5 in server room)
Puget Sound Clean Air Agency
110 Union Street, Suite 500
Seattle, WA 98101

Certification Regarding
Debarment, Suspension and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to $10,000 or imprisonment for up to 5 years, or both.

Jonathan Buettner, Chief Operating Officer

Typed Name & Title of Authorized Representative

[Signature]

Signature of Authorized Representative

9.28.06

Date

☐ I am unable to certify to the above statements. My explanation is attached