

**SETTLEMENT AGREEMENT FOR
ACQUISITION OF EASEMENT
(INCLUDING ESCROW INSTRUCTIONS)**

This SETTLEMENT AGREEMENT FOR ACQUISITION OF EASEMENT (INCLUDING ESCROW INSTRUCTIONS) (“**Agreement**”) is made and entered into as of February 2, 2024, by and between Defendants REDWOOD TIMBER COMPANY LLC¹, a Delaware Limited Liability Company formerly known as LYME REDWOOD TIMBERLANDS LLC, RJS TIC HTC LLC, a California Limited Liability Company, PV TIC HTC, LLC a California Limited Liability Company, RMB TIC HTC LLC, a California Limited Liability Company (collectively, “**Grantor**”) and the CITY OF FORT BRAGG, a municipal corporation (“**City**”). Grantor and City may collectively be referred to as the “**Parties**.”

RECITALS

A. Grantor is the owner of that certain real property designated by Mendocino County as Assessor Parcel Numbers 019-630-05, 019-640-01, and 019-640-04 (“**Greater Parcel**”).

B. City desires to construct a primary water transmission line that delivers raw water from sources at Waterfall Gulch, Newman Reservoir, and Summers Lane Reservoir to the City’s water treatment plant and all uses appurtenant thereto (the “**Project**”).

C. In order to proceed with the Project, City needs to acquire from Grantor certain easement rights in regard to the Greater Parcel.

D. On or about July 28, 2023, City filed a Complaint in Eminent Domain (“**Complaint**”), in the Mendocino County Superior Court, Case Number Case No. 23CV000682 (“**Eminent Domain Action**”), to acquire a permanent subsurface easement described and depicted in the Eminent Domain Action.

E. On August 1, 2023, City deposited \$6,900 with the State Condemnation Deposits Fund (“**Deposit**”) as probable just compensation for the taking of the permanent subsurface easement described and depicted in the Eminent Domain Action

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

¹ Defendant Lyme Redwood Timberlands LLC, is an owner of record of the Greater Parcel, however on January 31, 2022, Lyme Redwood Timberlands LLC executed a Certificate of Amendment which was filed in the State of Delaware that legally changed its name from Lyme Redwood Timberlands LLC, to Redwood Timber Company LLC. Redwood Timber Company LLC is executing this Agreement on behalf of itself, as formerly known as Lyme Redwood Timberlands LLC

1. Incorporation of Recitals. Each of the Recitals set forth above is incorporated herein by this reference.

2. Conveyance of Easement; Payment. Grantor agrees to convey to City, and City agrees to acquire from Grantor, a (1) Non-Exclusive **Permanent Easement** in the form of a **Permanent Easement Deed** attached hereto as Exhibit 1, the precise location to be 5 feet in width on each side (for a total width of 10 feet) as measured from the centerline of the Project's as-built primary water transmission line, and (2) a 1.65 acre **Temporary Construction Easement** as described and depicted in the **Temporary Construction Easement Deed** attached as Exhibit 2, on the terms and conditions set forth herein.

The precise dimensions and location on the Greater Parcel of the Permanent Easement ("**Permanent Easement Location**") will be determined through a City-approved survey of the as-built primary water transmission line to be conducted by a licensed surveyor at City's sole cost and expense following completion of construction of the Project on the Greater Parcel.

3. Purchase and Sale: Settlement of All Claims Arising Out of the Action. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees to convey the Permanent Easement and Temporary Construction Easement (collectively, "**Easements**") to City and settle all claims arising out of the Eminent Domain Action, including but not limited to, compensation for the acquisition of the Easements and compensation for all damages of every kind and nature suffered, or to be suffered, by reason of the acquisition of the Easements and construction of the Project for which the Easements are being acquired, and City agrees to acquire the Easements from Grantor upon the terms and conditions herein set forth.

3.1 Compensation. The total all-inclusive fair and just compensation for City's acquisition of the Easements, as well as for all damages of every kind and nature suffered, or to be suffered, by reason of the acquisition of the Easements and construction of the Project for which the Easements is being acquired, shall be TWENTY-SIX THOUSAND TWO HUNDRED SIXTY-SEVEN DOLLARS And No Cents (\$26,267.00) (hereinafter, the "**Compensation**") to be paid to Grantor at the Close of Escrow.

3.2 Payment of Compensation. Prior to the Close of Escrow (as defined in Section 3, below), City shall deposit or cause to be deposited with Escrow Agent, in cash or by a certified or bank cashier's check made payable to Escrow Agent or a confirmed wire transfer of funds, the Compensation. City shall be entitled to an order from the Court in the Eminent Domain Action directing the State to return the Deposit, together with all interest accruing thereon, to City, which Grantor shall not oppose.

3.3 Parking & Staging Equipment. Should City exceed the boundaries of the Permanent Easement and TCE for parking and/or staging of equipment, City shall pay Grantor \$1,000 per month as compensation for same. City, its employees, agents, and/or contractors shall not under any circumstances change any equipment fluids on the Property.

3.4 Fire Prevention. No smoking shall occur on the Property. All equipment shall be equipped with a fire extinguisher and shovel. City shall have a full water truck on site during construction.

4. Condition of Title. Subject to the fulfillment of the Conditions Precedent described in Section 10 below, at Close of Escrow, Grantor shall grant to the City the Easements free and clear of all recorded and unrecorded liens, encumbrances, assessments, other property, leases, taxes, and exceptions to title, except for Exceptions 1-16, 18-19 in that certain June 14, 2023 Litigation Guarantee issued by Old Republic National Title Insurance Company (“**Lit Guarantee**”), a copy of which is attached hereto as Exhibit 3 (collectively, the “**Permitted Exceptions**”).

4.1 The deed of trust identified as Exception 17 to the Lit Guarantee, and any and all other recorded and unrecorded liens, encumbrances, assessments, leases, easements, restrictions, conditions, covenants, rights, rights-of-way, taxes, or other matters (collectively, the “**Title Exceptions**”) must be eliminated, subordinated or ameliorated to City’s satisfaction by Grantor prior to the Close of Escrow. Should Grantor be unable to eliminate, subordinate or ameliorate to City’s satisfaction any such Title Exceptions prior to the Close of Escrow, City may either (a) accept the Title Exceptions which Grantor is unable to eliminate, subordinate or ameliorate and proceed with the Closing, or (b) terminate this Agreement, in which case both City and Grantor shall be relieved of all further obligation and liability to each other under this Agreement, except for such obligations and liabilities that accrued prior to the date of termination, and all the funds and documents deposited with Escrow Holder shall be promptly refunded or returned, as the case may be, by Escrow Holder to the depositing party. City shall be responsible for all reasonable costs associated with the partial reconveyance or subordination of any such recorded and unrecorded liens, encumbrances, assessments, leases, easements, restrictions, conditions, covenants, rights, rights-of-way, taxes, or other matters.

Escrow Agent shall at Close of Escrow provide the City with an updated Lit Guarantee or, alternatively, standard CLTA or ALTA (as the City may request in its sole discretion) policy of title insurance in the amount of \$600,000.00 issued by Old Republic National Title Insurance Company, together with any endorsements reasonably requested by the City, showing the Easements vested in City, subject only to the Permitted Exceptions set forth above and the printed exceptions and stipulations in the policy (“**Title Policy**”). The City shall pay the title policy premium. The term “**Close of Escrow,**” if and where written in this Agreement, shall be deemed to have occurred on the date the Permanent Easement Deed and other necessary instruments of conveyance are recorded in the office of the Mendocino County Recorder and the fully-executed Temporary Construction Easement Deed is delivered to City. If Grantor is unable to deliver the Easements in the condition described herein, this Agreement may be terminated by the City, and neither party shall have any liability to the other with respect to the subject matter hereof. Recordation of instruments delivered through this Escrow is authorized, if necessary or proper, in the issuance of the policy of title insurance.

5. Escrow. The City and Grantor will open an escrow for the conveyances described in this Agreement (“**Escrow**”) at Redwood Empire Title Company (“**Escrow Agent**”). This Agreement, together with any supplementary escrow instructions prepared by Escrow Agent and executed by the City and Grantor, constitutes the joint escrow instructions of the City and

Grantor, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The Parties agree to do all acts necessary to close this Escrow in the shortest possible time.

5.1 Documents. Prior to Close of Escrow Grantor shall execute, acknowledge, and deliver into Escrow the Permanent Easement Deed containing the City-approved legal description and depiction of the Permanent Easement Location and the Temporary Construction Easement Deed. The Permanent Easement Deed must be in a form suitable for recordation; the Temporary Construction Easement Deed is not to be recorded. If required by the City, a Certificate of Acceptance, prepared pursuant to the requirements of California Government Code Section 27281 (“**Certificate of Acceptance**”) as to each of the Easements shall be executed, acknowledged and delivered into Escrow by City on or before Close of Escrow. The City and Grantor agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction.

6. Escrow Agent Authorization. Escrow Agent is authorized to, and shall:

6.1 Pay and Charge the City. Pay and charge the City for any Escrow fees, recording fees, title insurance premium and any endorsements thereto, and other costs and expenses of Escrow payable under Section 8, below.

6.2 Disbursement: Recordation and Delivery of Documents. Disburse funds; record the Permanent Easement Deed; deliver the Title Policy to the City; and deliver conformed copies of the Easement Deeds when conditions of the Escrow have been fulfilled by the City and Grantor.

7. Time Limits. All time limits within which any matter specified is to be performed may be extended by mutual agreement of the parties. Any amendment of, or supplement to, any instructions must be in writing.

8. Time of the Essence. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND, EXCEPT AS OTHERWISE PROVIDED BELOW, ESCROW IS TO CLOSE 12 MONTHS AFTER ESCROW IS OPENED AS SET FORTH IN SECTION 4 OF THIS AGREEMENT OR AT SUCH EARLIER OR LATER TIME AS MAY BE AGREED UPON IN WRITING BY City AND GRANTOR, UNLESS SAID DATE IS EXTENDED BY THE MUTUAL WRITTEN AGREEMENT OF THE PARTIES. If this Escrow is not in condition to close by such date, then any party who has fully complied with this Agreement may, in writing, demand the return of its money or property; provided, however, no demand for return shall be recognized until five days after Escrow Agent shall have mailed copies of demand to the other party at the addresses shown in the notice provisions below, and if any objections are raised within such five-day period, Escrow Agent is authorized to hold all money, papers and documents until instructed by a court of competent jurisdiction or mutual instructions.

9. Escrow Fees, Charges and Costs. Recording fees and all usual fees, charges, and costs which arise in this Escrow shall be paid by the City.

10. Transfer Taxes. No transfer tax shall be due because the City is a public entity.

11. Conditions Precedent to Close of Escrow.

11.1 The City's Conditions Prior to Closing. The obligation of the City to acquire the Easements is subject to the satisfaction of the following conditions:

(a) Grantor shall deliver through Escrow the executed, acknowledged and recordable Permanent Easement Deed, as well as the executed and acknowledged Temporary Construction Easement Deed. The Temporary Construction Easement Deed is not to be recorded.

(b) Grantor shall deliver through Escrow such other documents as are necessary to comply with Grantor's obligations under this Agreement.

(c) Grantor shall not be in default of any of its obligations under the terms of this Agreement.

(d) All of Grantor's representations and warranties made as of the date of this Agreement shall continue to be true and correct as of Close of Escrow.

(e) Escrow Agent shall have committed to deliver to the City the Title Policy.

On failure of any of the conditions set forth above, the City may terminate its obligations under this Agreement with no further liability to Grantor by giving notice to Grantor on or before the expiration of the time allowed for each condition. The City's failure to elect to terminate its obligations shall constitute a waiver of the condition by the City.

11.2 Grantor's Conditions Precedent to Closing. The obligation of Grantor to convey the Easements is subject to the satisfaction of the following conditions:

(a) The City shall not be in default of any of its obligations under the terms of this Agreement.

(b) The City shall have deposited with the Escrow Agent duly executed and acknowledged Certificates of Acceptance and other documents required to close Escrow, including the Permanent Easement Deed with legal description determined during escrow pursuant to an as-built survey as described in para. 2 above, closing costs, and all other funds required for closing.

(c) The City shall have deposited with the Escrow Agent the Compensation.

On failure of any of the conditions set forth above, Grantor may terminate its obligations under this Agreement with no further liability to the City by giving notice to the City on or before the expiration of the time allowed for each condition. Grantor's failure to elect to terminate its obligations shall constitute a waiver of the condition by Grantor.

12. Closing Statement. Grantor instructs Escrow Agent to release a copy of Grantor's closing statement to the City.

13. Warranties, Representations, and Covenants of Grantor. Grantor hereby makes the following warranties, representations, and/or covenants to the City, which shall survive the Close of Escrow:

13.1 Pending Claims. To the best of Grantor's knowledge, other than the Eminent Domain Action, there are no actions, suits, claims, legal proceedings, or any other proceedings affecting the area encompassing the Easements ("**Easement Area**") or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign.

13.2 Encroachments. To best of Grantor's actual knowledge without a duty to investigate, there are no encroachments onto the Easements by improvements on any adjoining property, nor do any improvements located on the Easements encroach on other properties.

13.3 Title. Until Close of Escrow, Grantor shall not intentionally do anything which would impair Grantor's title to the Easements.

13.4 Condition of Land. To the best of Grantor's knowledge without inquiry, and excepting the existing City water pipe currently situated within the Greater Parcel, there are no substances, materials or conditions on or in the Easement Area that qualify as a Hazardous Material (as defined below) or otherwise violate any Environmental Law (as defined below). For the purposes of this Agreement, the following items have the following meanings:

(a) "**Environmental Law**" means any law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environment including, without limitation, CERCLA (Comprehensive Environmental Response, Compensation and Liability Act of 1980) and RCRA (Resources Conservation and Recovery Act of 1976).

(b) "**Hazardous Material**" means any substance, material or waste which is or becomes designated, classified or regulated as being "toxic" or "hazardous" or a "pollutant" or which is or becomes similarly designated, classified or regulated, under any Environmental Law, including asbestos, petroleum and petroleum products.

13.5 Conflict with Other Obligations. To the best of Grantor's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, covenants, conditions and restrictions, or other agreement or instrument to which Grantor or the Easement Area may be bound.

13.6 Authority. Grantor is the owner of and has the full right, power, and authority to sell, convey, and grant the Easements to the City as provided herein and to carry out Grantor's obligations hereunder. Each party executing this Agreement on behalf of Grantor represents and warrants that such person is duly and validly authorized to do so on behalf of Grantor.

13.7 Bankruptcy. Neither Grantor nor any related entity is the subject of a bankruptcy proceeding, and permission of a bankruptcy court is not necessary for Grantor to be able to transfer the Easements as provided herein.

13.8 Governmental Compliance. To the best of Grantor's knowledge, Grantor has not received any notice from any governmental agency or authority alleging that the Easement Area is currently in violation of any law, ordinance, rule, regulation or requirement applicable to its use and operation. If any such notice or notices are received by Grantor following the date this Agreement is signed by the City, Grantor shall notify the City within ten days of receipt of such notice. Grantor then, at its option, may either elect to perform the work or take the necessary corrective action prior to Close of Escrow or refuse to do so, in which case Grantor shall notify the City of such refusal and the City shall be entitled to either close Escrow with knowledge of such notice(s) or terminate this Agreement.

13.9 No Tenancies. There are no leases, tenancies, sublease or any other forms of occupancy agreements granting any other party that is not a party to this Agreement a possessory interest in the Easement Area. Grantor acknowledges that the City is relying on Grantor's representation and warranty herein. In the event that this representation is untrue, then without limiting the City's recourse for Grantor's breach, if such other tenants or occupants shall be entitled to relocation or other benefits, Grantor shall have the sole and exclusive responsibility for providing all such benefits and paying all costs required to comply with all applicable federal and state laws, rules, and regulations and satisfying all claims of such parties. Grantor hereby agrees to indemnify, defend, protect, and hold City harmless from and against any claims asserted against or sustained by City arising from Grantor's breach of this representation.

14. Waiver of Property Rights and Interests. Except for those obligations expressly set forth herein, Grantor for itself and for its successors and assigns fully releases, acquits and discharges the City and its officers, officials, council members, employees, attorneys, accountants, other professionals, insurers, and agents, and all entities, boards, commissions, and bodies related to any of them (collectively, the "**Released Parties**") from all claims that Grantor and its successors and assigns has or may have against the Released Parties arising out of or related to City's acquisition of the Easements, including, without limitation, all of Grantor's property rights and interests therein, including but not limited to (i) any improvements, including improvements pertaining to the realty, furniture, fixture, and equipment, (ii) business goodwill, (iii) lost income (past or future), (iv) relocation benefits, assistance and/or compensation (v) severance damages, if any, (vi) economic or consequential damages, (vii) professional consultant fees and attorney's fees and costs, (viii) precondemnation damages, (ix) any right to repurchase, leaseback from City, or receive any financial gain from, the sale of any portion of the Easement Area, (x) any right to enforce obligation(s) placed upon City pursuant to Code of Civil Procedure sections 1245.245 and 1263.615, (xi) any rights conferred upon Grantor pursuant to Code of Civil Procedure sections 1245.245 and 1263.615 and 1263.025, and (xii) all other costs, and any and all compensable interests, and/or damages, and/or claims, of any kind and nature, claimed or to be claimed, suffered or to be suffered, by Grantor, its agents, successors and assigns by reason of the City's acquisition of the Easements subject of the Eminent Domain Action provided that nothing herein shall release claims of Grantor for any liability resulting from the City's breach of any agreement, warranty, or covenant for which it is responsible under this Agreement. This waiver does not apply to any claims for damage or injury to any person or property arising from the construction of the Project due to the negligence or willful misconduct of the City's agents or contractors constructing the Project. This waiver applies solely to those claims arising out of or related to the City's acquisition of the Easements by eminent domain in the Action, and does not apply to those claims held by Grantor, if any, related to claims of

environmental contamination and damage caused by the City's existing water pipeline originally identified in recorded deed at Mendocino County Official Records at book 80 page 168, and subsequently adjusted to its current location as identified by the label "approx location of proposed pipeline" in the map attached as Exhibit 4 hereto dated June 14, 1958. This paragraph shall survive the Close of Escrow.

15. Waiver of Civil Code Section 1542. Grantor, on behalf of itself and its agents, successors and assigns, expressly waives all rights under Section 1542 of the Civil Code of the State of California ("Section 1542"), or any other federal or state statutory rights or rules, or principles of common law or equity, or those of any jurisdiction, government, or political subdivision thereof, similar to Section 1542 (hereinafter referred to as a "Similar Provision"). Thus, Grantor and its agents, successors and assigns, and any business, enterprise, or venture in which they are involved, may not invoke the benefits of Section 1542 or any Similar Provision in order to prosecute or assert in any manner the matters released in Section 13 above. Section 1542 provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Grantor's Initials: MD

This waiver applies solely to those claims arising out of or related to the City's acquisition of the Easements by eminent domain in the Action, and does not apply to those claims held by Grantor, if any, related to claims of environmental contamination and damage caused by the City's existing water pipeline originally identified in recorded deed at Mendocino County Official Records at book 80 page 168, and subsequently adjusted to its current location as identified by the label "approx location of proposed pipeline" in the map attached as Exhibit 4 hereto dated June 14, 1958.

16. Survival. Any warranties, representations, promises, covenants, agreements, and indemnifications that this Agreement does not require to be fully performed prior to Close of Escrow shall survive Close of Escrow and shall be fully enforceable after Close of Escrow in accordance with their terms.

17. Waiver, Consent and Remedies. Each provision of this Agreement to be performed by the City and Grantor shall be deemed both a covenant and a condition and shall be a material consideration for Grantor's and the City's performance hereunder, as appropriate, and any breach thereof by the City or Grantor shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived.

The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

18. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by reputable overnight courier, sent by registered or certified mail, postage prepaid, return receipt requested, or emailed, and shall be deemed received upon the earlier of: (i) if personally delivered, the date of delivery to the address of the person to receive such notice; (ii) if mailed, three business days after the date of posting by the United States post office; (iii) if delivered by Federal Express or other overnight courier for next business day delivery, the next business day; or if emailed, the date the email was sent to the email address of the person to receive such notice. Notice of change of address shall be given by written notice in the manner described in this Section 17. Rejection or other refusal to accept or the inability to deliver because of a change in address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Unless changed in accordance herewith, the addresses for notices given pursuant to this Agreement shall be as follows:

If to Grantor: Redwood Timber Company LLC
 90 W. Redwood Avenue
 Fort Bragg, CA 95437

Copy to: Stephen F. Johnson
 Mannon, King, Johnson & Wipf, LLP
 PO Box 419
 Ukiah, CA 95482
 (707) 707-468-0284 (fax)
 steve@mkjlex.com

 Redwood Timber Company LLC
 P.O. Box 1300
 Morgan Hill, CA 95437

If to the City: John Smith, Director of Public Works
 City of Fort Bragg
 416 North Franklin Street
 Fort Bragg, CA 95437
 jsmith@fortbragg.com

Copy to: Baron J. Bettenhausen
Jones Mayer
3777 N. Harbor Blvd.
Fullerton, CA 92835
(714) 446-1448 fax
bjb@jones-mayer.com

19. Default. Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein constitutes a default under this Agreement. The injured party shall give written notice of default to the party in default, specifying the default complained of. The defaulting party shall immediately commence to cure such default and shall diligently complete such cure within ten (10) days from the date of the notice. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within such ten-day period.

20. Interpretation. This Agreement shall be interpreted as though jointly prepared by both parties.

21. Entire Agreement. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

22. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

23. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by the City and Grantor.

24. Counterparts. This Agreement may be executed in any number of identical counterparts and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any counterpart signature pages may be detached and assembled to form a single original document. This Agreement may be executed by signatures transmitted by facsimile, adobe acrobat or other electronic image files and these signatures shall be valid, binding and admissible as though they were ink originals.

25. Legal Advice. Each Party represents and warrants to the other the following: they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

26. Cooperation. Each Party agrees to cooperate with the other in the closing of this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement.

27. Effective Date. This Agreement shall become effective upon the full execution by the Parties (the “Effective Date”).

28. Right of Entry and Possession. Immediately upon execution of this Agreement by all Parties, Grantee and/or its employees, contractors, agents, and assigns, shall have the right to enter upon and take possession of the Easement Area during the Escrow period for the purpose of constructing the Project and accomplishing all necessary incidents thereto. The City shall have access to the Easement Area through the “Haul Road” access gate. A keypad opens the gate, and the gate automatically closes after a vehicle passes through the gate. There is another gate located on the A&W Road, East of Newman Gulch, and City staff and contractors will not have access to the Easement Area through the Newman Gulch gate or otherwise unless if construction equipment necessary for the Project or other equipment required to be present for performance of the terms of this Agreement cannot enter through the “Haul Road” access gate and Access Road as depicted in Exhibit C hereto, City staff and contractors along with the aforesaid equipment shall be permitted to enter the Easement Area through the southern terminus of the Easement Area where it intersects and meets with the neighboring owner Celeri Trust’s property located at Mendocino County Assessor Parcel Number 019-690-12. The City shall provide Grantor with at least 24-hour notice prior to accessing the Property. The City shall provide Grantor with a list of all individuals authorized to access the Project on the Property, and all individuals accessing the Easement Area shall sign in and sign out daily on Grantor’s form at the access gate. The list of individuals to be provided shall include all contractor employees, sub-contractor employees, City employees, and any other agents of the City. At all times during construction, the City shall keep at least one lane of the Haul Road open to vehicular, logging truck, and equipment traffic for the benefit of Grantor, its contractors, employees, and its other agents. The City, its employees, contractors, and agents shall not make any recreational use of the Property. City shall indemnify, defend and hold harmless Grantor and Grantor’s officers, directors, members, shareholders, employees, contractors, licensee, agents, and representatives (individually and collectively, “Indemnitee”) from and against any action, cause of action, liability, suit, costs and expenses (including court costs and reasonable attorney’s fees), claim, liens (including mechanics’ liens), or demand whatsoever (collectively, “Claims”) brought or asserted by any third person whomsoever, at law or in equity, arising out of or in connection with City’s operation, use, maintenance or repair of City’s facilities, or use of the Easement Area during the term of this Right of Entry.

29. Consent to Dismissal of Eminent Domain Action and Return of Deposit:
California Code of Civil Procedure Section 664.6.

29.1 Grantor and Grantee agree and consent to the dismissal of the Eminent Domain Action, and Grantor waives any and all claim to money, including interest, that may be deposited in the with the State Condemnation Deposits Fund in such an action, and hereby stipulates to the release of the Deposit money back to City, and Grantor and City hereby waive any right to recover any litigation costs or attorney’s fees as a result of the dismissal or abandonment of the Eminent Domain Action by City. The provisions of this Section shall

survive any termination of this Agreement or the Close of Escrow and the recording of the Permanent Easement Deed. Each of the Parties shall bear their own attorney's fees and costs incurred in prosecuting and/or defending the Eminent Domain Lawsuit.

29.2 The Parties agree that this Agreement may be enforced pursuant to California Code of Civil Procedure Section 664.6, and that the Court shall retain jurisdiction of this matter until all terms of this Agreement are satisfied.

26. Attorney Fees. In any claim or controversy arising out of or in connection with this Agreement or any provision contained herein, the prevailing party shall be entitled to be reimbursed for all costs incurred, including, but not limited to, attorneys' fees and expenses.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

[SIGNATURES ON FOLLOWING PAGE]

“City”
CITY OF FORT BRAGG:

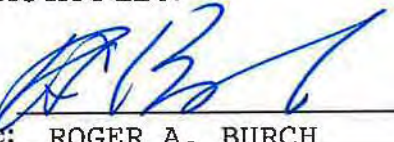
“Grantor”

REDWOOD TIMBER COMPANY LLC
formerly known as LYME REDWOOD
TIMBERLANDS LLC:


By: _____
Name: Isaac Whippy
Its: City Manager

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER


RJS TIC HTC LLC:

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

PV TIC HTC LLC:

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

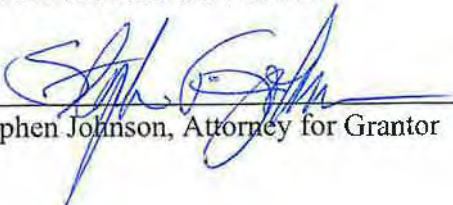
RMB TIC HTC LLC:

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Baron J. Bettenhausen, City Attorney
City of Fort Bragg


Stephen Johnson, Attorney for Grantor

“City”
CITY OF FORT BRAGG:

“Grantor”

REDWOOD TIMBER COMPANY LLC
formerly known as LYME REDWOOD
TIMBERLANDS LLC:

By: DocuSigned by:
Isaac Whippy
50E8C1A52F474A7...
Name: Isaac Whippy
Its: City Manager

By: _____
Name: _____
Its: _____

RJS TIC HTC LLC:

By: _____
Name: _____
Its: _____

PV TIC HTC LLC:

By: _____
Name: _____
Its: _____

RMB TIC HTC LLC:

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

DocuSigned by:
Baron J. Bettenhausen
5B8D1F8825C84D1...
Baron J. Bettenhausen, City Attorney

Stephen Johnson, Attorney for Grantor

City of Fort Bragg

EXHIBIT 1

[DO NOT USE—EXEMPLAR ONLY]

PERMANENT EASEMENT AGREEMENT

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

City Clerk
City of Fort Bragg
416 North Franklin Street
Fort Bragg, CA 95437

A.P.N.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

THIS IS TO CERTIFY THAT THIS DOCUMENT IS PRESENTED FOR RECORDING
BY THE CITY OF FORT BRAGG UNDER GOVERNMENT CODE SECTION 27383
AND IS ALSO EXEMPT FROM PAYMENT OF DOCUMENTARY TRANSFER TAX

PERMANENT EASEMENT AGREEMENT

THIS PERMANENT EASEMENT AGREEMENT (the "Agreement"), dated the ____ day of _____, 2023, by and between _____, hereinafter called "Grantor", and THE CITY OF FORT BRAGG, a municipal corporation, hereinafter called "Grantee".

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Grantor does hereby GRANT to the City a non-exclusive permanent, subsurface easement ("Permanent Easement" or "Easement") to survey, install, construct, reconstruct, alter, operate, remove, replace, inspect, repair, and maintain underground pipeline(s) for water and storm water (collectively, the "Facilities") in, under, across, and along that certain real property located in the County of Mendocino, State of California, as described in Exhibit "A," and as depicted in Exhibit "B," and Exhibit "C."

The Permanent Easement is subject to the following terms and conditions:

Trimming.

Grantee may from time to time, trim or cut down, without Grantee paying compensation, any and all trees and brush now or hereafter located within said Permanent Easement.

Ingress/Egress.

Grantee, and its employees, contractors, agents and assigns ("Authorized Users") shall have the right of reasonable egress and ingress over and across the Easement and a portion of the Grantor's real property as depicted in "Exhibit "B" and Exhibit "C" (collectively, "Property") and a portion of the remaining servient larger parcel to allow for access to personnel, vehicles, and construction equipment, to, from, and along the Permanent Easement,, including the right to reasonably use existing roadways, driveways, drive aisles, and parking areas, if any, within the larger parcel as shall be convenient and necessary to access the Facilities and/or the Permanent Easement; provided however, that nothing shall prevent or limit Grantor's s right to close such roadways, driveways, drive aisles, or parking areas, if any, and to provide Grantee or its Authorized Users with comparable alternative access to the Permanent Easement. Grantee shall not construct a road, or otherwise use the Permanent Easement for ingress and egress, recreation, or for any other purpose, except as expressly referenced in this Agreement.

Right of Entry and Road Use.

Grantee shall have access to the Easement Area through the "A&W Haul Road" and access gate as depicted in Exhibit "C." And, if construction equipment necessary for the Project or other equipment required to be present for performance of the terms of this Agreement cannot enter through the "A&W Haul Road" access gate and Access Road as depicted in Exhibit C hereto, City staff and contractors along with the aforesaid equipment shall be permitted to enter the Easement Area through the southern terminus of the Easement Area where it intersects and meets with the neighboring owner Celeri Trust's property located at Mendocino County Assessor Parcel Number 019-690-12. A keypad opens the gate, and the gate automatically closes after a vehicle passes through the gate. There is another gate located on the A&W Haul Road, East of Newman Gulch, and City staff and contractors will not have access to the Easement Area through the Newman Gulch gate or otherwise. Grantee shall provide Grantor with at least 24-hour notice prior to accessing the Property. Grantee shall provide Grantor with a list of all individuals authorized to access the Project on the Property, and all individuals accessing the Easement Area shall sign in and sign out daily on Grantor's form at the access gate. The list of individuals to be provided shall include all contractor employees, sub-contractor employees, Grantee's employees, and any other agents of Grantee. At all times during construction, Grantee shall keep at least one lane of the A&W Haul Road open to vehicular, logging truck, and equipment traffic for the benefit of Grantor, its contractors, employees, and its other agents. Grantee, its employees, contractors, and agents shall not make any recreational use of the Property.

Fire Prevention.

No smoking shall occur on the Property. All equipment shall be equipped with a fire extinguisher and shovel. Grantee shall have a full water truck on site during construction.

Agreement Runs With the Property.

The rights granted to Grantee by this Agreement are appurtenant to Grantor's Property, and run with the land, and shall bind and inure to the benefit of the Parties, and their respective representatives, heirs, executors, administrators, successors, assigns, families, partners, employers, employees, officers, directors, shareholders, and agents.

Insurance

Grantee shall name Grantor as an additional insured on its general liability insurance policy and provide a copy of such coverage to Grantor.

Contractor's Insurance.

Liability Insurance. Any contractors that shall work on the Property shall maintain in full force throughout the term of such work commercial general liability insurance providing coverage on an occurrence form basis with limits of Two Million Dollars (\$2,000,000.00) each occurrence for bodily injury and property damage combined, Two Million Dollars (\$2,000,000.00) annual general aggregate, and Two Million Dollars (\$2,000,000.00) products and completed operations annual aggregate.

Certificates of Insurance.

Grantee and Grantee's Contractor shall furnish to Grantor a certificate of insurance reflecting that the insurance required by this Section is in force.

No Interference.

Following the initial construction and installation of the Facilities in the Permanent Easement, any further use, maintenance, operation, alteration, addition to, inspection, repair, removal, reconstruction, and/or replacement of the Facilities by Grantee shall be undertaken in a manner so as to minimize interference with the use and operation of, and access to, Grantor's Property.

Improvements.

No building, fences, walls or other permanent structures of any kind, flammable substance, wells, reservoirs, or other obstructions, and no deep rooted trees, deep rooted shrubs or other plants or vegetation, shall be installed, constructed, erected, placed, planted or maintained within the Permanent Easement without prior written consent of the Grantee, which consent shall not be unreasonably withheld, conditioned or delayed. Nor shall the ground level in the Permanent

Easement area be diminished or substantially added to, nor shall any fences be constructed that will interfere with the maintenance, repair and operation of said Facilities.

Damage to Pipeline.

Grantee warrants that the Facilities have been designed to eliminate the risk of damage by heavy equipment typically used for timber operations, up to 100,000 pounds. Except as otherwise provided herein, Grantor is a timber company, it is free to make full use of the surface of the Easement and Facilities, and to conduct timber harvesting, timber operations on and/or around the Easement and Facilities. Except as otherwise provided herein, and excepting Grantor's gross negligence and intentional misconduct, Grantor shall not be responsible for the damage or repair to the Permanent Easement or Facilities arising out of timber harvesting, timber related operations, use of heavy equipment, and/or any other surface related activities on or around the Permanent Easement and Facilities.

Location.

Grantee and its Authorized Users shall have the right to mark the location of the Permanent Easement in a manner which will not interfere with the landowner's reasonable and lawful use of the Permanent Easement and will not interfere with its customary business operations.

Exclusivity.

Except for preexisting easements, if any, and any subsequently granted right, license, or easement to use the Haul Road that bisects a portion of the Easement, no other easement or easements shall be granted within the Permanent Easement without the prior written consent of Grantee, which consent shall not be unreasonably withheld, conditioned, or delayed. Except as otherwise provided herein, Grantor shall have the right to use the surface of the Permanent Easement for any purpose that does not interfere and is not inconsistent with the rights granted to Grantee under this Easement.

Compliance with Laws.

Grantee is responsible for any damage to landowner's property caused by Grantee's or the Authorized Users' activities related to the Easement. In the event Grantee's or Authorized Users' activities damage landowner's larger property, then subject to any restrictions set forth herein, Grantee shall restore the damaged area to its prior condition to the best it is able. Any work performed by Grantee or the Authorized Users in the Permanent Easement must be performed in a good and workmanlike manner and Grantee shall be solely responsible for obtaining all applicable permits necessary to install, repair, maintain and/or replace the Facilities.

Indemnity.

Grantee shall indemnify, defend and hold harmless landowner from and against any action, cause of action, liability, suit, costs and expenses (including court costs and reasonable attorneys' fees), claim, liens (including mechanics' liens), or demand whatsoever (collectively, "Claims") brought or asserted by any third person whomsoever, at law or in equity, arising out of or in connection with Grantee's installation, repair, maintenance and/or operation of the Facilities in the Permanent Easement, or use of the Permanent Easement, provided, however, that this indemnity shall not extend to that portion of such loss or damage that shall have been caused by landowner's comparative negligence or willful misconduct.

Hazardous Substances.

Nothing contained herein shall authorize Grantee or the Authorized Users to bring Hazardous Substances onto the Permanent Easement, or authorize any release of Hazardous Substances in, on, under or from same. For the purposes of this Easement, Hazardous Substances (or any derivation thereof) means any and all hazardous materials, toxic substances, chemicals, contaminants, pollutants, solid wastes or waste, as defined by any applicable environmental law, and also includes, but is not limited to, any lead paint, mold, radon, petroleum, petroleum products, petroleum by products, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous waste, toxic substances, toxic chemicals, chemicals, pesticides, radioactive materials, polychlorinated biphenols, methane, soil vapor, gas, linoleum, and surface and subsurface man-made media left at or underneath the larger property, and any other element, compound, mixture, solution, substance, material, waste or the like which may pose a present or potential danger to human health and safety, biota or the environment. Grantee, its employees, agents, and/or contractors shall not under any circumstances change any equipment fluids on the Property.

Attorney Fees.

In any claim or controversy arising out of or in connection with this Agreement or any provision contained herein, the prevailing party shall be entitled to be reimbursed for all costs incurred, including, but not limited to, attorneys' fees and expenses.

Assignment.

Grantee may not assign, or otherwise transfer, any rights, benefits, or interests under this Agreement without the prior written consent and approval of Grantor, or its successors and assigns, and such approval shall not be unreasonably withheld.

Entire Agreement.

This Agreement constitutes the entire agreement between the Parties relating to the Permanent Easement. Any prior agreements, promises, negotiations or representations not expressly set forth in this Agreement are of no force and effect unless it is in writing and signed by the Parties.

[signature on following page]

IN WITNESS WHEREOF, the said parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.


“GRANTEE”

“GRANTOR”

CITY OF FORT BRAGG

REDWOOD TIMBER COMPANY LLC

By: _____
Name: Isaac Whippy
Title: City Manager


By:  _____
Name: ROGER A. BURCH
Title: MANAGING MEMBER

ATTEST:


City Clerk

RJS TIC HTC LLC:

APPROVED AS TO FORM:

By:  _____
Name: ROGER A. BURCH
Its: MANAGING MEMBER

Baron J. Bettenhausen, Esq., City Attorney
City of Fort Bragg

PV TIC HTC LLC:
By:  _____
Name: ROGER A. BURCH
Its: MANAGING MEMBER

ALL GRANTOR SIGNATURES MUST BE
NOTARIZED.
ATTACH ACKNOWLEDGEMENTS AS REQUIRED

RMB TIC HTC LLC:
By:  _____
Name: ROGER A. BURCH
Its: MANAGING MEMBER

IN WITNESS WHEREOF, the said parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

“GRANTEE”

“GRANTOR”

CITY OF FORT BRAGG

REDWOOD TIMBER COMPANY LLC

DocuSigned by:
Isaac Whippy
50E8C1A52E474A7
By: _____
Name: Isaac Whippy
Title: City Manager

By: _____
Name: _____
Title: _____

ATTEST:
DocuSigned by:
Diana Sanchez
383A7A096E154B2...

City Clerk

RJS TIC HTC LLC:

APPROVED AS TO FORM:

By: _____
Name: _____
Its: _____

DocuSigned by:
Baron J. Bettenhausen
5B6D1F6925C84D1...

Baron J. Bettenhausen, Esq., City Attorney
City of Fort Bragg

PV TIC HTC LLC:

By: _____
Name: _____
Its: _____

ALL GRANTOR SIGNATURES MUST BE
NOTARIZED.
ATTACH ACKNOWLEDGEMENTS AS REQUIRED

RMB TIC HTC LLC:

By: _____
Name: _____
Its: _____

ACKNOWLEDGMENT


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California
County of Mendocino

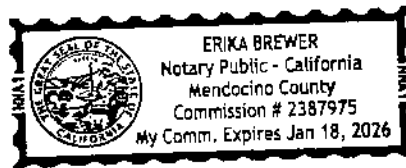
On March 12, 2024, before me, Erika Brewer, Notary Public, personally appeared Roger A. Burch, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Signature



(Seal)

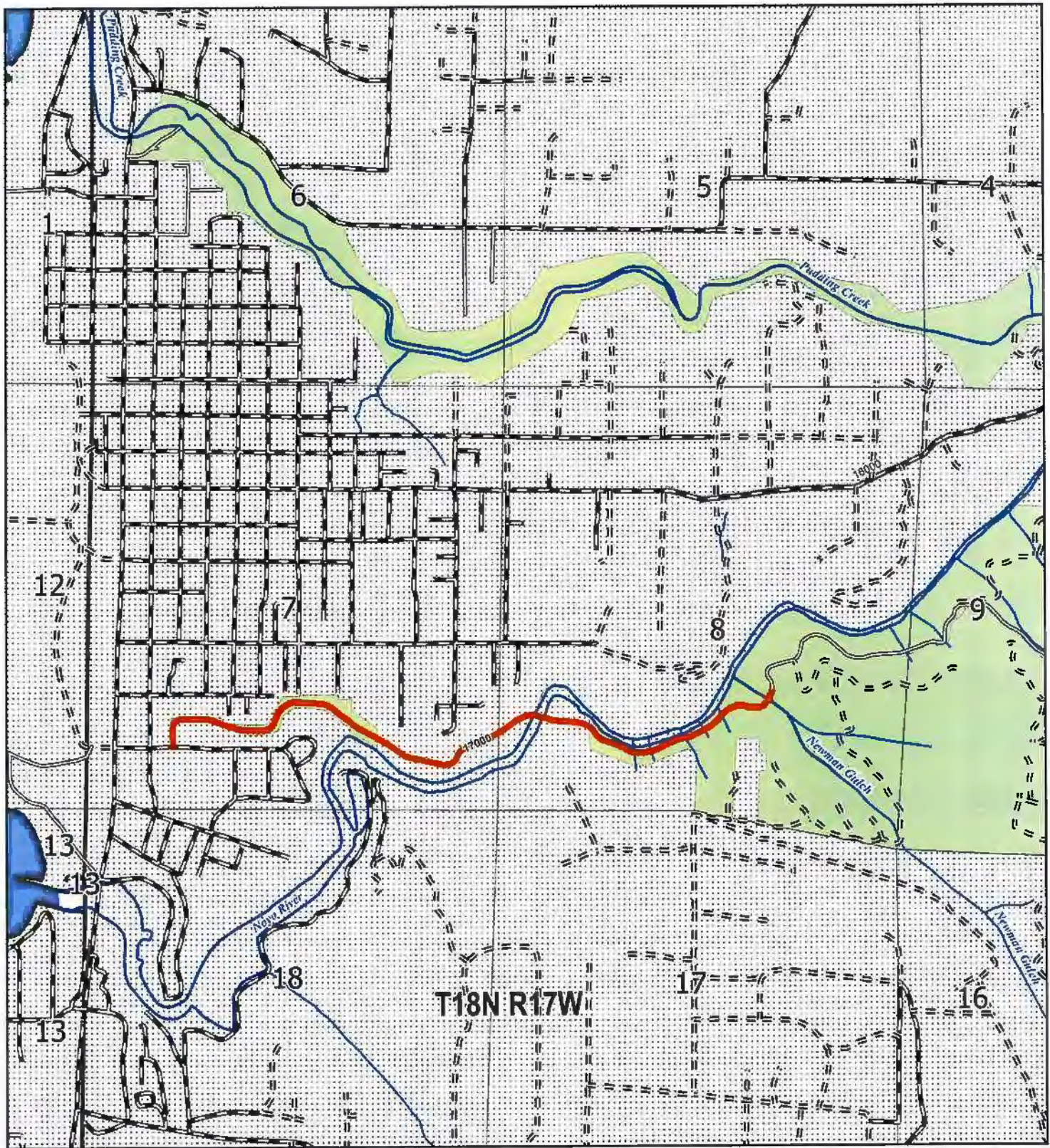
Exhibit A

[to be inserted during escrow following completion of an as-built survey]

Exhibit B

[to be inserted during escrow following completion of an as-built survey]

Exhibit C



A&W Haul Road to Newman Gulch



- Streams
- Access Road
- Paved Road
- Redwood Timber Co LLC
- Rock Road
- Off Ownership
- Dirt Road

EXHIBIT 2

[DO NOT USE—EXEMPLAR ONLY]

TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (the “**Agreement**”), dated the ____ day of _____, 2023, by and between _____, hereinafter called “**Grantor**”, and THE CITY OF FORT BRAGG, a municipal corporation, hereinafter called “**Grantee**”.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Grantor does hereby GRANT to the City a Temporary Construction Easement for the purposes of facilitating construction of underground pipeline(s) for water and storm water (collectively, the “**Facilities**”), including the right to place equipment and vehicles, pile earth thereon, and utilize said Temporary Construction Easement for all other related activities and purposes under, in, over and upon the real property in the City of Fort Bragg, County of Mendocino, State of California, as described in Exhibit “A,” and as depicted in Exhibit “B,” and Exhibit “C.”

(hereinafter, the “**TCE Area**”). The Temporary Construction Easement shall commence immediately upon its execution and delivery to City and shall automatically terminate thirty (30) days after the Grantee provides written notice to Grantor of the completion of construction and installation of the Facilities (“**TCE Term**”).

The Temporary Construction Easement is subject to the following terms and conditions:

Trimming.

During the TCE Term, Grantee may from time to time, trim or cut down, without Grantee paying compensation, any and all trees and brush now or hereafter located within the TCE Area.

Ingress/Egress.

Grantee, and its employees, contractors, agents and assigns (“**Authorized Users**”) shall have the right of reasonable egress and ingress over and across the TCE Area and a portion of the remaining servient larger parcel to allow for access to personnel, vehicles, and construction equipment, to, from, and along the TCE Area, including the right to reasonably use existing roadways, driveways, drive aisles, and parking areas, if any, within the larger parcel as shall be convenient and necessary to access the Facilities and/or the TCE Area; provided however, that nothing shall prevent or limit Grantor’s right to close such roadways, driveways, drive aisles, or parking areas, if any, and to provide Grantee or its Authorized Users with comparable alternative access to the TCE Area.

Right of Entry and Road Use.

Grantee shall have access to the TCE Area through the “**A&W Haul Road**” and access gate as depicted in Exhibit “C.” And, if construction equipment necessary for the Project or other equipment required to be present for performance of the terms of this Agreement cannot enter through the “**A&W Haul Road**” access gate and Access Road as depicted in Exhibit C hereto, City staff and contractors along with the aforesaid equipment shall be permitted to enter the Easement Area through the southern terminus of the Easement Area where it intersects and meets with the neighboring owner Celeri Trust’s property located at Mendocino County Assessor Parcel Number 019-690-12. A keypad opens the gate, and the gate automatically closes after a vehicle passes through the gate. There is another gate located on the A&W Haul Road, East of Newman Gulch, and Grantee’s staff and contractors will not have access to the Easement Area through the Newman Gulch gate or otherwise. Grantee shall provide Grantor with at least 24-hour notice prior to accessing the Property. Grantee shall provide Grantor with a list of all individuals authorized to access the Project on the Property, and all individuals accessing the Easement Area shall sign in and sign out daily at the access gate. The list of individuals to be provided shall include all contractor employees, sub-contractor employees, Grantee’s employees, and any other agents of Grantee. At all times during construction, Grantee shall keep at least one lane of the A&W Haul Road open to vehicular, logging truck, and equipment traffic for the benefit of Grantor, its contractors, employees, and its other agents. Grantee, its employees, contractors, and agents shall not make any recreational use of the Property.

Fire Prevention.

No smoking shall occur on the Property. All equipment shall be equipped with a fire extinguisher and shovel. Grantee shall have a full water truck on site during construction.

Improvements.

During the TCE Term, no building, fences, walls or other permanent structures of any kind, flammable substance, wells, reservoirs, or other obstructions, and no deep rooted trees, deep rooted shrubs or other plants or vegetation, shall be installed, constructed, erected, placed, planted or maintained within the TCE Area without prior written consent of the Grantee, which consent shall not be unreasonably withheld, conditioned or delayed. Nor shall the ground level in the TCE Area be diminished or substantially added to, nor shall any fences be constructed that will interfere with the construction and installation of said Facilities.

Location.

Grantee and its Authorized Users shall have the right to mark the location of the TCE Area in a manner which will not interfere with the landowner's reasonable and lawful use of the TCE Area and will not interfere with its customary business operations.

Damage to Pipeline.

Grantee warrants that the Facilities have been designed to eliminate the risk of damage by heavy equipment typically used for timber operations, up to 100,000 pounds. Except as otherwise provided herein, Grantor is a timber company, it is free to make full use of the surface of the Easement and Facilities, and to conduct timber harvesting, timber operations on and/or around the Easement and Facilities. Except as otherwise provided herein, and excepting Grantor's gross negligence and intentional misconduct, Grantor shall not be responsible for the damage or repair to the Permanent Easement or Facilities arising out of timber harvesting, timber related operations, use of heavy equipment, and/or any other surface related activities on or around the Permanent Easement and Facilities.

Exclusivity.

During the TCE Term, no other easement or easements shall be granted within the TCE Area without the prior written consent of Grantee, which consent shall not be unreasonably withheld, conditioned or delayed. During the TCE Term, Grantor shall have the right to use the surface of the TCE Area for any purpose that does not interfere and is not inconsistent with the rights granted to Grantee under this Easement.

Compliance with Laws.

Grantee is responsible for any damage to landowner's property caused by Grantee's or the Authorized Users' activities related to the Temporary Construction Easement. In the event Grantee's or Authorized Users' activities damage landowner's larger property, then subject to any restrictions set forth herein, Grantee shall restore the damaged area to its prior condition to the best it is able. Any work performed by Grantee or the Authorized Users in the TCE Area must be performed in a good and workmanlike manner and Grantee shall be solely responsible for obtaining all applicable permits necessary to install the Facilities.

Indemnity.

Grantee shall indemnify, defend and hold harmless landowner from and against any action, cause of action, liability, suit, costs and expenses (including court costs and reasonable attorneys' fees), claim, liens (including mechanics' liens), or demand whatsoever (collectively, "Claims") brought or asserted by any third person whomsoever, at law or in equity, during the TCE Term arising out of or in connection with Grantee's construction and installation of the Facilities in the TCE Area, provided, however, that this indemnity shall not extend to that portion of such loss or damage that shall have been caused by landowner's comparative negligence or willful misconduct.

Insurance

Grantee shall name Grantor as an additional insured on its general liability insurance policy and provide a copy of such coverage to Grantor,

Contractor's Insurance.

Liability Insurance. Any contractors that shall work on the Property shall maintain in full force throughout the term of such work commercial general liability insurance providing coverage on an occurrence form basis with limits of Two Million Dollars (\$2,000,000.00) each occurrence for bodily injury and property damage combined, Two Million Dollars (\$2,000,000.00) annual general aggregate, and Two Million Dollars (\$2,000,000.00) products and completed operations annual aggregate.

Certificates of Insurance.

- 11 -

LA #4822-8206-1307 v1
4888-3192-7166 v17

The City and its contractor shall furnish to Grantor a certificate of insurance reflecting that the insurance required by this Section is in force.

Hazardous Substances.

Nothing contained herein shall authorize Grantee or the Authorized Users to bring Hazardous Substances onto the TCE Area, or authorize any release of Hazardous Substances in, on, under or from same. For the purposes of this Easement, Hazardous Substances (or any derivation thereof) means any and all hazardous materials, toxic substances, chemicals, contaminants, pollutants, solid wastes or waste, as defined by any applicable environmental law, and also includes, but is not limited to, any lead paint, mold, radon, petroleum, petroleum products, petroleum by products, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous waste, toxic substances, toxic chemicals, chemicals, pesticides, radioactive materials, polychlorinated byphenols, methane, soil vapor, gas, linoleum, and surface and subsurface man-made media left at or underneath the larger property, and any other element, compound, mixture, solution, substance, material, waste or the like which may pose a present or potential danger to human health and safety, biota or the environment. Grantee, its employees, agents, and/or contractors shall not under any circumstances change any equipment fluids on the Property.

Attorney Fees.

In any claim or controversy arising out of or in connection with this Agreement or any provision contained herein, the prevailing party shall be entitled to be reimbursed for all costs incurred, including, but not limited to, attorneys' fees and expenses.

Assignment.

Grantee may not assign, or otherwise transfer, any rights, benefits, or interests under this Agreement without the prior written consent and approval of Grantor, or its successors and assigns, and such approval shall not be unreasonably withheld.

[signature on following page]

IN WITNESS WHEREOF, the said parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

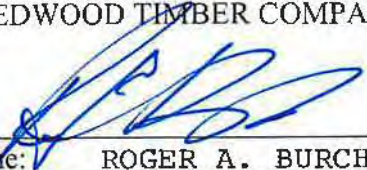
“GRANTEE”

“GRANTOR”

CITY OF FORT BRAGG

REDWOOD TIMBER COMPANY LLC

By: _____
Name: Isaac Whippy
Title: City Manager

By: 
Name: ROGER A. BURCH
Title: MANAGING MEMBER


ATTEST:

City Clerk

APPROVED AS TO FORM:

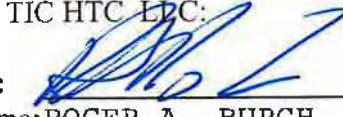
Baron J. Bettenhausen, Esq., City Attorney
City of Fort Bragg

RJS TIC HTC LLC:


By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

ALL GRANTOR SIGNATURES MUST BE NOTARIZED.
ATTACH ACKNOWLEDGEMENTS AS REQUIRED

PV TIC HTC LLC:

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

RMB TIC HTC LLC:

By: 
Name: ROGER A. BURCH
Its: MANAGING MEMBER

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“GRANTOR”

CITY OF FORT BRAGG

REDWOOD TIMBER COMPANY LLC

DocuSigned by:
Isaac Whippy
50E8C1A52F474A7...
By: _____
Name: Isaac Whippy
Title: City Manager

By: _____
Name: _____
Title: _____

ATTEST:
DocuSigned by:
Diana Sanchez
383A7A998E154B2...

City Clerk

APPROVED AS TO FORM:

RJS TIC HTC LLC:

DocuSigned by:
Baron J. Bettenhausen
5B8D1F6925C64D1...

Baron J. Bettenhausen, Esq., City Attorney
City of Fort Bragg

By: _____
Name: _____
Its: _____

ALL GRANTOR SIGNATURES MUST BE NOTARIZED.
ATTACH ACKNOWLEDGEMENTS AS REQUIRED

PV TIC HTC LLC:

By: _____
Name: _____
Its: _____

RMB TIC HTC LLC:

By: _____
Name: _____
Its: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California
County of Mendocino

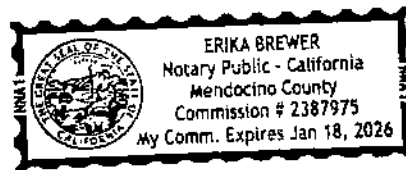
On March 12, 2024, before me, Erika Brewer, Notary Public, personally appeared Roger A. Burch, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Signature



(Seal)

EXHIBIT 'A'
20' WATER LINE EASEMENT

Lying within the unincorporated area of County of Mendocino, State of California, and being a portion of the lands of Redwood Timber Company LLC, a Delaware limited liability company, as shown on that Co-Tenancy Agreement recorded under Document Number 2022-02810, Official Records of Mendocino County, said Redwood Timber Company LLC was formerly known and appears of record as Lyme Redwood Timberlands LLC, a Delaware limited liability company, as to an undivided 75.00000% interest; RJS TIC HTC, LLC, a California limited liability company, as to an undivided 0.78346% interest; PV TIC HTC, LLC, a California limited liability company, as to an undivided 3.40448% interest; and RMB TIC HTC, LLC, a California limited liability company, as to an undivided 20.81206% interest, as described by Grant Deed recorded under Document Number 2015-18090, Official Records of Mendocino County, said portion is more particularly described as follows:

Being all that portion of said lands of Redwood Timber Company LLC et al. lying within a strip of land, 20 feet in width, and lying 10 feet on each side of an underground water pipeline, the centerline of which is more particularly described as follows:

COMMENCING at a 1-inch iron pipe, not tagged, marking the easterly common corner of said lands of Redwood Timber Company LLC et al. and the lands of Don H. Celeri and Julia C. Celeri, Trustees of The Don H. Celeri and Julia C. Celeri Revocable Living Trust, as described by Grant Deed recorded under Document Number 1998-14070, Official Records of Mendocino County, and marking the common corner of Sections 8, 9, 16 and 17, Township 18 North, Range 17 West, Mount Diablo Base and Meridian as shown on that Record of Survey filed in Drawer 82 of Maps at Page 66, Mendocino County Records, from which a 1-inch rebar and cap stamped "LS 3184" as shown on said Record of Survey bears North 78°36'46" West 1345.06 feet; thence along the easterly boundary of said lands of Celeri Trust, South 1°37'31" West 409.30 feet; thence leaving said easterly boundary, North 74°58'04" West 4.35 feet; thence North 7°28'04" West 151.70 feet; thence North 6°49'26" East 107.35 feet; thence North 18°57'35" East 52.47 feet; thence North 7°54'51" East 53.83 feet; thence North 65°11'42" West 131.84 feet; thence North 76°59'23" West 130.62 feet; thence North 80°17'45" West 97.94 feet; thence North 54°14'13" West 37.23 feet to common boundary of said lands of Redwood Timber Company LLC et al. and said lands of Celeri Trust, and the POINT OF BEGINNING of the herein described centerline of said pipeline, from which said 1-inch rebar bears North 78°36'46" West 965.58 feet; thence leaving said common boundary the following courses:

North 54°14'13" West 52.68 feet;
thence North 59°34'07" West 88.80 feet;
thence North 69°06'28" West 102.70 feet;
thence South 87°42'51" West 50.31 feet;
thence North 83°25'16" West 105.69 feet;
thence North 71°21'09" West 108.39 feet;
thence North 75°51'19" West 68.05 feet;
thence North 58°49'20" West 142.83 feet;
thence North 45°40'28" West 107.30 feet;

Cinquini & Passarino, Inc.
1360 North Dutton Avenue, Suite 150
Santa Rosa, CA 95401

Page 1 of 6

CPI No.: 8466-19
Tel: (707) 542-6268 Fax: (707) 542-2106
www.cinquinipassarino.com

EXHIBIT 'A'
20' WATER LINE EASEMENT

thence North 63°54'49" West 76.83 feet;
thence North 32°33'54" West 54.12 feet;
thence North 37°57'00" West 160.08 feet;
thence North 56°15'41" West 101.35 feet;
thence North 31°47'21" West 202.07 feet;
thence North 44°33'52" West 70.35 feet;
thence North 33°56'28" West 61.76 feet;
thence North 10°20'25" East 41.43 feet;
thence North 5°27'13" East 51.02 feet;
thence North 36°34'39" West 52.16 feet;
thence North 29°20'17" West 72.83 feet;
thence North 11°33'23" West 76.84 feet;
thence North 36°44'08" West 26.66 feet;
thence North 18°20'21" West 30.95 feet;
thence North 7°23'46" East 76.65 feet;
thence North 30°45'06" West 138.10 feet;
thence North 17°26'29" West 73.57 feet, from which a 3/4-inch rebar and cap stamped "PLS 5940" marking the northeast corner of the lands of Templer as shown on said Record of Survey bears South 76°40'05" West 108.45 feet;
thence North 4°09'27" West 19.44 feet;
thence North 26°19'36" West 78.07 feet;
thence North 46°08'38" West 82.08 feet;
thence North 55°14'52" West 39.73 feet;
thence North 85°01'21" West 60.93 feet;
thence North 77°33'02" West 54.77 feet;
thence North 46°51'02" West 144.07 feet;
thence South 83°10'57" West 81.45 feet;
thence North 31°41'18" West 46.79 feet;
thence along a non-tangent curve to the right, the radius point of which bears South 31°41'18" East 372.00 feet, through a central angle of 17°26'08", for a length of 113.20 feet;
thence North 75°44'50" East 36.32 feet;
thence North 86°38'31" East 52.68 feet;
thence South 79°00'08" East 132.16 feet;
thence along a curve to the left having a radius of 188.00 feet, through a central angle of 62°31'01", for a length of 205.13 feet;
thence North 56°37'30" East 15.40 feet;
thence North 30°40'51" East 50.19 feet;
thence North 4°44'12" East 11.43 feet;
thence North 30°40'51" East 26.06 feet;
thence North 22°39'32" East 65.63 feet;
thence along a curve to the left having a radius of 133.00 feet, through a central angle of 17°31'09", for a length of 40.67 feet;
thence North 40°55'12" East 4.00 feet;

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1360 North Dutton Avenue, Suite 150
Santa Rosa, CA 95401

Page 2 of 6

CPI No.: 8466-19
Tel: (707) 542-6268 Fax: (707) 542-2106
www.cinquinipassarino.com

EXHIBIT 'A'
20' WATER LINE EASEMENT

thence North 49°04'48" West 48.00 feet to the TERMINUS of the herein described centerline of said pipeline.

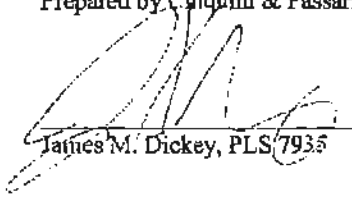
The northerly and southerly lines of said strip at the POINT OF BEGINNING shall be lengthened or shortened to terminate at the common boundary of said lands of Redwood Timber Company LLC et al. and said lands of Celeri Trust.

Containing 71,993 square feet (1.65 acres), more or less.

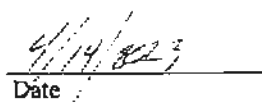
END OF DESCRIPTION

Being a portion of APN 019-630-05-00, 019-640-01-00 & -04-00

Prepared by Cinquini & Passarino, Inc.


James M. Dickey, PLS 7935




Date

Cinquini & Passarino, Inc.
1360 North Dutton Avenue, Suite 150
Santa Rosa, CA 95401

Page 3 of 6

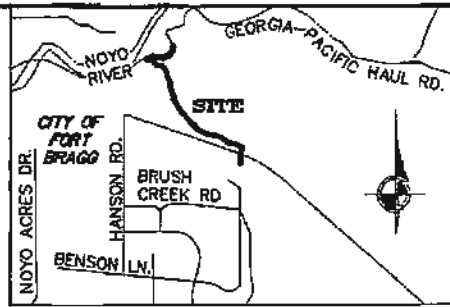
CPI No.: 8466-19
Tel: (707) 542-6268 Fax: (707) 542-2106
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EXHIBIT 'B'

THIS DIAGRAM IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMISSIONS SHALL NOT AFFECT THE LEGAL DESCRIPTION.

LEGEND

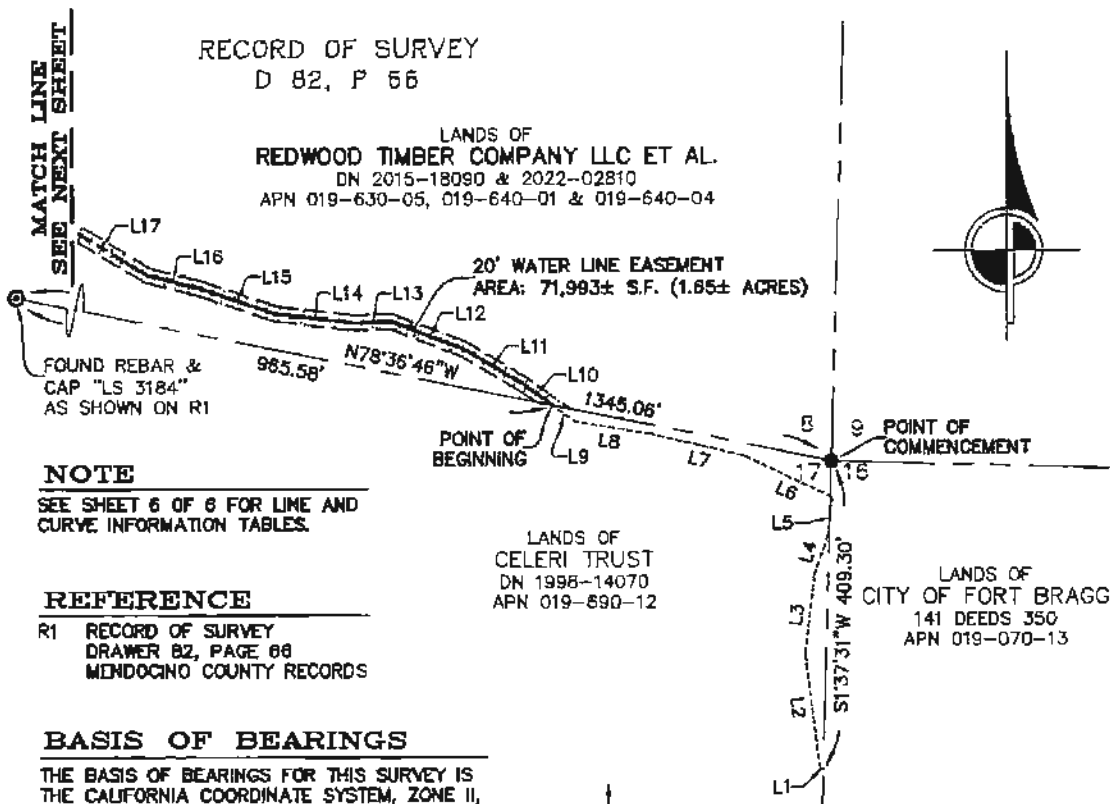
- ADJACENT PROPERTY BOUNDARY
- EASEMENT CENTERLINE
- SURVEY TIE
- WATER LINE EASEMENT AREA
- FOUND 1" IRON PIPE AS SHOWN ON R1, NO TAG
- FOUND REBAR & CAP AS NOTED
- S.F.** SQUARE FEET
- DN** DOCUMENT NUMBER



SITE MAP
NO SCALE

RECORD OF SURVEY
D 82, P 56

LANDS OF
REDWOOD TIMBER COMPANY LLC ET AL.
DN 2015-18090 & 2022-02810
APN 019-630-05, 019-640-01 & 019-640-04



NOTE

SEE SHEET 6 OF 6 FOR LINE AND CURVE INFORMATION TABLES.

REFERENCE

R1 RECORD OF SURVEY
DRAWER 82, PAGE 66
MENDOCINO COUNTY RECORDS

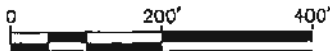
BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE CALIFORNIA COORDINATE SYSTEM, ZONE II, NAD 83, EPOCH 2017.50 AS DETERMINED LOCALLY BY A LINE BETWEEN CONTINUOUS GLOBAL POSITIONING SYSTEMS (CGPS) STATION P184 AND STATION P312; BEING NORTH 02°12'53" EAST AS DERIVED FROM GEODETIC VALUES PUBLISHED BY THE CALIFORNIA SPATIAL REFERENCE CENTER (CSRC).

CINQUINI & PASSARINO, INC.
LAND SURVEYING

△ BOUNDARY
△ TOPOGRAPHIC
△ CONSTRUCTION
△ SUBDIVISIONS

1360 No. Dutton Ave.
Santa Rosa, Ca. 95401
Phone: (707) 542-6268
Fax: (707) 542-2106
WWW.CINQUINIPASSARINO.COM

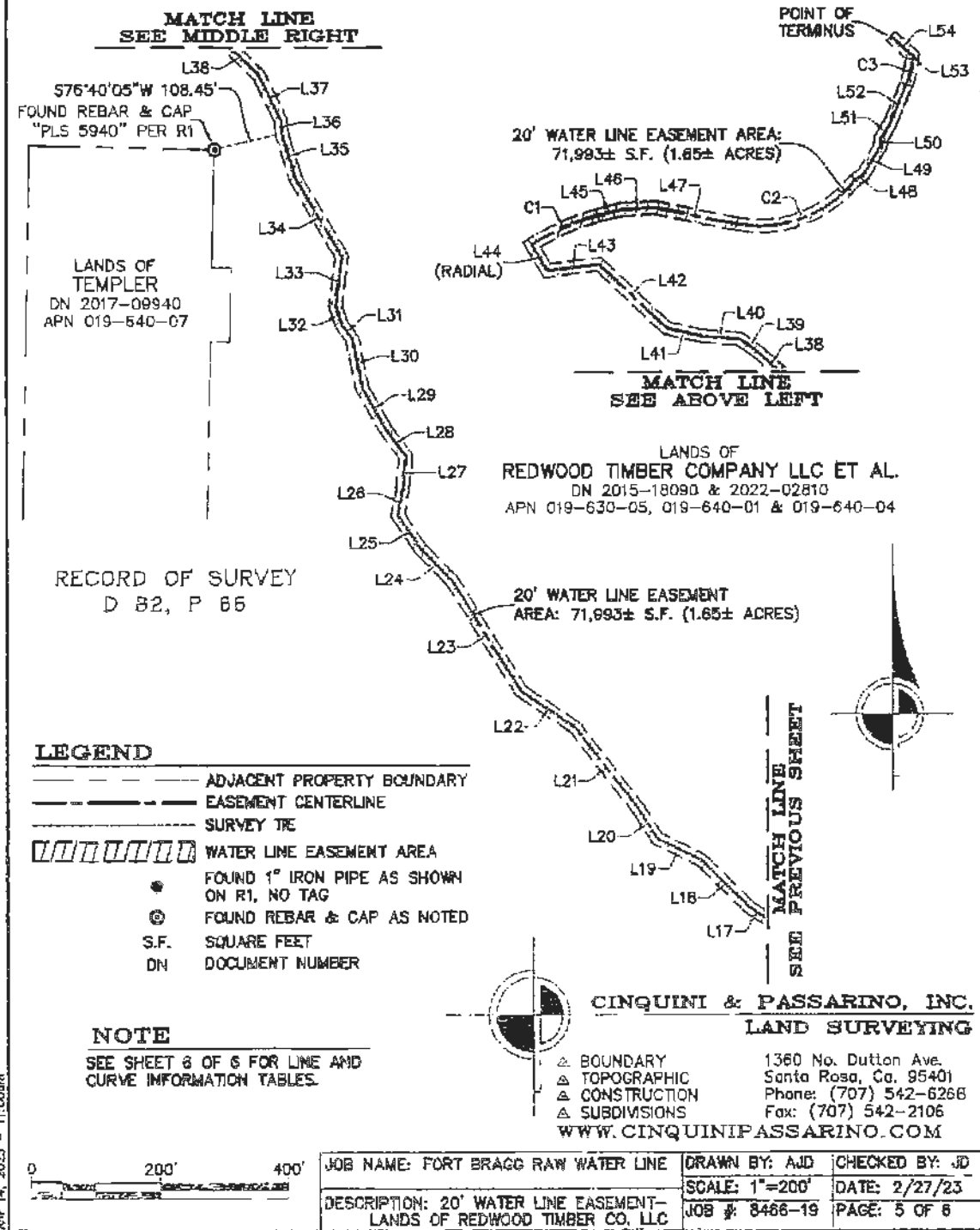


JOB NAME: FORT BRAGG RAW WATER LINE	DRAWN BY: AJD	CHECKED BY: JD
DESCRIPTION: 20' WATER LINE EASEMENT- LANDS OF REDWOOD TIMBER CO. LLC	SCALE: 1"=200'	DATE: 2/27/23
	JOB #: 8466-19	PAGE: 4 OF 6

Y:\8466\Con\ExhibitA\Phase 3\8466EXH1_Phase 3_Lyns_Redwood.dwg
Apr 14, 2023 10:58am

EXHIBIT 'B'

THIS DIAGRAM IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMISSIONS SHALL NOT AFFECT THE LEGAL DESCRIPTION.



Y:\3486\Cad\Exhibits\Phase 3\8466EXH_B_Phase 3_Lyme Redwood.dwg
 Apr 14, 2023 11:00am

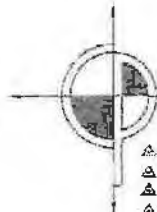
EXHIBIT 'B'
 THIS DIAGRAM IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS
 OR OMISSIONS SHALL NOT AFFECT THE LEGAL DESCRIPTION.

Line Table		
Line #	Direction	Length
L1	N74°58'04"W	4.35'
L2	N7°28'04"W	151.70'
L3	N6°49'26"E	107.35'
L4	N18°57'35"E	52.47'
L5	N7°54'51"E	53.83'
L6	N65°11'42"W	131.84'
L7	N76°59'23"W	130.62'
L8	N80°17'45"W	97.94'
L9	N54°14'13"W	37.23'
L10	N54°14'13"W	52.68'
L11	N59°34'07"W	88.80'
L12	N69°06'28"W	102.70'
L13	S87°42'51"W	50.31'
L14	N83°25'18"W	105.69'
L15	N71°21'09"W	108.39'
L16	N75°51'19"W	68.05'
L17	N58°49'20"W	142.83'
L18	N45°40'28"W	107.30'
L19	N63°54'49"W	76.83'
L20	N32°33'54"W	54.12'

Line Table		
Line #	Direction	Length
L21	N37°57'00"W	160.08'
L22	N56°15'41"W	101.35'
L23	N31°47'21"W	202.07'
L24	N44°33'52"W	70.35'
L25	N33°56'28"W	61.76'
L26	N10°20'25"E	41.43'
L27	N5°27'13"E	51.02'
L28	N36°34'39"W	52.16'
L29	N29°20'17"W	72.83'
L30	N11°33'23"W	76.84'
L31	N36°44'08"W	26.66'
L32	N18°20'21"W	30.95'
L33	N7°23'46"E	76.65'
L34	N30°45'06"W	138.10'
L35	N17°26'29"W	73.57'
L36	N4°09'27"W	19.44'
L37	N26°19'36"W	78.07'
L38	N46°08'38"W	82.08'
L39	N55°14'52"W	39.73'
L40	N85°01'21"W	60.93'

Line Table		
Line #	Direction	Length
L41	N77°33'02"W	54.77'
L42	N46°51'02"W	144.07'
L43	S83°10'57"W	81.45'
L44	N31°41'18"W	48.79'
L45	N75°44'50"E	36.32'
L46	N86°38'31"E	52.68'
L47	S79°00'08"E	132.16'
L48	N56°37'30"E	15.40'
L49	N30°40'51"E	50.19'
L50	N4°44'12"E	11.43'
L51	N30°40'51"E	26.06'
L52	N22°39'32"E	65.63'
L53	N40°55'12"E	4.00'
L54	N49°04'48"W	48.00'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	372.00'	17°26'08"	113.20'
C2	188.00'	62°31'01"	205.13'
C3	133.00'	17°31'09"	40.67'



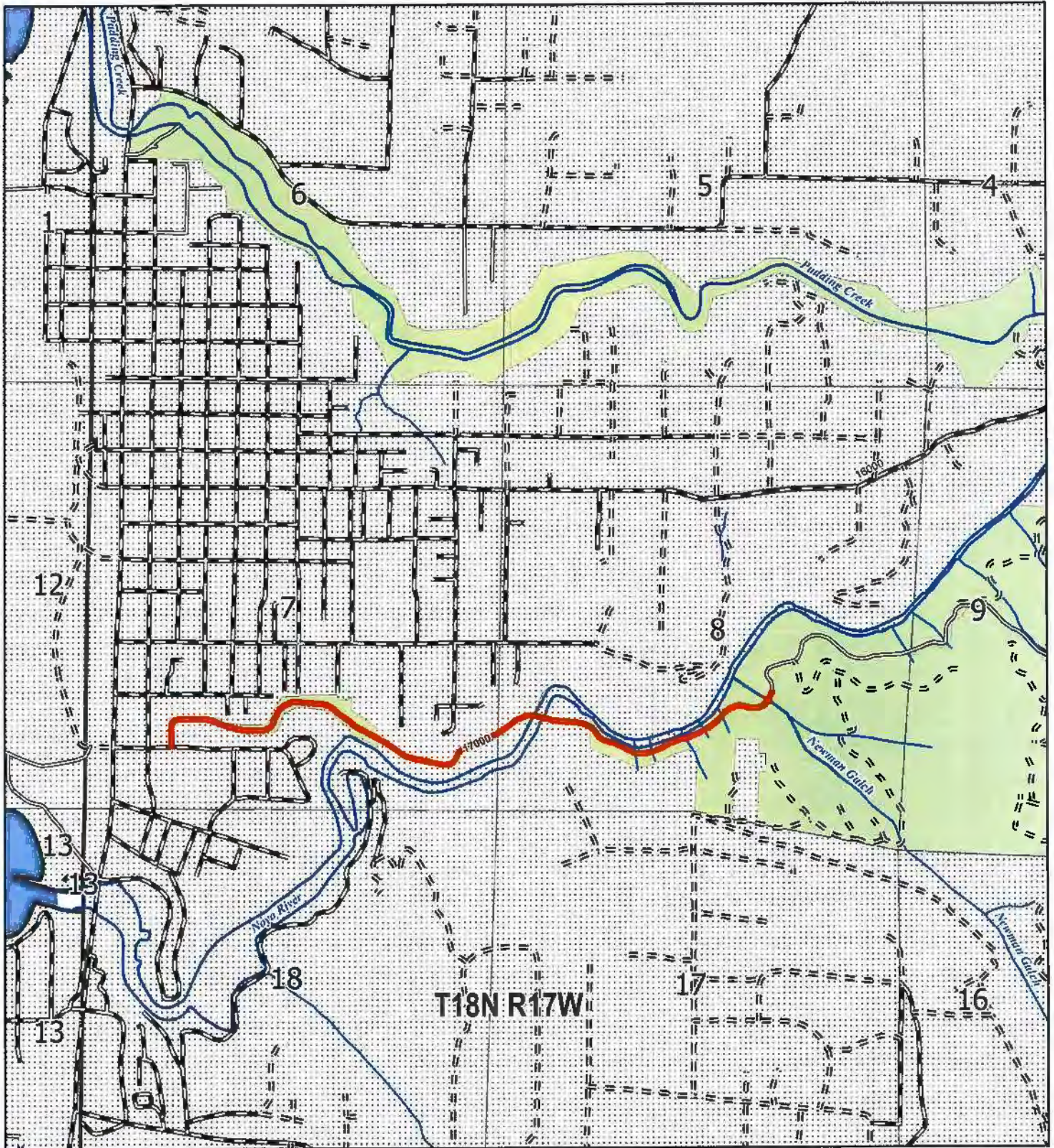
CINQUINI & PASSARINO, INC.
LAND SURVEYING

▲ BOUNDARY 1360 No. Dutton Ave.
 ▲ TOPOGRAPHIC Santa Rosa, Ca. 95401
 ▲ CONSTRUCTION Phone: (707) 542-6268
 ▲ SUBDIVISIONS Fax: (707) 542-2106
 WWW.CINQUINIPASSARINO.COM

Y:\8486\Cad\Exhibits\Phase 3\8486E\MT_Phase 3_Lyme Redwood.dwg
 Apr 14, 2023 11:10:00am

JOB NAME: FORT BRAGG RAW WATER LINE	DRAWN BY: AJD	CHECKED BY: JD
DESCRIPTION: 20' WATER LINE EASEMENT- LANDS OF REDWOOD TIMBER CO. LLC	SCALE: NO SCALE	DATE: 2/27/23
	JOB #: 8486-19	PAGE: 6 OF 6

Exhibit C



A&W Haul Road to Newman Gulch



- Streams
- Access Road
- Paved Road
- Rock Road
- Dirt Road
- Redwood Timber Co LLC
- Off Ownership

EXHIBIT 3

**LITIGATION GUARANTEE
ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
DATED JUNE 14, 2023**

LITIGATION GUARANTEE

Order No.: **20230788MN**
Guarantee No.: **LITA08006141**
Reference: **Lyme**

SUBJECT TO THE LIMITATIONS CONTAINED HEREIN, THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE,



**OLD REPUBLIC NATIONAL
TITLE INSURANCE COMPANY**
a Corporation, of Minneapolis, Minnesota

GUARANTEES

The Assured named in Schedule A against loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, as of Date of Guarantee shown in Schedule A:

1. The title to the herein described estate or interest is vested in the vestee named in Schedule A.
2. Except for the matters shown in Schedule B, there are no defects, liens, encumbrances or other matters affecting title to the estate or interest in the land shown in Schedule A, which matters are not necessarily shown in the order of their priority.
3.
 - a. The current interest holders claiming some right, title or interest by reason of the matters shown in Part II of schedule B are as shown therein. The vestee named in Schedule A and parties claiming to have some right, title or interest by reason of the matters shown in Part II of Schedule B may be necessary to name defendant in action, the nature of which is referred to in Schedule A.
 - b. The current interest holders claiming some right, title or interest by reason of the matters shown in Part I of Schedule B may also be necessary to name defendant in an action, the nature of which is referred to in Schedule A. However, no assurance is given hereby as to those current interest holders.
4. The return addresses for mailing after recording, if any, as shown on each and every document referred to in Part II of Schedule B by specific recording information, and as shown on the document(s) vesting title as shown in Schedule A are as shown in Schedule C.


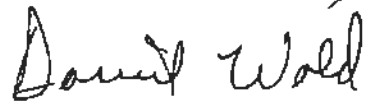
THIS LITIGATION GUARANTEE IS FURNISHED SOLEY FOR THE PURPOSE OF FACILITATING THE FILING OF THE ACTION REFERRED TO IN SCHEDULE A. IT SHALL NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE.

Dated: June 14, 2023

Redwood Empire Title Company of Mendocino
County, as Agent for
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111



Authorized Signatory

By  *President*
Attest  *Secretary*

SCHEDULE A

Order No.: **20230788MN**

Guarantee No.: **LITA08006141**

Liability: **\$600,000.00**

Premium Amount: **\$1,680.00**

1. Name of Assured:

Burke, Williams & Sorensen, LLP

2. Date of Guarantee: **June 14, 2023**

3. This Litigation Guarantee is furnished solely for the purpose of facilitating the filing of an action to:

To be determined

4. The estate or interest in the land which is covered by this Guarantee is:

a Fee

5. Title to the estate or interest in the land is vested in:

Lyme Redwood Timberlands LLC, a Delaware limited liability company, as to an undivided 75.00000% interest; RJS TIC HTC, LLC, a California limited liability company, as to an undivided 0.78346% interest; PV TIC HTC, LLC, a California limited liability company, as to an undivided 3.40448% interest; and RMB TIC HTC, LLC, a California limited liability company, as to an undivided 20.81206% interest, as tenants in common

6. The land referred to in this guarantee is situated in the State of California County of Mendocino and is described as follows:

See Exhibit A attached hereto and made a part hereof.

SCHEDULE B

Defects, liens, encumbrances or other matters affecting title:

Part I:

1. Taxes and assessments, general and special, for the fiscal year 2023- 2024, a lien not yet due or ascertainable.
2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq. of the Revenue and Taxation Code of the State of California.
3. Any adverse claim based upon the assertion that some portion of said land is tide or submerged land or has been created by artificial means, or has accreted to such portion so created.
4. (a) Any adverse claim based upon the assertion that some portion of said land has been created by artificial means, or has accreted to such portion so created; some portion of said land has been brought within the boundaries thereof by an avulsive movement of any and all streams and rivers, or has been formed by accretion to any such portion.

(b) Any easement for water course over that portion of said land lying within the banks of any and all streams and rivers and any changes in the boundary lines of said land that have occurred or may hereafter occur from natural causes.

(c) Rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of any and all streams and rivers.
5. Easement(s) for the purposes stated herein and incidental purposes as provided in the document(s):
Recorded: July 5, 1905 in Book 99 of Deeds, Page 185, Mendocino County Records
For: water pipe
In favor of: Fort Bragg Water Company

Said easement was granted to The City of Fort Bragg in the Deed recorded January 6, 1915 in Book 141 of Deeds, Page 348, Mendocino County Records.
6. Easement(s) for the purposes stated herein and incidental purposes as provided in the document(s):
Recorded: January 6, 1933 in Book 80, Page 68 of Official Records
For: water pipe
In favor of : Fort Bragg Water Company

Said easement was granted to The City of Fort Bragg in the Deed recorded January 6, 1915 in Book 141 of Deeds, Page 348, Mendocino County Records.
7. Easement(s) for the purposes stated herein and incidental purposes as provided in the following instrument(s):
Recorded: June 21, 1954 in Book 373, Page 130 of Official Records
In Favor of: State of California
For: right of way
8. Terms and provisions as contained in an instrument,
Entitled : Agreement Respecting Exchange of Rights of Way
Recorded: June 21, 1954 in Book 373, Page 144 of Official Records

9. Terms and provisions as contained in an instrument,
Entitled : Grant of City Pipeline Crossing
Recorded: August 15, 1957 in Book 466, Page 377 of Official Records
10. Easement(s) for the purposes stated herein and incidental purposes as provided in the document(s):
Recorded: July 30, 1970 in Book 822, Page 266 of Official Records
For: right of way
11. Terms and provisions as contained in an instrument,
Entitled : Reciprocal Right of Way and Road Agreement
Recorded: April 9, 1976 in Book 1035, Page 526 of Official Records
 - a. Consent to Transfer Agreement recorded December 15, 1999 as 1999-23468 of Official Records
12. Easement(s) for the purposes stated herein and incidental purposes as provided in the document(s):
Recorded: December 15, 1999 as 1999-23469 of Official Records
For: non-exclusive easement
13. Easements, terms and provisions as contained in an instrument,
Entitled : Access Easement Agreement
Recorded: May 13, 2004 as 2004-10531 of Official Records
14. Easement(s) for the purposes stated herein and incidental purposes as provided in the following instrument(s):
Recorded: March 7, 2005 as 2005-04626 of Official Records
In Favor of: Pacific Gas and Electric Company
For: pole lines
15. Matters as contained or referred to in an instrument,
Entitled : Grant Deed
Recorded: December 30, 2015 as 2015-18090 of Official Records
16. Terms and provisions as contained in an instrument,
Entitled : Memorandum of Co-Tenancy Agreement
Recorded: December 30, 2015 as 2015-18091 of Official Records
17. Deed of Trust to secure the performance of an obligation and any other terms,
Dated: December 30, 2015
Trustor: Lyme Redwood Timberlands LLC, a Delaware limited liability company; RMB TIC HTC, LLC, a California limited liability company; RJS TIC HTC, LLC, a California limited liability company and PV TIC HTC, LLC, a California limited liability company
Trustee: Chicago Title Company
Beneficiary: American AgCredit, FLCA
Recorded: December 30, 2015 as 2015-18092 of Official Records
 - a. Substitution of Trustee under said Deed of Trust,
New Trustee: Redwood Empire Title Company of Mendocino County
Recorded: June 29, 2020 as 2020-07374 of Official Records
18. Terms and provisions as contained in an instrument,
Entitled : Subordination Agreement
Recorded: December 30, 2015 as 2015-18093 of Official Records

Order No.: 20230788MN

Guarantee No.: LITA08006141

19. Terms and provisions as contained in an instrument,
Entitled : Memorandum of Agreement with Respect to Log Support Agreement
Recorded: December 30, 2015 as 2015-18094 of Official Records
 - a. A document recorded December 30, 2015 as 2015-18093 of Official Records, provides that said Memorandum was subordinated to the Deed of Trust, recorded December 30, 2015 as 2015-18092 of Official Records.

Part II:

None

SCHEDULE C

ADDRESSES

<u>Paragraph No.</u>	<u>Recording Information</u>	<u>Mailing Address</u>
5 of Schedule A	Grant Deed recorded December 30, 2015 as 2015-18090 of Official Records	Stoel Rives LLP Attn: Mark Norby 900 SW Fifth Avenue, Suite 2600 Portland, OR 97204-1268 Lyme Redwood Timberlands, LLC c/o Lyme Redwood Forest Company LLC 23 South Main Street, Third Floor Hanover, NH 03755 Attn: James W. Hourdequin
17 of Schedule B Part I	Deed of Trust recorded December 30, 2015 as 2015-18092 of Official Records	Winston & Strawn LLP 101 California Street, 34th Floor San Francisco, CA 94111-5812 Attn: Loren Kessler Higgins

EXHIBIT "A"

The land referred to herein is described as follows:

All that certain real property situate, lying and being in the County of Mendocino, State of California, more particularly described as follows:

All that certain real property situated in the County of Mendocino, State of California, and being a portion of Section Eight (8), Township Eighteen (18) North, Range Seventeen (17) West, Mount Diablo Base and Meridian, more particularly described as follows:

The Southeast one-quarter of the Southeast one-quarter; and all that portion of the North one-half of the Southeast one-quarter lying Southerly and Easterly of the Noyo River; and all that portion of the Southwest one-quarter of the Southeast one-quarter lying Southeasterly of the Noyo River.

EXCEPTING THEREFROM that portion thereof described as follows:

Commencing at the 1/4 section corner common to Sections 8 and 17, said Township and Range, as shown and delineated upon that certain Record of Survey Map filed for record April 23, 1969 in Map Case 2, Drawer 12, Page 86, Mendocino County Records; thence South 78°32'43" East (Record = South 79°48' East), along the section line common to said Sections 8 and 17, a distance of 471.61 feet to the true point of beginning; thence from said true point of beginning and along the exterior boundary lines of the parcel of land to be described as follows:

Leaving said section line, North 01°15'17" East (Record = North), 1063.03 feet; thence South 88°44'43" East (Record = East), 285.88 feet; thence South 01°15'17" West (Record = South), 180.00 feet; thence South 88°44'43" East 30.00 feet; thence South 01°15'17" West (Record = South), 114.34 feet; thence North 88°44'43" West (Record = North 79°48' West), 30.00 feet; thence South 01°15'17" West; 820.13 feet to the above mentioned section line common to said Sections 8 and 17; thence North 78°32'43" West, along said section line, 290.47 feet to the true point of beginning.

Together with that portion of the East fractional half of the Southwest fractional quarter of said Section Eight (8), lying Southerly of the Southerly or left bank of the Noyo River; the same being Lot Six (6) and containing 24.00 acres as per the official plat of Township 18 North, Range 17 West, Mount Diablo Base and Meridian by the General Land Office of the United States.

EXCEPTING THEREFROM all that portion thereof conveyed by deed from Union Lumber Company to Robert Grundman et ux, recorded August 22, 1961 in Book 575 Official Records, Page 376, Mendocino County Records, being more particularly described as follows:

Beginning at the quarter section corner on the South boundary of Section Eight (8), Township 18 North, Range 17 West, Mount Diablo Base and Meridian, said corner being the point of beginning for the parcel hereby described; thence North 795.00 feet; thence South 72°46' West, 270.00 feet; thence South 64°34' West, 318.00 feet; thence South 83°26' West, 200.00 feet; thence North 66°34' West, 318.00 feet; thence South 83°26' West, 200.00 feet; thence North 66°47' West, 270.00 feet; thence North 73°42' West, 200.00 feet; thence North 61°25' West, 162.77 feet, more or less to the West boundary of Lot Six (6) of said Section Eight (8); thence South 796.00 feet along the West boundary to the Southwest corner of said Lot 6; thence East, 1326.78 feet along the South boundary of said Lot Six (6) to the point of beginning.

APN: 019-630-05, 019-640-01 and 019-640-04

Por. N 1/2 of SE 1/4 of Sec. 8 T. 18 N. R. 17 W. M. D. B. & M.

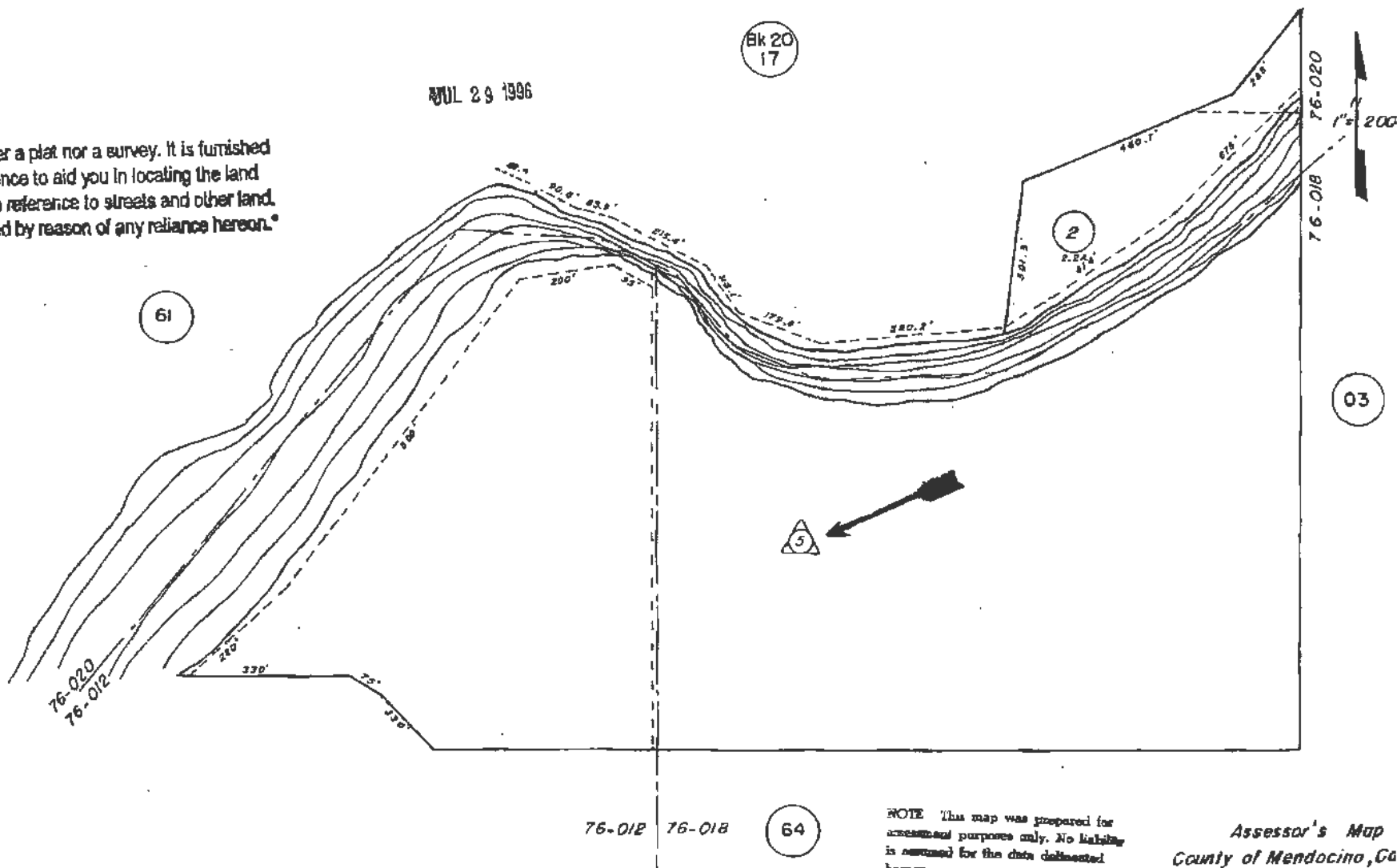
76-012
76-018
76-020

19-63

AUG 29 1966

Blk 20
17

Notice: This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon.



NOTE: This map was prepared for assessment purposes only. No liability is assumed for the data delineated hereon.

Assessor's Map
County of Mendocino, Ca
March, 1965

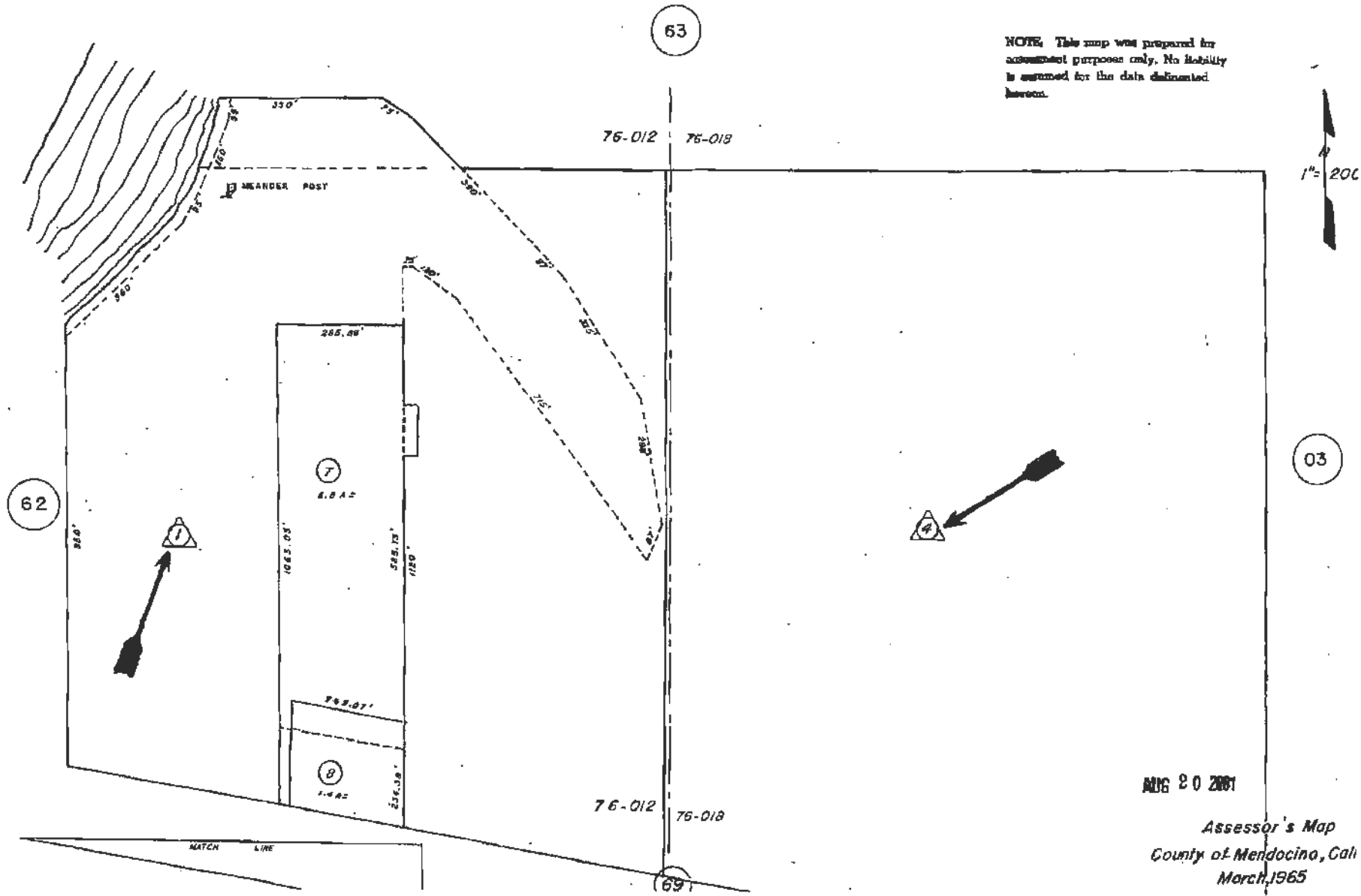
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S 1/2 of SE 1/4 of Sec. 8 T. 18 N. R. 17 W. M.D.B. & M.

76-012
76-018

19 - 64

NOTE: This map was prepared for assessment purposes only. No liability is assumed for the data delineated hereon.



AUG 20 2001

Assessor's Map
County of Mendocino, Cali
March, 1965

GUARANTEE CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in the Guarantee mean:

- (a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

2. EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

The Company assumes no liability for loss or damage by reason of the following:

- (a) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- (b) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof. (3) water rights, claims, or title to water whether or not the matters excluded by (1), (2), or (3) are shown by the public records.
- (c) Assurances to title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A)(C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
- (d) (1) Defects, liens, encumbrances or adverse claims against the title, if assurances are provided as to such title and as limited by such assurances.

(2) Defects, liens, encumbrances, adverse claims or other matters (a) whether or not shown by the public records and which are created, suffered, assumed or agreed to by one or more of the Assureds; (b) which result in no loss to the Assured; or (c) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of assurances provided.

3. NOTICE OF CLAIM TO BE GIVEN BY ASSURED CLAIMANT.

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. NO DUTY TO DEFEND OR PROSECUTE.

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

5. COMPANY'S OPTION TO DEFEND OR PROSECUTE ACTIONS; DUTY OF ASSURED CLAIMANT TO COOPERATE.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
- (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

6. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to

others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY.

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) **To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.**

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) **To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.**

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

8. DETERMINATION AND EXTENT OF LIABILITY.

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) the amount of liability stated in Schedule A or in Part 2;

(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or

- (c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

9. LIMITATION OF LIABILITY.

- (a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.
- (b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.
- (c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF LIABILITY OR TERMINATION OF LIABILITY.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

11. PAYMENT OF LOSS.

- (a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
- (b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

12. SUBROGATION UPON PAYMENT OR SETTLEMENT.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

13. ARBITRATION.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may

include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. LIABILITY LIMITED TO THIS GUARANTEE; GUARANTEE ENTIRE CONTRACT.

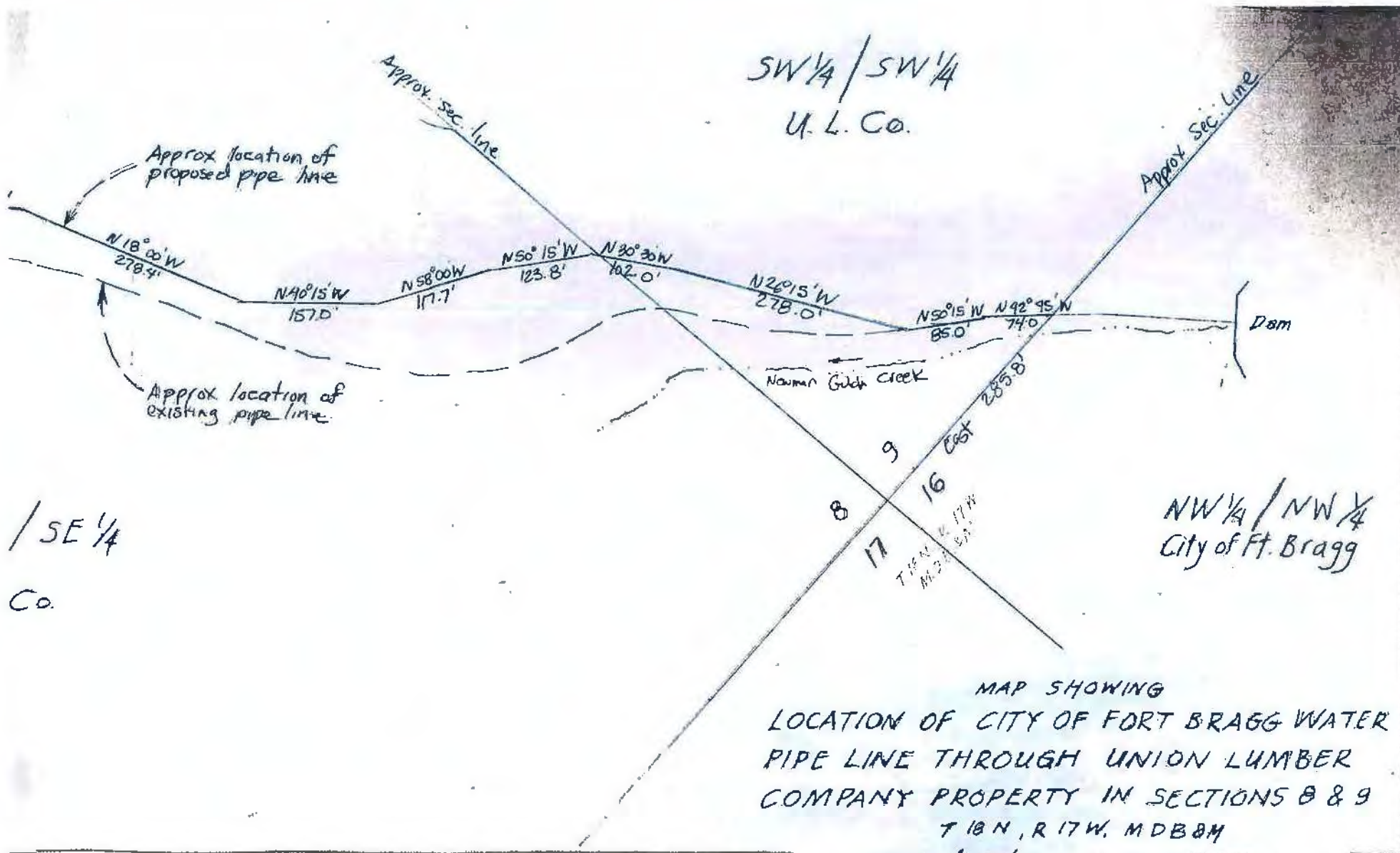
- (a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
- (c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at: the office which issued this Guarantee or to its Home Office, Minneapolis, Minnesota.

EXHIBIT 4

Map dated June 14, 1958



MAP SHOWING
LOCATION OF CITY OF FORT BRAGG WATER
PIPE LINE THROUGH UNION LUMBER
COMPANY PROPERTY IN SECTIONS 8 & 9

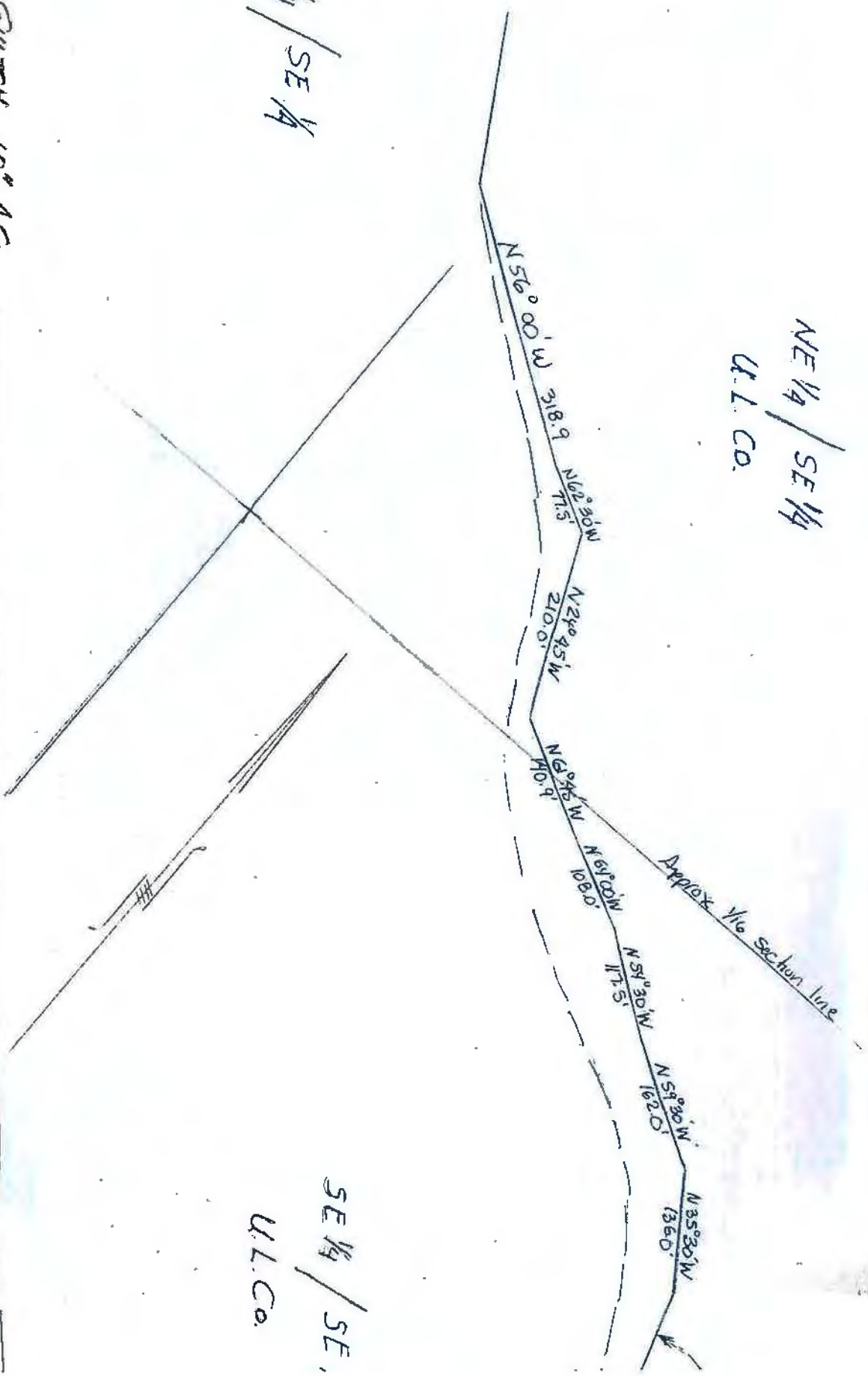
T 18 N, R 17 W, M D B & M
SCALE 1" = 100'
JUNE 14, 1958
By: W. Kimball Dodge

R/W-20

NEWMAN GULCH 10" A.C.

NW 1/4 / SE 1/4

NE 1/4 / SE 1/4
U.L. CO.



SE 1/4 / SE 1/4
U.L. Co.