**AMENDMENT NO. 2**
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**TO**
THE **PETERSEN RANCH MITIGATION BANK** ENABLING INSTRUMENT
#1798-2013-04-R5

THIS AMENDMENT NO. 42 ("Amendment No. 2") to the Petersen Ranch Mitigation Bank Enabling Instrument, TRACKING # 1798-2013-04-R5, and accompanying exhibits ("BEI") is made by and amongand entered into 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"), and 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, South Coast Region ("CDFW"), South Coast Region. These agencies comprise and are referred to jointly as the (collectively, the "Interagency Review Team ("IRT"), or "IRT"), and Land Veritas Corp., a California corporation ("Bank Sponsor"), LV-BP Investors Ranch, LLC, a Delaware limited liability company ("Petersen Ranch Property Owner"), and LV Lake Elizabeth, LLC, a California limited liability company ("Elizabeth Lake Property Owner"). The Bank Sponsor, Petersen Ranch Property Owner, Elizabeth Lake Property Owner, and the IRT are referred to hereinafter each as a "Party" and, together, thejointly as the "Parties."

RECITALSBACKGROUND

A. Elizabeth Lake Property Owner is the sole owner in fee simple of certain real property (the "Elizabeth Lake Property") located in Los Angeles County, California. The Elizabeth Lake Property is legally described in the BEI.

B. On May 11, 2016, the Parties entered into the BEI for the establishment, use, operation, and maintenance of the Petersen Ranch Mitigation Bank ("Bank") on an approximately 314-acre portion of the Elizabeth Lake Property and a 3,789-acre portion of the neighboring Petersen Ranch Property (collectively, the "Bank Property"). Under the BEI, the Bank Property is demarcated into six geographic areas (Areas A-F) to be incorporated into the Bank in phases.

C. On DATE, 2021, the Parties entered into Amendment No.1 amending Sections VIII.B.6, IX.C., XII.D.1, and Exhibit F-2 of the BEI.

D. San Fernando Valley spineflower (*Chorizanthe parryi* var. *Fernandina;* "Spineflower") is listed as an endangered species under the California Endangered

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**Commented [TTACUC(1]:** We still need to amend the BEI to remove (correct?) Area D from the BEI in light of permittee responsible mitigation occuring in this Area for the Devil's Gate project. Is the plan to address that in an amendment no. 3 to the BEI or can we add to this amendment so that we do not need to draft yet another amendment?
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Species Act. (Cal. Code Regs., Tit. 14, § 670.2(a)(26)(B).)

ED. On September 15, 2016, the United States Fish and Wildlife Service ("USFWS") proposed to list Spineflower as a threatened species under the federal Endangered Species Act. (81 Fed. Reg. 63,454.) USFWS withdrew the proposed listing after entering into a Candidate Conservation Agreement ("CCA") that establishes conservation measures designed to improve the status of the species. (83 Fed. Reg. 11,453 (Mar. 15, 2018).) Among other things, the CCA proposes habitat enhancement and Spineflower introduction at sites within the species' historic range.

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F. Bank Area F, located on the Elizabeth Lake Property, contains habitat potentially suitable for the Spineflower. The CAA identifies seven (7) acres on Bank Area F, for Spineflower habitat enhancement and introduction (the "Introduction Area").

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GE. The Parties desire to amend the BEI to allow Spineflower habitat enhancement and introduction in the Introduction Area. The Amendment No. 2 removes the Introduction Area from the creditable portion of the Bank, reducing the total number of Credits available at the Bank by 6.76 acres[1]. Among other things, the Amendment No. 2 also facilitates Spineflower introduction by permitting pedestrian access across the Elizabeth Lake Property to access the Introduction Area for management purposes, and allowing fencing to be placed in and around the Introduction Area to protect the Spineflower.

H. In addition, the Bank Sponsor has requested the infrastructure maps shown in Figures 8 and 9 of the Long-term Management Plan in Exhibit D-5 of the BEI be updated to identify additional existing infrastructure that was not shown on these maps. The Parties also desire to modify Exhibit D-2 (Endowment Fund Analysis and Schedule) of the BEI to clarify Endowment Amount payments as they relate to Credit Releases.

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

1. On [date], USACE notified the Parties of the USACE's determination to use the streamlined review process described in the regulations and provided them copies of this Amendment No. 2 for a 30-day review period. USACE did/did not receive any substantive comments during the 30-day review period.

[1] The Introduction Area was legally defined by a California licensed surveyor, and referenced in amended Exhibit E-4 to the BEI, titled "Conservation Easement," as "6.722 acres of land, more or less." GIS mapping indicated the Introduction Area is 6.76 acres, and that number was used in determining the number of credits to be removed from the Bank's creditable area as GIS mapping was used to determine and apportion credits throughout the remainder of the Bank. Despite this discrepancy, all Parties agree to the Introduction Area's general parameters.

2. On [date], USACE notified the IRT that it intended to approve this Amendment No. 2. USEPA, Lahontan Regional Water Board, and CDFW did/did not object to this Amendment No. 2 within 15 days of receipt of the notification or the dispute resolution process was initiated in accordance with 33 CFR 332.8(e) and concluded on DATE.

3. On [date], USACE notified the Bank Sponsor of its final decision to approve this Amendment No. 2.

J. The CDFW has determined that the Bank Sponsor has complied with the requirements of California Fish and Game Code Sections 1798.6, which sets forth CDFW's requirements to formally modify and amend the BEI pursuant to this Amendment No.2

K. All capitalized terms used herein, but not defined, in this Amendment No. 2 shall have the meanings given them in the BEI.

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

## AGREEMENT

1. ~~Amendment to BEI Exhibit C-1.~~ Exhibit C-1 to the BEI, titled "Development Plan," is ~~hereby amended as follows~~ replaced in its entirety with Attachment A attached hereto and incorporated herein by this reference.

~~Exhibit C-1, Appendix A, Figures 6, 8, 10, 12, 17, 56, and 63 to 66 are replaced in their entirety~~ies with Figures 6, 8, 10, 12, 17, 56, and 63 to 66 in Exhibit XX attached hereto and incorporated herein by this reference.

2. Exhibit D-2 of the BEI, titled "Endowment Fund Analysis and Schedule," is replaced in its entirely with Attachment B attached hereto and incorporated herein by reference.

3. Exhibit D-3 of the BEI, titled "Agreements, Instructions, and Forms for Submission or Disbursement of Endowment Funds," is replaced in its entirely with Attachment C attached hereto and incorporated herein by reference.

4. ~~Amendment to BEI Exhibit D-5.~~ Exhibit D-5 to the BEI, titled "Long-Term Management Plan," is replaced in its entirety with ~~Exhibit~~Attachment D attached hereto and incorporated herein by this reference.

5. ~~Amendment to BEI Exhibit E-2.~~ Exhibit E-2.1 to the BEI, titled "Elizabeth Lake

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**Commented [TTACUC(6]:** I suggest the entire plan be switched out. It's easier to follow what's considered the currently approved plan. Further, more than the figures in Appendix A appear to be in need of updating. For example, shouldn't section 2.7 be updated to mention the easement to Newhall for the introduction of spineflower? Do Tables 2 and 3 need to be corrected? Under special status species, shouldn't the plan indicate that in Area F Newhall plans for the introduction of San Fernando Valley spineflower within the Introduction Area, as per the Spineflower Introduction Plan? Does Part VII Area F discussion need to be revised, in particular the amount of credits indicated in the tables?

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**Commented [TTACUC(7]:** Placeholder. Will the Area F endowment agreement address both the bank endowments and the Newhall Endowment? If so, shouldn't this document address this in the "template" the signatories agreed to in Exhibit D-3? Or add an Area F "template" as Exhibit D-3a?

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Property Assessment and Warranty,", is hereby amended as follows replaced in its entirety with Attachment E attached hereto and incorporated by reference.:

Exhibit E-2.1 to the BEI, titled "Lake Elizabeth Property Assessment and Warranty" and included in Exhibit E-2, is replaced in its entirety with Exhibit XX attached hereto and incorporated herein by this reference.

6. Amendment to BEI Exhibit E-3.1. Exhibit E-3.1 to the BEI, titled "Elizabeth Lake Easements,", is replaced in its entirety with Exhibit XXAttachment F attached hereto and incorporated herein by this reference.

2.

7. Amendment to BEI Exhibit E-4. Exhibit E-4.6 to the BEI, titled "Elizabeth Lake Conservation Easement Area F," is replaced in its entirety with Attachment G attached hereto and incorporated herein by reference.

3. "Conservation Easement," is hereby amended as follows:

Exhibit E-4.6, titled "Conservation Easement Deed Petersen Ranch Mitigation Bank Area F" and included in Exhibit E-4 to the BEI, is replaced in its entirety with Exhibit XX attached hereto and incorporated herein by this reference.

8. Amendment to BEI Exhibit F-1. Exhibit F-1 to the BEI, titled "Credit Evaluation and Credit Table," is replaced in its entirety with Exhibit XXAttachment H attached hereto and incorporated herein by this reference.

4.

5. The BEI, as amended by Amendment No. 1 and this Amendment No. 2, represents the entire understanding of the Parties regarding the BEI and changes to the BEI. All other terms and conditions of the BEI Definitions. Initially-capitalized terms used in this Amendment and not otherwise defined herein shall have the meaning set forth in the BEI.

9. Effect. Except as specifically modified by this Amendment, the BEI, including all exhibits thereto, remains unchanged and in full force and effect.

10. This Amendment No. 2 does not constitute as approval to incorporate Area F into the Bank; the appropriateness of incorporating Area F into the Bank will be determined in accordance with Section IV.E of the BEI.

6.

7. Authority. Each of the undersigned certifies that he or she has full authority to bind the pParty that he, she, or they represent(s) for purposes of entering into this Amendment No. 2.

8.11. Effective Date. This Amendment No. 2 shall be deemed executed take effect upon the date of the last signature below by the Parties.

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**Commented [TTACUC(8]:** This exhibit plots what is on the title report in the PAW as well as Exhibit E-1.1.1. If the easement to Newhall is not yet recorded (need to confirm) there will not be recording information. That being the case, does this get updated now? If so, how do we want it noted on this exhibit?
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**Commented [TTACUC(9]:** This would include the new exhibits D (spineflower easement agreement, E (subordination agreement) and F (Introduction Plan) to this approved as to ...
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~~9.~~12. ~~Counterparts.~~ This Amendment No. 2 may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement. To facilitate the execution of this Amendment No. 2, the Parties hereto agree that the signature of any Party transmitted by facsimile or email shall have binding effect as though such signature were delivered as an original.

IN WITNESS WHEREOF, the Parties have executed ~~and delivered~~ this Amendment No. 2 ~~as of the Effective Date~~ as follows~~.~~:

[SIGNATURE PAGES FOLLOW]

SIGNATURE PAGE FOR BEI AMENDMENT NO. 2 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 REGIONSIGNATURE PAGE FOR AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK #1798-2013-04-R5

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Bank Sponsor

Land Veritas Corp., a California Corporation

By:_____ Date:_____

Print Name:_____

Title:_____

By: Land Veritas Corp., a California corporation

By:_____

H. Tracey Brownfield, President Date

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By: Land Veritas Corp., a California corporation

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Its: Manager

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By: _____

H. Tracey Brownfield, President Date

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Petersen Ranch Bank Property Owner

LV-BP Investors Ranch, LLC, a Delaware Limited Liability Company

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Print Name:_____

Title:_____

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~~Elizabeth Lake Property Owner~~

~~LV Lake Elizabeth, LLC, a California Limited Liability Company~~

~~By:_____ Date:_____~~

~~Print Name:_____~~

~~Title:_____~~

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

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

By:

David J. Castanon Date

Chief, Regulatory Division ~~SIGNATURE PAGE FOR AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK #1798-2013-04-R5~~

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

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U.S. Environmental Protection Agency, Region IX

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Sahrye Cohen Date

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Wetlands Section Manager SIGNATURE PAGE FOR AMENDMENT NO. 1 TO PETERSEN RANCH MITIGATION BANK #1798-2013-04-R5

The California Department of Fish and Wildlife, South Coast Region

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California Regional Water Quality Control Board, Lahontan Region

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U.S. Environmental Protection Agency, Region IX

By: Date:

Print Name:

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

By:

Patty Z. Kouyoumdjian Date

Executive Officer

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California Department of Fish and Wildlife, South Coast Region

By:.....

Edmund Pert Date

Regional Manager