GT Draft 8-27-2023

INSURANCE ADMINISTRATION AGREEMENT

BY AND BETWEEN

CARSON RECLAMATION AUTHORITY

AND

CARSON GOOSE OWNER, LLC

DATED AS OF

__________ __, 2023

INSURANCE ADMINISTRATION AGREEMENT

This INSURANCE ADMINISTRATION AGREEMENT (this "**Agreement**") is made as of ___________ __, _____ (the "**Effective Date**") by and between CARSON RECLAMATION AUTHORITY, a joint powers authority formed under the laws of the State of California ("**CRA**") and CARSON GOOSE OWNER, LLC, a Delaware limited liability company ("**Developer**").

RECITALS

A. *The Property and its Environmental Conditions*

WHEREAS, CRA is the owner of the 157-acre parcel located at 20400 S. Main Street in Carson, California, commonly known as the former Cal Compact Landfill and shown on the Site Map attached hereto as Exhibit A-1 (the "**Property**").

WHEREAS, the Property is subject to a tentative tract map that subdivides it into a surface lot (the "**Surface Lot**") and a subsurface lot (the "**Subsurface Lot**"), which lots are referenced on the "Designation of Parcels" attached hereto as Exhibit A-2 as Parcels 1 (Subsurface Lot) and 2 (Surface Lot) of Parcel Map No. 70372.

WHEREAS, the Property is divided into five (5) cells (each, a "**Cell**") as shown on Exhibit A-3.

WHEREAS, the Property was operated as a landfill prior to the incorporation of the City of Carson ("**City**") in 1968 and as a result, the Property has soil and groundwater contamination that requires substantial remediation in order to allow for any vertical development of the Property. On October 25, 1995, the California Department of Toxic Substances Control ("**DTSC**") approved a Remedial Action Plan ("**RAP**") for the Property, which RAP requires the installation, operation and maintenance of certain remedial systems, including a landfill cap, gas collection and treatment system, and groundwater extraction and treatment system on the Property. In addition to the RAP, certain Consent Decrees were issued for the Property in October 1995 ("**1995 Consent Decree**") and January 2004, which were entered into by DTSC and certain responsible parties for the remediation, in order to resolve claims made regarding the resolution of the contamination issues afflicting the Property; the 1995 Consent Decree applies to the remedial obligations for the Property. In addition, the development of the Property is subject to the terms and conditions set forth in that certain document entitled Management Approach to Phased Occupancy (File No. 01215078.02), approved by DTSC in April 2018 and that certain letter regarding phased development matters, issued by DTSC to the CRA, dated October 17, 2017. [Add reference to DTSC LUC if recorded prior to execution]

B. *Developer and Development of Cells 3, 4 and 5*

WHEREAS, the CRA and Developer's predecessor in interest entered into that certain Option Agreement and Joint Escrow Instructions, dated December 17, 2020 (as amended and modified from time to time, the "**Option Agreement**"), pursuant to which Developer was granted an option right for its acquisition and development of the Surface Lot of Cells 3, 4 and 5 (the "**Remainder Cells**"), subject to all terms and conditions contained therein. The Option Agreement

was assigned to Developer by virtue of that certain Assignment of Option Agreement and Joint Escrow Instructions dated January 19, 2021.

WHEREAS, Developer has successfully obtained the Required Approvals, pursuant to the terms and conditions of the Option Agreement and has exercised its option right to acquire and develop the Remainder Cells, and therefore, on the Effective Date, the CRA has conveyed the Remainder Cells comprising approximately 96 net acres to Developer for the development of an approximately 11.12-acre community amenity and commercial area with a variety of programmed passive and active open spaces, including, among other uses, retail, restaurants, a performance stage and pavilion and event lawn, a dog park, and other community-serving uses and an e-commerce/fulfillment center and distribution center/parcel hub uses (the "**Developer Project**"); *provided*, *however*, pursuant to the terms and conditions of the Option Agreement, Developer is required to construct and install the Remedial Systems on the Remainder Cells and Building Protection Systems necessary for the Remainder Cells, pursuant to all DTSC regulatory requirements and in accordance with the terms and conditions of the Option Agreement, and the Site Development Improvements (as defined in the Option Agreement) (collectively, the "**Additional Developer Project Improvements**").

D. *Remaining Development of Cells 1 and 2*

WHEREAS, on September 6, 2018, the CRA entered into a Conveyancing Agreement with CAM-CARSON, LLC ("**CAM**"), a joint venture between Macerich and Simon Property Group, for the disposition and development of a high-end fashion outlet center on Cell 2 comprising approximately 42 acres of the Property known as the Los Angeles Premium Outlets project (the "**Cell 2 Project**"). Construction of the Cell 2 Project elements commenced in September 2018 with the initial construction of the Remedial Systems required for the Cell 2 Project, grading and waste reconsolidation, installation of piles and pile caps, installation of vaults and under slab utilities and underground utility runs, and other sub-surface work. Vertical development of the Cell 2 Project has not yet commenced.

WHEREAS, the Future Developer (defined below) for the vertical development of Cell 1 has not yet been formally selected by the CRA.

E. *Insurance Programs*

WHEREAS, CRA will obtain the Development PLL and Developer has elected to participate in the Development PLL and contribute its allocated portion of the applicable premium, surplus lines taxes and brokerage fees as set forth herein.

WHEREAS, Developer shall be required to maintain certain Insurance Programs (as defined herein): (i) effective as of the Effective Date for certain Insurance Programs and (ii) during construction of the Developer Project and the Additional Developer Project Improvements (collectively, "**Improvements**") for certain Insurance Programs.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and covenants herein contained, and for good and valuable consideration and intending to be legally bound, CRA and Developer agree as follows:

ARTICLE I
DEFINITIONS

1.01. Defined Terms. As used in this Agreement, the following capitalized terms have the following meanings:

(a) "**Additional Developer Project Improvements**" has the meaning set forth in Recital C to this Agreement.

(b) "**Agreement**" means this Insurance Administration Agreement by and between CRA and Developer, as the same may be amended from time to time.

(c) "**Applicable Laws**" means any applicable federal, state or local laws and all Environmental Laws.

(d) "**Broker**" means Marsh & McLennan Companies, or any successor broker of record appointed by CRA.

(e) "**Building Protection Systems**" means those systems that consist of landfill gas monitoring and detection systems under all areas where buildings are to be constructed on or under the Remainder Cells and having the following characteristics: (i) the Building Protection System shall be installed above the primary landfill cap membrane and under, or adhered to, slabs of all buildings slated for occupancy in a particular Cell; (ii) the Building Protection System shall consist of a membrane layer, ventilation layer, gas control pipeline and monitoring system, to the extent each is required by the Los Angeles County Department of Public Works, Environmental Programs Division; and (iii) the design and completion of the Building Protection Systems are approved by the Los Angeles County Department of Public Works, Environmental Programs Division.

(f) "**Cell**" means any one of the five (5) portions of the Property as described in Recital A and as more specifically depicted on Exhibit A-3 .

(g) "**CFD#1**" means the Community Facilities District No. 2012-1 of the City of Carson (The Boulevards at South Bay – Remedial Systems OM&M), a public body formed pursuant to the Mello-Roos Community Facilities Act of 1982, as may be amended/replaced pursuant to the terms of the Option Agreement.

(h) "**City**" means the City of Carson, California.

(i) "**CRA**" means the Carson Reclamation Authority, which at all times hereunder shall act by and through its Executive Director, unless otherwise expressly provided herein.

(j) "**Construction Commencement Date**" means the date on which Developer commences any physical work on, at, above or under any portion of the Property.

(k) "**Construction Policies**" means the Developer's Builder's Risk, the Contractor CPL and Owners' Interest CPL or the Developer Construction Wrap CPL, as applicable, the Developer Property Insurance, the Developer Construction GL and the OPPI, collectively.

(l) "**Developer**" means Carson Goose Owner, LLC, and/or any successors in interest to Carson Goose Owner, LLC.

(m) "**Developer Builder's Risk**" has the meaning set forth in Section 4.03(a) hereof.

(n) "**Developer Construction Wrap CPL**" has the meaning set forth in Section 3.02 hereof.

(o) "**Developer Construction GL**" has the meaning set forth in Section 4.02(a) hereof.

(p) "**Developer Insured Parties**" has the meaning set forth in Section 7.01 hereof.

(q) "**Developer Premium Percentage**" has the meaning set forth in Section 2.05 hereof.

(r) "**Developer Property Insurance**" has the meaning set forth in Section 4.04(a) hereof.

(s) "**Development PLL**" has the meaning set forth in Section 2.01 hereof. hereof.

(t) "**Development PLL Renewal**" has the meaning set forth in Section 2.04 hereof.

(u) "**DTSC**" means the California Environmental Protection Agency, Department of Toxic Substances Control.

(v) "**Effective Date**" means the date the Agreement is entered into as shown on page 1 hereof, which shall be the Closing Date (as defined in the Option Agreement).

(w) "**Environmental Laws**" means any applicable federal, state or local laws, statutes, ordinances, rules, regulations, orders, now or hereafter in effect, imposing liability, establishing standards of conduct or otherwise relating to protection of the environment (including natural resources, surface water, groundwater, soils, and indoor and ambient air), health and safety, or the presence, generation, treatment, storage, disposal, discharge or threatened discharge, transport or handling of any hazardous material.

(x) "**Event of Default**" means any uncured default or breach as more specifically described in Section 10.01.

(y) "**Future Developer**" means any developer selected by CRA to develop and construct vertical improvements on Cell 1 of the Surface Lot, the developer of the vertical improvements on Cell 2 of the Surface Lot and/or any successor developer on any Cell of the Surface Lots, each pursuant to a written development agreement between CRA and such party.

(z) "**Improvements**" has the meaning set forth in Recital E hereof.

(aa) "**Infrastructure Improvements/Offsite Improvements**" shall have the meaning set forth in the Option Agreement.

(bb) "**Insurance Programs**" shall mean all insurance programs described in this Agreement, including any replacements or renewals thereof.

(cc) "**Non-Developer Insured Parties**" has the meaning set forth in Section 7.03(a) hereof.

(dd) "**Notice**" and "**Notices**" have the meaning set forth in Section 11.04 hereof.

(ee) "**OPPI**" has the meaning set forth in Section 3.04 hereof.

(ff) "**Owners' Interest CPL**" has the meaning set forth in Section 3.01(c).

(gg) "**Pre-Construction GL**" has the meaning set forth in Section 4.01 hereof.

(hh) "**Pre-Construction Approved Activities**" shall mean those activities set forth on Exhibit B attached hereto and such other activities as are approved in advance by CRA, at CRA's sole discretion.

(ii) "**Post-Development PLL**" has the meaning set forth in Section 2.05 hereof.

(jj) "**Property**" means that certain 157-acre parcel located at 20400 S. Main Street in Carson, California, commonly known as the former Cal Compact Landfill and shown on the Site Map attached hereto as Exhibit A-1.

(kk) "**Remedial System Buildout Period**" means the period from the Effective Date through and including the written approval by DTSC of (i) a cell-specific Remedial Action Completion Report for all five (5) Cells of the Property, which confirms that all Remedial Systems on each Cell of the Property have been installed and are operational; and (ii) Building Protection Systems have been installed on each of the five (5) Cells of the Property in areas and in such a manner required by DTSC and Los Angeles County Department of Public Works, Environmental Programs Division.

(ll) "**Remedial Systems**" means the landfill liner and cap, landfill gas collection and treatment system and groundwater extraction and treatment system on any Cell of the Property.

(mm) "**SIR**" means the self-insured retention or deductible due under any Insurance Program.

(nn) "**Substantial Completion**" means the completion of the Improvements and/or the Infrastructure Improvements/Offsite Improvements, as applicable, as evidenced by either (1) a temporary or permanent Certificate of Occupancy for such Improvement (or portion thereof) or (2) the placement of any Improvement and/or the Infrastructure Improvements/Offsite Improvements (or portion thereof), as applicable, into its intended use.

(oo) "**Subsurface Lot**" means the subsurface lot as referenced on Exhibit A-2.

(pp) "**Surface Lot**" means the surface lot as referenced on Exhibit A-2.

ARTICLE II
DEVELOPMENT POLLUTION LEGAL LIABILITY COVERAGE

2.01. Development Pollution Legal Liability Coverage. Effective as of the Effective Date, CRA will obtain one or more pollution legal liability policies in accordance with the terms herein (collectively, the "**Development PLL**").

2.02. Development PLL Specifications.

(a) *Minimum Coverages*.

(i) *Term/Limit*. The Development PLL will have a policy term of ten (10) years commencing on the Effective Date, with limits of liability equal to at least Two Hundred Million Dollars ($200,000,000) per incident and in the aggregate through December 31, 2027 and Fifty Million ($50,000,000) thereafter and an SIR of Two Hundred Fifty Thousand Dollars ($250,000) per incident. The Development PLL will include coverage for pre-existing conditions for ten (10) years from the Effective Date and new pollution conditions for the longest term commercially available. The Development PLL will be primary and non-contributory to any other insurance carried by the insureds thereunder and any other Future Developers and there will be no exclusion or limitation of coverage to an insured if a claim is made by another insured. It is anticipated that on the Effective Date, the Development PLL will consist of (x) the site-specific pollution legal liability program issued by Beazley as Policy No. B0901EK1702322000 and the excess policies issued by Ironshore as Policy No. 003389700, Great American Insurance Group as Policy No. EEL E240608 00, XL Catlin as Policy No. XEC0051209 and Zurich as Policy No. AEC 0386238 00 with an effective date of December 31, 2017 to December 31, 2027 (the "**Existing PLL Policy**"); and (y) a site-specific pollution legal liability program issued by Beazley to CRA and Developer with $50,000,000 limits of liability and a policy effective date from the Effective Date to the 10th anniversary of the Effective Date consistent with Beazley Quote No: [___________] (the "**Bridge PLL Policy**")[1].

[1] The Bridge PLL Policy will contain nominal limits of liability from the Effective Date until December 31, 2027, upon which time the limits of liability will be automatically increased to $50,000,000. Consistent with the Existing PLL, CRA will be the first Named Insured on the Bridge PLL and Developer will be an additional named insured with the ability to make claims directly under the Bridge PLL.

(ii) *Material Change in Use.* The definition of "Material Change in Use" in the Development PLL shall expressly include community amenity and commercial area with a variety of programmed passive and active open spaces, including, among other uses, retail, restaurants, a performance stage and pavilion and event lawn, a dog park, and other community-serving uses and an e-commerce/fulfillment center and distribution center/parcel hub uses as the permitted use on Cells 3, 4 and 5.

(iii) *Insured Status.* Developer and its affiliates, and to the extent commercially available, any of their lenders, ground lessees or space lessees and future buyers of all or any portion of the Remainder Cells, if any, shall be included as Named Insureds on the Development PLL with the unrestricted ability to make a claim under the Development PLL. Developer acknowledges and agrees that upon CRA entering into a written development agreement with any Future Developer, such Future Developer and its designees shall also be listed as insureds on the Development PLL with the unrestricted ability to make a claim thereunder.

(iv) *Dedicated Sublimits*. Developer shall have a dedicated and reserved limit of liability under the Existing PLL Policy of Fifty Million Dollars ($50,000,000) per incident and in the aggregate for pre-existing and new pollution releases substantially consistent with the draft endorsement attached hereto as Exhibit C. The remaining limits of liability will be allocated to CRA, its agents and any Future Developers at CRA's discretion. Developer shall also have a dedicated and reserved limit of liability under the Bridge PLL Policy of Twenty-Five Million Dollars ($25,000,000) per incident and in the aggregate for pre-existing and new pollution releases.

(b) *Prohibition on Cancellation.* The Development PLL may not be canceled or terminated by an insured before the expiration of its term without the consent of CRA and Developer; provided, however, that Developer's consent shall not be unreasonably withheld, conditioned or delayed for cancellation requested by CRA for purposes of replacing coverage with the same effective date as the cancellation date provided that the coverage available to Developer is not materially altered. Developer shall be obligated to reimburse CRA or pay directly to the broker of record (as applicable) the Developer Premium Percentage of any such canceled and rewritten Development PLL.

2.03. Development PLL Cost Allocation. On the Effective Date, Developer shall reimburse CRA or pay directly to the broker of record (as applicable): (i) eighty-three and one-half percent (83.5%) of the total premium, surplus lines taxes and applicable brokerage fees paid by CRA for the Existing PLL Policy, prorated based on the remaining term available under the Existing PLL Policy as of the Effective Date; and (ii) 100% of the total premium, surplus line taxes and applicable brokerage fees for the Bridge PLL Policy.

2.04. Development PLL Renewal. In the event that the Bridge PLL Policy expires prior to the end of the Remedial System Buildout Period, CRA may obtain, in its sole discretion, a new policy of pollution legal liability insurance (the "**Development PLL Renewal**"). The terms of the Development PLL Renewal may be determined by CRA in its sole discretion. In the event CRA obtains the Development PLL Renewal and Developer elects to obtain coverage under the Development PLL Renewal, Developer shall be an insured on the Development PLL Renewal with the same status as on the Development PLL; *provided*, *however*, no dedicated or reserved limit of liability will be available to Developer under the Development PLL Renewal. In such event,

Developer shall be obligated to reimburse CRA for its pro-rata share of the total premium and applicable surplus lines taxes and brokerage fees required to obtain the Development PLL Renewal based on the acreage of Cells 3, 4 and 5 compared to the total acreage of the Property (the "**Developer Premium Percentage**").

2.05. Post-Development PLL. In the event that the Remedial System Buildout Period has ended, then, upon the expiration of the Development PLL or Development PLL Renewal, as applicable, CRA may, in its sole discretion, replace the Development PLL or the Development PLL Renewal, as applicable, with a new policy of pollution legal liability insurance (the "**Post-Development PLL**"). The terms of the Post-Development PLL may be determined by CRA in its sole discretion. The premium, surplus lines taxes and applicable brokerage fees applicable to the Post-Development PLL shall be paid by and through CFD #1. Developer (at its option) and all Future Developers may be included as insureds on the Post-Development PLL with the same status as on the Development PLL or Development PLL Renewal, as applicable; but with no dedicated or reserved limits. In the event the Development PLL, Development PLL Renewal or Post-Development PLL, as applicable, are cancelled and coverage is not replaced with the same effective date of such cancellation, any refunded premium will be returned to Developer on the same percentages as the premium was paid herein.

ARTICLE III
CONTRACTOR'S POLLUTION, PROFESSIONAL LIABILITY AND OWNER'S INSURANCE COVERAGE

3.01. Contractor CPL and Owners' Interest CPL. Commencing on the Construction Commencement Date, if the Developer Construction Wrap CPL set forth in Section 3.02 hereof is not in full force and effect, then:

(a) Developer shall cause all contractors retained by Developer that perform any physical work on, at, above or under any portion of the Property to maintain Contractor's Pollution Liability insurance covering cleanup costs and bodily injury and property damage claims arising from sudden, accidental and gradual pollution releases in connection with such contractor's scope of work. All of the contractor's activities shall be specifically scheduled on such contractor's policy as "covered operations" and the policy shall: (i) contain a limit of liability of at least $5,000,000 per incident and in the aggregate; (ii) have ten (10) years of "completed operations" coverage; (iii) be subject to a maximum self-insured retention of no more than $100,000 per incident; and (iv) include the CRA and Developer as additional insureds thereunder; and

(b) CRA shall cause all contractors retained by CRA that perform operation and maintenance activities on the Remedial Systems at the Property or any physical work on, at, above or under any portion of the Property to maintain Contractor's Pollution Liability insurance covering cleanup costs and bodily injury and property damage claims arising from sudden, accidental and gradual pollution releases in connection with such contractor's scope of work. All of the contractor's activities shall be specifically scheduled on such contractor's policy as "covered operations" and the policy shall: (i) contain a limit of liability of at least $1,000,000 per incident and $2,000,000 in the aggregate; (ii) have ten (10) years of "completed operations" coverage; (iii) be subject to a maximum self-insured retention of no more than $100,000 per incident; and (iv) include the CRA and Developer as additional insureds thereunder; and

(c) Developer shall obtain and maintain, at its sole cost and expense, a project specific Contractor's Pollution Liability insurance program covering cleanup costs and bodily injury and property damage claims arising from sudden, accidental and gradual pollution releases in connection with the performance of contracted operations at the Developer Project, with respect to the Improvements, with respect to the Infrastructure Improvements/Offsite Improvements, and with respect to the operation and maintenance of the Remedial Systems on the Property (the "**Owners' Interest CPL**"). The Owners' Interest CPL shall: (i) contain limits of liability of at least $10,000,000 per incident and in the aggregate dedicated and reserved to the CRA; (ii) have ten (10) years of "completed operations" coverage; (iii) be subject to a maximum self-insured retention of no more than $100,000 per incident; and (iv) name CRA, City, Developer and each of their respective affiliates as named insureds thereunder. It is intended that the Owners' Interest CPL will apply on an excess, difference-in-conditions basis to the required contractor policies described in Sections 3.01(a) and 3.01(b) hereof.

(d) The CRA shall have the right to review and approve in advance all underwriting submissions, quotes, policy forms and endorsements for the Owners' Interest CPL (such approval not to be unreasonably withheld or delayed). The Owners' Interest CPL shall provide project specific coverage for pollution conditions resulting from the construction of the Improvements, the Infrastructure Improvements/Offsite Improvements and the operation and maintenance of the Remedial Systems at the Property. The Owners' Interest CPL shall contain no exclusion or limitation of coverage to the CRA or Developer with respect to claims made against each other, notwithstanding the insured status of the parties thereunder.

3.02. Developer Construction Wrap CPL.

(a) As an alternative to the requirements set forth in Section 3.01 above, Developer may, at Developer's sole cost and expense, obtain and maintain a project specific "wrap" Contractor's Pollution Liability insurance program that (a) covers cleanup costs and bodily injury and property damage claims arising from sudden, accidental and gradual pollution releases in connection with the performance of contracted operations at the Developer Project, with respect to the Improvements, with respect to the Infrastructure Improvements/Offsite Improvements and with respect to the operation and maintenance of the Remedial Systems on the Property; (b) contains a limit of liability of at least $25,000,000 per incident and in the aggregate; (c) has ten (10) years of "completed operations" coverage commencing upon Substantial Completion of the Project; (d) is subject to a maximum self-insured retention of no more than $250,000 per incident; (e) extends coverage to third-party contractors and all tiers of subcontractors performing contracted operations at the Developer Project, performing operation and maintenance of the Remedial Systems at the Property and performing the Infrastructure Improvements/Offsite Improvements; and (f) includes the CRA as a named insured thereunder (the "**Developer Construction Wrap CPL**").

(b) The CRA shall have the right to review and approve in advance all underwriting submissions, quotes, policy forms and endorsements for the Developer Construction Wrap CPL (such approval not to be unreasonably withheld or delayed). The Developer Construction Wrap CPL shall provide project specific coverage for pollution conditions resulting from any contracted operations at the Developer Project, which shall be defined to expressly include the construction of the Improvements and the Infrastructure Improvements/Offsite

Improvements and the operation and maintenance of the Remedial Systems at the Property. There shall be no exclusion or limitation of coverage to the CRA or Developer with respect to claims made against each other, notwithstanding the insured status of the parties.

3.03. Professional Liability Insurance. Unless otherwise affirmatively insured under another Insurance Program, commencing on the Effective Date, Developer shall cause any party involved in the design of Improvements and vertical development of Cells 3, 4 and 5 to obtain and maintain Professional Liability Insurance during the period commencing on the date of such party's agreement and continuously renewing until Substantial Completion of the Project and shall continue for a period of at least two (2) years after Substantial Completion or, if the designer can provide such coverage on commercially reasonable terms at the time when the designer is retained, such longer period as may be commercially reasonable, with limits of insurance not less than: (1) $5,000,000 per claim and $5,000,000 in the aggregate for designers of record (which shall include any designer of piles penetrating the Property and any designers of record for any components of the Remedial Systems); (3) $2,000,000 per claim and in the aggregate for any other design professionals for any components of the Remedial Systems; and (4) $1,000,000 per claim and in the aggregate for all other design professionals. The policy's retroactive date shall predate or be concurrent with the date professional services are first performed with respect to the Project. If coverage is canceled or allowed to lapse and not replaced with similar coverage with a consistent retroactive date, Developer shall ensure that any party involved in the design of Improvements purchase an Extended Reporting Period of at least five (5) years. Developer shall provide the CRA with certificates evidencing such insurance as each designer is contracted and thereafter, annually on a going forward basis or as otherwise requested by the CRA.

3.04. Owner's Protective Professional Indemnity Insurance. Upon the commencement of any physical work on, at, above or under any portion of the Remainder Cells (except in connection with Pre-Construction Approved Activities), Developer shall obtain and maintain (whether through a single policy or separate policies), an Owner's Protective Professional Indemnity (Design Team Errors and Omissions) Policy ("**OPPI**") naming Developer and CRA (as owners of components of the Improvements, as applicable) as insureds with the unrestricted ability to make a claim thereunder, subject to the terms and conditions of the policy which shall be approved by CRA (such approval not to be unreasonably withheld). The OPPI shall cover activities associated with vertical development of Cells 3, 4 and 5 and construction of the Improvements (including, without limitation, construction of all remedial and subsurface work required by the Option Agreement for horizontal development of the Remainder Cells, and the construction, installation, operation and maintenance of the Remedial Systems at the Remainder Cells) with no retroactive date limitation, and shall contain at least ten (10) years of "completed operations" coverage. The OPPI shall have a limit of liability of at least Fifteen Million Dollars ($15,000,000) and the terms and conditions of coverage shall otherwise be reasonably acceptable to CRA. There shall be no exclusion or limitation of coverage to the CRA or Developer with respect to claims made against each other, notwithstanding the insured status of the parties. Developer shall be responsible for paying all of the premiums, surplus lines taxes and applicable brokerage fees for the OPPI.

ARTICLE IV
GENERAL LIABILITY, BUILDERS' RISK COVERAGE AND MISCELLANEOUS COVERAGES UNTIL SUBSTANTIAL COMPLETION

From the date specified in each subsection below until the date specified in the subsection below or if no such date is specified, until Substantial Completion, Developer shall maintain, or cause to be maintained, the following:

4.01. Pre-Construction General Liability Insurance Program. Commencing on September 14, 2024 and at all times until the Developer Construction GL is obtained, Developer shall cause any contractors retained by Developer to perform pre-construction work to maintain commercial general liability insurance and umbrella and/or excess liability insurance (the "**Pre-Construction GL**"), including coverage for personal injury, bodily injury, death, accident and property damage, which insurance shall: (i) (1) be on a "occurrence" form; (2) be the primary insurance for third-party bodily injury and property damage at, on or under the Remainder Cells; and (3) collectively provide minimum coverage limits of at least (A) $10,000,000 per occurrence, (B) $10,000,000 general aggregate, and (C) $10,000,000 products completed operations aggregate over the term of the policy. The products and completed operations coverage shall be maintained for the entire statute of repose for construction defect claims in California. The Pre-Construction GL shall (i) not include an exclusion for earth movement or subsidence, and (ii) the CRA will be scheduled as an additional insured under the Pre-Construction GL.

4.02. Developer Construction General Liability Insurance Program.

(a) *Coverages*. Upon the commencement of any physical work on, at, above or under any portion of the Remainder Cells (except in connection with Pre-Construction Approved Activities), Developer (at its sole cost and expense) shall sponsor, administer and maintain a wrap-up Owner Controlled Insurance Program for commercial general liability insurance and umbrella and/or excess liability insurance (the "**Developer Construction GL**") including coverage for personal injury, bodily injury, death, accident and property damage which shall cover all eligible tiers of horizontal and vertical contractors and subcontractors working for Developer or CRA, as applicable, on, at or under the Property. The Developer Construction GL shall: (1) be on a site-specific "occurrence" form for the Property; (2) be the primary insurance for third-party bodily injury and property damage at, on or under the Remainder Cells and any other portion of the Property accessed by Developer through Substantial Completion; and (3) collectively provide minimum coverage limits of at least (A) $50,000,000 per occurrence, (B) $50,000,000 general aggregate, and (C) $50,000,000 products completed operations aggregate over the term of the policy for the Developer Project. The products and completed operations coverage shall be maintained for the entire statute of repose for construction defect claims in California. The Developer Construction GL shall (x) not include an exclusion for earth movement or subsidence; and (y) include manuscript changes to the "pollution exclusion endorsement" providing affirmative coverage for concussive risk associated with the installation of piles and the construction, installation, operation and maintenance of the Remedial Systems at the Remainder Cells. Such insurance shall be primary and any other insurance maintained by the CRA shall be excess only and not contributing with this insurance. Except for completed operations (which shall be an aggregate limit over the term of the general liability program), the Developer Construction

GL shall provide that all limits reinstate annually or at such other interval as may be reasonably acceptable to CRA.

(b) *Insureds*. The Developer Construction GL will list Developer as the first named insured as listed in the declarations page of the Developer Construction GL, will name CRA as a named insured, and will be administered by the Broker. No insured shall take any action that would dilute or impair coverage to the other parties under the Developer Construction GL without the prior written consent of such affected parties. CRA, the City and Developer, as well as eligible contractors and subcontractors of all tiers performing work for Developer, CRA and the City at the Remainder Cells will be enrolled in the Developer Construction GL.

(c) *Developer Construction GL Premium Allocation*. Developer shall pay the premium and administrative fees associated with administering the Developer Construction GL.

4.03. Developer Builder's Risk Insurance.

(a) Upon commencement of any physical work on, at, above or under any portion of the Remainder Cells, Developer shall obtain and maintain, or cause the general contractor retained by Developer to maintain, project-specific builder's risk insurance (the "**Developer Builder's Risk**") for the Developer Project, for not less than 100% of the completed project insurable replacement cost value of the Improvements, (currently valued at $[__________], and shall contain earthquake coverage with a limit of liability of at least ten (10%) of the replacement cost value, which may be increased or decreased based on the findings of Probable Maximum Loss reports to be conducted annually by the Broker (inclusive of property damage and soft costs/business interruption), which Probable Maximum Loss calculation is reasonably acceptable to the CRA. The Developer Builder's Risk shall include endorsements providing replacement cost coverage, agreed amount and/or coinsurance waiver. The Developer Builder's Risk shall grant permission to occupy prior to any occupancy of a given building and the Developer Builder's Risk shall cover:

(i) any improvements on or related to the Developer Project, including, without limitation, all Improvements and 100% of the insurable replacement cost value of all tenant improvements and betterments that any agreement requires Developer to insure, against risks of loss to the improvements customarily covered by "Cause of Loss - Special Form" policies as available in the insurance market on the date hereof (and against such additional risks of loss as may be customarily covered by such policies after the date hereof);

(ii) loss of materials, furniture, fixtures and equipment, machinery, and supplies which become part of the completed project whether on-site, in transit, or stored off-site, or loss of any temporary structures, sidewalks, retaining walls, and underground property (including the systems comprising the Improvements);

(iii) soft costs, including coverage for interest expense during the period of the construction, and coverage for recurring expenses and delayed completion business income/rental interruption (if any) on an actual loss sustained basis subject to policy limits; and

(iv) loss of the value of the undamaged portion of the improvements, additional expense of demolition, and increased cost of construction arising from operation of building laws or other legal requirements at the time of restoration, subject to a limit reasonably satisfactory to the CRA.

(b) The Developer Builder's Risk shall automatically reinstate limits upon the occurrence of any loss thereunder, except for the perils of Earthquake and Flood which limits will be reinstated on an annual basis. The Developer Builder's Risk shall be primary with respect to all property damage at, on or under the Remainder Cells through Substantial Completion. The Developer Builder's Risk shall also include affirmative LEG-3 coverage with respect to repair of physical damage to the Improvements arising out of a loss until Substantial Completion.

(c) CRA and Developer, will be listed as a named insured on the Developer Builder's Risk with respect to the Developer Project and the Improvements with the unrestricted ability to make claims thereunder. All Developer and CRA contractors and subcontractors of all tiers performing work at or under the Developer Project will be listed as additional insureds with respect thereof, but only as their interests may appear.

(d) Developer shall pay the total premium and fees of the Developer Builder's Risk.

4.04. <u>Property Insurance Program Specifications</u>.

(a) *Developer Property Insurance*. Commencing on October 12, 2024, for any component of the Developer Project that is not insured under the Developer Builder's Risk and until Substantial Completion, Developer shall obtain and maintain property insurance covering against risks of loss customarily covered by "Cause of Loss – Special Form" policies together with coverage for earthquake as may then be commercially available in the insurance (and against such additional risks of loss as may be customarily covered by such policies after the completion date) ("**Developer Property Insurance**"). The Developer Property Insurance shall include coverage for:

(i) 100% of the insurable replacement cost value of the Developer Project, including the Improvements, which for purposes hereof shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with an agreed amount endorsement without margin clause except as may be reasonably agreed by the CRA, and/or a coinsurance waiver endorsement and a replacement cost value endorsement without reduction for depreciation;

(ii) 100% of the insurable replacement cost value of all tenant improvements and betterments that any agreement requires Developer to insure;

(iii) loss of the value of the undamaged portion of the Improvements, additional expense of demolition, and increased cost of construction arising from operation of building laws or other legal requirements at the time of restoration; and

(iv) "Cause of Loss – Special Form" insurance policy which shall cover at least the following perils: building collapse; fire; flood; back-up of sewers and drains; water

damage; windstorm, earthquake, landslide, mudslide and subsidence, inclusive of property damage and soft costs/business interruption with a maximum deductible of 5% of the loss and flood may have a sublimit of such amount not less than the replacement cost of the replacement value of the improvements and contents of the first floor above grade. Such insurance policy(ies) shall name Developer as the Insured and shall also name the CRA as an additional named insured with the unrestricted ability to make a claim thereunder.

4.05. Commercial Auto Liability Insurance. Commencing on the Construction Commencement Date, and until Substantial Completion, Developer shall maintain (at its sole cost and expense) commercial auto liability insurance covering liability arising out of the ownership, maintenance or use of any owned, hired, borrowed and non-owned vehicle, if any, with minimum limits of not less than $1,000,000 combined single limit for bodily injury and property damage, together with umbrella and/or excess liability insurance which is at least as broad as the commercial automobile liability insurance, with limits of not less than $10,000,000.

4.06. Flood Insurance. Commencing on the Effective Date and until Substantial Completion, Developer shall maintain flood insurance if any portion of the Improvements or personal property is currently or at any time in the future located in an area designated by the Federal Emergency Management Agency as a special flood hazard area (Flood Zone A) and in which flood insurance has been made available under the National Flood Insurance Act of 1968 (and any successor act thereto), but in no event no less than the amount sufficient to meet the requirements of Applicable Laws and governmental regulation. Flood insurance may be included in the Pre-Construction GL, the Developer Construction GL, or the Developer Builder's Risk.

ARTICLE V
MISCELLANEOUS PROVISIONS

5.01. Developer Insurance Obligations. Developer shall be required to maintain all Insurance Programs required herein with insurers that are unaffiliated with Developer and having financial ratings reasonably acceptable to CRA, in form and substance satisfactory to the CRA in its reasonable discretion. In the event that Developer fails to obtain one or more of the Construction Policies or minimum coverage terms required herein with respect to any Construction Policy (the underlying condition that Developer fails to satisfy as required under this Agreement, an "**Uninsured Construction Risk**"), then the parties shall work together diligently and in good faith to: (i) secure insurance coverage for such Uninsured Construction Risk that is acceptable to CRA, in its reasonable discretion (the "**CRA Insurance Solution**") and the costs associated with obtaining the CRA Insurance Solution (including, without limitation, premiums and applicable brokerage fees) shall be paid entirely by Developer; or (ii) in the event the parties are unable to obtain the CRA Insurance Solution for any Uninsured Construction Risk, negotiate, document and deliver an indemnification for such Uninsured Construction Risk pursuant to which Developer will indemnify CRA on terms and conditions reasonably acceptable to CRA and narrowly tailored to the applicable Uninsured Construction Risk (the "**Uninsured Construction Risk Indemnity**"). Notwithstanding anything to the contrary herein, (x) the aggregate amount of the CRA Insurance Solution and the Uninsured Construction Risk Indemnity for all Uninsured Construction Risks shall be capped at $4,000,000; (y) Developer shall not be required to obtain or otherwise fund a CRA Insurance Solution policy after the second (2rd) anniversary of the date of Substantial Completion of the Developer Project (the "**Uninsured Construction Risk Sunset**");

provided, *however*, that any CRA Insurance Solution policy bound prior to the Uninsured Construction Risk Sunset shall remain in effect through such policy's term, as applicable; and (z) the Uninsured Construction Risk Indemnity shall expire and be of no further force and effect on the Uninsured Construction Risk Sunset.

5.02. Obligation to Maintain and Reinstate Limits. Subject to market availability and upon commercially reasonable terms, Developer shall reinstate its reserved limits under the Development PLL and Development PLL Renewal in the event that its limit is eroded by more than fifty percent (50%) from the time of policy inception, which reinstatement shall be at Developer's sole cost and expense. Subject to market availability and upon commercially reasonable terms, Developer shall reinstate the limits of all other Insurance Programs in the event that the aggregate limit of liability applicable to such program is eroded by more than fifty percent (50%).

5.03. Notice of Cancellation and Endorsements. Developer's approval shall be required for any new endorsements or amendments to the Development PLL and Development PLL Renewal that limit or impair Developer's coverage in any manner. All other Insurance Programs shall grant CRA at least 30 days prior written notice (10 days for non-payment of premium) and approval of any policy cancellation. CRA's approval shall be required for any new endorsements or amendments to the applicable Insurance Programs that include CRA as a named insured thereunder to the extent that such endorsement or amendment limits or impairs CRA's coverage in any manner.

5.04. Pre-Approval of Future Developer Endorsements. CRA and Developer hereby agree that the addition of any Future Developers to the Development PLL and Development PLL Renewal is approved in accordance with the terms hereof.

5.05. Acknowledgement of CAM Insurance Administration Agreement. Developer acknowledges and agrees that CAM is a named insured on the Development PLL, and acknowledges the rights and obligations of CAM and CRA as set forth in the Insurance Administration Agreement between CRA and CAM dated September 6, 2018 attached hereto as Exhibit "[__]" with respect to the Development PLL.

5.06. CRA Review. CRA shall have the right to review and approve all underwriting submissions and materials with respect to the Insurance Programs prior to submission of the same to any markets and shall have the further right to receive copies of all quotes, policy forms and endorsements for all of the Insurance Programs concurrently when the same are provided to Developer. Developer shall provide final, bindable quotes for each Insurance Program at least thirty (30) days prior to the date such Insurance Program is required to be effective. Developer agrees to provide the CRA with a reasonable opportunity to review and to consider in good faith the CRA's comments. Developer shall provide certificates of insurance as may be requested by the CRA, in a form reasonably acceptable to the CRA for all required insurance, certified as true and complete by the carrier or its authorized representative.

5.07. Severability. All Insurance Programs shall provide that coverage under each Insurance Program shall apply as if each insured were the only insured and separately to each insured so that any misrepresentation, act or omission that is in violation of a term, duty or

condition or results in the application of an exclusion under any program by or on behalf of one insured shall not prejudice the coverage rights of another insured under such program.

5.08. Waiver of Subrogation. Each Insurance Program shall include a waiver of subrogation in favor of the CRA and the City and Developer so that the insurance company waives its rights of subrogation with regard to all claims covered by such programs.

5.09. Audit. The CRA shall have the right: (i) at least once per year; (ii) at any time that the CRA has a reasonable basis of actual or suspected non-compliance by Developer with the terms of this Agreement; or (iii) during the pendency or administration of any claim under the Insurance Programs, to conduct an audit of some or all policies and certificates of insurance to confirm the Developer's compliance with the terms hereof. If any audit reveals discrepancies or non-compliance with the terms hereof, the cost of such audit shall be at Developer's expense.

ARTICLE VI
CLAIMS ADMINISTRATION

6.01. Reporting Responsibilities. Prior to delivering notice to the applicable insurer under any Insurance Program, CRA and Developer shall each notify the other party in writing of any event that could be deemed a claim under any of the Insurance Programs. Such notice will be provided to notice addresses for Developer in Section 11.04 below and the Executive Director of CRA. Each of CRA and Developer are responsible for coordinating notice of claims or potential claims with Broker relating to their work and the work performed on their behalf by their respective contractors and subcontractors. Except in the case of an emergency or circumstances that could materially prejudice coverage, any such notification shall be subject to the review and input of the non-discovering party.

6.02. Providing Timely Data. CRA and Developer shall each promptly share all engineering reports, environmental reports, testing results, regulatory correspondences and notifications related to claims filed or notices of potential claims made under the Insurance Programs with the other insured parties thereunder, and shall cause its contractors, subcontractors and agents to do the same.

6.03. Order of Priority. As further set forth herein, the Insurance Programs shall be utilized and allocated in the following order of priority:

(a) *Property Damage*: the Developer Property Insurance, and then once placed, the Developer Builder's Risk shall be primary with respect to all property damage to the insured project at, on or under the Remainder Cells and with respect to the Improvements during the term thereof, followed by the Pre-Construction GL and the Developer Construction GL, as applicable, which shall be on an excess and difference in conditions/difference in limits basis, and then the Developer Construction Wrap CPL or the Owners' Interest CPL, as applicable, which shall be on an excess and difference in conditions/difference in limits basis.

(b) *Bodily Injury*: the Pre-Construction GL and the Developer Construction GL, as applicable, shall be primary with respect to all third party bodily injury losses at, on or under the Property during the term thereof, including affirmative coverage for concussive risk

(unless Workers Compensation first applies), followed by the Developer Construction Wrap CPL or Owners' Interest CPL, as applicable, which shall be on an excess and difference in conditions/difference in limits basis.

(c) *Priority.* Notwithstanding anything to the contrary in Section 6.03(a) and (b) above, the terms of each Insurance Program shall govern the order of priority. In addition, to the extent any claim may be brought under more than one of the Insurance Programs, such claim will be brought under each such applicable Insurance Program.

6.04. Exception Approval. If Developer requests that a contractor or subcontractor of any tier be excluded from the Developer Construction GL, Developer shall be obligated to collect the excluded party's insurance certificates in a manner that provides additional insured status to the CRA in amounts and terms reasonably acceptable to CRA and to deliver the same to CRA and Broker. If Broker determines that a contractor or subcontractor of any tier is not eligible to enroll in the Developer Construction GL and/or Developer Builder's Risk, the Broker shall collect the excluded party's insurance certificates (in accordance with the minimum requirements established in the OCIP manual applicable to such work) and deliver the same to CRA and Developer respectively.

ARTICLE VII
PAYMENT OF SELF INSURED RETENTION

7.01. Developer SIR Obligation. Developer shall pay the applicable SIR and coordinate defense under the Insurance Programs providing coverage to the CRA for defense or loss arising out of Developer's or any of Developer's contractors', subcontractors' or agents' (collectively, the "**Developer Insured Parties**") acts or omissions at the Property or otherwise alleged to so arise in any claim or pleading by a third-party, including, without limitation, the design, construction and development of the Improvements. Developer shall also pay the applicable SIR for coverage for cleanup costs and claims expenses under the Development PLL or Renewal PLL, as applicable, with respect to pollution conditions on, at, under or migrating from the Remainder Cells. Developer reserves the right to seek reimbursement from CRA for all or a portion of the SIR as set forth in Section 7.03 below.

7.02. CRA SIR Obligation. Subject to the terms set forth in Section 7.03 hereof, CRA shall pay (or caused to be paid) the applicable SIR and coordinate defense under the Insurance Programs providing coverage to Developer for defense or loss associated with any claims arising out of the acts or omissions of CRA or its contractors, subcontractors or agents or otherwise alleged to so arise in any claim or pleading by a third-party. CRA reserves the right to seek reimbursement from Developer for all or a portion of the SIR as set forth in Section 7.03 below.

7.03. SIR for Multiple Party Claims.

(a) *Pollution and Professional Policies*. For defense or loss associated with any claims that are subject to coverage under the Development PLL, the Developer Construction Wrap CPL or Owners' Interest CPL (as applicable), the OPPI or any corresponding or replacement Insurance Program, as applicable, that allege injury, damage or loss caused by both (i) any Developer Insured Party and (ii) CRA, the City, or any of their respective contractors,

subcontractors or agents (collectively, the "**Non-Developer Insured Parties**"), then the SIR under such Insurance Program will be shared as follows: (x) for claims occurring prior to approval by DTSC of a Remedial Action Completion Report ("**RACR**") for all of the Remainder Cells, 100% by Developer; and (y) for claims occurring after approval by DTSC of a RACR for all of the Remainder Cells, fifty percent (50%) by CRA and fifty percent (50%) by Developer; *provided*, *however*, that after approval of a RACR for all of the Remainder Cells, CRA shall be responsible for paying one hundred percent (100%) of the SIR for claims alleging injury, damage or loss arising solely out of CRA's performance of operation and maintenance of the Remedial Systems.

(b) *All Other Policies*. For defense or loss associated with any claims that are subject to coverage under any other Insurance Program not described in Section 7.03(a) above, that allege injury, damage or loss caused by both (i) any Developer Insured Party and (ii) any Non-Developer Insured Parties, then the SIR under such Insurance Program will be shared fifty percent (50%) by CRA and fifty percent (50%) by Developer.

(c) *General.* Developer and CRA shall coordinate selection of defense for defending such joint claims, and any counsel selected shall be subject to the review and approval of the applicable insurance carrier providing coverage under the applicable Insurance Program. CRA shall be entitled to reimbursement for any cost incurred by CRA that is the responsibility of any Non-Developer Insured Party. In the event that either Developer or CRA, as applicable, has paid an SIR as set forth in Section 7.01 or Section 7.02 above, and thereafter, a Developer Insured Party or a Non-Developer Insured Party, as applicable, is interpleaded or joined into such lawsuit or otherwise becomes a subject of the claim or allegations of the plaintiff thereunder, then the party that has been added or joined to the claim will promptly pay to the other party an amount equal to the percentage of the SIR applicable to such claim as set forth in this Section 7.03.

ARTICLE VIII
TERM

8.01. Term. This Agreement shall commence on the Effective Date and remain in effect until terminated by the parties hereto.

ARTICLE IX
REPRESENTATION AND WARRANTIES

9.01. Representations and Warranties of Developer. Each individual executing this Agreement on behalf of Developer represents and warrants to the CRA that (i) Developer is duly organized and existing, (ii) such person is duly authorized to execute and deliver this Agreement on behalf of Developer in accordance with authority granted under the organizational documents of Developer, (iii) Developer is bound under the terms of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which Developer is bound.

9.02. Representations and Warranties of CRA. CRA hereby represents and warrants to Developer that this Agreement constitutes a validly authorized and binding obligation of CRA enforceable in accordance with its terms. CRA further represents that it is duly organized and

validly existing and in good standing under the laws of its formation and has full power and authority to enter into this Agreement, to execute, deliver and perform its obligations hereunder. The execution, delivery, and performance by CRA has been duly authorized by all requisite action by CRA. CRA further represents and warrants to Developer that as of the Effective Date, no claims have been made by CRA, the City, CAM or any other insured party under the Development PLL.

9.03. Timely Responses. The parties hereto shall respond to each other party's inquiries and requests in a timely manner (taking into account the nature of the inquiry/request) in the performance of such party's obligations under this Agreement.

ARTICLE X
DEFAULT AND DISPUTES

10.01. Default. If either party breaches or defaults on its non-monetary obligations of this Agreement, such breaching or defaulting party shall have thirty (30) days after notice thereof by the non-breaching party to cure such default or breach; provided that if such default or breach reasonably requires longer than thirty (30) days to cure, upon the prior written consent of the non-defaulting party (which consent shall not be unreasonably withheld), the defaulting or breaching party shall be permitted additional time to cure such default, so long as the breaching party commences a cure within such time and diligently and continuously prosecutes the cure of the breach or default to completion within ninety (90) days of the date that the cure first commenced. If either party breaches or defaults on its monetary obligations of this Agreement, such breaching or defaulting party shall have ten (10) business days after notice thereof by the non-breaching party to cure such default or breach. After expiration of such notice, cure periods and, where applicable, extensions, such default shall be deemed an "**Event of Default**" hereunder. Notwithstanding the foregoing, the parties must first comply with the dispute resolution provisions set forth in Section 10.03 below, prior to any party's declaration of an Event of Default.

10.02. Remedies.

(a) During the occurrence and continuance of an Event of Default the non-defaulting party may (i) fund any third party costs required under the Insurance Programs; or (ii) take affirmative action to cure such Event of Default to preserve the non-defaulting party's coverage under the Insurance Programs and recover actual out-of-pocket expenses for such cure.

(b) In addition to any other rights or remedies provided herein, either party may take any and all legal action, in law or in equity, to cure, correct or remedy any Event of Default, to recover damages for any Event of Default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement, all of which are expressly reserved hereunder.

10.03. Dispute Resolution. Disputes arising under this Agreement shall be resolved as follows:

(a) Prevention of Claims/Meet and Confer. The parties agree that they share an interest in preventing misunderstandings that could become claims against one another under this Agreement. The parties agree to identify and discuss in advance in good faith any areas of

potential misunderstanding that could lead to a dispute. If either party identifies an issue of disagreement or potential or actual default, the parties through their designated representatives shall meet (in person or via telephonic discussion) within ten (10) calendar days of the request therefor, and shall meet (in person or telephonically) as often as may be necessary to correct the conditions of disagreement/default, but after a minimum period of negotiation of at least forty five (45) days following the initial meeting, either party may terminate the meet and confer process and institute a claim of default by proceeding with a formal notice of default under Section 10.01.

(b) Attorneys' Fees. In the event of any action between the Parties hereto seeking enforcement of any of the terms and provisions of this Agreement, the prevailing party in such action shall be entitled to have and recover from the other Party its reasonable attorneys' fees and other reasonable expenses including consultant and expert witness fees in connection with such action or proceeding, in addition to its recoverable court costs.

(c) Survival. This Section 10.03 shall expressly survive the expiration or earlier termination of this Agreement.

ARTICLE XI
GENERAL PROVISIONS

11.01. Relationship. Developer and CRA shall not be construed as joint venturers or general partners of each other and neither shall have the power to bind or obligate the other party except as set forth in this Agreement.

11.02. Assignment. This Agreement is not assignable by either party hereto without prior written consent of the other party, which consent shall be at the sole discretion of such non-requesting party; provided, however, that CRA may assign all of its obligations under this Agreement to any project manager retained by the CRA with respect to the Property (or any portion thereof) and Developer may assign its rights and obligations under this Agreement to the same extent it may assign the Option Agreement pursuant to its terms.

11.03. Benefits and Obligations. The covenants and agreements herein contained shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, successors and assigns including any successor or reconstituted municipal entity succeeding CRA.

11.04. Notices. Any notices, requests, demands, documents approvals or disapprovals given or sent under this Agreement from one party to another (each a "**Notice**", and collectively, the "**Notices**") shall be given to the party entitled thereto at its address set forth below or at such other address as such party may provide to the other parties in writing. Any such Notice may be given (i) by personal delivery which will be deemed received on the day of delivery; (ii) by national overnight delivery service which shall be deemed received the following day; (iii) by mailing the same by registered or certified US mail, return receipt requested which will be deemed delivered three (3) days after depositing same in the mail, addressed to the party to whom the Notice is directed as set forth below; or (iv) electronic mail so long as Notice is also provided simultaneously pursuant to one of the above described provisions for hard-copy Notice, addressed as follows which shall be deemed delivered upon electronic confirmation of receipt by the addressee to the sending party. For purposes of notice, the addresses of the parties shall be:

For CRA:

John S. Raymond
Executive Director, Carson Reclamation Authority
701 E. Carson Street
Carson, CA 90745
Telephone: (310) 952-1773
Email: jraymond@carson.ca.us

with copies to:

Curtis B. Toll, Esq.
Greenberg Traurig, LLP
1717 Arch Street, Suite 400
Philadelphia, PA 19103
Telephone: (215) 988-7804
Email: tollc@gtlaw.com

Sunny K. Soltani, Esq.
Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
Telephone: (949) 223-1170
Email: ssoltani@awattorneys.com

For Developer:

Carson Goose Owner, LLC
659 N. Robertson Blvd.
West Hollywood, CA 90069
Attention: Chris Trueblood
Email: chris@carsongoose.com

with copies to:

Allen Matkins Leck Gamble Mallory & Natsis, LLP
2010 Main Street, 8th Floor
Irvine, CA 92614-7321
Attention: Pam Andes
Email: pandes@allenmatkins.com

11.05. Entire Agreement. This Agreement is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification, amendment or interpretation

hereof shall be binding unless in writing and signed by both parties.

11.06. Severability. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstance, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

11.07. Applicable Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California without regard to conflict of law principles.

11.08. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. Signatures transmitted electronically shall be deemed originals for all purposes of this Agreement.

11.09. No Waiver. No failure by CRA or Developer to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy in the event of a breach hereunder, and no acceptance of any funds from CRA or its agents during the continuance of any such breach, shall constitute a waiver of any such breach or of any such covenant, agreement, term or condition.

11.10. Waiver of Consequential Damages. As material consideration for each party's agreement to enter into this Agreement, each party expressly waives the remedies of consequential damages and lost profits on account of the other party's default under this Agreement. Subject to the express provisions of this Agreement, the foregoing waiver shall not limit a party's right to seek and obtain direct damages as a result of any Event of Default under this Agreement.

11.11. Time of Essence. Time is of the essence in the performance of each and every provision of this Agreement.

11.12. Approval by CRA. Unless otherwise expressly noted herein, "approval by CRA" or similar phrase shall mean the approval of the Executive Director of CRA, unless otherwise required by the Bylaws of the CRA.

11.13. Incorporation of Exhibits. Exhibits A-1, A-2, A-3, B and C are incorporated herein and made a part of this Agreement by this reference.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective as of the day and year first above written.

CARSON RECLAMATION AUTHORITY:

By: ______________________________

Name: ______________________________

Title: ______________________________

CARSON GOOSE OWNER, LLC:

By: ______________________________

Name: ______________________________

Title: ______________________________

ATTEST:

____
______________________, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP,
Legal Counsel for the Carson
Reclamation Authority

By: ______________________________
Sunny K. Soltani

Exhibit A-1

Site Map of the Property

Exhibit A-2

Designation of Parcels
Vertical Lot Subdivision

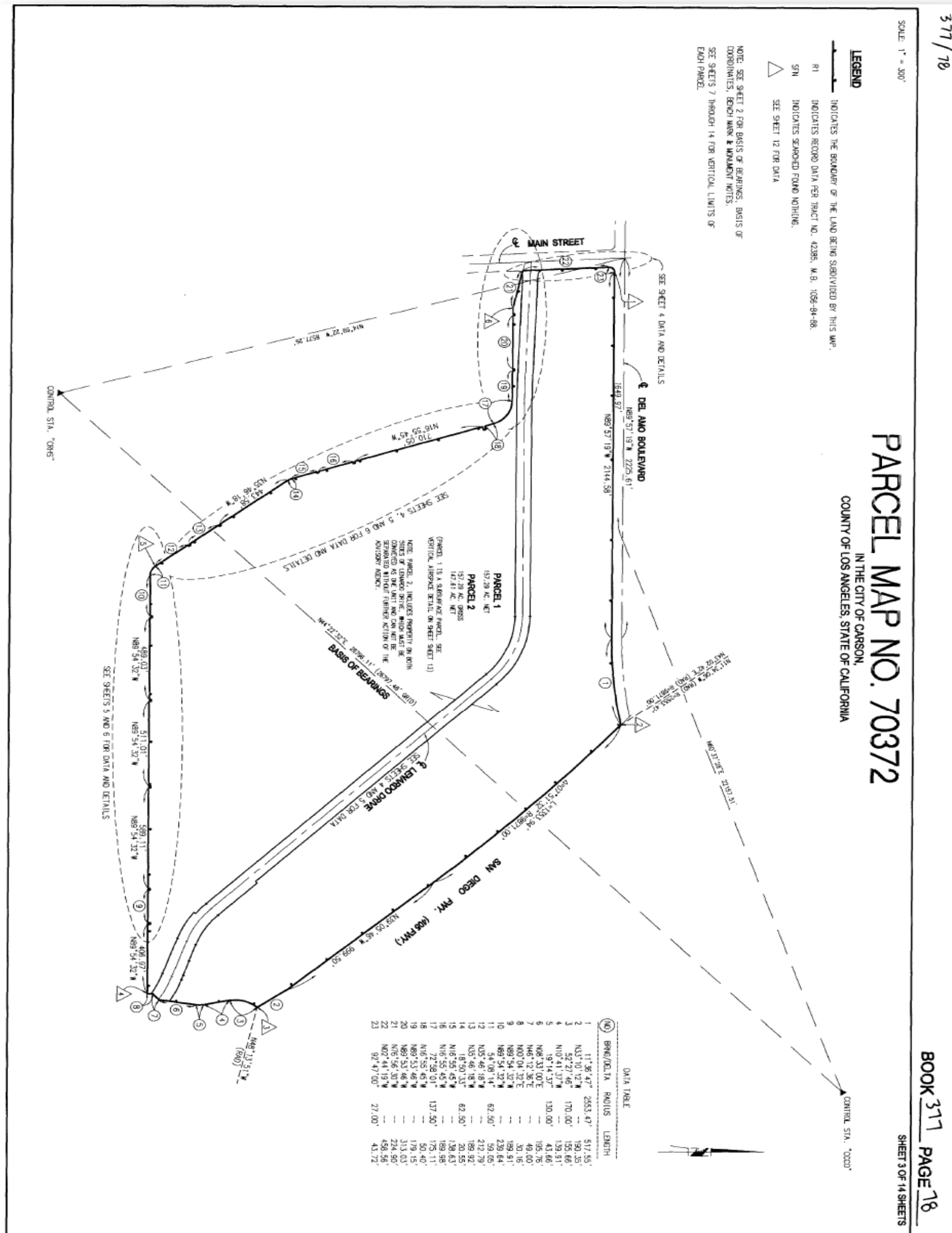


Exhibit A-2 (cont'd)
Designation of Parcels
Vertical Lot Subdivision

377/88

BOOK 377 PAGE 88

SHEET 13 OF 14 SHEETS

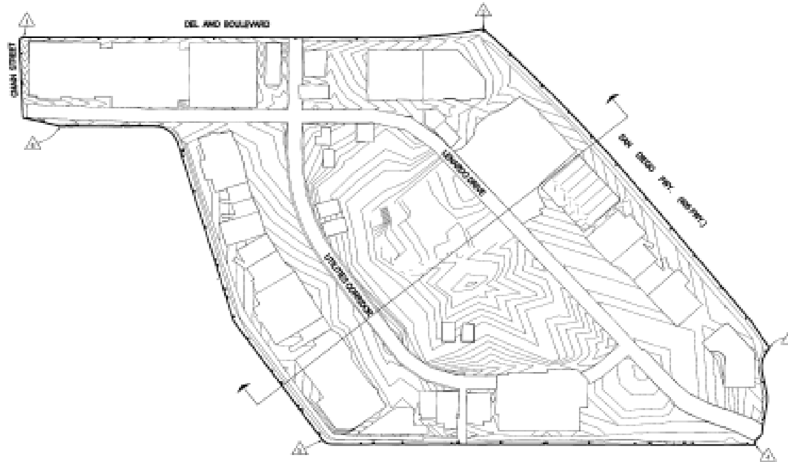
PARCEL MAP NO. 70372

IN THE CITY OF CARSON,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

FOR INFORMATIONAL PURPOSES ONLY

LEGEND

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.



TERRAIN PLAN VIEW
NOT TO SCALE

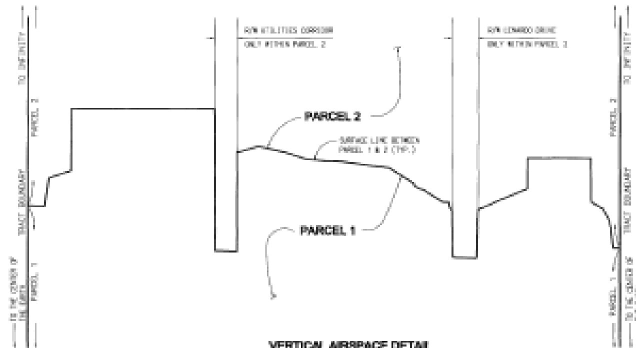


Exhibit A-3

Cell Boundaries

Exhibit B

Pre-Construction Approved Activities

Exhibit C
Existing PLL Policy Dedicated Limits