

AGREEMENT FOR RESERVATION OF CREDITS**SOQUEL CANYON MITIGATION BANK**

This Agreement for Reservation of Credits ("Agreement") is entered into this ____ day of _____, 2023 (the "Effective Date"), by and between Land Veritas Corp. ("Bank Sponsor") and Orange County Flood Control District ("Project Proponent"), jointly referred to as the "Parties" and each as a "Party", as follows:

RECITALS

A. Bank Sponsor has developed the Soquel Canyon Mitigation Bank ("Bank") located in San Bernardino and Orange Counties, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument (BEI) entered into by and among Bank Sponsor, Land Veritas, LLC, the U.S. Army Corps of Engineers (USACE), the U.S. Environmental Protection Agency (EPA), the Santa Ana Regional Water Quality Control Board (RWQCB), and the California Department of Fish and Wildlife (CDFW); and

C. Project Proponent is seeking to implement the project described on Exhibit "A" attached hereto ("Project"), which would unavoidably and permanently impact waters of the U.S. and waters of the State by purchasing credits from the Bank Sponsor; and

D. Project Proponent is applying for authorization by USACE and CDFW to purchase 3.00 acres 1600 Ephemeral Riparian Enhancement credits, which include within them 3.00 acres 404 Stream System credits ("Credits"); and

E. Upon approval by USACE and CDFW, Project Proponent desires to purchase from Bank Sponsor and Bank Sponsor desires to sell to Project Proponent the Credits in order to satisfy the mitigation obligations for the projects described on Exhibit "A"; and

F. Bank Sponsor is willing to grant Project Proponent (and Project Proponent is willing to accept from Bank Sponsor) a reservation to acquire the Credits from Bank Sponsor and reserve the Credits until September 30, 2025 ("Closing Date"). Closing must occur on or before the Closing Date.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Grant of Reservation; Value of Credits.
 - a. Grant of Reservation. Subject to the terms and conditions set forth in this Agreement, Bank Sponsor hereby grants and reserves unto Project Proponent, and Project Proponent accepts from Bank Sponsor, the right to acquire three (3) Credits, as described in the recitals above, (the "Reservation").
 - b. Deposits. Upon execution of this contract, Project Proponent shall provide to Bank Sponsor a non-refundable deposit of two hundred fifty thousand dollars (\$250,000) (the "Deposit"), which will be applied to and credited to the Purchase Price (as defined below).

MA-080-24010631

To Project Proponent: Orange County Flood Control District
601 North Ross Street,
Santa Ana, CA 92701
Attention: Eric Rademacher

4. Governing Law and Venue. This Agreement, and the documents attached as exhibits to this Agreement, shall be governed by, and construed in accordance with, the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement or the attached exhibits, the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles County; and the Parties hereto agree to and do hereby submit to the jurisdiction of such court.

5. Entire Agreement. This Agreement (including all attached exhibits) is the final expression of, and contains the entire agreement between, the Parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented, superseded, canceled or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The Parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the Parties hereto and lawful assignees.

6. Time of Essence. The Parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision under this Agreement and that failure to timely perform any of the terms, conditions, obligations or provisions hereof by any Party shall constitute a material breach of and a non-curable (but waivable) default under this Agreement by the Party so failing to perform.

7. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

8. Signatures. The signatures pages to this Agreement may be delivered via facsimile, electronic mail (including PDF or any other electronic signature complying with the U.S. federal ESIGN Act of 2000; e.g., DocuSign) or other transmission method, and any signature so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates opposite their respective signatures:

BANK SPONSOR

LAND VERITAS CORP.

Date: 11/10/2023

DocuSigned by:
Nate Bello
By: 259A9D4B48234D9...

Name: Nathan Bello, on behalf of H. Tracey Brownfield, President

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates opposite their respective signatures:

PROJECT PROPONENT

Orange County Flood Control District
a body corporate and politic

Date: _____

By: _____
Chairman of the Board of Supervisors
County of Orange, CA

Signed and certified that a copy of this has
been delivered to the Chair of the Board, per
G.C. Sec 2510., Reso 79-1535
Attest:

Date: _____

Robin Stieler
Clerk of the Board of Supervisors
County of Orange, CA

Date: Ray Diaz
APPROVED AS TO FORM
Office of the County Counsel
Orange County, CA

By: Ray Diaz 11/13/2023
Deputy

EXHIBIT "A"
DESCRIPTION OF PROJECT TO BE MITIGATED

Name of Project:

Various Countywide Long Term Maintenance Permits

Project Location:

Orange County, CA

Permitting Agency(ies) File/Tracking Number:

USACE File No. TBD

CDFW File No. TBD

Project Description:

Credits will be used for various public works projects within the County of Orange

Attachment A: Agreement for Sale of Credits

AGREEMENT FOR SALE OF CREDITS**FILE/TRACKING NO. _____**

This Agreement is entered into this ____ day of _____, [insert year], by and between the Land Veritas Corp. (Bank Sponsor) and _____ (Project Proponent), jointly referred to as the "Parties," as follows:

RECITALS

A. The Bank Sponsor has developed the Soquel Canyon Mitigation Bank (Bank) located in San Bernardino and Orange Counties, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument entered into by and between Bank Sponsor, Land Veritas I, LLC, the U.S. Army Corps of Engineers (USACE), the U.S. Environmental Protection Agency (EPA), the Santa Ana Regional Water Quality Control Board (RWQCB), and the California Department of Fish and Wildlife (CDFW) on December 15, 2014 and is currently in good standing with these agencies; and

C. Project Proponent is seeking to implement the project described on Exhibit "A" attached hereto (Project), which would unavoidably and adversely impact [waters of the United States and/or waters of the State and/or Covered Species] thereon, and seeks to compensate for the loss of [species/habitat affected, e.g., streams] by purchasing credits from Bank Sponsor; and

D. Project Proponent has been authorized by the _____ [Permitting Agency], File/Tracking No. _____, to purchase from the Bank _____ [number of credits and credit type] ("Credits") upon confirmation by the Bank Sponsor of credit availability/adequate balance of credits remaining for sale; and

E. Project Proponent desires to purchase from Bank Sponsor and Bank Sponsor desires to sell to Project Proponent the Credits;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby sells to Project Proponent and Project Proponent hereby purchases from Bank Sponsor Credits from the Bank for the purchase price of _____ (\$_____). The Bank Sponsor will then deliver to Project Proponent an executed Bill of Sale in the manner and form as attached hereto and marked Exhibit "B". The purchase price for said Credits shall be paid by cashier's check or, at the option of Bank Sponsor, wire transfer of funds according to written instructions by Bank Sponsor to Project Proponent.

2. The sale and transfer herein is not intended as a sale or transfer to Project Proponent of a security, license, lease, easement, or possessory or non-possessory interest in real property, nor the granting of any interest of the foregoing.

3. Project Proponent shall have no obligation whatsoever by reason of the purchase of the Credits, to support, pay for, monitor, report on, sustain, continue in perpetuity, or otherwise

be obligated or liable for the success or continued expense or maintenance in perpetuity of the Credits sold, or the Bank. Pursuant to the BEI and any amendments thereto, Bank Sponsor shall monitor and make reports to the appropriate agency or agencies on the status of any Credits sold to Project Proponent. Bank Sponsor shall be fully and completely responsible for satisfying any and all conditions placed on the Bank or the Credits by all state or federal jurisdictional agencies.

4. The Credits sold and transferred to Project Proponent shall be non-transferable and non-assignable, and shall not be used as compensatory mitigation for any other project or purpose, except as set forth herein.

5. Project Proponent must exercise his/her/its right to purchase the Credits within 30 days of the date of this Agreement. After the 30 day period this Agreement will be considered null and void.

6. Upon purchase of the Credits specified in paragraph 1 above, the Bank Sponsor shall submit to the parties listed in the Notices section of the BEI, copies of the: a) Agreement for Sale of Credits; b) Bill of Sale; c) Payment Receipt; and d) an updated ledger. The updated ledger must detail: i) Project Proponent; ii) Project Name; iii) Status (sale complete/sale not complete); iv) Credit Sale Date; v) Permitting Agency File/Tracking Number; vi) Total Number of Credits Authorized to Sell; vii) Total Number of Credits Sold to Date (inclusive); and viii) Balance of all Credits Available. The ledger should include all sales data from Bank Establishment Date to the present.

7. The signatures pages to this Agreement may be delivered via facsimile, electronic mail (including PDF or any other electronic signature complying with the U.S. federal E-SIGN Act of 2000; e.g., DocuSign) or other transmission method, and any signature so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

BANK SPONSOR

LAND VERITAS CORP.

By: _____ Date:
Nathan Bello, on behalf of H. Tracey Brownfield, President

PROJECT PROPONENT

[NAME OF PROJECT PROPONENT]

By: _____ Date:
Name:
Its:

EXHIBIT "A"
DESCRIPTION OF PROJECT TO BE MITIGATED

Name of Project:

[Insert project name]

Project Location:

[Insert project location, city, county]

Permitting Agency(ies) File/Tracking Number:

[Insert agency name(s) and file or tracking number]

Project Description:

[Insert project description]

EXHIBIT "B"
BILL OF SALE

Permitting Agency File/Tracking No. _____

In consideration of \$ _____, receipt of which is hereby acknowledged in the form of _____ [Payment Type], Land Veritas Corp.(Bank Sponsor) does hereby bargain, sell and transfer to _____ [Project Proponent], _____ Credits in the Soquel Canyon Mitigation Bank in San Bernardino and Orange Counties, California, developed, and approved under the authority of the United States Army Corps of Engineers and/or California Department of Fish and Wildlife associated the Project described in Exhibit A.

Bank Sponsor represents and warrants that it has good title to the Credits, has good right to sell the same, and that they are free and clear of all claims, liens, or encumbrances.

Bank Sponsor covenants and agrees with the Project Proponent to warrant and defend the sale of the Credits hereinbefore described against all and every person and persons whomsoever lawfully claiming or to claim the same.

DATED: _____

Land Veritas Corp.

By: _____

Nathan Bello, on behalf of H. Tracey Brownfield, President

EXHIBIT "C"
SOQUEL CANYON MITIGATION BANK
PAYMENT RECEIPT

PROJECT PROPONENT INFORMATION

Name:

[Insert Project Proponent Name]

Address:

[Insert Street Address]

[City, State, Zipcode]

Telephone:

[Insert Contact Phone Number]

Contact:

[Insert Contact Name]

PROJECT INFORMATION

Project Description:

[Insert Brief Project Description]

Project Location:

[Insert Project Location Information]

Agency File/Tracking Number:

[Insert Permitting Agency(s) Name and File/Tracking Number(s)]

Species/Habitat Affected:

[Insert impacted resource types and amounts as stated in applicable permit/approval]

Soquel Canyon Mitigation Bank

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Exhibit F-2 Version Date: 12-14-2018

Credits to be Purchased:

[Number and type of Credits]

PAYMENT INFORMATION

Payee:

Land Veritas Corp.

Payer:

[Insert Project Proponent/Payer's Full Legal Name]

Amount:

[Insert Total Payment Amount]

Method of payment:

Cash ___ Check No. _____ Money Order No. _____

Received by:

Nathan Bello, on behalf of H. Tracey Brownfield, President

Date: