AMENDMENT NO. 1

TO THE PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT

THIS AMENDMENT NO. 1 to the Petersen Ranch Mitigation Bank Enabling Instrument ("BEI Amendment No. 1") is made by and among Land Veritas Corp., a California corporation ("Bank Sponsor"), LV-BP Investors Ranch, LLC, a Delaware limited liability company ("Petersen Ranch Property Owner"), LV Lake Elizabeth, LLC, a California limited liability company ("Elizabeth Lake Property Owner"), and the Los Angeles District of the U.S. Army Corps of Engineers ("USACE"), Region IX of the U.S. Environmental Protection Agency ("USEPA"), California Regional Water Quality Control Board, Region 6v ("Lahontan Regional Water Board" or "Lahontan RWQCB"), and the California Department of Fish and Wildlife ("CDFW"), South Coast Region. These agencies comprise and are referred to jointly as the Interagency Review Team ("IRT"). The Bank Sponsor, Petersen Ranch Property Owner, Elizabeth Lake Property Owner, and the IRT are hereinafter referred to jointly as the "Parties."

RECITALS

WHEREAS, the Parties entered into the Petersen Ranch Mitigation Bank Enabling Instrument ("BEI") dated May 11, 2016. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the BEI.

WHEREAS, on June 10, 2020, the Bank Sponsor requested Exhibit F-2, Credit Purchase Agreement and Payment Receipt Templates, of the BEI be amended to include an additional Credit Purchase Agreement template and provide the flexibility to enter into alternative, substantially similar forms of credit purchase agreements, as needed.

WHEREAS, Federal regulations at 33 C.F.R. 332.8(g) and 40 C.F.R. pt. 230 set forth the procedures for the USACE and USEPA to formally modify and amend the BEI. In accordance with the regulations:

1. On December 16, 2020, USACE notified the Parties of its determination to use the streamlined review process described in the regulations and provided the Parties copies of this BEI Amendment No. 1. USACE did receive substantive comments during the 30-day review period, and the comments were addressed by way of changes to this BEI Amendment No. 1.

2. On June 29, 2021, USACE notified the Parties that it intended to approve this BEI Amendment No. 1. USEPA, Lahontan Regional Water Board, and CDFW did not object to this BEI Amendment No. 1 within 15 days of receipt of the notification.

3. On [date], USACE notified the Bank Sponsor of its final decision to approve this BEI Amendment No. 1.

WHEREAS, Section XII.D.1. of the BEI states that prior to Bank closure, the BEI, including its Exhibits, may be amended or modified only with the written approval of the Parties, which approval may be withheld or denied, and that all amendments and modifications shall be fully set forth in a separate document signed by all Parties that shall be appended to the BEI.

NOW, THEREFORE, in consideration of the foregoing facts, the terms, covenants, and conditions set forth below, the Parties hereby agree as follows:

AGREEMENT

1. Exhibit F-2 of the BEI is replaced in its entirety with Exhibit A attached hereto and incorporated herein by this reference.

2. Section VIII.B.6 ("Operation of Bank; Transfer of Credits") of the BEI is hereby amended in its entirety as follows:

"6. Each Credit Transfer shall be made pursuant to a written purchase agreement in the form of Exhibit A, or substantially similar form approved in writing by the IRT members in their sole and absolute discretion."

3. Section IX.C ("Reporting; Credit Transfer Reporting") of the BEI is hereby amended in its entirety as follows:

"C. Credit Transfer Reporting

Upon the Transfer of each and every Credit the Bank Sponsor shall upload into RIBITS and submit to each member of the IRT:

1. A copy of the fully executed Credit Purchase Agreement, in electronic format and in hard copy by request, in a form provided in Exhibit A, or substantially similar form approved in writing by the IRT members in their sole and absolute discretion; and

2. An updated Credit Transfer Ledger, in editable electronic format and in hard copy by request, in the form provided at Exhibit F-3."

4. Section X.1.c (Responsibilities of the Bank Sponsor, Petersen Ranch Property Owner, and Elizabeth Lake Property Owner) of the BEI is hereby amended in its entirety as follows:

"c.1 Bank Sponsor agrees to assume responsibility for compensatory mitigation requirements of Department of the Army and Lahontan RWQCB permits/certifications for which it Transfers Credits once a USACE and/or Lahontan RWQCB permittee has secured the appropriate number and type of Credits from the Bank Sponsor. Bank Sponsor shall provide USACE and/or Lahontan RWQCB with the written Credit Purchase Agreement, in a form provided in Exhibit A, or substantially similar form approved in writing by the IRT members in their sole and absolute discretion, confirming the Bank Sponsor has accepted the responsibility for providing the required compensatory mitigation requirements of such Department of the Army and/or Lahontan RWQCB permit/certification.

c.2. The Bank Sponsor shall perform the actions described in this BEI and its Exhibits to support all Credits. The Bank Sponsor shall provide CDFW with the written Credit Purchase Agreement, in a form provided in Exhibit A, or substantially similar form approved in writing by the IRT members in their sole and absolute discretion, for all Credits secured by project

proponents/action agencies that confirms that the Bank Sponsor will continue to perform the aforementioned actions and that permittee retains responsibility for providing the compensatory mitigation specified in any permit/approval/authorization issued by CDFW."

5. Section XII.D.1 (Amendment and Modification) of the BEI is hereby amended and replaced in its entirety as follows:

"This BEI, including its Exhibits, may be amended or modified only with the written approval of the Parties, except that Bank Sponsor may append additional forms of Credit Purchase Agreements to this BEI Amendment No. 1, as long as such forms are substantially similar to the forms provided in Exhibit A and have been approved in writing by the IRT members, without the need to amend this BEI. All amendments and modifications shall be fully set forth in a separate document signed by all Parties that shall be appended to this BEI. Pursuant to California Fish and Game Code § 1798.6(a), any person seeking to amend any CDFW bank shall submit to the CDFW the appropriate fee, a complete bank amendment package containing each of the original bank agreement package documents, including any prior amendments, as well as any documents proposed to be amended or that would be affected by the proposed amendment."

6 Except as specifically modified by this BEI Amendment No. 1, the BEI remains unchanged and in full force and effect.

7. Each of the undersigned certifies that he or she has full authority to bind the Party that he or she represents for purposes of entering into this BEI Amendment No. 1. This BEI Amendment No. 1 shall take effect upon the date of last signature below.

8. This BEI Amendment No. 1 may be executed in counterparts.

IN WITNESS WHEREOF, the Parties have executed this BEI Amendment No. 1 as follows:

[SIGNATURE PAGES FOLLOW]

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

By: Land Veritas Corp., a California corporation

By: _____ _____

H. Tracey Brownfield, President Date

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

By: LV-BP Investors Ranch, LLC, a Delaware limited liability company

By: Land Veritas Corp., a California corporation

Its: Manager

By: _____ _____

H. Tracey Brownfield, President Date

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

By: LV Lake Elizabeth, LLC, a California limited liability company

By: Land Veritas Corp., a California corporation

Its: Manager

By: _____ _____

H. Tracey Brownfield, President Date

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

U.S. Army Corps of Engineers, Los Angeles District

By: _____ _____

David J. Castanon Date

Chief, Regulatory Division

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

U.S. Environmental Protection Agency, Region IX

By: _____ _____

Sahrye Cohen Date

Wetlands Section Manager

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

California Regional Water Quality Control Board, Region 6v (Lahontan)

By: _____ _____

Patty Z. Kouyoumdjian Date

Executive Officer

SIGNATURE PAGE FOR BEI AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK ENABLING INSTRUMENT BY AND AMONG LAND VERITAS CORP., LV-BP INVESTORS RANCH, LLC, LV LAKE ELIZABETH, LLC AND THE LOS ANGELES DISTRICT OF THE U.S. ARMY CORPS OF ENGINEERS, REGION IX OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY, CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, REGION 6v, AND THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, SOUTH COAST REGION

California Department of Fish and Wildlife, South Coast Region

By: _____ _____

Edmund Pert Date

Regional Manager

EXHIBIT "A"

Credit Purchase Agreement and Payment Receipt Templates

CREDIT PURCHASE AGREEMENT AND PAYMENT RECEIPT FORMS

STANDARD FORMS

AGREEMENT FOR SALE OF CREDITS

FILE/TRACKING NO. _____

This Agreement is entered into this ____ day of _____, 20__, 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 Petersen Ranch Mitigation Bank (Bank) located in Los Angeles County, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument (BEI) entered into by and between Bank Sponsor, LV-BP Investors Ranch, LLC, LV Lake Elizabeth, LLC (jointly "Property Owner"), the U.S. Army Corps of Engineers (USACE), the Environmental Protection Agency (EPA), the Lahontan Regional Water Quality Control Board (Lahontan RWQCB), and the California Department of Fish and Wildlife (CDFW) on [date approved], 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 _____ [species to be impacted by the project, e.g., streams], 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_____ [number of credits *and* credit type] credits;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby sells to Project Proponent and Project Proponent hereby purchases from Bank Sponsor_____ [number of credits *and* credit type] credits 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.

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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 D 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); vii) Total Number of Credits Authorized to Sell; viii) Total Number of Credits Sold to Date (inclusive); and ix) Balance of all Credits Available. The ledger should include all sales data from bank establishment to the present.

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

BANK SPONSOR

Land Veritas Corp.

By: _____ Date:

H. Tracey Brownfield, President

PROJECT APPLICANT

[NAME OF PROJECT APPLICANT/COMPANY]

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By: _____ Date:

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]

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EXHIBIT "B"

BILL OF SALE

Contract # _____ [Bank Sales Number]

Permitting Agency File/Tracking No. _____

In consideration of $_____, receipt of which is hereby acknowledged, Land Veritas Corp. (Bank Sponsor), does hereby bargain, sell and transfer to _____ [Project Applicant], _____ credits in the Petersen Ranch Mitigation Bank in Los Angeles County, California, developed, and approved by the USACE, EPA, RWQCB, and CDFW.

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 buyer 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: _____

Petersen Ranch Mitigation Bank

Land Veritas Corp., Bank Sponsor

By: _____

H. Tracey Brownfield, President

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EXHIBIT "C"

PETERSEN RANCH MITIGATION BANK

_____ [TYPE OF CREDITS] CREDITS: PAYMENT RECEIPT

PARTICIPANT 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)]

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Species/Habitat Affected:

[Insert Credit Type]

Credits to be Purchased:

[Number 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:

_____

(Signature)

[Insert name]

[Insert Title]

Date:

[Insert Date Payment Received]

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STATE OF CALIFORNIA – DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT STD 213 PLUS CREDIT PURCHASE AGREEMENT

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California Department of Transportation (Caltrans)

CONTRACTOR NAME

Insert Contractor's Name

2. The term of this Agreement is:

START DATE

(Insert Start Date) or upon DGS/Caltrans approval, whichever is later

THROUGH END DATE

Insert End Date

3. The maximum amount of this Agreement is:

$Contract Amount

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	1
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C *	General Terms and Conditions (GTC 04/2017)	Online
Exhibit D	Special Terms and Conditions	3
Exhibit E	Additional Provisions	1
Attachment 1	Insert Permit Name and Number	
Attachment 2	Insert Title of Contractor's BEI Template Agreement for Sale of Mitigation Credits	
Attachment 3	Project Location Map	

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

CONTRACTOR BUSINESS ADDRESS	CITY	STATE	ZIP

PRINTED NAME OF PERSON SIGNING	TITLE
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED

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STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME			
California Department of Transportation			
CONTRACTING AGENCY ADDRESS	CITY	STATE	ZIP
1727 30th Street	Sacramento	CA	95816
PRINTED NAME OF PERSON SIGNING	TITLE		
	Contract Officer		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		
[redacted]			
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable)		

EXHIBIT A
Commercial Services - State

Scope of Work

1. The services to be performed by the Contractor under this Agreement shall be in accordance with **Attachment 2, (Insert Title of Contractor's BEI Template Agreement for Sale of Mitigation Credits)**. If there is any conflict between **Attachment 2**, on the one hand, and any other provisions of this Agreement, including Exhibits A, B, C, D, and E, on the other hand, **Attachment 2** shall control.

EXHIBIT B
Commercial Services - State

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

A. After execution of the contract, Caltrans shall exercise its right to purchase the Resource Credits and will request the Contractor to submit an invoice to Caltrans. Said invoice shall be submitted within two (2) business days from the date of request. Upon receipt and approval of the invoice, Caltrans agrees to compensate the Contractor in accordance with this **Exhibit B**. An incomplete or disputed invoices shall be returned to the Contractor, unpaid, for correction.

B. The invoice shall include:

1) Agreement Number
2) Permit Number
3) Service Area
4) Type of Credits
5) Number of Credits
6) Payment Amount

C. The invoice shall be submitted in triplicate to:

Department of Transportation
Office Name Here
Attention: CONTRACT MANAGER
Street Name, MS Number
City, State Zip Code

D. Upon receipt of payment, the Contractor shall provide Caltrans with an executed Bill of Sale (**Exhibit B of Attachment 2**) and Payment Receipt (**Exhibit C of Attachment 2**) within two (2) business days after payment is received.

2. Budget Contingency Clause

A. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional or legislative appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made.

B. This Agreement is valid and enforceable only if sufficient funds are made available to the State of California by the United States Government or the California State Legislature for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress or the State Legislature that may affect the provisions, terms or funding of this Agreement in any manner.

EXHIBIT B
Commercial Services - State

C. It is mutually agreed that if the Congress or the State Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

D. Pursuant to Government Code (GC), Section 927.13, no late payment penalty shall accrue during any time period for which there is no Budget Act in effect, nor on any payment or refund that is the result of a federally mandated program or that is directly dependent upon the receipt of federal funds by a state agency.

E. Caltrans has the option to terminate the Agreement under the thirty (30) day termination clause or to amend the Agreement to reflect any reduction of funds. Refer to **Exhibit D, 2. B. Termination**.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, GC, Chapter 4.5, commencing with Section 927.

4. Cost Limitation

Total amount of this Agreement shall not exceed **$CONTRACT AMOUNT.**

5. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. Caltrans will pay for any applicable State or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. Caltrans may pay any applicable sales and use tax imposed by another state.

6. Cost Principles

A. The Contractor agrees that the Cost Principles and Procedures in 48 CFR, Part 31, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in 2 CFR, Part 200, shall be used to determine the allowable individual items of cost.

B. Any costs for which payment has been made to the Contractor that are determined by subsequent audit to be unallowable under 48 CFR, Part 31 or 2 CFR, Part 200 are subject to repayment by Contractor to Caltrans.

C. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this Section.

7. Costs Included in Bid Rates

The cost of employer payments to or on behalf of employees, subsistence, travel, compensation insurance premiums, unemployment contributions, social security taxes, Agreement bond premiums, and any other taxes or assessments INCLUDING SALES AND USE TAXES required by law or otherwise shall be included in the Agreement rates and no

EXHIBIT B
Commercial Services - State

additional allowance will be made thereof, unless separate payment provision should specifically so provide.

EXHIBIT D
Commercial Services - State

SPECIAL TERMS AND CONDITIONS

1. Settlement of Disputes

A. Any dispute concerning a question of fact arising under this Agreement that is not disposed of by Agreement shall be decided by the Caltrans Contract Officer, who may consider any written or verbal evidence submitted by the Contractor. The decision of the Caltrans Contract Officer, issued in writing, shall be Caltrans' final decision on the dispute.

B. Neither the pendency of a dispute nor its consideration by the Caltrans Contract Officer will excuse the Contractor from full and timely performance in accordance with the terms of the Agreement.

2. Termination

A. If, after award and execution of the Agreement, the Contractor's performance is unsatisfactory, the Agreement may be terminated for default. Additionally, the Contractor may be liable to Caltrans for damages including the difference between the Contractor's original bid price and the actual cost of performing the work by another Contractor. Default is defined as the Contractor failing to perform services required by the Agreement in a satisfactory manner.

B. Caltrans reserves the right to terminate this Agreement without cause upon thirty (30) days written notice to the Contractor or immediately in the event of default or material breach by the Contractor.

C. The State may terminate this Agreement immediately for good cause. The term "good cause" may be defined as "impossibility of performance" or "frustration of purpose," but does not include material breach, default, or termination without cause. In this instance, the Agreement termination shall be effective as of the date indicated on the State's notification to the Contractor.

D. In the event that the total Agreement amount is expended prior to the expiration date, Caltrans may, at its discretion, terminate this Agreement with thirty (30) days notice to Contractor.

3. Subcontractors

The Contractor shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted.

4. Retention of Records/Audits

For the purpose of determining compliance with GC, Section 8546.7, the Contractor and Subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the Agreement, including but not limited to, the costs of administering the Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under the Agreement. The State, the State Auditor, Federal Highway Administration (FHWA), or any duly authorized representative of the Federal government having jurisdiction

EXHIBIT D
Commercial Services - State

under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of the Contractor that are pertinent to the Agreement for audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.

5. Non-Solicitation

The contractor warrants, by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained or contracted by the contractor for the purpose of securing business. For breach or violation of this warranty, the state shall have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

6. Disabled Veterans Business Enterprise (DVBE) Participation (Without Goals)

Caltrans has established no goals for DVBE participation for this Agreement. However, the Contractor shall be fully informed respecting the California Public Contract Code Section 10115 *et seq.*, which is incorporated by reference. Contractor is urged to obtain DVBE Subcontractor participation should clearly defined portions of the work become available.

7. Laws to be Observed

The Contractor shall keep fully informed of all existing and future state and federal laws and county, and municipal ordinances and regulations which in any manner affect those engaged or employed in the work, the materials used in the work, or which in any way affect the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with, and shall cause all agents and employees to observe and comply with all such existing and future laws, ordinances, regulations, orders, and decrees of bodies or tribunals having any jurisdiction or authority over the Agreement. If any discrepancy or inconsistency is discovered in the plans, drawings, specification, or Agreement for the work in relation to any such law, ordinance, regulation, order, or decree, the Contractor shall immediately report the same to the Caltrans Contract Manager in writing.

8. Specific Legal References

Any reference to specific statutes, regulations or other legal authority in this Agreement shall not relieve the Contractor from the responsibility of complying with all existing and future laws, ordinances, regulations, orders, and decrees of bodies or tribunals having any jurisdiction or authority over the Agreement.

9. Force Majeure

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by

EXHIBIT D
Commercial Services - State

"Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of God such as earthquakes, floods, and other natural disasters such that performance is impossible.

10. Employment of Undocumented Workers

By signing this Agreement, the Contractor swears or affirms that it has not, in the preceding five years, been convicted of violating a State or Federal law relative to the employment of undocumented workers.

EXHIBIT E
Commercial Services - State

ADDITIONAL PROVISIONS

1. Prohibition of Delinquent Taxpayers

Public Contract Code (PCC) Section 10295.4 prohibits the State from entering into an Agreement for goods or services with any taxpayer, whose name appears on either list maintained by the State Board of Equalization or the Franchise Tax Board pursuant to Revenue and Taxation Code sections 7063 and 19195, respectively, of the 500 largest tax delinquencies. PCC Section 10295.4 provides no exceptions to these prohibitions.

2. Contact Information

All inquiries during the term of this Agreement will be directed to the project representatives listed below:

Caltrans	Contractor:
Section/Unit:	Section/Unit:
Contract Manager:	Project Manager:
Address:	Address:
Bus. Phone:	Bus. Phone:
Fax:	Fax:
Email:	Email:

AGREEMENT FOR SALE OF CREDITS

FILE/TRACKING NO. _____

This Agreement is entered into this ____ day of _____, 20__, 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 Petersen Ranch Mitigation Bank (Bank) located in Los Angeles County, California; and

B. The Bank has been developed pursuant to a Bank Enabling Instrument (BEI) entered into by and between Bank Sponsor, LV-BP Investors Ranch, LLC, LV Lake Elizabeth, LLC (jointly "Property Owner"), the U.S. Army Corps of Engineers (USACE), the Environmental Protection Agency (EPA), the Lahontan Regional Water Quality Control Board (Lahontan RWQCB), and the California Department of Fish and Wildlife (CDFW) on [date approved], 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 _____ [species to be impacted by the project, e.g., streams], 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_____ [number of credits *and* credit type] credits;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby sells to Project Proponent and Project Proponent hereby purchases from Bank Sponsor_____ [number of credits *and* credit type] credits 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.

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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 D 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); vii) Total Number of Credits Authorized to Sell; viii) Total Number of Credits Sold to Date (inclusive); and ix) Balance of all Credits Available. The ledger should include all sales data from bank establishment to the present.

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

BANK SPONSOR

Land Veritas Corp.

By: _____ Date:

H. Tracey Brownfield, President

PROJECT APPLICANT

[NAME OF PROJECT APPLICANT/COMPANY]

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By: _____ Date:

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]

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EXHIBIT "B"

BILL OF SALE

Contract # _____ [Bank Sales Number]

Permitting Agency File/Tracking No. _____

In consideration of $_____, receipt of which is hereby acknowledged, Land Veritas Corp. (Bank Sponsor), does hereby bargain, sell and transfer to _____ [Project Applicant], _____ credits in the Petersen Ranch Mitigation Bank in Los Angeles County, California, developed, and approved by the USACE, EPA, RWQCB, and CDFW.

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 buyer 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: _____

Petersen Ranch Mitigation Bank

Land Veritas Corp., Bank Sponsor

By: _____

H. Tracey Brownfield, President

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EXHIBIT "C"

PETERSEN RANCH MITIGATION BANK

_____ [TYPE OF CREDITS] CREDITS: PAYMENT RECEIPT

PARTICIPANT 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)]

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Species/Habitat Affected:

[Insert Credit Type]

Credits to be Purchased:

[Number 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:

_____

(Signature)

[Insert name]

[Insert Title]

Date:

[Insert Date Payment Received]

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