

AGREEMENT FOR SALE OF CREDITS

FILE NO. EPIMS-SBR-14225-R6

This Agreement is entered into this 19 day of May, 2026, by and between the Land Veritas Corp (Bank Sponsor) and San Bernardino County Flood Control District (Project Proponent), jointly referred to as the "Parties," as follows:

RECITALS

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

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

C. Project Proponent is seeking to implement the project described on Exhibit "A" attached hereto (Project), which would unavoidably and adversely impact Covered Species thereon, and seeks to compensate for the loss of the same by purchasing credits from Bank Sponsor; and

D. Project Proponent has been authorized by the California Department of Fish and Wildlife, File/Tracking No. EPIMS-SBR-14225-R6, to purchase from the Bank 1.25 acres of 1600 Ephemeral Riparian Enhancement ("Credits") upon confirmation by the Bank Sponsor of credit availability/adequate balance of credits remaining for sale; and

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

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Bank Sponsor hereby sells to Project Proponent and Project Proponent hereby purchases from Bank Sponsor Credits from the Bank for the purchase price of four hundred ninety-five thousand (\$495,000). The Bank Sponsor will then deliver to Project Proponent an executed Bill of Sale in the manner and form as attached hereto and marked Exhibit "B". The purchase price for said Credits shall be paid by cashier's check or, at the option of Bank Sponsor, wire transfer of funds according to written instructions by Bank Sponsor to Project Proponent.

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

3. Project Proponent shall have no obligation whatsoever by reason of the purchase of the Credits, to support, pay for, monitor, report on, sustain, continue in perpetuity, or otherwise be obligated or liable for the success or continued expense or maintenance in perpetuity of the Soquel Canyon Mitigation Bank

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

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

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

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

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

[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]

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

BANK SPONSOR

LAND VERITAS CORP

By: _____ Date: _____

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

PROJECT PROPONENT

SAN BERNARDINO FLOOD CONTROL DISTRICT

By: _____ Date: _____

Name: Dawn Rowe _____

Title: Chair _____

EXHIBIT "A"

DESCRIPTION OF PROJECT TO BE MITIGATED

Name of Project:

West Fontana Channel (Hickory to Banana) Improvement Project

Project Location:

The project is located within West Fontana Channel, a tributary to San Sevaine Channel and ultimately the Santa Ana River, in the City of Fontana within the San Bernardino County, State of California; Latitude 34.09400 N, Longitude -117.50200 W. The project is located along Whittram Avenue between Calabash Avenue and Hickory Avenue; Sections 9 and 10, Township 10 South, Range 60 West, U.S. Geological Survey (USGS) map Guasti and Fontana, San Bernardino; Assessor's Parcel Number's 23010202, 23010201, 23009203, 23009202, 23009201, 23111108, 22924209, 22922314, 22922313, and 22929109.

Permitting Agency(ies) File Number:

California Department of Fish and Wildlife; EPIMS-SBR-14225-R6

Project Description:

The project is limited to modifications to the earthen West Fontana Channel and associated culverts. Modifications include construction of non-grouted rock slope protection, sections of concrete rectangular channel, totaling 200 feet long, sections of non-grouted rock leading to culverts, and replacement of three concrete box culverts.

Two culverts will replace culverts at the adjacent railroad bridges near Hickory Basin. The third culvert will replace the pipe culverts under Calabash Ave. Project activities also include construction of junction structures, replacement of an existing concrete weir in the outflow of Banana Basin, construction of two access ramps and service roads, replacement of an access ramp, utility potholing and geotechnical testing, maintenance on Whittram Avenue from construction traffic, fencing, and minor grading in Banana Basin.

EXHIBIT "B"

BILL OF SALE

Permitting Agency File No. EPIMS-SBR-14225-R6

In consideration of \$495,000, receipt of which is hereby acknowledged, Land Veritas Corp (Bank Sponsor) does hereby bargain, sell and transfer to San Bernardino County Flood Control District (Project Proponent), 1.25 acres of 1600 Ephemeral Riparian Enhancement credits (Credits) in the Soquel Canyon Mitigation Bank in San Bernardino and Orange Counties, California, developed, and approved under the authority of the United States Army Corps of Engineers and/or California Department of Fish and Wildlife associated with the Project described in Exhibit A.

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

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

DATED: _____

Land Veritas Corp

By: _____

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

EXHIBIT "C"

SOQUEL CANYON MITIGATION BANK

PAYMENT RECEIPT

PROJECT PROPONENT INFORMATION

Name:

West Fontana Channel (Hickory to Banana) Improvement Project

Address:

825 East Third Street
San Bernardino, CA 92415

Telephone:

(909) 387-8109

Contact:

Arlene B. Chun, M.S., P.E., Engineering Manager
San Bernardino County Department of Public Works
Environmental Management Division
Email: Arlene.Chun@dpw.sbcounty.gov

PROJECT INFORMATION

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Agency File Number:

California Department of Fish and Wildlife; EPIMS-SBR-14225-R6

Species/Habitat Affected:

Existing fish or wildlife resources the project could substantially adversely affect include: BIRDS- burrowing owl (*Athene cunicularia*), ruddy duck (*Oxyura jamaicensis*), mallard (*Anas platyrhynchos*); MAMMALS- desert cottontail (*Sylvilagus audubonii*), California ground squirrel (*Otospermophilus beecheyi*); REPTILES- side-blotched lizard (*Uta stansburiana*); PLANTS- hairy leaved sunflower (*Helianthus annuus*), mulefat (*Baccharis salicifolia*) and all other fish and wildlife resources in the project vicinity.

Credits to be Purchased:

1.25 acres of 1600 Ephemeral Riparian Enhancement

PAYMENT INFORMATION

Payee:

Land Veritas Corp

Payer:

San Bernardino County Flood Control District

Amount:

\$495,000

Method of payment: _____

Received by: _____ **Date:** _____

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