

STOVER ROAD DISPOSAL AND STOCKPILE SITE  
APN 521-102-004 & 521-105-001

GREEN DIAMOND RESOURCE COMPANY

**CALIFORNIA TIMBERLANDS  
MASTER LAND USE PERMIT**

This MASTER LAND USE PERMIT Agreement (hereinafter "PERMIT") is made and entered into this 14<sup>th</sup> day of January, 2025 between GREEN DIAMOND RESOURCE COMPANY, a Washington corporation (hereinafter "GREEN DIAMOND") and the COUNTY OF HUMBOLDT, a political subdivision of the State of California (hereinafter "COUNTY").

**1. GRANT OF PERMISSION AND PERMIT AREA**

In consideration of COUNTY'S promises contained in this PERMIT, GREEN DIAMOND hereby grants to COUNTY the non-exclusive permission to enter and use, subject to the terms and conditions hereof, GREEN DIAMOND'S property located in the southwest quarter of the Southwest quarter of Section 5 and the Northwest quarter of the Northwest quarter of Section 8, Township 7 North, Range 3 East, Humboldt Base and Meridian, also identified at this point in time by Assessor's Parcel Numbers 521-102-004 and 521-105-001, including permitted access routes to and from such property, more specifically shown in Exhibit A, attached hereto and incorporated herein by this reference (the "PERMIT AREA"). COUNTY shall acquaint itself with and confine the Activities within the PERMIT AREA boundaries and shall be responsible and liable for any trespass outside such boundaries that occurs as a result of the Activities.

**2. PERMITTED USE**

The PERMIT AREA and any existing improvements in the PERMIT AREA may be used by COUNTY solely for the purpose(s) described in Exhibit B; Section II (the "Activities") attached hereto and incorporated herein. COUNTY is solely responsible for the cost of the Activities including the maintenance, removal, and (when permitted) installation of improvements in the PERMIT AREA. Unless otherwise authorized herein, before installing new improvements to the PERMIT AREA, COUNTY shall obtain GREEN DIAMOND'S written approval of a written proposal to install such improvements in the PERMIT AREA.

**3. PERMIT TERM**

The term of this PERMIT shall commence upon date of execution and shall expire on December 31, 2024, unless the PERMIT is extended or earlier terminated in accordance with the terms hereof.

Subject to right of either party to terminate this PERMIT with written notice effective after thirty (30) days, this PERMIT will be automatically extended for up to four (4) additional one (1)-year terms, provided that (i) County remits the appropriate payments, including (if appropriate) a pro-rated share of an annual payment for additional terms of less than one year, and (ii) either party may provide the other party with written notice of termination effective after thirty (30) days.

**4. RESERVATION OF RIGHTS**

A. This PERMIT and COUNTY'S privileges hereunder are personal and shall not be assigned, in whole or in part, without the express written consent of GREEN DIAMOND, which may grant or deny such consent within its sole discretion.

B. COUNTY will never assail or resist GREEN DIAMOND'S title or claim any interest or estate whatever in the PERMIT AREA by virtue of this PERMIT or the exercise of privileges given hereunder.

C. By acceptance of this PERMIT, COUNTY acknowledges that the PERMIT AREA and GREEN DIAMOND'S property surrounding the PERMIT AREA are commercial timberland, and GREEN DIAMOND manages its property for timber production including, but not limited to, harvesting, slash burning, and herbicide application. COUNTY shall exercise its privileges under this PERMIT so as to avoid any interference with GREEN DIAMOND'S use of its own property as commercial timberland or with the exercise by other counties of privileges that GREEN DIAMOND may give them in the PERMIT AREA. COUNTY further agrees that COUNTY will not object to any lawfully conducted timber harvesting, management activities and/or development of property carried out by GREEN DIAMOND or its agents, other counties, lessees, contractors, successors, or assigns.

D. GREEN DIAMOND warrants that it is the owner of the PERMIT AREA. The privileges granted herein to COUNTY are given expressly subject to existing encumbrances, regulatory requirements, and other matters of record affecting the privileges in any manner whatsoever. GREEN DIAMOND shall not be liable for defects in title to the PERMIT AREA. GREEN DIAMOND does not warrant that it has authority to permit the Activities on behalf of any third party and COUNTY shall secure all other permits, privileges, or rights required for the lawful conduct of the Activities.

E. GREEN DIAMOND makes no representation as to the present or future conditions of the PERMIT AREA and its fitness for the Activities under this PERMIT. COUNTY accepts this PERMIT subject to all danger or injury to persons and damages or destruction to property while COUNTY is on or about the PERMIT AREA. In this regard, COUNTY assumes all risk of injury or death to individuals who are on the PERMIT AREA pursuant to this PERMIT and all risk of damage to property upon or in proximity to the PERMIT AREA with COUNTY'S knowledge or consent, without regard to whether such injury or damage is occasioned by known or unknown, hidden or disclosed defects in the PERMIT AREA or by the negligence of GREEN DIAMOND or any person in the employ or service of GREEN DIAMOND.

F. GREEN DIAMOND reserves the right to enter and inspect the PERMIT AREA at any time.

**5. GENERAL CONDITIONS FOR USE OF THE PERMIT AREA**

A. COUNTY shall not perform any disorderly conduct or commit any nuisance on the PERMIT AREA, and shall maintain the PERMIT AREA in an orderly, clean and sanitary manner as required by GREEN DIAMOND. COUNTY shall carry on all Activities in the PERMIT AREA in a careful manner and shall comply, at COUNTY'S expense, with all laws, regulations and permits of any municipal, state, or federal authority that are applicable to COUNTY'S activities. COUNTY'S agreement to comply shall include any programmatic or generally applicable local, state or federal government regulatory permits held by GREEN DIAMOND and applicable to the PERMIT AREA, including, without limitation, incidental take permits held by GREEN DIAMOND.

GREEN DIAMOND reserves the right to require COUNTY to take affirmative steps to review and comply with permits noticed by GREEN DIAMOND and to promptly comply when GREEN DIAMOND requests specific action to conform the Activities with the requirements of a permit noticed to COUNTY.

B. COUNTY shall keep the PERMIT AREA free from any liens or encumbrances arising out of any work performed by COUNTY, materials furnished by COUNTY, or obligations incurred by COUNTY. GREEN DIAMOND shall have the right to pay and discharge any lien imposed against GREEN DIAMOND'S property due to COUNTY'S breach of the aforesaid covenant. COUNTY shall reimburse GREEN DIAMOND for the amount so paid, including the reasonable expenses of GREEN DIAMOND in connection therewith, within thirty (30) days of receiving notice from GREEN DIAMOND of any such payment with interest thereon at the rate of seven (7) percent per annum from the date of payment thereof by GREEN DIAMOND until the repayment thereof by COUNTY. If GREEN DIAMOND shall exercise the option to make such payments, it shall not be obligatory on GREEN DIAMOND to inquire into the validity of any such lien unless COUNTY shall have given notice to GREEN DIAMOND that said lien was being challenged and shall have furnished to GREEN DIAMOND the bond of a surety company or other security satisfactory to GREEN DIAMOND, in an amount satisfactory to GREEN DIAMOND, securing GREEN DIAMOND against the payment of the lien so contested and against any loss, damage, or penalty arising from COUNTY'S failure to pay it.

C. COUNTY shall promptly report to GREEN DIAMOND any violations of any laws, regulations, or permits relating to the Activities of which COUNTY has knowledge and shall promptly send to GREEN DIAMOND a copy of any notice of violation received by COUNTY that relates to the Activities. A copy of all citations or other written documents COUNTY receives from any agency shall accompany the notice of violation.

D. COUNTY shall take reasonable care to prevent wildfires from igniting on or spreading onto the PERMIT AREA. If a wildfire should occur on or near the PERMIT AREA, COUNTY shall immediately notify GREEN DIAMOND and appropriate government agencies and shall make any on-site equipment available to help suppress or contain the fire. COUNTY shall comply with all fire prevention and suppression measures that GREEN DIAMOND may specify from time to time relating to COUNTY'S use of the PERMIT AREA. COUNTY shall comply with all applicable state fire safety standards including requirements (if any) to maintain special equipment in vehicles. COUNTY shall reimburse GREEN DIAMOND for all damages (including loss or damage to timber, and fire suppression costs) resulting from wildfires caused by COUNTY'S activities, even if not attributable to negligence by COUNTY or its agents.

E. In the event of dangerous fire weather, possible damage to roads, or potential or actual interference with GREEN DIAMOND'S operations, GREEN DIAMOND shall notify COUNTY'S representative and COUNTY shall immediately suspend the Activities or take steps to remedy the situation as GREEN DIAMOND may direct.

F. COUNTY agrees to cease using vehicles on GREEN DIAMOND'S roads, during the period from October 15<sup>th</sup> to May 15<sup>th</sup>, when weather conditions make driving hazardous or may have a detrimental impact to the environment including, but not limited to, the occurrence of rain in sufficient quantity and duration that driving would result in rutting and deformation of the road surface, degradation of water bars, or tracking of mud onto public roadways.

G. COUNTY agrees to repair damage caused to existing onsite drainage or erosion control structures brought about by COUNTY'S use of the site or roads leading to said site. Repairs shall be made immediately and shall be conducted in a manner that minimizes the release of fine sediment to nearby waterbodies and/or Waters of the State. Site perimeter stormwater control devices (i.e. existing earthen berms) shall be maintained in a manner that controls runoff from not less than a 25-year, one-hour intensity storm event. Site perimeter stormwater control devices shall be monitored by the COUNTY, and the COUNTY is responsible for correcting deficiencies prior to the onset of the first storm event of the season. Deficiencies found during the wet season shall be addressed by the COUNTY within 24 hours of discovery. All exposed mineral soil relative to said repairs shall be straw-mulch with 2"-4" of weed free straw at the conclusion of said repairs.

H. COUNTY shall not unnecessarily damage trees or other vegetation while conducting the activities and shall not cut trees.

I. Excluding emergency situations, all activities shall be confined to normal business hours.

J. COUNTY shall obey all posted traffic and speed regulations on GREEN DIAMOND'S roads.

K. If any portion of the PERMIT AREA requires access through a locked gate owned or maintained by GREEN DIAMOND, GREEN DIAMOND shall issue copies of key(s) needed to open gates for the Activities herein. COUNTY shall not copy the key(s) provided by GREEN DIAMOND unless permitted to do so in writing by GREEN DIAMOND. COUNTY shall return any key(s) that has been so issued at the termination or expiration of this PERMIT. COUNTY shall pay a one-hundred-dollar (\$100) fee per key for any key(s) that is not so returned. COUNTY shall keep gates closed and locked unless otherwise instructed by a GREEN DIAMOND representative.

## 6. INDEMNITY

COUNTY shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless GREEN DIAMOND and its agents, contractors, successors, or assigns from and against any and all liability for damages, costs, losses, and expenses resulting from, arising out of, or in any way connected with the occupation or use of the PERMIT AREA by COUNTY or anyone else entering the PERMIT AREA at COUNTY'S direction or invitation, or the failure on the part of COUNTY to perform fully its promises contained herein, unless such damage, loss, injury or death is caused by the sole negligence or willful misconduct of GREEN DIAMOND.

**7. HAZARDOUS MATERIALS**

In the event of a spill or release of Hazardous Materials, COUNTY shall promptly comply with all federal, state, and local spill notification and response requirements and shall notify GREEN DIAMOND of the spill event. COUNTY shall be responsible for the response and restoration costs of any release of Hazardous Materials in connection with the PERMIT, and shall indemnify, defend, and hold harmless GREEN DIAMOND from any liability arising from claims or damages in connection with such release. "Hazardous Materials" shall mean any pollutant, contaminant, chemical, or hazardous, toxic or dangerous waste, substance, chemical, or material, or any other substance or material regulated or controlled pursuant to any environmental laws now or at any time hereafter in effect.

**8. INSURANCE**

Unless otherwise provided in Exhibit B, COUNTY, at its expense, shall procure insurance with companies satisfactory to GREEN DIAMOND covering COUNTY against risks and with minimum limits as indicated below:

A. If applicable, Workers' Compensation (statutory amount) and Employer's Liability (\$1,000,000).

B. Commercial General Liability insurance of \$2,000,000 combined single limit Bodily Injury and Property Damage each occurrence. Extensions of coverage to include Contractual Liability, Products/Completed Operations, Cross Liability, and Pollution arising out of heat, smoke or fumes from Hostile Fires. Additionally, the policy shall not exclude X, C or U (Explosion, Collapse, or Underground).

C. Commercial Automobile Liability insurance with minimum limits of \$1,000,000 per occurrence combined single limit of Bodily Injury and Property Damage coverage. Coverage shall extend to all owned, hired, or non-owned vehicles.

D. The policies specified in 8.B. and 8.C. above shall include an endorsement which shall name GREEN DIAMOND RESOURCE COMPANY and its employees, officers, directors and agents as additional insureds on a primary basis for the duration of the PERMIT term. The additional insured endorsement must be ISO CG 20 05 11 85 or ISO CG 20 35 10 01 or ISO CG 20 36 10 01 or ISO CG 20 26 11 85 (or other form with like wording). Additional insured status gives the additional insured rights of indemnity under the policies that are independent of the contractual requirement to indemnify.

E. The policies specified in 8.A., 8.B., and 8.C. above shall include an endorsement which shall provide that GREEN DIAMOND be given a thirty (30)-day written notice prior to cancellation or material change to the policy.

F. All liability coverage must be on an "occurrence" basis as opposed to "claims made."

G. COUNTY hereby waives any subrogation claim against GREEN DIAMOND by its insurers under the policies specified in subsections 8.A., 8.B., and 8.C. above, for damages arising from any peril insured against under such policies. If necessary, the policies specified in subsections 8.A., 8.B., and 8.C. above shall include an endorsement allowing this waiver of subrogation

claims.

H. All insurance shall be in a form sufficient to protect COUNTY against the claims of third persons, and to cover claims by GREEN DIAMOND against COUNTY or other parties for which COUNTY has assumed liability under this PERMIT.

I. Prior to the commencement of the Activities, COUNTY shall furnish GREEN DIAMOND a copy of the endorsement required under subsection 8.D. and certificate(s) of insurance, dated and signed by a stated, authorized agent for the insuring company or companies, in a form acceptable to GREEN DIAMOND and containing a representation that coverage of the types listed above is provided with the required limits. GREEN DIAMOND reserves the right to require a certified copy of the policy(ies) or to examine the actual policy(ies).

**9. NOTICE**

Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed given and received when personally delivered or three (3) days after deposit in the United States Mail, postage prepaid, Certified or Registered Mail, Return Receipt requested, addressed to COUNTY or GREEN DIAMOND, as the case may be, to the following address:

If to COUNTY:

Att: County of Humboldt  
Department of Public Works  
1106 Second Street  
Eureka, CA 95501

If to GREEN DIAMOND:

Att: Real Property Dept.  
Green Diamond Resource Co.  
PO Box 68  
Korbel, CA 95550-0068

**10. INTERPRETATION**

A. This PERMIT shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles of such state.

B. A party's waiver of any right hereunder or of any other party's breach or failure to perform shall not be deemed a waiver of any other right hereunder or of any other breach or failure by the other party, whether of a similar nature or otherwise.

C. If any term or condition of this PERMIT is found unenforceable, the remaining terms and conditions will remain binding upon the parties as though said unenforceable provision were not contained herein.

D. Terms and conditions of this PERMIT which, by their sense and context, survive the termination, cancellation, or expiration of this PERMIT, including, but not limited to, COUNTY'S obligations under Sections 6, 7, 8, and 11, shall so survive.

E. This PERMIT constitutes the entire agreement of the parties with respect to the matters described herein and supersedes all prior written or oral negotiations or agreements with respect thereto. Each party to this PERMIT acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by either party, or

anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement or promise not contained in this PERMIT shall be valid or binding. Any modification of this PERMIT will be effective only if it is in writing signed by both parties, and the amended PERMIT remains subject to the enforcement provisions of this PERMIT.

F. This PERMIT shall bind and inure to the benefit of the successors, personal representatives, and permitted assignees of the respective parties.

G. Each of the parties hereto has been or has had the opportunity to be represented, to the extent desired, by legal counsel of its choice in respect to this transaction. No provision of this PERMIT shall be construed against one party as the drafter of the PERMIT for that provision.

## **11. ENFORCEMENT**

A. If an action is instituted to enforce any of the terms, covenants, conditions or agreements contained in this PERMIT or if an action is commenced because of any breach hereof, then the prevailing party in such action shall be entitled to all of its costs and reasonable attorneys' fees as fixed by the trial and appellate courts in said action.

B. COUNTY and GREEN DIAMOND hereby expressly and irrevocably waive all right to a trial by jury in any action, proceeding, claim, counterclaim or other litigation arising out of or relating to the PERMIT or any of the activities or events referenced in this PERMIT.

C. This Agreement shall be governed by the laws of the State of California and shall be deemed to have been entered into in the City of Eureka, County of Humboldt, State of California. Any dispute arising hereunder or relating to this Agreement shall be litigated in the State of California and venue shall lie in the County of Humboldt, unless transferred by court order pursuant to Code of Civil Procedure Sections 394 and 395.

## **12. EXECUTION**

A. Unless otherwise provided herein, this PERMIT shall be effective on the last date of execution by the undersigned parties. This PERMIT shall not be binding upon either Party until approved and signed by each Party.

B. Each of the undersigned represents that they have sufficient authority to execute this binding PERMIT on behalf of the party they represent.

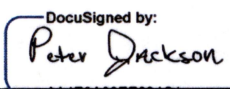
C. This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This Agreement, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement and any amendments hereto.

13. **AUTHORITY TO EXECUTE:**

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

GREEN DIAMOND RESOURCE COMPANY:

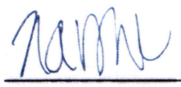
By: 

Date: 12/11/2024

Name: Peter Jackson

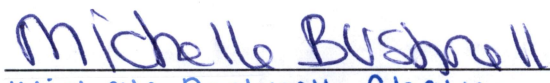
Title: Vice President/General Manager

APPROVED AS TO FORM:

By:   
Deputy County Counsel, County of Humboldt


Date: Jan 13, 2025

COUNTY OF HUMBOLDT:

By:   
Michelle Bushnell, Chair  
Humboldt County Board of Supervisors

Date: 1/14/2025

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By:   
Amanda Phillips (Jan 14, 2025 08:35 PST)  
Risk Management

Date: Jan 14, 2025







### Exhibit A



**Site Plan**  
**Stover Road Disposal Site**  
APN # 521-102-004 & 521-105-001  
Ptn. Sections 5 & 8, T7N, R3E, HBM.

**1 inch = 200 feet**

	Project Limits
	Drainage
	Parcel Boundary



GREEN DIAMOND RESOURCE COMPANY

EXHIBIT B  
FEE-BASED/COMMERCIAL USES  
CALIFORNIA TIMBERLANDS

I. **Permitted Parties**

The entry permission herein shall extend only to COUNTY, its employees, agents, members and contractors involved in the Activities and they shall collectively be described herein as "COUNTY." Guests may be invited as appropriate to the circumstances, provided that COUNTY'S insurance required herein extends to liabilities resulting from the involvement of such guests in the Activities, and in all such events COUNTY shall be responsible for: (A) the acts or omissions of such guests; (B) supervision of guests and their compliance with the terms of this Permit; and (C) providing for guests' safety; to the same extent as COUNTY'S employees, members, agents or contractors.

II. **Permitted Activities**

The Activities authorized by this Permit are as follows:

Disposal of clean rock and earth collected by the Humboldt County Road Maintenance Division, for the purpose of repairing and maintaining any Redwood Valley road project and any necessary vehicular ingress to and egress from the PERMIT AREA on the roads identified by GREEN DIAMOND.

III. **Conditions Specifically Relating to Activities**

A. COUNTY agrees to provide and pay for all labor, equipment, materials and supplies to complete the Activities.

B. COUNTY shall comply with the following rules:

- (1) COUNTY understands that the specific locations where COUNTY may enter upon GREEN DIAMOND'S land shall be determined by mutual Permit between GREEN DIAMOND and COUNTY'S authorized representatives.
- (2) COUNTY shall design and maintain adequate containment, including a berm to prevent discharge or damage to Redwood Creek.
- (3) COUNTY, at its sole expense, shall provide, install and maintain a gate at the access point to GREEN DIAMOND'S property.
- (4) COUNTY shall level and re-seed the disposal area with State Mix Variety grass seed at least once annually after utilizing the PERMIT AREA when weather and ground conditions allow, with prior notification of any such activity made to GREEN DIAMOND'S authorized representative.

- (5) GREEN DIAMOND has made no representation as to the present or future condition of its property or the character of the traffic on any of its roads and COUNTY assumes all risks of damage to property or of injury to COUNTY in connection with the exercise of rights hereunder.
- (6) COUNTY shall pay for all damages to GREEN DIAMOND'S property resulting directly from the acts or omissions of COUNTY hereunder and shall reimburse GREEN DIAMOND for costs incurred for fighting fire resulting directly from the COUNTY'S acts or omissions hereunder whether negligent or otherwise.
- (7) COUNTY warrants that only clean, uncontaminated soil and rock, and no hazardous substances or hazardous materials shall be deposited on GREEN DIAMOND'S property at any time in connection with COUNTY'S activities hereunder. In the event of a spill or release of oil or hazardous materials in connection with its work, COUNTY shall promptly comply with all federal, state, and local spill notification and response requirements, including, but not limited to, all federal/state health and safety requirements. COUNTY shall at a minimum: (1) prevent further spilling or release; (2) take appropriate corrective actions to mitigate the spill; (3) comply with all federal, state, and local spill notification and response requirements; and (4) notify GREEN DIAMOND of any spill event.
- (8) COUNTY shall comply with local, state, and federal laws, agreements, permits, regulations, and statutes governing COUNTY'S use of the PERMIT AREA. COUNTY shall comply with regulations applicable to forestry practices, water quality, fish and game protection, fire prevention, environmental protection and safety, and any other conditions or restrictions imposed by any governmental or quasi-governmental body. GREEN DIAMOND does not warrant its authority to permit COUNTY'S Activities in the PERMIT AREA. COUNTY shall be solely responsible for acquiring, at its sole cost and expense, any and all other permits, licenses, variances, and the like requisite to the conduct of the use of the PERMIT AREA.
- (9) It is hereby understood by the parties hereto that no material will be placed on the PERMIT AREA, under the terms of this Permit, until such time as evidence has been furnished to GREEN DIAMOND that all necessary environmental or other governmental clearances and permits have been acquired from any federal, state, and local agencies having jurisdiction in the area of GREEN DIAMOND'S property.
- (10) COUNTY agrees to comply with all applicable State Water Quality, State Health Department, and State Solid Waste Management Board rules and regulations, and any other laws, regulations or requirements associated with its Activities hereunder. COUNTY agrees that its obligations to comply with state and local environmental requirements will survive termination of this Permit, as to any material deposited on or near GREEN DIAMOND'S property by COUNTY or its agents, representatives, or contractors during the term hereof.
- (11) COUNTY is responsible for acquiring said clearances and permits, and hereby agrees that in the event of COUNTY'S violation(s) of said clearances and/or permits, COUNTY will correct same, including, but not limited to, actual removal of deposited materials

if required. COUNTY warrants that the activities contemplated herein are not subject to landfill or solid waste disposal law requirements of the State of California or local enforcement agency.

- (12) COUNTY shall not undertake any burning of debris.
- (13) COUNTY assumes full responsibility for personal injury or property damage resulting from COUNTY'S use of the PERMIT AREA by fire or otherwise, including without limitation damage to any timber, logs, logging works, or equipment, and agrees to

conform to all laws of the State of California pertaining to forest fires and their prevention and to all rules and regulations of the various departments and subdivisions thereof, as well as those of GREEN DIAMOND, the U.S. Forest Service, and other public authority.

#### **IV. Compensation**

As consideration for the rights granted in this Permit, COUNTY agrees to pay GREEN DIAMOND:

COUNTY shall pay GREEN DIAMOND the sum of an annual payment of One Thousand Dollars (\$1,000.00) as rent for use of the PERMIT AREA referred to in Section 1. The annual payment of One Thousand Dollars (\$1,000.00) shall be paid in advance prior to January 1 of each calendar year. Payments herein required shall be made to:

Green Diamond Resource Company  
Attn: Accounts Receivable  
P.O. Box 68  
Korbel, CA 95550

#### **V. Employees**

It is understood and agreed that no relationship of employer and employee is or shall be deemed to exist either between GREEN DIAMOND and COUNTY or between GREEN DIAMOND and any other person or persons performing labor or services on behalf of COUNTY. COUNTY shall furnish and be responsible for its own employees, agents and equipment. It is expressly understood that GREEN DIAMOND has no authority over COUNTY'S agents or employees, and any complaint by GREEN DIAMOND about COUNTY'S agents or employees will be brought by GREEN DIAMOND to COUNTY'S attention for resolution by COUNTY. COUNTY shall comply with all federal, state and local laws and regulations governing agricultural employees/farm labor contractors, and migrant or seasonal agricultural workers, including the Migrant and Seasonal Agricultural Worker Protection Act and the California Farm Labor Contracting Act, and any wage, overtime and deduction laws and regulations.

#### **VI. Safety**

COUNTY shall comply with all applicable federal, state, and local safety and health laws, regulations and standards and if applicable shall operate under a current Injury and Illness Prevention Plan that complies with section 3203 of Title 8 of the California Code of Regulations.

COUNTY is responsible for safety and health conditions in connection with the Activities and has primary and ultimate responsibility for instructing and supervising any employees on safe work practices. COUNTY shall immediately notify GREEN DIAMOND and others at the PERMIT AREA whenever COUNTY becomes aware of a hazard that COUNTY cannot remove or correct immediately.

**VII. Termination**

COUNTY and GREEN DIAMOND reserve the right to terminate this Permit on thirty (30) days notice for any cause or reason.

**VIII. Nuclear Free Clause**

GREEN DIAMOND certifies by its signature above that GREEN DIAMOND is not a nuclear weapons contractor, in that GREEN DIAMOND is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. GREEN DIAMOND agrees to notify COUNTY immediately if it becomes a nuclear weapons contractor, as defined above. COUNTY may immediately terminate this Permit if it determines that the foregoing certification is false or if GREEN DIAMOND becomes a nuclear weapons contractor.