

ATTACHMENT 4

Draft Acquisition Agreement

ACQUISITION AGREEMENT

THIS ACQUISITION AGREEMENT (this "**Agreement**") is dated as of _____, 20__ and entered into by and between THE TRUST FOR PUBLIC LAND, a California nonprofit public benefit corporation ("**TPL**") and COUNTY OF HUMBOLDT, CALIFORNIA ("**County**").

RECITALS

A. The addresses and telephone numbers of the parties to this Agreement are as follows. Telephone numbers are included for information only.

TPL:

The Trust for Public Land
101 Montgomery Street, Suite 900
San Francisco, CA 94104
Attn: John Bernstein
Tel: (415) 800-5281
Fax: (415) 495-0541
Email: john.bernstein@tpl.org

COUNTY:

County of Humboldt
825 5th Street
Eureka, CA 95501
Attn: Hank Seemann
Tel: (707) 445-7741
Fax: (707) 445-7409
Email: hseemann@co.humboldt.ca.us

Copies of any notice to TPL should also be sent to:

The Trust for Public Land
101 Montgomery Street, Suite 900
San Francisco, CA 94104
Attn: Eileen Chauvet
Tel: (415) 800-5294
Fax: (415) 495-0541
Email: eileen.chauvet@tpl.org

Copies of any notice to County should also be sent to:

County of Humboldt
Humboldt County Counsel
825 5th Street
Eureka, CA 95501
Attn: Wendy Chaitin, County Counsel
Tel: (707) 445-7236
Fax: (707) 445-6297
Email: Countycounsel@co.humboldt.ca.us

B. TPL has entered into an agreement (the "**TPL-Landowner Purchase Agreement**") with Green Diamond Resource Company, a Washington corporation ("**Landowner**"), regarding TPL's desired acquisition of real property located in Humboldt County, California as described in Exhibit A. Under the TPL-Landowner Purchase Agreement, TPL has the right, subject to certain conditions, to acquire such real property, together with, to the extent owned by Landowner, all tenements, hereditaments, and appurtenances, including, improvements, fixtures, timber, water, crops, oil, gas, and minerals located in, under, and on it, and all rights appurtenant to it, including but not limited to timber rights, water rights, grazing rights, access rights, and oil, gas and mineral rights, development rights, air rights, and all other rights, privileges, licenses, and permits in any way related to or accruing to the use and benefit of that real property (collectively, the "**Property**").

C. County wishes to purchase the Property by a direct deed from the Landowner (as set forth in Section 1 below) on the terms and conditions set forth in this Agreement. TPL and County anticipate funds for the purchase of the Property to be provided by the California Wildlife Conservation Board, State of California Natural Resources Agency, and State Coastal Conservancy (collectively "**Granting Agencies**").

THE PARTIES AGREE AS FOLLOWS:

1. **Acquisition Agreement.** For the consideration, but subject to the terms, provisions, covenants, and conditions set forth in this Agreement, and subject to TPL instructing Landowner under the TPL-Landowner Purchase Agreement to deed the Property directly from Landowner to County, and also subject to Granting Agencies' disbursement of funds totaling the Purchase Price, TPL hereby agrees to cause the Landowner to deed the Property directly to County, and County hereby agrees to so purchase and acquire the Property. This Agreement shall be effective on the date that it is signed by both parties hereto (the "**Effective Date**").

2. **Purchase Price.** The total purchase price (hereinafter called the "**Purchase Price**") to be paid by County to Landowner for the Property shall be Six Million Seven Hundred Eighty-Five Thousand Dollars and 00/100 (\$6,785,000.00), which represents eighty-five thousand dollars (\$85,000) less than the fair market value of the Property as set forth in that certain appraisal of the Property with a date of value of April 30, 2013 and prepared by Stephen Shapiro, MAI (the "**Appraisal**"), payable all in cash. County hereby acknowledges and agrees that it has reviewed and approved the Appraisal.

3. **Property Condition.**

3.1 In addition to reviewing and approving the Appraisal, County has also had the opportunity to review a Phase I Environmental Site Assessment dated April 24, 2013, prepared by SHN Consulting Engineers & Geologists, Inc.; the 2012 Timber Inventory prepared by the Landowner; and the information provided by the Landowner to TPL listed on Exhibit D. County has reviewed and approved the foregoing.

3.2 Title.

(a) PTR. County has reviewed a preliminary title report dated as of December 6, 2013 (the "**PTR**") issued by the Fidelity National Title Company ("**Title Company**") and copies of all documents referred to as exceptions to title in the PTR. County hereby acknowledges and agrees that it has reviewed and approved the PTR. County only disapproves of title exception matters numbered [] as shown in the PTR, (the "**Disapproved Exceptions**") which shall not be reflected on County's title policy at the Close of Escrow. So long as no new exceptions to title are reflected in this updated or supplemental PTR, then County agrees that it shall have no objections to any updated or supplemental PTR, other than the Disapproved Exceptions, and will not terminate this Agreement pursuant to the provisions of Section 3.5.

(b) Monetary Liens. In any event and notwithstanding anything to the contrary herein, TPL shall provide that all monetary liens and encumbrances (except any statutory liens for nondelinquent real property taxes) are removed from title on or prior to the Close of Escrow.

3.3 Property Information. Except for the Appraisal, prior appraisals of the Property, the items listed in Section 3.1 above, and the PTR, with copies of vesting and underlying exception documents, and other information provided to County before the Effective Date (collectively, the "**Property Documents**"), TPL has no additional information about the Property that has not been provided to County. TPL makes no representation or warranties of any kind whatsoever to County as to the accuracy or completeness of the content of any documents or

other information delivered to County pursuant to this Agreement, including, without limitation, the accuracy or completeness of the content of the Property Documents.

3.4 Property Inspection. Notwithstanding anything to the contrary in this Agreement, County's rights of inspection hereunder shall be subject to TPL's rights under the TPL-Landowner Purchase Agreement. From the Effective Date to the earlier of the Close of Escrow or the termination of this Agreement, County shall have the right to physically inspect on a non-intrusive basis, and to the extent County desires, to cause one or more representatives, agents, employees, or contractors of County (collectively, "**Representatives**") to physically inspect on a non-intrusive basis, the Property without interfering with Landowner's operation of the Property. Such inspections must occur during normal business hours at times mutually acceptable to County, Landowner, and TPL. Before entering onto the Property, County, through its designated representative, shall provide verbal notice to TPL by notifying TPL by telephone or in person, at least ninety-six (96) hours prior to entry. County shall make all inspections in good faith and with due diligence. TPL shall cooperate with County in all reasonable respects in making such inspections (but without any obligation to incur expenses).

3.5 Changes in Condition. The time period from the Effective Date to the Close of Escrow shall be referred to as the "**Term**."

(a) TPL's Notice. TPL shall notify County of a Change in Condition promptly after TPL is aware of such Change in Condition. Any of the following events are a "**Change in Condition**."

(1) new exceptions to title which appear on any supplemental title report issued by the Title Company during the Term ("**Supplemental PTR**");

(2) receipt by TPL of actual notice during the Term of damage or destruction to the Property or any portion thereof which occurs during the Term;

(3) receipt by TPL of actual notice during the Term of (i) any potential eminent domain proceedings affecting all or a portion of the Property, (ii) the commencement of such proceedings during the Term, or (iii) a taking during the Term of all or a portion of the Property by eminent domain; or

(4) receipt by TPL of information or change of circumstance which would make TPL's representations and warranties in Section 6 untrue as of the Closing Date.

(b) County's Options. If a material Change in Condition occurs which would prevent County from using the Property for its intended use or which materially affects the value of the Property, County shall have the right, at its option, as set forth in written notice delivered to TPL by the earlier of the end of the Term or ten (10) business days after TPL notifies County of the Change in Condition, to either (i) terminate this Agreement and neither party shall have any further liability or obligation to the other except for County's obligations which are expressly intended to survive; or (ii) proceed with the purchase of the Property, and accept the Property without remedy for the Change in Condition, without any monetary credit, and without a reduction in the Purchase Price (except as set forth in this Section 3.5(b)). If County does not deliver any notice to TPL within such ten (10) business day period, County shall be deemed to have elected option (ii). In the case of an insured casualty, if County does not terminate

this Agreement and agrees to accept the Property, TPL shall cause all proceeds of any insurance payable to Landowner by reason of such Change in Condition to be paid or assigned to County. In the case of a condemnation/eminent domain proceeding, if County does not terminate the Agreement, the Purchase Price shall be reduced by the total of any awards or other proceeds received or to be received by Landowner as a result of such proceedings or County shall proceed to close so long as TPL causes Landowner to assign all of Landowner's right, title, and interest in and to all such awards and proceeds.

4. Escrow and Closing.

4.1 Escrow Holder. TPL has opened an escrow with Fidelity National Title Company (the "**Escrow Holder**"), located at 515 J Street, Eureka, CA 95501, Telephone (707-442-5785) between TPL and the County for the purpose of consummating the purchase and sale of the Property in accordance with the terms hereof (TPL has also opened an escrow with Escrow Holder to facilitate the first step of a two-step direct deed closing as set forth in Section 1 above and in the TPL-Landowner Purchase Agreement.) Escrow shall close no later than [_____, 2014] (the "**Closing Date**"). The closing of the transaction shall be carried out pursuant to this Section 4. Consummation of the transaction pursuant to this Section 4 shall be referred to as the "**Close of Escrow**."

4.2 Documents.

(a) TPL's Documents. At least one (1) business day prior to the Closing Date, TPL shall deposit into Escrow:

(1) one (1) original duly executed, acknowledged and dated grant deed in a form suitable for recordation, conveying to County fee simple title to the Property ("**Grant Deed**"), which shall be recorded in the Official Records of Humboldt County, California at the Close of Escrow, in substantially the form attached hereto as Exhibit B;

(2) one (1) original of an affidavit from TPL which satisfies the requirements of Section 1445 of the Internal Revenue Code, as amended duly executed by TPL either in substantially the same form as set forth in attached Exhibit C;

(3) one (1) counterpart signature on the joint escrow instructions between County and TPL, which will be prepared consistent with the terms of this Agreement;

(4) one (1) California Form 593-C duly executed by TPL; and

(5) such other instruments and documents as may be reasonably requested by Escrow Holder relating to TPL, to the Property and as otherwise required to transfer the Property to County pursuant to the terms and conditions of this Agreement.

(b) County's Documents. At least one (1) business day prior to the Closing Date, County shall deposit into Escrow:

(1) one (1) counterpart signature on the joint escrow instructions between County and TPL, which will be prepared consistent with the terms of this Agreement;

(2) one (1) originally executed Certificate of Acceptance to be attached to the Grant Deed;

(3) a Notice of Unrecorded Grant Agreement, Memorandum of Unrecorded Grant Agreement, Irrevocable Offer to Dedicate Title in Fee, and/or such other documents or instruments that may be required by the Granting Agencies (the "**Recorded Grant Documents**"); and

(4) such other instruments and documents as may be reasonably requested by Escrow Holder as otherwise required to transfer the Property to County pursuant to the terms and conditions of this Agreement.

4.3 Funds. At least one (1) business day prior to the Closing Date, County shall deposit funds (or cause the acquisition funding sources to deposit) into Escrow by wire transfer in an amount which shall equal the Purchase Price plus/minus any additional amounts necessary to cover costs, credits, and prorations under this Agreement. If amounts are sent by check rather than wire transfer the checks must clear at least one (1) business day prior to the Closing Date.

(a) Prorations.

(1) All real and personal property taxes based on the most recent property tax bills available, bonds, additional taxes, special assessments, rents, issues and profits from the Property, and such other matters as the parties shall instruct Escrow Holder shall be prorated as of the Close of Escrow, or cancelled as of the date of Close of Escrow, if applicable.

(2) Any tax bills received by County after the Close of Escrow relating to a period prior to the Close of Escrow shall be prorated between the parties as if said tax bills had been available as of the Close of Escrow. The provisions of this Section 4.3(a)(2) shall survive the Close of Escrow.

(b) Closing Costs. County shall pay the following closing costs: (i) one half of the escrow fee; (ii) recording fees for the Recorded Grant Documents, if any; (iii) all documentary tax, sales tax, or real property transfer tax, if any; (iv) any additional taxes, penalties, and interest; and (iv) one-half of the premium for the Title Policy (defined in Section 4.5 below). All other fees and charges will be allocated according to custom of Humboldt County, California, the county in which the Property is located. Each party shall pay its own attorneys' fees and other expenses incurred by it in connection herewith.

4.4 Possession. TPL shall cause possession of the Property to be delivered to County as of the Close of Escrow.

4.5 Title Insurance Policy. Title to the Property shall be insured effective as of Close of Escrow by a ALTA standard coverage owner's policy of title insurance (the "**Title Policy**") issued by the Title Company with liability in the amount of the Purchase Price, insuring title to the Property to be vested in County, subject only to current real estate taxes and assessments not delinquent, if applicable. County agrees that its only remedy arising by reason of any defect in title shall be against the Title Company.

4.6 Conditions to Closing.

(a) County's Conditions. If, upon the close of Escrow, any of County's conditions precedent set forth in this Section 4.6(a) is not satisfied or waived, then County may terminate this Agreement by written notice to TPL, and the parties shall have no further obligation to each other under this Agreement except for County's obligations that are expressly intended to survive.

(1) All instruments described in Section 4.2(a) have been delivered to the Escrow Holder;

(2) All funds described in Section 4.3 have been delivered to the Escrow Holder;

(3) Title Company is in a position and is prepared to issue to County the Title Policy;

(4) All representations and warranties made by TPL in Section 6 below shall be true and correct in all material respects as of the Closing Date; and

(5) TPL shall have performed, observed and complied with all covenants, agreements, and conditions required by this Agreement to be performed, observed, and/or complied with by TPL prior to, or as of, the Closing Date.

(b) TPL's Conditions. If, upon the close of Escrow, any of TPL's conditions precedent set forth in this Section 4.6(b) is not satisfied or waived, then TPL may terminate this Agreement by written notice to County, and the parties shall have no further obligation to each other under this Agreement except for TPL's obligations that are expressly intended to survive.

(1) All instruments described in Section 4.2(b) have been delivered to the Escrow Holder;

(2) All funds described in Section 4.3 have been delivered to the Escrow Holder;

(3) All representations and warranties made by County in Section 7 below shall be true and correct in all material respects as of the Closing Date;

(4) County shall have performed, observed, and complied with all covenants, agreements, and conditions required by this Agreement to be

performed, observed, and/or complied with by County prior to, or as of, the Closing Date;

(5) TPL and Landowner shall have performed the obligations under the TPL-Landowner Purchase Agreement required for Landowner to transfer the Property to TPL or TPL's designee and Landowner shall have delivered the Grant Deed to Escrow Holder; and

(6) TPL shall have received approval of the transaction which is the subject of this Agreement by TPL's Board of Directors or TPL's Project Review Committee, which approval is subject to said Board's or Committee's sole discretion.

(c) Subdivision Map Act. The obligation of each party to close the sale of the Property is conditioned on compliance with the California Subdivision Map Act (California Government Code Section 66410 et seq.) (the "**Map Act**") or a determination that conveyance of the Property to County as contemplated in this Agreement is exempt from the Map Act, per Section 66428. Notwithstanding anything to the contrary contained in this Agreement, this condition may not be waived by either party. If TPL notifies County that the conveyance of the Property to County as contemplated in this Agreement is not in compliance with or is not exempt from the Map Act, then this Agreement and the Escrow shall terminate as of the date of the notice and the parties shall have no further obligation to each other under this Agreement except those expressly stated to survive. The recordation of the Grant Deed from the Landowner to County as contemplated in Section 1 above, shall be deemed TPL's conclusive determination that the transaction contemplated herein is in compliance with or exempt from the Map Act.

4.7 Escrow Cancellation Fees. If the Escrow is canceled for any reason other than County's Default, then County will not be liable for any cancellation fees charged by Escrow Holder. If the escrow is canceled due to County's Default, then County will pay any and all cancellation fees charged by Escrow Holder.

5. **County's Covenants.**

5.1 No Interference. County shall not interfere with or hinder the operation of the Property prior to the delivery of possession thereof to County at the Close of Escrow.

5.2 Adequacy of County's Inspection. County agrees that it shall have had adequate access to the Property and shall have had the opportunity to conduct any and all inspections of the Property to its full and complete satisfaction. If County acquires the Property as contemplated under this Agreement, County acknowledges that it will be purchasing the Property with full knowledge of any and all conditions of the Property. County acknowledges that it is fully capable of evaluating the Property's suitability for County's intended use. County agrees that (i) County shall be solely responsible for determining the status and condition of the Property (including the environmental condition of the Property); (ii) County is relying solely upon such inspections, examination, and evaluation of the Property by County in purchasing the Property.

5.3 AS-IS.

(a) The Property is being sold and conveyed hereunder and County agrees to accept the Property "AS IS," "WHERE IS," and "WITH ALL FAULTS" and subject to any condition which may exist, without any representation or warranty by TPL except as expressly set forth in Section 6 below.

(b) County acknowledges and agrees that, other than the representations and warranties set forth in Section 6 below, TPL makes no representations or warranties, express or implied, as to the Property, the Property Documents, or the transaction contemplated by this Agreement. County acknowledges and agrees that, other than the representations and warranties set forth in Section 6 below, no person acting on behalf of TPL is authorized to make (and by the execution this Agreement, County hereby agrees that no person has made) any representation, agreement, statement, warranty, guaranty, or promise regarding the Property, the Property Documents, or the transaction contemplated by this Agreement. County acknowledges and agrees that no representation, warranty, agreement, statement, guaranty, or promise, if any, made by any person acting on behalf of TPL which is not contained in Section 6 below shall be valid or binding upon TPL. County hereby waives and relinquishes all rights and privileges arising out of, or with respect or in relation to, representations, warranties, or covenants (other than the representation and warranties set forth in Section 6 below), whether express or implied, that may have been made or given, or that may be deemed to have been made or given, by TPL. County hereby further acknowledges and agrees that warranties of merchantability and fitness for a particular purpose are excluded from the transaction contemplated hereby, as are any warranties arising from a course of dealing or usage of trade.

5.4 RELEASE. UPON THE CLOSE OF ESCROW, OTHER THAN WITH RESPECT TO A BREACH OF AN EXPRESS REPRESENTATION OF TPL AS SET FORTH IN SECTION 6 BELOW, COUNTY HEREBY AGREES TO ASSUME ALL RISKS AND LIABILITIES RELATED TO THE PROPERTY (INCLUDING AS RELATED TO THE PHYSICAL/ENVIRONMENTAL CONDITION OF THE PROPERTY, AND ITS VALUE, FITNESS, USE, OR ZONING) WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, WHICH IN ANY WAY AND AT ANY TIME RELATE TO OR ARISE FROM THE PROPERTY (INCLUDING AS RELATED TO THE PHYSICAL/ENVIRONMENTAL CONDITION OF THE PROPERTY, AND ITS VALUE, FITNESS, USE, OR ZONING). EXCEPT FOR A BREACH OF THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 6 BELOW, COUNTY HEREBY WAIVES AND RELEASES TPL, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, PARTNERS, PRINCIPALS, AGENTS, ATTORNEYS, EMPLOYEES, AND SUBSIDIARIES, FROM ANY AND ALL CLAIMS, JUDGMENTS, LIABILITIES, PENALTIES, FINES, COSTS, EXPENSES, DEMANDS, LOSSES, OR DAMAGES (INCLUDING WITHOUT LIMITATION ATTORNEY FEES AND COSTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT IN ANY WAY AND AT ANY TIME RELATE TO OR ARISE FROM THE PROPERTY (INCLUDING THE PHYSICAL/ENVIRONMENTAL CONDITION OF THE PROPERTY, AND ITS VALUE, FITNESS, USE, OR ZONING).

County's Initials: _____

5.5 INDEMNITY.

(a) UPON THE CLOSE OF ESCROW COUNTY AGREES TO INDEMNIFY, DEFEND, PROTECT, AND HOLD TPL, ITS OFFICERS, DIRECTORS,

SHAREHOLDERS, MEMBERS, PARTNERS, PRINCIPALS, AGENTS, ATTORNEYS, AND SUBSIDIARIES HARMLESS FROM ANY AND ALL INJURIES, LOSSES, LIENS, CLAIMS, JUDGMENTS, LIABILITIES, PENALTIES, FINES, COSTS, DAMAGES, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ACTUALLY SUSTAINED BY TPL, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, PRINCIPALS, AGENTS, ATTORNEYS, EMPLOYEES, OR SUBSIDIARIES THAT RESULT FROM ANY CLAIM, DEMAND, LIABILITY, LIEN, RIGHT, OR CAUSE OF ACTION MADE, INSTITUTED OR BROUGHT AT ANY TIME IN CONNECTION WITH COUNTY'S OWNERSHIP OF THE PROPERTY. TPL SHALL GIVE COUNTY PROMPT WRITTEN NOTICE OF ANY SUCH CLAIMS TO WHICH COUNTY'S INDEMNIFICATION OBLIGATION APPLIES, AND COUNTY THEREAFTER SHALL HAVE ONE HUNDRED TWENTY (120) CALENDAR DAYS IN WHICH, AT NO EXPENSE OR LIABILITY TO TPL, TO PAY, SETTLE, OR COMPROMISE SUCH CLAIM OR TO NOTIFY TPL IN WRITING THAT COUNTY ACCEPTS THE TENDER OF SUCH CLAIM. TPL SHALL HAVE THE RIGHT TO PARTICIPATE, AT ITS OWN COST AND EXPENSE, IN THE DEFENSE OF SUCH CLAIM. NO SUCH CLAIM MAY BE SETTLED OR COMPROMISED BY COUNTY OR TPL WITHOUT FIRST OBTAINING WRITTEN APPROVAL OF THE PROPOSED SETTLEMENT OR COMPROMISE FROM COUNTY AND TPL, WHICH APPROVAL SHALL NOT BE UNREASONABLY WITHHELD, CONDITIONED OR DELAYED.

(b) NOTWITHSTANDING ANYTHING SET FORTH IN THE INDEMNIFICATION CONTAINED ABOVE, THE INDEMNITY BY COUNTY OF TPL SHALL NOT COVER LIABILITY OF TPL ARISING PRIOR TO THE CLOSE OF ESCROW.

5.6 Signage. Any project signage erected on the Property shall state that: "The acquisition of this community forest was completed with the help of The Trust for Public Land, a non-profit land conservation organization."

5.7 Survival. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, THE PROVISIONS SET FORTH IN THIS SECTION 5 SHALL SURVIVE THE CLOSE OF ESCROW.

6. TPL's Representations and Warranties.

6.1 TPL represents to County that:

(a) Power and Authority. TPL is duly organized and legally existing. Subject to Section 4.6(b)(6), the execution and delivery by TPL of, and TPL's performance under this Agreement, are within TPL's powers and have been duly authorized by all requisite action, and the person executing this Agreement on behalf of TPL has the authority to do so.

(b) Valid Agreement. Subject to Section 4.6(b)(6), this Agreement constitutes the legal, valid, and binding obligation of TPL, enforceable in accordance with its terms, subject to laws applicable generally to applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles affecting or limiting the right of contracting parties generally.

(c) No Breach. Performance of this Agreement by TPL will not result in a breach of, or constitute any default under any agreement or instrument to which TPL is a party, which breach or default will adversely affect TPL's ability to perform its obligations under this Agreement.

(d) Foreign Person. TPL is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986 (i.e., TPL is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and regulations promulgated thereunder).

(e) Bankruptcy. TPL (a) is not in receivership or dissolution; (b) has not made any assignment for the benefit of creditors; (c) has not admitted in writing its inability to pay its debts as they mature; (d) has not been adjudicated a bankrupt; (e) has not filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the Federal Bankruptcy Law or any other similar law or statute of the United States or any state, or (f) does not have any such petition described in Subparagraph (e) above filed against TPL.

6.2 County hereby acknowledges and agrees that, upon the Close of Escrow, any claim of County that any representation of TPL herein is not true and correct shall be automatically waived in full by County, provided the information or basis from which any such claim arises is known to County on or prior to the Closing Date.

7. **County's Representations and Warranties.** County represents to TPL that:

7.1 Power and Authority. County is a county in the State of California. The execution and delivery by County of, and County's performance under, this Agreement, are within County's governmental powers and County has the authority to execute and deliver this Agreement.

7.2 Valid Agreement. This Agreement constitutes the legal, valid, and binding obligation of County enforceable in accordance with its terms, subject to laws applicable generally to applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles affecting or limiting the rights of contracting parties generally.

7.3 No Breach. Performance of this Agreement will not result in any breach of, or constitute any default under, any agreement or other instrument to which County is a party, which breach or default will adversely affect County's ability to perform its obligations under this Agreement.

7.4 No Bankruptcy. County (a) is not in receivership or dissolution, (b) has not made any assignment for the benefit of creditors, (c) has not admitted in writing its inability to pay its debts as they mature, (d) has not been adjudicated a bankrupt, (e) has not filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law, or any other similar law or statute of the United States or any state, or (f) does not have any such petition described in Subparagraph (e) above filed against County.

8. **Remedies.**

8.1 County's Remedies. If TPL defaults in the performance of TPL's obligations, promises or agreements under this Agreement, or if TPL breaches any of its representations or warranties hereunder, ("**TPL's Default**"), County, as its sole and exclusive remedy, may terminate this Agreement and pursue TPL for actual damages and TPL shall not be liable to County for any punitive, speculative or consequential damages. County hereby waives and relinquishes all rights of County to (i) bring an action against TPL to quiet title to the Property, or (ii) bring an action for specific performance of this Agreement. County specifically acknowledges that it shall not have any remedy whatsoever against TPL for any default by TPL under this Agreement unless County is in material compliance with all the terms and conditions hereof.

8.2 TPL's Remedies. If County defaults in the performance of any of County's obligations, promises, or agreements under this Agreement or if County breaches any of its representations or warranties hereunder ("**County's Default**"), TPL shall be entitled to exercise any remedy available to TPL by law or equity, including an action for specific performance and/or an action for damages; provided, however, that TPL hereby waives and relinquishes the right of TPL to bring an action for specific performance of this Agreement unless TPL has exercised its option to purchase under the TPL-Landowner Purchase Agreement. TPL specifically acknowledges that it shall not have any remedy whatsoever against County for any default by County under this Agreement unless TPL is in material compliance with all the terms and conditions hereof.

9. **Miscellaneous.**

9.1 No Broker. Each party represents to the other that it has not used a real estate broker or finder in connection with this Agreement or the transaction contemplated by this Agreement. If any person asserts a claim for a broker's commission or finder's fee against one of the parties to this Agreement, the party on account of whose conduct the claim is asserted shall indemnify and hold the other party harmless from and against any and all losses, liens, claims, judgments, liabilities, costs, expenses or damages (including reasonable attorneys' fees and court costs) of any kind or character arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by such party or on its behalf with any broker or finder in connection with this Agreement or the transaction contemplated hereby.

9.2 Notices. All notices, requests, demands, approvals, consents or other communications required or permitted by this Agreement shall be addressed as set forth in Recital A, shall be in writing and shall be sent by (a) nationally recognized overnight courier, or (b) facsimile or email and shall be deemed received (i) if delivered by overnight courier, when received as evidenced by a receipt, or (ii) if given by facsimile or email, upon transmission; provided that the sender does not receive any indication that the facsimile or email has not been successfully transmitted. County and TPL hereby agree that notices may be given hereunder by the parties' respective counsel and that, if any communication is to be given hereunder by County's or TPL's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Section. Notice of change of address shall be given by written notice and in the manner detailed in this Section 9.2. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or other communication sent.

9.3 Assignment. County may not assign its rights under this Agreement, and any assignment by County in contravention of this provision shall be void and shall not relieve County of its obligations and liabilities hereunder.

9.4 Attorneys' Fees and Legal Expenses. Should either party hereto institute any action or proceeding in court or through arbitration to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Agreement or for any other remedy, the prevailing party shall be entitled to receive from the losing party all of its costs and expenses, including, without limitation, reasonable attorneys' fees and all court and/or arbitration costs, costs of appeal and disbursements actually and reasonably incurred in connection with said proceeding.

9.5 Section Headings. The Section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several Sections hereof.

9.6 Entire Agreement. This Agreement is intended to be a final expression of the parties' agreement and constitutes the final, complete, and exclusive agreement between the parties about the subject matter of this Agreement. All prior and contemporaneous statements, agreements, representations, and understandings, oral or written, are merged into and superseded by this Agreement. No parol or extrinsic evidence of any kind may be used to vary, contradict, supplement, or add to the terms of this Agreement.

9.7 Interpretation; Independent Counsel. Each party to this Agreement has substantial experience with the subject matter of this Agreement and has each fully participated in the negotiation and drafting of this Agreement and has been advised by counsel of its choice with respect to the subject matter hereof. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the drafter. Each party represents and warrants to the other that it has completely read and fully understands the provisions of this Agreement; and in executing this Agreement it has not relied on any promise or representation made by any person other than the promises and representations expressly stated in this Agreement.

9.8 Applicability. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, except as expressly set forth herein.

9.9 Time. TIME IS OF THE ESSENCE IN THE PERFORMANCE OF THE PARTIES' OBLIGATIONS UNDER THIS AGREEMENT.

9.10 Counterpart Execution; Facsimile. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute one document. This Agreement may also be executed and delivered via email or facsimile and a scanned or facsimile signature shall have the same legal effect as an original signature.

9.11 Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Further, the parties agree that the venue of any claim, action, proceeding, or counterclaim arising out of or in any way connected with this Agreement, including any claim of injury or damage, will be in the County of Humboldt, California.

9.12 Time Calculations. Should the calculation of any of the various time periods provided for herein result in an obligation becoming due on a Saturday, Sunday or legal holiday, then the due date of such obligation or scheduled time of occurrence of such event shall be delayed until the next business day.

9.13 Merger Provision. Except as expressly set forth herein, any and all rights of action of County for any breach by TPL of any representation, warranty or covenant contained in this Agreement shall merge with the Grant Deed and other instruments executed at Close of Escrow, shall terminate at the Close of Escrow and shall not survive the Close of Escrow. All other provisions of this Agreement which are intended by their terms to survive the Close of Escrow or a termination of this Agreement shall survive the Close of Escrow or a termination of this Agreement.

9.14 Further Assurances. County and TPL agree to execute all documents and instruments reasonably required in order to consummate the acquisition herein contemplated and to do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Agreement.

9.15 Severability. If any portion of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

9.16 Amendments. This Agreement may be amended only by written agreement signed by both of the parties hereto.

9.17 Exhibits Incorporated by Reference. The following exhibits attached to this Agreement are incorporated into this Agreement by reference

Exhibit A	Legal Description
Exhibit B	Form of Grant Deed
Exhibit C	Form of Non-foreign Affidavit
Exhibit D	Landowner-provided Information

9.18 No Waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

9.19 Independence. TPL, its officers, directors, employees, agents and representatives, is each acting in an independent capacity in entering into and carrying out this Agreement, and not as a partner, member, director, officer, agent, employee or representative of the County of Humboldt.

9.20 Nuclear Free Clause. TPL certifies by its signature below that it is not a nuclear weapons contractor, in that TPL 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. TPL agrees to notify County immediately if it becomes a nuclear weapons contractor as defined above. The County may immediately terminate this agreement if it determines that the foregoing certification is false or if TPL becomes a nuclear weapons contractor.

Remainder of Page Intentionally Left Blank; Signatures Appear on Following Page

DRAFT

April 15, 2014

IN WITNESS WHEREOF, the parties have executed this Acquisition Agreement as evidenced by their respective signatures below.

TPL

THE TRUST FOR PUBLIC LAND,
a California nonprofit public benefit corporation

By: _____
Eileen Chauvet, Counsel

Date: _____

COUNTY

County of Humboldt

By: _____
Thomas K. Mattson, Public Works Director

Date: _____

ATTEST:

Name: _____
Title: _____

APPROVED AS TO FORM:

Name: _____
Title: _____

Date: _____

DRAFT

April 15, 2014

EXHIBIT A

Legal Description of the Real Property

to be attached

DRAFT

April 15, 2014

Exhibit B
Form of Grant Deed

Recording Requested By Fidelity National Title Company
When Recorded Mail to:

MAIL TAX STATEMENTS TO:

Assessor Parcel Numbers: _____

Documentary Transfer Tax: No transfer tax due: This conveyance transfers an interest in real property to a tax exempt public entity, whose written acceptance of said interest appears herewith. R. & T. Code, § 11922

GRANT DEED

For valuable consideration, receipt of which is acknowledged, GREEN DIAMOND RESOURCE COMPANY, a Washington corporation ("**Grantor**"), hereby grants to the COUNTY OF HUMBOLDT ("**Grantee**"), the real property in the County of Humboldt, State of California, described in Exhibit A attached hereto and made a part hereof (the "**Property**").

TOGETHER WITH all of the right, title, and interest in all minerals and mineral rights of every name, nature, kind and description including coal, oil, gas, petroleum and the products thereof and to the geothermal rights which are owned by GRANTOR and which are upon or appurtenant to said land.

TOGETHER with the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

This conveyance is an AS-IS transaction and is also subject to all other matters appearing of record or known to Grantee that can be ascertained by an inspection of said Property and is made without any warranty expressed or implied as to the suitability of said Property for any purpose.

DRAFT

April 15, 2014

IN WITNESS WHEREOF, Grantor has caused this instrument to be duly executed.

Dated: _____

GRANTOR:

GREEN DIAMOND RESOURCE
COMPANY, a Washington corporation

By: _____

Title: _____

Acknowledgement Attached

By: _____

Title: _____

Acknowledgement Attached

DRAFT

April 15, 2014

EXHIBIT A TO GRANT DEED

LEGAL DESCRIPTION

to be attached

EXHIBIT C

Form of Non-foreign Affidavit

CERTIFICATION BY ENTITY TRANSFEROR
THAT IS NOT A FOREIGN CORPORATION,
PARTNERSHIP, TRUST OR ESTATE

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign corporation, partnership, trust or estate. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by THE TRUST FOR PUBLIC LAND, a California nonprofit public benefit corporation ("**Transferor**"), the undersigned hereby certifies the following, on behalf of Transferor:

- a. Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
- b. The U.S. employer identification number of Transferor is 23-7222333; and
- c. Transferor's office address is: 101 Montgomery Street, Suite 900, San Francisco, CA 94104

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct and complete.

Dated: _____, 20__.

TRANSFEROR:

THE TRUST FOR PUBLIC LAND,
a California nonprofit public benefit corporation

By: _____
Eileen Chauvet Counsel

EXHIBIT D

Landowner-provided Information

Documents Mentioned in Legal	Description
317-OR-402	Easement Deed from Pacific Conservation Co. to Haugen
Instr. No. 1989-4253	Amendment to location of easements granted per 317-OR-402 and 406-OR-529
406-OR-529	Non-exclusive Easement for perpetual right-of-way from Ekbum to Haugen
5-RS-60	Record of Survey for McKay and Company and The Pacific Lumber Company
1212-OR-94	Grant Deed from Louisiana-Pacific Co to Strombeck
1993-OR-7888	Grant Deed to Scotia Pacific Holding Company
238-D-392	Grant Deed to County of Humboldt
255-D-315	Grant Deed to County of Humboldt
19-M-95	Land Survey
1990-OR-25340	Deed to Humboldt Community Services District
351-OR-44	Grand Deed from Pacific Conservation Company to Humboldt Community Services District
255-D-315	County Road Easement Deed
625-OR-40	Grant Deed from Pacific Conservation Co. to County of Humboldt
149-OR-273	Grant Deed from McKay & Company to Pacific Conservation Company
9-RS-79	Record of Survey
699-OR-233	Grant Deed from Pacific Conservation Co to Humboldt Community Services District
793-OR-477	Grant Deed from Pacific Conservation Co to Sharp
875-OR-432	Quitclaim Deed from Pacific Conservation Co to Gordon
8-M-9	Amended Survey Map
467-OR-236	Easement Deed to County of Humboldt
467-OR-240	Easement Deed to County of Humboldt
13-RS-184	Record of Survey
626-OR-484	Decree of Distribution in the Matter of the Estate of Elwood V. Rost
56-OR-356	Grant Deed to Oscar Lee Williams
1693-OR-643	Easement for 40 years to LP from HCSD to perfect access from Beechwood, expires April 28, 2022
135-OR-383	Grant Deed from McKay & Co. to City of Eureka
95-D-156	Grant Deed from McKay & Co. to Sweasey
491-OR-606	Grant Deed from Pacific Conservation Co. to PG&E
30-D-183	Grant Deed to Rebecca McKay
6-PAT-122	Patent to Harris Connick
18-PAT-281	Patent to Thomas Eastlake
1993-OR-3680	Grant Deed to Humboldt Community Services
77-D-26	Grant Deed From McKay & Co. to County of Humboldt for public road along North line of S25 of T5N R1W
6-PAT-101	Patent to John Vance
224-OR-98	Final Order of Condemnation
18-R/S-72	Frank Herrick Survey #10
231-OR-78	Grant Deed from McKay & Co to Bank of America
244-D-292	Grant Deed from McKay & Co to Ninth District Agricultural Association
630-OR-560	Grant Deed from Pacific Conservation Co. to County of Humboldt
235-D-343	Grant Deed from Bank of America to 9th District Agricultural Association
149-OR-273	Deed from McKay & Co to Pacific Conservation Corp
Instr. No. 2007-31600	Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
1468-OR-335	Deed evidencing title from merger from LP Timber to LP Corporation
964-OR-1	Deed from Georgia-Pacific Corp to Humboldt County Schools reserving right-of-way
Instr. No. 1997-28277	Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
Instr. No. 1997-28278	Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
13-M-136,137	McKay Tract Map
779-OR-191	Deed to Eureka High School District
393-OR-518	Deed from Pacific Conservation Co. to Pacific Gas & Electric Company
229-D-240	Deed from McKay & Co. to Edna L. Bums
54-R/S-50	Record of Survey
Instr. No. 2007-31601	Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
17-R/S-59	Record of Survey
59-R/S-41 to 45	Record of Survey
Documents listed as Exceptions to Title	
78-D-251	(Exc. 5) Deed from Connick to McKay & Co. reserving right to use water and to extend a dyke across said land
230-D-113	(Exc. 6) Grant of Right-of-Way for pipeline from McKay & Co. to City of Eureka
135-OR-383	(Exc. 7) Grant Deed and Right-of-Way from McKay & Co. to City of Eureka
290-OR-98	(Exc. 8) Easement to Pacific Gas and Electric Co. (Encumbers the Westerly portion of Windes property, doesn't affect GDRCo property)
293-OR-586	(Exc. 9) Easement to Pacific Gas & Electric Co.
296-OR-211	(Exc. 10) Temporary Easement for Bridge Reconstruction (Expired 6/15/1955)
317-OR-402	(Exc. 11) Easement from Pacific Conservation Co. to Haugen in S. 6 of T4N R1E
350-OR-270	(Exc. 12) Easement to Pacific Gas and Electric Co. re-recorded in 393-OR-518 (listed above)

461-OR-69	(Exc. 13) Easement to Pacific Gas and Electric Co.
474-OR-571	(Exc. 14) Easement to Pacific Gas and Electric Co.
478-OR-223	(Exc. 15) Easement to Pacific Gas and Electric Co.
481-OR-532	(Exc. 16) Easement to Pacific Gas and Electric Co.
483-OR-68	(Exc. 17) Easement to Pacific Gas and Electric Co. re-recorded in 491-OR-606 listed above
549-OR-519	(Exc. 18) Easement to the Humboldt Community Services District for water main in S36 of T5N R1W
999-OR-563	(Exc. 19) Right-of-Way license to install, maintain, and operate a sewer line in S25 of T5N R1W
1188-OR-4	(Exc. 21) LP Corp grants to County of Humboldt a drainage easement over the NE/4 of NE/4 S36 T5N R1W
5-R/S-60	(Exc. 22) Record of Survey
40-R/S-77	(Exc. 22) Record of Survey
45-R/S-60	(Exc. 22) Record of Survey
53-R/S-111	(Exc. 22) Record of Survey
55-R/S-60	(Exc. 22) Record of Survey
59-R/S-41-45	(Exc. 22) Record of Survey
65-R/S-9-12	(Exc. 22) Record of Survey
69-R/S-87-88	(Exc. 22) Record of Survey
1670-OR-817	(Exc. 24) Agreement concerning real property with the Humboldt Community Services District (water tank site)
1833-OR-760	(Exc. 25) Grant of Easement to Erma Clark over portion of SW/4 of S36 T5N R1W
Instr. No. 1990-25340	(Exc. 26) Corporate Quitclaim Deed
Instr. No. 1991-15178	(Exc. 27) Easement Deed to Eureka Exchange Corporation for ingress, egress, public utilities, and drainage purposes
Instr. No. 1991-17963	(Exc. 28) Easement Deed to Eureka Exchange Corporation for ingress, egress, public utilities (40' in width)
Instr. No. 1992-6795	(Exc. 29,30) Easement Deed to Gracoco Construction for ingress, egress, and public utilities over S2 T4N R1W
Instr. No. 1992-17995	(Exc. 31) Easement to Pacific Gas and Electric Company over portion of S36 T5N R1W
Instr. No. 1995-11403	(Exc. 32) Notice of Timberland Protection Zone
Instr. No. 1996-11404	(Exc. 33) Notice of Timberland Protection Zone
Instr. No. 1996-27218	(Exc. 34) Easement Deed to Humboldt Community Services District for utility services over portion of S25 T5N R1W
Instr. No. 1996-28225	(Exc. 35) Easement to Pacific Gas and Electric Company and Pacific Bell
Instr. No. 1997-31440	(Exc. 37) Drainage Easement to County of Humboldt over a portion of NW/4 of S36 of T5N R1W (Manzanita Street)
Instr. No. 1998-5365	(Exc. 38) Waterline Easement Deed from LP to Windes 10' in width
Instr. No. 1998-6088	(Exc. 39) Memorandum of Agreement between LP Corp and Robert Morris
Instr. No. 1998-9075	(Exc. 40) Reciprocal Right-of-Way deed between LP Corp and City Garbage Company of Eureka
Instr. No. 1998-10479	(Exc. 41) LP to The Field Committee Corporation for easement and right-of-way over S36 T5N R1W (encumbered property sold)
Instr. No. 1996-307	(Exc. 42) Notice of Merger affects Carlsen property no longer owned by GORCo
Instr. No. 1999-12059	(Exc. 43) Easement deed to Huffman et al
Instr. No. 1999-12060	(Exc. 43) Easement deed to Huffman et al
Instr. No. 2002-43564	(Exc. 44) American AgCredit Deed of Trust
Instr. No. 2007-802	(Exc. 44) Modification to Deed of Trust
Instr. No. 2010-14536	(Exc. 44) Substitution of Trustee
Instr. No. 2007-31600	(Exc. 45) Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
Instr. No. 2007-31601	(Exc. 46) Notice of Lot Line Adjustment and Certificate of Subdivision Compliance
Instr. No. 2009-6208	(Exc. 47) Grant of road easement to Windes
Instr. No. 2011-18867	(Exc. 48) Notice of Merger and Certificate of Subdivision Compliance
Instr. No. 2011-18868	(Exc. 49) Notice of Merger and Certificate of Subdivision Compliance
Instr. No. 2011-18869	(Exc. 50) Notice of Merger and Certificate of Subdivision Compliance
Instr. No. 2011-18870	(Exc. 51) Notice of Merger and Certificate of Subdivision Compliance
Instr. No. 2011-18871	(Exc. 52) Notice of Merger and Certificate of Subdivision Compliance
Instr. No. 2011-18875	(Exc. 53) Notice of Certificate of Subdivision Compliance
Instr. No. 2011-18877	(Exc. 54) Notice of Conditional Certificate of Subdivision Compliance
Instr. No. 2011-18878	(Exc. 55) Notice of Conditional Certificate of Subdivision Compliance
Instr. No. 2011-18879	(Exc. 56) Notice of Conditional Certificate of Subdivision Compliance
226-OR-214	Easement from Pacific Conservation Co. to County of Humboldt for public road with reservations of access to PCC
Unrecorded Documents that affect McKay	
Amendment to HCSD Lease	Amends the 1982 lease with HCSD for a tank site to allow for a second tank site, executed March 13, 2007
Nelson Drainage Easement	Simpson Timber to C.F. Nelson Inc. (permanent non-exclusive drainage easement) executed 6/23/2000
McKay Tract; THP Summary	
1-08-102 HUM	No timber harvesting operations conducted; road work has been completed/ Status is "Completed"
1-08-155 HUM	Only one unit (approx. .64 acres) has been harvested and was planted in 2012. A partial completion report will be submitted to CAL 2012 for this portion of the plan. Status is "Approved"
McKay Tract; Permits	
REER	Redwood Empire Endurance Riders (REER); Master Land Use Permit Expires 12/31/2012
Project Dev Permit PCFWWRA Ryan Creek	Pacific Coast Fish, Wildlife and Wetlands Restoration Association (PCFWWRA); Project Deleptment Permit Expires 3/23/2013
TU Ryan & Littler River	Trout Unlimited; Project Development Permit expires 3/23/2013
Ryan Ck signed.pdf	California Department of Fish and Game (DF&G); Project Development Permit expires 3/14/2012

DRAFT

April 15, 2014

Ryan Creek - Investigation Plan (USFWS Jan 20	Ryan Creek Investigation Plan (USFWS
AAP DFG PITtagStation	California Department of Fish and Game (DF&G); Agreement Area Pass expires 12/31/2012