

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Recording requested by
and when recorded mail to:

Note: California Rangeland Trust's Easement Template is not a one size fits all document. Certain terms are negotiable. We strongly encourage open dialogue on all Easement terms as well as recommend you to seek legal counsel early in the Easement drafting process.

CALIFORNIA RANGELAND TRUST
3900 Lennane Drive, Suite 210
Sacramento, CA 95834

Space above this line for Recorder's use.

APNs:

**DEED OF AGRICULTURAL CONSERVATION EASEMENT
AND VOLUNTARY AGREEMENT CREATING ENFORCEABLE RESTRICTIONS
IN PERPETUITY**

This Deed of Agricultural Conservation Easement and Voluntary Agreement Creating Enforceable Restrictions in Perpetuity (“**Easement**”) is granted as of the Effective Date (as defined in Section 43 hereof) by _____ (“**Landowner**”), to the CALIFORNIA RANGELAND TRUST, a California nonprofit public benefit corporation (“**Rangeland Trust**”). Landowner and Rangeland Trust are each referred to herein, individually, as a “**Party**” and, collectively, as the “**Parties**.”

Recitals

A. Landowner is the sole owner in fee simple of certain real property consisting of approximately _____ acres, located in _____ County, California, as further described in **Exhibit A** attached hereto and incorporated herein by reference (“**Easement Area**”) and depicted in **Exhibit B** attached hereto and incorporated herein by reference (“**Easement Area Map**”). Landowner desires to grant a conservation easement over the Easement Area.

B. Rangeland Trust is a “qualified conservation organization” as defined by Section 170(h)(3) the Internal Revenue Code and is eligible to hold this Easement pursuant to Section 815.3 of the California Civil Code. As certified by resolution of its governing body, Rangeland Trust accepts the responsibility of monitoring and enforcing the terms of this Easement and upholding the Conservation Purposes (as defined in Section 1 hereof). Rangeland Trust is accredited by the Land Trust Accreditation Commission.

C. The Easement Area consists of *[general description of property to follow. Articulate conservation values]*.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

D. Landowner desires to convey for valuable consideration *[Donated easement: make a charitable gift of]* the Easement to Rangeland Trust to assure that the rangeland environment, agricultural productivity, open space created by working landscapes, the plant, **[fish]**, and wildlife habitat and watersheds will be conserved and sustained forever through managed grazing and as otherwise provided herein (referred to herein as the “**Conservation Values**”), and that uses of the land that are inconsistent with these Conservation Values will be prevented or corrected.

E. The grant of this Easement will further the policy purposes of the following clearly delineated governmental conservation policies *[Review Note: Confirm which paragraphs are applicable to the specific project and add recitals required by relevant funding source.]*:

Section 815 of the California Civil Code, in which the California Legislature has declared: (1) that “the preservation of land in its natural, scenic, agricultural, historical, forested, or open-space condition is among the most important environmental assets of California”; and (2) that it is “in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations”;

Section 821 of the California Food and Agriculture Code, which states that one of the major principles of the State’s agricultural policy is “to sustain the long-term productivity of the State’s farms by conserving and protecting the soil, water, and air, which are agriculture’s basic resources”;

Section 51220 of the California Government Code, in which the California Legislature has declared that “in a rapidly urbanizing society agricultural lands have a definite public value as open space, and the preservation in agricultural production of such lands . . . constitutes an important physical, social, esthetic and economic asset to existing or pending urban or metropolitan developments”; and

[Review Note: The following recital must be confirmed in each transaction.] The _____ County General Plan, as amended in _____, which includes as one of its goals to protect all viable farmlands designated as prime, of statewide importance, unique, or of local importance from conversion to and encroachment of non-agricultural uses.

F. All holders of liens or other encumbrances upon the Easement Area, except the holders of the approved encumbrances listed in **Exhibit C** attached hereto and incorporated herein by reference, have agreed to subordinate their interests in the Easement Area to this Easement and to refrain forever from any action that would be inconsistent with its Conservation Purposes (as defined in Section 1 hereof).

G. *[Review note: Insert mineral language if required.] [The probability that any third party holder of mineral rights in the Easement Area will extract or remove minerals from the*

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Easement Area by surface mining has been determined by a qualified professional geologist to be so remote as to be negligible, as set forth in a report dated _____, by _____, State of California Registered Geologist No. _____. A true and complete copy of the report has been provided to Rangeland Trust [Review Note: Third-party mineral rights will not necessarily be shown as an encumbrance but may appear as an exception to title.]

G. The current agricultural, physical, and overall biological conditions of the Easement Area, as well as its current uses and state of improvement, are described in a Baseline Conditions Report (the “**Report**”) prepared by Rangeland Trust with the cooperation of Landowner. The Report consists of a narrative, maps, photographs, and other documents, and is acknowledged by both Parties to be complete and accurate as of the date of this Easement. Both Landowner and Rangeland Trust have copies of this Report, which is incorporated herein by reference. It will be used by Rangeland Trust to assist in its monitoring and enforcement of Landowner’s compliance with this Easement. This Report, however, is not intended to preclude the use of other evidence to establish the baseline condition of the Easement Area if there is a controversy over some aspect of that condition.

H. The Parties intend that the Conservation Purposes of this Easement (as defined in Section 1 hereof) shall be achieved through continued ranching and managed grazing activities to sustain and protect the Conservation Values of the Easement Area. The Parties recognize, however, that additional agricultural uses of the Easement Area may become reasonably necessary to support the economic viability of commercial ranching within the Easement Area and accordingly provide herein for such additional uses.

I. Rangeland Trust recognizes that the current conditions of the Conservation Values associated with the physical environment of the Easement Area exist because of the past stewardship of the Easement Area and depend on the future good stewardship decisions by Landowner and its successors. Landowner is entrusted with those future management decisions, and Rangeland Trust is entrusted with ensuring that the Conservation Values remain protected.

Deed and Agreement

In consideration of the recitals set forth above, and in consideration of their mutual promises and covenants, Landowner hereby grants and conveys to the Rangeland Trust, its successors and assigns, and Rangeland Trust hereby accepts, a perpetual conservation easement as defined by Section 815.1 of the Conservation Easement Act of 1979 (California Civil Code, Section 815 *et seq.*), of the nature and character described in this Easement.

1. **Purposes.** The purposes of this Easement are to identify, sustain and forever protect the Conservation Values from impairment (“**Conservation Purposes**”). The Parties agree that the Conservation Purposes shall be achieved through continued ranching, managed grazing, and other allowed agricultural uses on the Easement Area as herein provided. The Parties agree

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

that Landowner's retention of certain rights specified in this Easement, including specified agricultural, residential, recreational, and commercial uses, is consistent with the Conservation Purposes, provided that those rights are exercised in accordance with this Easement. The Parties further agree that some intensification of and changes in the current agricultural uses, as hereinafter authorized, may serve to promote the continuing commercial viability of the agricultural uses of the Easement Area and thus assist in achieving the Conservation Purposes. *[Changes to the purposes clause may be required to conform to the specific funding program.]*

Under this Easement, impairment of Conservation Values means a material adverse change in Conservation Values. The evaluation of the actual and potential impacts of a particular activity or use on Conservation Values shall take into account the impacts of the activity or use in question, as well as the cumulative impacts of other uses and activities on the Easement Area. In every evaluation of whether impairment of Conservation Values has occurred or is threatened, both the magnitude and the duration of the actual or potential change(s) shall be considered.

2. **Written Notice and Approvals.** When Landowner is required to obtain Rangeland Trust's written approval ("**Written Approval**") or to provide Rangeland Trust with written notice of a proposed action ("**Written Notice**"), such notice, demand, request, consent, approval, or communication shall be in writing and delivered pursuant to Section 32 hereof. Landowner's obligation to bear the costs associated with Rangeland Trusts review and approval of both Written Approval and Written Notice is set forth in Section 40 hereof.

(a) Landowner's Obligation. In each Written Notice or request for Written Approval, Landowner shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed activity in sufficient detail to allow Rangeland Trust to make an informed judgement as to its consistency with the Conservation Purposes.

(i) Written Notice When No Written Approval Is Required. Unless otherwise stated herein, whenever a Written Notice is required pursuant to the terms of this Easement for an action by Landowner that does not require a Written Approval, Landowner shall notify Rangeland Trust in writing not less than thirty (30) days prior to the date Landowner intends to undertake the activity or use in question, unless a longer advance notice period is specifically required herein in connection with a particular activity or use. Landowner's Written Notice does not limit Landowner's obligations to comply fully with the terms of this Easement and the protection of the Conservation Values in undertaking or authorizing the activity or use described in the Written Notice.

(ii) Written Notice When Written Approval Is Required. Unless otherwise stated herein, whenever the Landowner is expressly required to obtain Rangeland Trust's Written Approval, Landowner shall send a Written Notice to Rangeland Trust not less than sixty (60) days prior to the date Landowner desires to undertake or authorize the activity or use in question and obtain Rangeland Trust's Written Approval prior to undertaking taking or authorizing such activity or use.

(iii) No Written Notice or Written Approval Necessary. Where "**without**

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

further permission” is stated, neither Written Notice nor Written Approval is required and an activity or use so allowed by this Easement shall not be prohibited unless it results, or threatens to result, in the impairment of Conservation Values.

(b) Rangeland Trust’s Approval Obligations. Upon receiving a Written Notice requesting Written Approval for a proposed use, Rangeland Trust shall use its sole reasonable discretion to determine in good faith, if the proposed use is consistent with the Conservation Purposes and not prohibited under Section 3 hereof. Rangeland Trust shall reply to Landowner’s notification within sixty (60) days and explain its determination within that time. If Rangeland Trust reasonably determines that more than sixty (60) days is necessary for Rangeland Trust to evaluate the request for Written Approval, Rangeland Trust shall provide Written Notice to Landowner specifying the additional time needed. If Rangeland Trust fails to respond to Landowner within sixty (60) days of receipt of a Written Notice, or within the additional time specified by Rangeland Trust in a Written Notice, then the proposed activity shall be deemed approved by Rangeland Trust. In making any decision requiring Written Approval, Rangeland Trust shall take into account: (a) whether Landowner has made all particular demonstration(s) in support of Landowner’s request required under the Easement; (b) the actual and potential impacts of the particular requested activity or use on Conservation Values; and (c) the cumulative impacts of other uses and activities on the Easement Area.

3. **Prohibited Acts.** Landowner shall not perform, or knowingly allow others to perform, any act or use on or affecting the Easement Area in conflict with the other covenants and restrictions set out in this Easement, including but not limited to any act or use that may result in impairment of Conservation Values. Landowner authorizes Rangeland Trust to enforce Landowner’s covenants. Nothing in this Easement shall require Landowner to take any action to restore the condition of the Easement Area caused by: (a) any Act of God or other event over which Landowner has no control; (b) any prudent action taken by Landowner under emergency conditions to prevent, abate, or mitigate significant injury to the Easement Area or to any person resulting from such causes; or (c) the non-authorized acts of unrelated third parties so long as Landowner has taken reasonable steps to control such acts. Landowner understands and agrees that nothing in this Easement relieves it of any obligation or restriction in relation to the development or other uses of the Easement Area imposed by law, including but not limited to local land use restrictions.

4. **Construction of Buildings, Facilities and Other Structures.** The construction or reconstruction of any building, structure, or other facility of any type is prohibited except in accordance with this Section.

(a) Incidental Ranch Facilities.

(i) “Incidental Ranch Facilities” consist of non-building facilities used in normal and customary ranching and farming activities, including corrals, holding fields, squeezes, loading chutes, equipment loading ramps, fences, water distribution and irrigation

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

facilities, and utility facilities (including gas, electrical, and telecommunication facilities), primarily to support uses of or activities on the Easement Area authorized by this Easement.

(ii) Incidental Ranch Facilities may be constructed, repaired or replaced without further permission.

(iii) Stock ponds may be constructed, repaired or replaced without further permission.

(b) Non-Residential Buildings, Structures, and Other Facilities for Authorized Uses or Activities.

(i) For any non-residential building, structure or facility existing as of the Effective Date, Landowner may enlarge each (by not more than a cumulative fifty percent (50%)), repair, or replace with a like building, structure, or facility at its existing location without further permission.

(ii) For any new non-residential building, structure, or facility, or for any enlargement greater than a cumulative fifty percent (50%), Landowner must first obtain Written Approval, in support of which Landowner must demonstrate that the proposed construction or enlargement is reasonably necessary to support authorized uses of the Easement Area.

(iii) Enlargement shall be determined based upon the size of the building, structure, or facility on the Effective Date.

(c) Residential Dwellings.

(i) The _____ existing single-family residential dwellings and appurtenant structures may be repaired, enlarged (each by not more than a cumulative fifty percent (50%)), or replaced at their current locations without further permission. Enlargement shall be determined based upon the size of the building, structure or facility on the Effective Date.

(ii) _____ new single-family residential dwelling(s) and appurtenant structures may be constructed in the residential building envelope designated on **Exhibit B** without further permission [*See CRT Housing Threshold Guidelines*].

(iii) The boundaries and location of the residential building envelope may be adjusted with Written Approval; *provided*, that the size of the residential building envelope shall not be allowed to be increased.

(d) Ranch Labor Housing.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

(i) For any dwelling structure existing on the Effective Date and used to house persons hired for work on the Easement Area, Landowner may remove, repair, enlarge (by not more than a cumulative fifty percent (50%), or replace at its existing location with a like housing unit without further permission. Enlargement shall be determined based upon the size of the structure on the Effective Date.

(ii) New dwelling structures, to be used solely to house persons hired for work on the Easement Area may be built only with Written Approval, in support of which Landowner must demonstrate that the proposed structure is reasonably necessary to support existing or imminent agricultural operations on the Easement Area.

(iii) Written Approval is necessary for any changes to the use of a dwelling structure originally built to house persons hired for work on the Easement Area.

(e) Utilities for Residential and Other Authorized Structures. The installation of new, or extension or repair of existing utilities (including, without limitation, water, sewer, septic tanks and systems, power, fuel, and communication lines and related facilities) is authorized without further permission as reasonably necessary to service all residential uses and other structures and improvements that are authorized in this Easement.

(f) Signs.

(i) Commercial Signs. No commercial billboards shall be erected on the Easement Area. Without further permission, signs are allowed for the purposes of denoting the names and addresses of residents on the Easement Area, denoting allowable business uses, describing other authorized activities on the Easement Area, posting the property for sale or rent, identifying the Easement and its participants, and posting the property to control unauthorized entry or use.

(ii) Easement Recognition Sign. Landowner shall purchase and install a sign to be placed on the Easement Area that identifies this Easement, the name of the ranch, the landowner's name (if desired), Rangeland Trust, and indicates the participation of any of Rangeland Trust's public or private funding sources in the acquisition and maintenance of the Easement. Rangeland Trust will maintain and replace the sign, as necessary, at Rangeland Trust's sole cost and expense. The size, location, number, text, and design of the signage shall be subject to the approval of Landowner and Rangeland Trust, which approval shall not be unreasonably withheld, conditioned, or delayed.

5. Subdivision.

(a) Generally. Except as provided in this Section, subdivision of the Easement Area, whether by physical, legal, or any other process, is prohibited[; *provided*, however, that nothing herein shall be deemed, interpreted or construed to restrict Landowner from creating by

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

any legal means a single legal parcel for the Easement Area]. Landowner shall continue to maintain the parcels comprising the Easement Area, and all interests therein, under common ownership, as though a single legal parcel.

(b) Lot Line Adjustments. **[Only insert in applicable transactions where the Easement was granted by multiple Landowners not owning the entirety of the Easement Area in common:** [Internal lot line adjustments between and among the ___ parcels comprising the Easement Area may be authorized with Written Approval (and the approval of Funder(s)) to enable Landowners to maintain or enhance agricultural practices or productivity on the Easement Area or otherwise enable the uses authorized by this Easement.]

[Insert if any portion of the easement value is donated: Boundary Line Adjustments. Pursuant to IRS Notice 2023-30, Grantor and Grantee agree that boundary line adjustments to the real property subject to the Easement may only be made pursuant to a judicial proceeding to resolve a bona fide dispute regarding a boundary line's location.]

6. *[Insert if NRCS is providing Funding. Limitation on Impervious Surfaces. Adding will move numbering forward by one]*

7. **Development Rights.** Landowner agrees that all development rights, except as specifically reserved to Landowner herein within the Easement Area are extinguished and may not be used on or transferred to any portion of the Easement Area as it now or hereafter may be bounded and described, or to any other property, adjacent or otherwise. The Easement Area may not be used for the purpose of calculating permissible development or lot yield of any other property.

8. **Resource Stewardship.** In order to protect the Conservation Values, Landowner shall conduct all ranching and farming operations in accordance with good management practices that address soil and water conservation, erosion control, pest management, nutrient management, vegetation management, and habitat protection. Landowner and Rangeland Trust recognize that changes in economic conditions, weather cycles, grazing technologies, and conservation practices may dictate an evolution and adaptation in the management of the range and cropland resources of the Easement Area, consistent with the Conservation Purposes.

9. **Mining of Subsurface and Surface Minerals.** The provisions of this Section shall be interpreted in a manner consistent with Section 170(h) of the Internal Revenue Code, the Treasury Regulations adopted pursuant thereto, and any other successor provisions addressing the same subject.

(a) Surface Mining of Subsurface Minerals. The extraction or removal of any subsurface oil, gas, or other minerals by any surface mining method is prohibited.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

(b) Other Mining Methods. The extraction or removal of any subsurface oil, gas, or other minerals by methods other than surface mining may be undertaken on the Easement Area only with Written Approval, in support of which Landowner must demonstrate to the reasonable satisfaction of Rangeland Trust that the proposed mineral extraction or removal will have at most a limited localized impact on the Easement Area and will not be irretrievably destructive of significant conservation interests.

(c) Surface Rock, Gravel and Sand. Landowner may extract rock, sand, and gravel that is exposed at the surface of the Easement Area as of the Effective Date, or which becomes exposed at the surface of the Easement Area through natural processes after the Effective Date; *provided*, that any such extraction of rock, sand, or gravel shall be for use solely on the Easement Area in support of activity on or use of the Easement Area allowed under this Easement; *provided, further*, that such extraction shall be accomplished in a manner that does not impair any Conservation Values.

[Insert Forest Management language below if property has commercial timber and timber harvesting is consistent with the Conservation Values.]

10. Forest Management. Landowner reserves the right to manage the forest and harvest timber in accordance with all applicable state and federal forestry laws, practices, guidelines, and regulations, provided that said management and/or harvesting complies with the conditions of this Section.

(a) Commercial Timber Harvest. Where commercial timber harvesting has been identified as consistent with the Conservation Values, commercial timber harvesting may be authorized, provided that such timber harvest is conducted with a valid permit issued by CAL FIRE or successor agency and in a manner consistent with the Conservation Purposes and Values. Landowner shall provide Written Notice with copies of all documents regarding any government-required management plan, timber harvest plan, or similar harvest permit application prior to submission to the lead agency charged with approving said plan or amendment in order for Rangeland Trust to confirm that such plan, application, amendment or deviation is consistent with the terms of this Easement. For the purposes of this Easement, the term "commercial timber harvest" is defined as any timber harvest in which the product of such harvest is sold, traded, exchanged, or used off the Easement Area.

[For inclusion in all easements either as Section 10, 10(a), or 10(b)]

(b) Native Tree Cutting. Unless otherwise provided for in this Easement, living native trees on the Easement Area may only be cut to control or prevent insects and disease, mitigate fire risk, prevent bodily injury and property damage, and for on-site firewood without further permission. With Written Approval, living trees may also be cut for other personal uses including construction and repair of authorized buildings, structures and facilities on the Easement Area and, to the extent necessary, to clear land for roads and authorized buildings, structures and

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

facilities allowed under this Easement. Native trees may also be cut if in accordance with a management plan prepared in cooperation with CAL FIRE, California Department of Fish and Wildlife, Natural Resources Conservation Services, or similar agency and with Written Notice. This Section shall not apply to minor incidental taking of trees, non-native trees and brush, non-native invasive plants, the removal of dead trees, or orchards and/or tree farming on the Easement Area for agricultural purposes. In its sole and absolute discretion, Rangeland Trust may allow Landowner to cut trees under circumstances not anticipated by this Easement.

(c) *[If property has forestland and state funding is utilized language to satisfy Civil Code 815.11 must be added.]* The Landowner must develop an easement management plan whereby the Landowner agrees to: (1) maintain and improve forest health through promotion of a more natural tree density, species composition, structure, and habitat function; (2) make improvements that increase the land's ability to provide resilient, long-term carbon sequestration and net carbon stores as well as watershed functions; and (3) provide for retention of larger trees and a natural range of age classes, and ensure the growth and retention of these larger trees over time. (Format Section accordingly)]

11. Road Construction, Maintenance and Paving.

(a) Road Construction. New roads may be constructed on the Easement Area, with Written Approval, if they are necessary to carry out the agricultural operations or other authorized uses on the Easement Area.

(b) Road Maintenance. Roads existing at the Effective Date, as documented in the Baseline Report, or future roads permitted by this Easement or approved by Rangeland Trust, may be maintained without further permission. Notwithstanding the foregoing, existing and future roads may not be significantly widened or improved unless doing so is necessary to carry out the agricultural operations or other allowed uses on the Easement Area and has Written Approval. For purposes of this Section, "improved" or "improving" does not include standard maintenance activities such as grading, creating water bars, maintaining and repairing culverts, or application of gravel or other pervious materials.

(c) Paving. Roads existing at the Effective Date, as documented in the Report, or future roads authorized by Rangeland Trust, may be paved with Written Approval. No other portion of the Easement Area presently unpaved shall be paved, except for roads subject to permits for development allowed by this Easement where improvement is required as a condition of a permit. For purposes of this Section, "pave", "paved", or "paving" shall include covering of the soil surface with concrete, asphalt or other impervious material. However, to make roads passable, Landowners may apply to existing or future roads a reasonable amount of gravel that is obtained from the Easement Area or from other sources.

(d) Unpaved Roads. Unpaved roads existing at the Effective Date, as documented in the Report, or future roads authorized by Rangeland Trust, may be relocated as

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

unpaved roads as required by agricultural operations; *provided*, that abandoned roads must be returned to agricultural uses or a natural condition.

12. **Agricultural Intensification.**

[Note: The total amount of land converted from rangeland to other agricultural uses shall not exceed ten percent (10%) of the Easement Area. If at the time of Effective Date the Easement Area already contains acreage considered Agricultural Intensification, as defined below, such acreage will be taken into account in applying this limitation. No Agricultural Intensification will be allowed to portion shall occur on lands containing vernal pools or any other sensitive habitat.

“Agricultural Intensification” is the conversion of rangeland to more intensive agricultural uses such as row crops, orchards, and vineyards. As of the Effective Date, the Landowner currently utilizes ____ () acres for intensified agriculture and shall continue to do so without further permission. Landowner and Rangeland Trust have identified and agreed to ____ () additional Agricultural Intensification areas (“**Agricultural Envelopes**”) for a combined ____ () acres of Agricultural Intensification. The location and respective sizes of said Agricultural Envelopes are depicted in **Exhibit B**. Landowner may conduct Agricultural Intensification within said Agricultural Envelopes with Written Notice. Should situations arise that make the agreed locations of the Agricultural Envelopes unsuitable or impossible for Agricultural Intensification, at the sole expense of the Landowner, Rangeland Trust and the Landowner shall work cooperatively to identify alternative location(s) within the Easement Area to relocate the Agricultural Envelope(s). Conversion of land outside of the Agriculture Envelopes without Written Approval is prohibited.

[Optional Language to restrict farming practices: Allowable agricultural uses within the Agricultural Envelopes include the cultivation of food based crops including, but not limited to, grapes, nuts, fruits, olives, and other perennial agricultural products; tree farming; nonperennial forages for human or domestic animal consumption; crop seed production; bee keeping and the extraction of honey; cultivation of fiber-based products; cultivation of commercial flower growths; and, the storing, packing and other activity associated with the sale of the aforementioned products provided products so long as the agricultural operations are consistent with the long-term viability of the Easement Area. Nothing herein shall prohibit non-commercial gardening for Landowner’s personal use so long as such activity is conducted within the Building Envelope.]

Other agricultural uses (i.e. those that are not considered Agricultural Intensification) are authorized outside the Building and Agricultural Envelopes without further permission. These agricultural uses are those uses that are compatible with grazing or grazing-related activities and those that restore or conserve grassland including, but not limited to, those practices related to the production of livestock, forage production, grazing, haying and livestock fodder production.

13. **Feedlot.** The establishment or maintenance of a commercial feedlot is prohibited. For purposes of this Easement, “commercial feedlot” is defined as a permanently constructed

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

confined area or facility that is used and maintained for purposes of engaging in the business of feeding livestock and which is not grazed or cropped annually. For purposes of this Easement, a “commercial feedlot” shall not include the establishment, use, or maintenance of corrals, holding pens or pastures. Nothing in this Section shall prevent Landowner from confining livestock for discretionary seasonal feeding of livestock raised or pastured on the Easement Area. The limited finishing of the Landowner’s own livestock or livestock raised or pastured on the Easement Area by others for commercial purposes may be authorized with Written Approval.

14. Industrial, Non-Agricultural Commercial, and Recreational Uses; Motorized Vehicles.

(a) Industrial Uses. All industrial uses of the Easement Area not expressly authorized herein are prohibited.

(b) Non-Agricultural Commercial Uses. With the exception of the commercial recreational uses authorized in Subsection (c), below, all non-agricultural commercial uses are prohibited on the Easement Area except with Written Approval.

(c) Recreational Uses. Non-commercial and commercial recreational uses such as hunting, fishing, horseback riding, wilderness camping, picnicking, education, wildlife viewing, hiking, non-motorized cycling, rock collecting, and photography may be undertaken without further permission. All other recreational uses are prohibited on the Easement Area except with Written Approval.

(d) Utility Facilities. Landowner and Rangeland Trust may negotiate both compensation for and location of utility facilities and supporting infrastructure, excluding communication facilities in Subsection 14(e) below, to be constructed or relocated within the Easement Area by an entity having the power of eminent domain so as to avoid impairment of any Conservation Values. Any compensation shall be shared as provided in Section 35 hereof and the Rangeland Trust’s portion shall be used exclusively to further conservation either within or outside of the Easement Area. Renewable power generation facilities, such as solar, wind and hydroelectric, may be constructed within the Easement Area only with Written Approval and only at locations where their visibility from the vantage of public roads will be avoided or minimized. Solar panels for buildings on the Easement Area that are located on the roof, or within 100 feet of that building may be constructed without further permission. The Parties agree that the provisions of this Subsection 14(d) restricting installation of solar energy systems are “reasonable restrictions” within the meaning of California Civil Code § 714.

(e) Commercial Communications Facilities. Landowner may construct and operate or authorize others to construct and operate commercial communications facilities such as cell towers or 911 communications towers with Written Notice. Notwithstanding the foregoing, telemetric equipment included in the Incidental Ranch Facilities, personal transmission equipment for services such as wireless internet or broadcast television, and small-scale transmission

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

equipment for research projects conducted by academic, government, or similar research organizations without further permission.

(f) Motorized Vehicles. Landowner and Landowner's family members, employees, and non-paying guests may use motorized vehicles off-road for activities allowed by this Easement (including, without limitation, livestock management and farming) without further permission. Motorized vehicles may also be used off-roads for the maintenance of utilities, retrieval of game, or for emergency purposes. Any other uses of off-road vehicles, motorized vehicle races, and the construction of motorized off-road vehicle courses are prohibited.

(g) Ecosystem Services and Sale of Carbon Credits.

(i) Ecosystem Services. With Written Approval, Landowner may develop ecosystem functions, including, but not limited to, carbon sinks, stream bank restoration, riparian corridor restoration, stream flow enhancement, and carbon sequestration, and may participate in any programs with state or federal agencies or private entities intended to provide incentives or compensation for the restoration or relocation of rare, imperiled, threatened, or endangered species or communities on the Easement Area in a manner designed to restore historic natural systems, or for other environmental preservation or enhancement efforts. Rangeland Trust shall ensure that the terms and conditions of the Easement are taken into account when calculating the baseline/business as usual of the Easement Area for purposes of establishing carbon credits or other emissions offsets that the Landowner proposes to develop.

(ii) Sale of Carbon and other similar Credits. Subject to providing Written Notice at least sixty (60) days prior to any of the following actions, Landowner may sell, exchange, transfer, trade, gift, or retire, any or all of the rights to carbon offset credits issued by a third-party entity, or any or all similar rights that may exist now or in the future, that are appurtenant to the Easement Area

15. Trash; Agricultural Residues.

(a) Trash. Landowner may dedicate up to one (1) acre to store trash, refuse, or derelict equipment, or increase the existing area as defined for such use in the Report as of the Effective Date, by no more than ten percent (10%). All other dumping or accumulation of trash, refuse or derelict equipment outside of enclosed structures on the Easement Area is prohibited.

(b) Agricultural Residues. Landowner may engage in the burning, chipping, grinding, mixing or composting of plant or animal matter derived from the Easement Area (including manures, orchard or vineyard prunings, or other crop residues that result from ranching or farming related activities) ("**Agricultural Residues**").

16. Water Rights and Resources.

(a) Water Rights. Landowner shall retain and maintain all groundwater,

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

riparian, appropriative, prescriptive, contractual, adjudicated, and other water rights appurtenant to or part and parcel of the Easement Area as of the Effective Date (“**Easement Area Water**” or “**Water Rights**”). Landowner shall not permanently transfer, encumber, lease, sell, or otherwise separate Easement Area Water or Water Rights from title to the Easement Area.

(i) Landowner may temporarily transfer Easement Area Water or Water Rights that are not reasonably necessary for authorized uses and protection of Conservation Values on the Easement Area to a contiguous property or other property owned or leased by Landowner on an annual basis for agricultural production with Written Notice.

(ii) Landowner may temporarily use or supply Easement Area Water from the Easement Area for immediate fire control response or wildfire emergency without further permission.

(b) Water Resources. Development of water resources on the Easement Area for non-authorized commercial use is prohibited. Development of water resources for authorized agricultural uses, forest management, livestock, fish and wildlife habitat use, domestic needs, streamflow protection or enhancement, and private recreation is authorized.

Authorized water resource development includes, but is not limited to, the restoration, enhancement and development of water resources, including ponds, tanks, groundwater recharge basins, infiltration galleries, and other streamflow protection or enhancement facilities; construction, repair, and maintenance of irrigation systems; and the development of stock and domestic water capture and delivery facilities as allowed in Subsection 4(a)-(d), including but not limited to, water lines and access roads or trails to water facilities.

Any new diversion from a surface watercourse for irrigated agriculture must comply with the requirements of federal, state and local agencies having jurisdiction over water resources and water diversions. No additional, changed, expanded or intensified activity on, or use of the Easement Area resulting in insufficient water to sustain the Conservation Values shall be allowed.

17. **Rights Retained by Landowner.** The Landowner retains the right to perform any act not specifically prohibited or limited by this Easement. Landowner's present uses and compatible historic uses of the Easement Area for ranching, managed grazing, and other allowed agricultural uses as described in the Report and as limited by Sections 3 and 12, are deemed to be authorized activities consistent with the Conservation Purposes. Landowner retains all ownership rights consistent with such purposes, including, but not limited to, the right to exclude any member of the public from trespassing on the Easement Area and the right to sell or otherwise transfer the Easement Area to anyone Landowner chooses, and the right to refinance, obtain loans, create liens, and grant deeds of trust on the property, subject to the prior encumbrance of the Easement.

18. **Responsibilities of Landowner and Rangeland Trust Not Affected.** Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

the Rangeland Trust, or in any way to affect any existing obligation of the Landowner as owner of the Easement Area. Among other things, this shall apply to:

(a) Taxes. Landowner shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Easement Area or the property underlying the Easement Area by competent authority. If the Rangeland Trust is ever required to pay any taxes or assessments on the Easement Area or underlying property, Landowner will promptly reimburse Rangeland Trust for the same.

(b) Upkeep and Maintenance. Landowner shall continue to be solely responsible for the upkeep and maintenance of the Easement Area. Rangeland Trust shall have no obligation for the upkeep or maintenance of the Easement Area.

(c) Liability and Indemnification.

(i) Landowner shall and hereby agrees to hold harmless, indemnify, protect, and defend Rangeland Trust, its officers, directors, members, employees, contractors, legal representatives, agents, successors and assigns, and each of them (collectively "**Rangeland Trust Indemnified Parties**") from and against all liabilities, penalties, costs, losses, orders, liens, damages, expenses, causes of action, claims, demands, or judgments, including without limitation reasonable attorneys' and experts' fees arising from or in any way connected with: (a) injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition or other matter related to or occurring on or about the Easement Area, regardless of cause, except to the extent caused by the negligence or willful misconduct of any of the Rangeland Trust Indemnified Parties, while acting on behalf of Rangeland Trust; or (b) a violation of, or other failure to comply with, any state, federal or local law, regulation or requirement, by Landowner, or any party other than one of the Rangeland Trust Indemnified Parties acting upon permission from Landowner, in any way affecting, involving, or relating to the Easement Area; (c) or the breach by Landowner of any of its obligations set forth in this Easement.

(ii) Rangeland Trust shall hold harmless, indemnify, and defend Landowner and its officers, directors, employees, contractors, legal representatives, agents, heirs, personal representatives, successors, and assigns, and each of them (collectively "**Landowner Indemnified Parties**") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including without limitation, reasonable attorneys' and experts' fees, arising from or in any way connected with any injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Easement Area to the extent caused by the negligence or willful misconduct of any of the Rangeland Trust Indemnified Parties while acting on behalf of Rangeland Trust.

(d) Insurance.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

(i) Landowner shall maintain an occurrence-basis commercial general liability policy insuring against bodily injury and property damage on the Easement Area in the amount of not less than One Million Dollars (\$1,000,000). Rangeland Trust shall be named an additional insured on the policy. For any claim covered by the indemnification in Subsection 18(c)(i) hereof, the liability insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Rangeland Trust. Landowner waives all rights of subrogation against Rangeland Trust and its agents, representatives, officers, directors, and employees for recovery of damages to the extent these damages are covered by insurance maintained pursuant to this Easement. Landowner shall furnish Rangeland Trust with certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above, upon reasonable request. Such certificates shall provide for thirty (30) days Written Notice to Rangeland Trust prior to the cancellation or material change of any insurance referred to herein. Any failure of Rangeland Trust to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Rangeland Trust to identify a deficiency from evidence that is provided shall not be construed as a waiver of Landowner's obligation to maintain such insurance. The foregoing insurance requirements do not replace, waive, alter, or limit the hold harmless or indemnification provisions of this. Not less frequently than every five (5) years, the Parties shall cooperate in determining an appropriate increase, to adjust for inflation, in the limit of the insurance coverage maintained by Landowner. Thereafter, Landowner shall obtain and maintain in effect such increased coverage until the next such adjustment.

(ii) Rangeland Trust shall maintain an occurrence-basis comprehensive general liability policy insuring against bodily injury and property damage on the Easement Area in the amount of not less than one million dollars (\$1,000,000). For any claim covered by the indemnification in Subsection 18(c)(ii) hereof, the liability insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Landowner. Rangeland Trust waives all rights of subrogation against Landowner and its agents, representatives, officers, directors and employees for recovery of damages to the extent these damages are covered by insurance maintained pursuant to this Easement. The foregoing insurance requirements do not replace, waive, alter or limit the hold harmless or indemnification provisions of this Easement. Not less frequently than every five (5) years, Rangeland Trust shall determine if any adjustments for inflation are necessary and shall review the limit of insurance or self-insurance coverage it maintains. Thereafter, Rangeland Trust shall obtain and maintain in effect such coverage until the next such adjustment.

19. Monitoring, Management and Issue Resolution.

(a) Right of Entry. Rangeland Trust, its agents, representatives and contractors shall have the right to enter annually with reasonable advance notice onto the Easement Area for purposes of monitoring compliance with the terms of this Easement. Except when Rangeland Trust has reasonably determined that immediate entry is required to prevent, terminate, or mitigate a violation of this Easement, under which circumstance Rangeland Trust may enter the Easement

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Area without prior notice, additional entry shall be permissive and therefore require notice to and permission by Landowner. Rangeland Trust's monitoring and access activities shall not interfere with normal agricultural operations on the Easement Area. *[If the funding agencies require the right to accompany the monitors once every three years, additional language to that effect will be added here.]*

(b) Cooperative Resource Stewardship. Rangeland Trust believes that, in most cases, the existing stewardship on the ranches it selects for conservation easement projects has supported and enhanced the conservation values these ranches provide, and, consistent with that premise, Rangeland Trust agrees with Landowner to take wherever possible a cooperative approach to monitoring and management of the Conservation Values. The Parties will conduct joint qualitative monitoring to ensure that the Conservation Values are being protected. This monitoring will be supported through the Report and subsequent reviews, using photographs and narrative descriptions, among other evaluation tools. Monitoring will also consider issues such as site potential, weather conditions, unusual economic circumstances, vegetative variety and quality and trends in resource conditions.

(c) Agreement and Mediation.

(i) The Parties agree that, except as otherwise provided in Subsection (f), below, before any claim of breach or course of action to force performance or redress any concern is undertaken in a court of law that the Parties shall meet to discuss the issue(s) and shall make bona fide and mutual attempts to reconcile the differences. Such meeting shall take place within thirty (30) days of the written notice of breach or claim, which shall describe in reasonable detail the corrective action asserted by the Rangeland Trust to be necessary. If the Parties agree to a plan of action, such plan of action shall be converted to written form and signed by the Parties. Landowner shall have the right, but not the obligation, to prepare the first draft of the agreed plan of action, which shall be prepared within fourteen (14) days of the above described meeting. Any proposed revisions by the other Party shall be made within fourteen (14) days of receipt of the draft agreement. The Parties may continue to exchange drafts until a final written agreement is reached, or either Party may declare that the dispute cannot be resolved by agreement after each has had at least one opportunity to present its version of the agreement.

(ii) If the Parties have not resolved the dispute within 30 days of such meeting and are not actively pursuing an agreement as provided for in Section 19(c)(i), they shall proceed promptly to engage a single mediator to assist in the resolution of the dispute. Such mediator shall be a Certified Rangeland Manager certified by the California-Pacific Section of the Society for Range Management pursuant to its Program for Certification of Professional Rangeland Managers (“**Certified Rangeland Manager**”), or other professional with comparable or otherwise appropriate expertise. If the Parties cannot agree upon such a mediator within 45 days after the meeting, the Party giving such notice may proceed with a judicial action. Unless the Parties agree to a longer period, each in its sole discretion, all mediation hearings must conclude within 60 days of the selection of the mediator. The cost of the mediator shall be shared equally by the Parties, except as otherwise provided in Subsection (g) below.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

(iii) If the mediator determines that the Report, or subsequent monitoring, has identified circumstances requiring improvement to protect the Conservation Values, Landowner shall either agree to develop a written management plan that addresses the particular resource management concern(s) identified by the mediator and Rangeland Trust, shall, at Landowner's expense, engage a Certified Rangeland Manager, a District Conservationist of the Natural Resources Conservation Service, U.S. Department of Agriculture ("**District Conservationist**"), or other qualified professional to develop the management plan, or refuse to participate in further efforts at cooperative resolution. If the Landowner chooses to prepare the plan, Landowner shall be encouraged but not required to engage the services of a Certified Rangeland Manager, a District Conservationist, or other qualified professional to assist Landowner in the development of such a management plan. The required scope of the plan and the time allowed for its development shall depend on the nature and severity of the identified problem(s). The management plan shall be subject to Rangeland Trust's approval. Landowner shall implement an approved plan for so long as is necessary to resolve the particular resource management problem(s) addressed by the plan. Rangeland Trust shall monitor implementation of the plan, and results thereof, during its periodic monitoring, and in accordance with this Section may initiate modifications of the plan as the resource conditions warrant.

(d) Judicial Enforcement. If the Parties are unable to agree to corrective action to address a breach or claim through the process set forth in Subsection 19(c), the complaining party may proceed with judicial action.

(e) Expert Assistance. The opinions of any Certified Rangeland Manager or other qualified professional engaged to assist the Parties in the resolution of any claim of injury to any Conservation Value shall be admissible in any judicial proceedings conducted with respect to that asserted violation.

(f) Immediate Relief. Notwithstanding the provisions of Subsections 19(c) and (d), if at any time Rangeland Trust determines that an ongoing or imminent violation could substantially impair Conservation Values, Rangeland Trust may proceed immediately to seek an injunction to stop it temporarily or permanently. Rangeland Trust may also seek an injunction requiring the Landowner to restore, or pay for the restoration of, the Easement Area to its condition prior to the violation.

(g) Alternative and Cumulative Remedies; Legal Costs. Rangeland Trust's remedies described in this Section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. Furthermore, the provisions of California Civil Code Section 815, *et seq.*, are incorporated herein by this reference and this Easement is made subject to all of the rights and remedies set forth therein. In any action brought to enforce or interpret any of the terms of this instrument, the prevailing Party shall be entitled to recover its costs incurred in any such action, including reasonable attorneys', consultants', and experts' fees and costs, and the costs of engaging a mediator in accordance with the provisions Subsection (c), above, when the mediation has been unsuccessful, all of which shall be deemed to have accrued upon the

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' and experts' fees and costs due hereunder shall be determined by a court of competent jurisdiction and not by a jury. For the purposes of this Section 19, attorneys' and experts' fees and costs shall also include, without limitation, fees incurred in the following: (a) post-judgment motions; (b) contempt proceedings; (c) garnishment, levy, and debtor and third party examinations; (d) discovery; and (e) bankruptcy litigation.

20. **Forbearance No Waiver.** Forbearance by the Rangeland Trust to exercise its rights under this Easement in the event of any breach of any term of this Easement by Landowner shall not be construed to be a waiver by the Rangeland Trust of such term or of any subsequent breach of the same or any other term of this Easement. No delay or omission in the exercise of any right or remedy upon any breach by Landowner shall impair such right or remedy or be construed as a waiver.

21. **Rangeland Trust Transfer of the Easement.**

(a) Assignment by Rangeland Trust. The Parties contemplate that Rangeland Trust will continue to hold this Easement for so long as Rangeland Trust remains in existence. Notwithstanding such contemplation, however, Rangeland Trust may assign its interest under this Easement, *provided*, that Rangeland Trust shall first furnish Landowner with written notice of such intention and shall allow Landowner a period of one hundred eighty (180) days within which to designate an assignee that is: (i) qualified to hold a conservation easement under Section 815.3 of the California Civil Code; (ii) a "qualified organization" as defined in Section 170(h)(3) of the U.S. Internal Revenue Code, 26 U.S.C. § 170(h)(3); (iii) not an "Affiliate" (as defined below) of Landowner or any lessee of any portion of the Easement Area; and (iv) willing and financially able to assume all of the responsibilities imposed on Rangeland Trust under this Easement including, without limitation, monitoring and enforcement,, collectively the ("**Designation Criteria**"). As used in this Subsection, "Affiliate" means an entity which directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person or entity. In the event that at the end of the one hundred eighty (180) day period either an assignment has not been made or Landowner has not petitioned a court of competent jurisdiction to transfer this Easement to an entity that meets the foregoing Designation Criteria, Rangeland Trust may proceed to transfer this Easement to any non-governmental entity that meets all of the foregoing Designation Criteria or to petition a court of competent jurisdiction to do so. The Parties intend that, in the selection of a transferee, preference be given to a qualified organization with an agricultural and rangeland conservation purpose as well as requisite experience in preserving and protecting the other Conservation Values. Said organization should have a board, staff, or consultants with practical agricultural management experience. Rangeland Trust shall not transfer this Easement to any governmental entity or public agency without the consent of Landowner, which consent shall be in Landowner's sole discretion.

(b) Cessation of Rangeland Trust. If Rangeland Trust ever ceases to exist or no

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

longer qualifies under Section 170(h) of the U.S. Internal Revenue Code, or applicable state law, or no longer meets all the four Designation Criteria, then Landowner shall petition a court of competent jurisdiction to transfer this Easement to an organization that meets all of those criteria. If the court is unable to identify a non-governmental organization that meets those criteria, the court may transfer this Easement to a governmental entity that meets the criteria.

22. Landowner Transfer of the Easement Area.

(a) Notification. Any time the Easement Area itself or any interest in it is transferred by the Landowner to any third party, the Landowner shall provide Written Notice prior to the transfer of the Easement Area, and the deed of conveyance shall expressly refer to this Easement. Failure to notify Rangeland Trust or include the required reference to this Easement in the deed shall not affect the continuing validity and enforceability of this Easement.

(b) Transfer Fee. A transfer of the ownership of the Easement Area may result in an additional burden on the monitoring and enforcement responsibilities of Rangeland Trust; therefore, each such transfer shall require the payment of a transfer fee to the Rangeland Trust's monitoring fund in the amount of .4 percent (four tenths of one percent) of the sales price. A transfer fee shall not apply to: (i) transfers solely to change the method of holding title by the same party or parties; or (ii) inter-generational transfers between members of the same family. Rangeland Trust may reduce or waive this fee at its sole discretion.

(c) No Merger. The Parties intend that a transfer to Rangeland Trust of the fee interest in the Easement Area, or any portion thereof, shall not be deemed to result in a merger of the Easement into the fee title. In the event of such transfer, Rangeland Trust shall continue to manage the Easement Area in accordance with the Conservation Purposes and, in the event of a subsequent transfer by Rangeland Trust of its fee interest in the Easement Area, Rangeland Trust shall reserve therefrom this Easement.

23. Amendment of Easement. This Easement may be amended only by a written instrument executed and acknowledged by the Parties. Any such amendment shall be consistent with the purposes of this Easement and shall comply with Section 170(h) of the U.S. Internal Revenue Code, California Civil Code Section 815, *et seq.*, or any regulations promulgated in accordance with that section. Any such amendment shall also be consistent with California law governing conservation easements and Rangeland Trust policies. All amendments shall refer to this Easement and shall be recorded in the official records of the county(ies) identified in Recital A of this Easement.

24. No Public Dedication or Public Access. Nothing contained in this Easement shall be deemed to be a gift or dedication of any portion of the Easement Area for use by the general public. This instrument does not convey a general right of access to the public.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

25. **Landowner's Title Warranty; No Prior Conservation Easements.** Landowner represents and warrants that Landowner has good fee simple title to the Easement Area, free from any and all liens or encumbrances except the approved encumbrances shown in **Exhibit C**, and hereby promises to defend the same against all claims that may be made against it. Landowner represents and warrants that the Easement Area is not subject to any other conservation easement. Subject to providing Written Notice at least ninety (90) days in advance, including a copy of the conservation easement instrument(s), Landowner may grant subsequent conservation easements on the Easement Area.

26. **Environmental Provisions.**

(a) Rangeland Trust Not An Owner, Operator, Or Responsible Party.

Notwithstanding any other provision herein to the contrary, the Parties do not intend this Easement to be construed such that it creates in or gives the Rangeland Trust:

(i) the obligations or liability of an "owner" or "operator" as those words are defined and used in environmental laws, as defined below, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601 *et seq.* and hereinafter "CERCLA");

(ii) the obligations or liability of a person described in 42 U.S.C. § 9607(a)(3) or (4);

(iii) the obligations of a responsible person under any applicable Environmental Laws, as defined below;

(iv) the right to investigate and remediate any Hazardous Substance (as defined below) associated with the Easement Area; or

(v) any control over Landowner's ability to investigate, remove, remediate, or otherwise clean up any Hazardous Substance (as defined below) associated with the Easement Area.

(b) Environmental Liabilities and Indemnification. Landowner and Landowner's successors in interest shall indemnify, protect, and defend with counsel acceptable to Rangeland Trust, and hold harmless the Rangeland Trust Indemnified Parties from and against any claims (including, without limitation, third party claims for personal injury or death, damage to Easement Area, or diminution in the value of property), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including sums paid in settlements of claims), remedial action, compliance requirements, enforcement and clean-up actions of any kind, interest or losses, attorneys' fees (including any fees and expenses incurred in enforcing this indemnity), consultant fees, and expert

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

fees that arise directly or indirectly from or in connection with: (i) the claimed presence or Release (as defined below) of any Hazardous Substance, whether into the air, soil, surface water or groundwater of or at the Easement Area; (ii) any violation or alleged violation of Environmental Law (as defined below) affecting the Easement Area, whether occurring prior to or during Landowner's ownership of the Easement Area and whether caused or authorized by Landowner or any person other than Landowner; or (iii) any claim or defense by Landowner or any third party that any Rangeland Trust Indemnified Party is liable as an "owner" or "operator" of the Easement Area under any Environmental Law. The foregoing indemnity obligations shall not apply with respect to any Hazardous Substance released or deposited as a result of action by the Rangeland Trust Indemnified Parties on or about the Easement Area. The indemnity obligations of any successor in interest of Landowner pursuant to this Subsection shall be limited to the portion of the Easement Area to which the successor takes title. ***[Optional Provision for High Dollar Easements: Notwithstanding any statutory limitation otherwise applicable, or the provisions of Section 30 hereof, the indemnity obligations of Landowner to the Rangeland Trust Indemnified Parties pursuant to this Subsection, solely with respect to matters occurring prior to or during Landowner's ownership of the Easement Area, shall continue after transfer to a successor in interest unless a written request for consent to assignment of such indemnity obligations to a successor in interest is approved by Rangeland Trust prior to the successor taking interest of the Easement Area. In considering any such request, Rangeland Trust may take into account the financial capabilities of the successor in interest, without regard to any third-party financial assurances. Rangeland Trust's consent to such assignment may be denied only if there is a commercially reasonable basis for such denial.]***

(c) Definitions.

(i) The term "Environmental Law" shall include, but shall not be limited to, each statute named or referred to below, and all rules and regulations thereunder, and any other local, state and/or federal laws, ordinances, rules, regulations, orders and decrees, whether currently in existence or hereafter enacted, which govern (a) the existence, cleanup and/or remedy of contamination or pollution on Easement Area; (b) the protection of the environment from soil, air, or water contamination or pollution, or from spilled, deposited or otherwise emplaced contamination or pollution; (c) the emission or discharge of Hazardous Substances into the environment; (d) the control of Hazardous Substances; or (e) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances.

(ii) The term "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of any Hazardous Substance into the environment (including, without limitation, the continuing migration of Hazardous Substances into, onto, or through the soil, surface water, or groundwater, and the abandonment or discarding of barrels, containers, and other receptacles containing any Hazardous Substance), whether or not caused by, contributed to, authorized by, acquiesced to, or known to Landowner.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

(iii) The term "Hazardous Substance" shall mean (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials, or pollutants which pose a hazard to the Easement Area or to persons on or about the Easement Area, or cause the Easement Area to be in violation of any Environmental Law; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material, or substance defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any applicable local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto, including: CERCLA, 42 U.S.C. Section 9601, *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Section 6901, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. Section 1251, *et seq.*; the California Hazardous Waste Control Law ("HWCL"), Cal. Health & Safety Code Section 25100, *et seq.*, Hazardous Substance Account Act ("HSAA"), Cal. Health & Safety Code section 25300, *et seq.*, the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), Cal. Water Code Section 13000, *et seq.*, the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited, regulated by any governmental authority, or may pose a hazard to the health and safety of the occupants of the Easement Area or the owners and/or occupants of property adjacent to or surrounding the Easement Area, or any other person coming upon the Easement Area or adjacent property; and (e) any other chemical, materials, or substance which may or could pose a hazard to the environment.

27. **Interpretation.** This instrument shall be interpreted under the laws of the State of California, without regard to its conflict of laws principles, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its Conservation Purposes. If any provision of this Easement, or the application thereof to any person or circumstances, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provisions to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected.

28. **Captions.** The captions in this Easement have been inserted solely for convenience of reference and shall have no effect upon construction or interpretation.

29. **Perpetual Duration.** The covenants, terms, conditions, and restrictions of this Easement Deed shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors, permitted assigns, personal representatives and heirs and shall constitute a servitude running in perpetuity with the Easement Area.

30. **Termination of Rights and Obligations.** A Party's rights and obligations under this Easement terminate upon transfer of the Party's interest in the Easement or Easement Area,

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

except as otherwise provided in Section 26(b) above, and except that liability for acts, omissions or breaches occurring prior to transfer shall survive transfer.

31. **Joint and Several Liability.** At any time that more than one person or entity owns an undivided fee interest in a parcel included in whole or in part within the Easement Area, each such person or entity shall be jointly and severally liable with each other person or entity having an undivided fee title interest in the Easement Area for all of the obligations of Landowner under this Easement.

32. **Notices.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by any other common method whereby receipt is confirmed, and addressed as follows or to such other address as either party from time to time shall designate by written notice to the other.

To LANDOWNER:

To RANGELAND TRUST: California Rangeland Trust
Attn: Conservation Director
3900 Lennane Drive, Suite 210
Sacramento, CA 95834
Phone: 916-444-2096

When personally delivered, notice is effective upon delivery. When mailed by certified mail, postage prepaid, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt. When delivered by an overnight delivery service, notice is effective on delivery, if delivery is confirmed by the delivery service.

33. **Condemnation.** This Easement constitutes a real property interest immediately vested in Rangeland Trust. If the Easement Area is taken, in whole or in part, by exercise of the power of eminent domain, Rangeland Trust shall be entitled to compensation in accordance with applicable law for the value of the Easement taken, and Landowner shall be entitled to compensation in accordance with applicable law for the value of the underlying fee title taken. For the purposes of this Section, the Parties agree that the fair market value of this Easement will be determined by multiplying the fair market value of the Easement Area unencumbered by the Easement *[minus any increase in value attributable to improvements made after the Effective Date,]* by _____ percent, which the Parties agree is the ratio of the value of this Easement to the value of the Easement Area unencumbered by this Easement as of the Effective Date, as determined by an appraisal approved by the Parties as of the Effective Date. Rangeland Trust shall use all proceeds received as an award in a condemnation proceeding for a taking of this Easement

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

in a manner consistent with the Conservation Purposes. *The Parties intend by the provisions of this Section to satisfy the requirements of 26 C.F.R. § 1.170A-14(g)(6) as applicable on the Effective Date.*

34. **Extinguishment.** If circumstances arise in the future that render the Conservation Purposes impossible to accomplish, including circumstances resulting from a default under this Easement, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. The amount of the compensation to which Rangeland Trust shall be entitled from any sale, exchange or involuntary conversion of all or any portion of the Easement Area subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by California law at the time, in accordance with Section 33. Rangeland Trust shall use all such proceeds in a manner consistent with the Conservation Purposes of this Easement.

[Insert/replace Section 34 if any portion of the easement value is donated: Pursuant to IRS Notice 2023-30, Grantor and Grantee agree that, if a subsequent unexpected change in the conditions surrounding the property that is the subject of a donation of the perpetual conservation restriction renders impossible or impractical the continued use of the property for conservation purposes, the conservation purpose can nonetheless be treated as protected in perpetuity if (1) the restrictions are extinguished by judicial proceeding and (2) all of Grantee's portion of the proceeds (as determined by Section 35) from a subsequent sale or exchange of the property are used by Grantee in a manner consistent with the Conservation Purposes of the original contribution.]

35. **Compensation.** This Easement constitutes a real property interest immediately vested in Rangeland Trust. For the purposes of the Section entitled Extinguishment, the Parties agree that the fair market value of this Easement as of the date of the termination or extinguishment shall be the amount of compensation due Rangeland Trust as the result of such termination or extinguishment. Such fair market value of this Easement will be determined by multiplying the fair market value of the Easement Area as if it were unencumbered by this Easement [, minus any increase in value attributable to improvements made after the Effective Date,] by the greater of (i) the ratio of the value of this Easement at the time of its termination or extinguishment to the value of the Easement Area as if unencumbered by this Easement at that time, or (ii) __ percent (which the Parties agree is the ratio of the value of the Easement to the value of the Easement Area unencumbered by this Easement as determined by the appraisal previously approved by the Parties). The fair market values of the Easement Area and this Easement as of the date of termination or extinguishment shall be determined by a complete appraisal conducted by a qualified appraiser approved by the Parties. The cost of such appraisal shall be borne by the party who initiates the judicial action for termination or extinguishment. *The Parties intend by the provisions of this Section to satisfy the requirements of 26 C.F.R. § 1.170A-14(g)(6)(ii) as applicable on the Effective Date.*

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

[Insert/replace if any portion of the easement value is donated: Determination of Proceeds: Grantor and Grantee agree that the donation of the perpetual conservation restriction gives rise to a property right, immediately vested in Grantee, with a fair market value that is at least equal to the proportionate value that the perpetual conservation restriction, at the time of the gift, bears to the fair market value of the property as a whole at that time. The proportionate value of Grantee's property rights remains constant such that if a subsequent sale, exchange, or involuntary conversion of the subject property occurs, Grantee is entitled to a portion of the proceeds at least equal to that proportionate value of the perpetual conservation restriction, unless state law provides that the donor is entitled to the full proceeds from the conversion without regard to the terms of the prior perpetual conservation restriction. The Parties intend by the provisions of this Section to satisfy the requirements of IRS Notice 2023-30 as applicable on the effective date.]

36. **Laws Currently in Effect.** All references in this Easement to statutes, regulations and other laws shall be deemed to refer to those statutes, regulations and laws currently in effect, or as amended (or any successor provision then applicable).

37. **Recordation.** Rangeland Trust shall promptly record this instrument in the official records of the county(ies) identified in Recital A, above, and promptly notify the Landowner through the mailing of a conformed copy of the recorded Easement.

38. **Entire Agreement.** This instrument sets forth the entire agreement of the Parties with respect to the Easement Area and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement Area, all of which are herein merged.

39. **Counterparts.** The Parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both Parties; each counterpart shall be deemed an original instrument as against any party who has signed it. Counterpart signature pages and notary acknowledgments may be attached hereto to constitute a single legal document for recording. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

40. **Written Approval; Landowner to Bear Costs and Expenses of Review.** Whenever Rangeland Trust's permission, consent, or approval is required pursuant to this Easement, such permission, consent, or approval shall be obtained in advance and in writing from Rangeland Trust. Except as otherwise provided in this Easement, whether permission, consent, or approval should be granted or denied shall be determined based upon the purposes of this Easement and shall not be unreasonably withheld or delayed. Landowner shall be solely responsible for bearing all reasonable costs and expenses incurred by Rangeland Trust, including, without limitation, reasonable attorneys' and consultants' fees and costs, in connection with: (i) Rangeland Trust's review of any request by Landowner for Rangeland Trust's permission, consent, or approval of any development or other use of the Easement Area for which Rangeland Trust's discretionary permission, consent, or approval is required under this Easement; and (ii) Rangeland Trust's

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

participation, at Landowner's request, in any regulatory proceeding for consideration of proposed development or other use of the Easement Area allowed under this Easement.

41. **Compliance with Applicable Laws.** Landowner remains solely responsible for obtaining any applicable governmental permits or other approvals for any activity or use allowed under this Easement. No right or privilege granted in this Easement, nor any right retained by Landowner, shall be interpreted as exempting Landowner from complying with all statutes, laws, ordinances, rules, regulations, codes, orders, or other restrictions applicable to the Easement Area.

42. **Exhibits.** The exhibits attached hereto are incorporated herein by this reference:

- Exhibit A: Easement Area Legal Description
- Exhibit B: Easement Area Map
- Exhibit C: Approved Encumbrances
- Exhibit D: Access Route Easement (If Applicable)

43. **Effective Date.** This Easement is effective upon recordation in the Official Records of the county(ies) identified in Recital A.

Agreed to and executed by:

LANDOWNER:

_____ Date

CALIFORNIA RANGELAND TRUST

By: _____

_____ Date

Its: _____

[Add notary acknowledgments.]

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Exhibit A

Easement Area Description

Insert legal description. Confirm legal description matches description on the latest title report, and prior to closing compare with pro forma title policy legal description.

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Exhibit B

Easement Area Map

Insert map of the Easement Area showing the following items:

Residential Building Envelope – Section 4(c)

Agricultural Intensified Areas – Section 12

Existing Buildings, major public and private roads, streams, stock ponds, any other major features

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Exhibit C

Approved Encumbrances

This is a template only and is subject to change based on circumstances specific to each easement

CALIFORNIA RANGELAND TRUST
Standard Agricultural Conservation Easement

Exhibit D

Access Route Easement (If Needed)