

NATIONAL FISH AND WILDLIFE FOUNDATION

AND

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

AND

SACRAMENTO VALLEY CONSERVANCY

BEAR RIVER RESTORATION AREA ECOLOGICAL PRESERVE

LONG-TERM FUNDING AGREEMENT

This Bear River Restoration Area Ecological Preserve Long-Term Funding Agreement ("Agreement") is entered by and among the National Fish and Wildlife Foundation, a Congressionally chartered foundation and District of Columbia non-profit corporation ("Foundation"), Three Rivers Levee Improvement Authority, a California joint powers agency ("Permittee"), and Sacramento Valley Conservancy, a California nonprofit public benefit corporation ("Recipient") (together, the "Parties," and individually, a "Party"), as of the date of the signature of the last Party to sign (such date, the "Effective Date").

WHEREAS, Permittee is responsible to provide for the protection and management for conservation purposes in perpetuity of the real property known as the Bear River Restoration Area Ecological Preserve in Sacramento County, California shown on the map attached as **Exhibit A-1** and legally described in **Exhibit A-2** attached to this Agreement and incorporated herein by reference (the "Preserve"), as required, collectively, by the following regulatory approvals pertaining to the Bear River and Western Pacific Interceptor Canal Levee Improvement Project: U.S. Army Corps of Engineers ("USACE") Permit No. SPK-2004-00685 issued on October 4, 2005, as amended on July 17, 2006, March 9, 2007, and March 10, 2010 (the "USACE Permit"), and the associated Biological Opinion issued by the U.S. Fish and Wildlife Service ("USFWS") on August 10, 2005 (USFWS File No. 1-1-05-F-0106), as amended on June 16, 2006 (USFWS File No. 1-1-06-F-0101) and October 1, 2006 (USFWS File No. 1-1-06-F-0255), as clarified on October 19, 2006 (USFWS File No. 1-1-07-TA-0058), and further amended on October 13, 2006 (USFWS File No. 1-1-06-F-0267) and September 27, 2007 (USFWS File No. 1-1-07-F-0331), and the associated USFWS Biological Opinion issued on January 9, 2006 (USFWS File No. 1-1-06-F-0026), as amended on October 1, 2006 (USFWS File No. 1-1-06-F-0255) (together, the "USFWS Biological Opinions").

WHEREAS, the Preserve includes habitat areas required under the USACE Permit and the USFWS Biological Opinions to be managed in accordance with the Bear River Restoration Area Ecological Preserve Long-Term Management Plan (the "Management Plan"), and USACE has required Permittee to fund the costs of the long-term management and maintenance of such habitat areas, and have approved Foundation to hold such funding in a single, commingled fund (the "LTMM Fund") pursuant to

this document governing the intent, uses, benefits, purposes, and duration of the LTMM Fund, and the terms and conditions under which it will be established, held, and administered by the Foundation.

WHEREAS, Recipient will receive payments from the LTMM Fund under this Agreement to pay the costs of the land management, maintenance, and monitoring tasks to be undertaken by Recipient on the Preserve pursuant to the Management Plan.

WHEREAS the Sutter Butte Regional Land Trust, a California non-profit public benefit corporation will hold a conservation easement over the Preserve (the "Conservation Easement") as the "Conservation Easement Grantee."

WHEREAS, the Foundation is a charitable non-profit corporation established by the United States Congress in 1984 by the National Fish and Wildlife Foundation Establishment Act, 16 U.S.C. Section 3701 *et seq.*, as amended ("Establishment Act"), and is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code qualified to do business in California, and is authorized under the Establishment Act and other laws, including, California Government Code section 65965 *et seq.*, to hold and administer funds for the long-term management and maintenance of compensation lands and compensation or conservation bank properties.

NOW, THEREFORE, in consideration of the mutual promises made herein, and for other and further consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

I. PURPOSES

- A. The purposes of this Agreement are to establish an LTMM Fund for the Preserve to be held by the Foundation in trust for the benefit of the Preserve, and to set forth the Parties' respective responsibilities with respect to the funds to be held in and administered from the LTMM Fund.
- B. If and to the extent the funds are subject to the Uniform Prudent Management of Institutional Funds Act (Cal. Probate Code section 18501 *et seq.*) ("UPMIFA"), this Agreement is the record under which the funds are transferred to, and held by, the Foundation, and as such shall be considered the "gift instrument" for purposes of UPMIFA. USACE's approval of the Agreement has been expressed in a separate writing to Permittee.

II. ACCOUNT ESTABLISHMENT, INVESTMENT, AND ADMINISTRATION

- A. This Agreement authorizes the Foundation to hold the LTMM Fund as requested by and received from the Permittee, in the amount of Eight Hundred Ninety-One Thousand Six Hundred Fifty-Nine Dollars and Forty-Eight Cents (\$891,659.48) in 2022 dollars ("Endowment Amount"), to be deposited in one lump sum, to be held in trust for the long-term, perpetual management, maintenance, and monitoring of the Preserve, in accordance with the USACE Permit the USFWS Biological Opinions, the Management Plan approved by the USACE, and the associated "Endowment Calculation" of the collective costs of perpetual long-term management, maintenance, and monitoring of the Preserve ("Endowment Assessment"), dated October 2, 2021, approved by the USACE.

- B. Permittee shall pay (or cause to be paid) to the Foundation a single, one-time payment of Three Thousand Four Hundred Dollars (\$3,400) ("Account Establishment Fee") for the Foundation's establishment of a uniquely identifiable financial account constituting the LTMM Fund. The Foundation's receipt of the Account Establishment Fee is an express condition precedent to the effectiveness of the Foundation's obligations under this Agreement. The Account Establishment Fee is in addition to the LTMM Fund amount as set forth in Section II.A.. above and the "Annual Fee" as set forth in Section II.C. below. The Parties agree, as soon as practicable after the Foundation's receipt of both the Account Establishment Fee and funds for deposit into the LTMM Fund, that the Foundation shall invest the funds comprising the LTMM Fund in accordance with the Foundation's prevailing Investment Policy Statement for Long-Term and "Quasi-Endowment" Land Management, Maintenance and Monitoring Funds Accounts Held by the National Fish and Wildlife Foundation, the current version of which is attached hereto as Attachment A and as the same may be modified from time to time in accordance with its terms. The Recipient shall have no right or responsibility with respect to the investment or financial management of the LTMM Fund under this Agreement or otherwise.
- C. The LTMM Fund shall be subject to an annual fee of one percent (1%) ("Annual Fee") of the LTMM Fund's balance for the Foundation's annual administration, operation, reporting, and accounting of the LTMM Fund. The Foundation shall assess and collect the Annual Fee either quarterly or annually, in either case at the Foundation's election, during each year in which the account is in existence. The Foundation shall collect the Annual Fee by deducting it from the balance of the LTMM Fund.
- D. The Foundation shall submit to the Recipient and to Permittee (and, if requested, to the USACE) an activity report for the LTMM Fund by March 15 of each calendar year the LTMM Fund is in existence. In each activity report, the Foundation shall report on the balance of the LTMM Fund at the beginning of the calendar year; deposits; disbursements; fees; earnings, gains, losses and other investment activity accruing to the LTMM Fund during the previous calendar year; administrative expenses; the balance of the LTMM Fund at the end of the calendar year; and the specific asset allocation percentages of the portfolio in which the LTMM Fund is invested. If requested, the Foundation shall also provide to the USACE a copy of its most recent financial statement as prepared by an independent auditor.
- E. Disbursements from the LTMM Fund shall be made in accordance with Section IV. of this Agreement, entitled Recipient Land Management. The Recipient and the Foundation expressly agree and acknowledge that a change in the amount of, or manner of disbursement to the Recipient is subject to the written approval of the USACE. The Recipient and the Foundation further agree and acknowledge that the Foundation shall not change the manner or amount of disbursements until such written approval is received.

III. FOUNDATION'S FIDUCIARY OBLIGATIONS AND LIMITATIONS ON LIABILITY

- A. The Foundation shall have a duty of loyalty to the Preserve with respect to the LTMM Fund, and shall not use or borrow against funds in the LTMM Fund for its own benefit, except for assessment and collection of the fees due to the Foundation or its financial institutions pursuant to this Agreement.

- B. The Foundation shall not be liable to the USACE, the Recipient, the Permittee, or any other entities or persons for losses arising from investment of funds in the LTMM Fund that is consistent with this Agreement.

IV. RECIPIENT LAND MANAGEMENT

- A. Performance of Land Management Activities. The Recipient has agreed to perform specific land management activities on the Preserve to improve, conserve, and/or protect the habitat and other ecological values of the Preserve ("Land Management Activities") in accordance with the Management Plan. Funding to pay the costs of the Land Management Activities shall be provided in accordance with the terms and conditions set forth below. If, at any time, any of the Management Plan, the Land Management Activities, the Endowment Assessment, or Endowment Payment Schedule (as such term is defined below) is amended or otherwise modified, then:
 - 1. The Permittee shall immediately notify the Foundation in writing of such amendment or modification;
 - 2. The Permittee shall transmit to the Foundation as soon as practicable the amended Management Plan, Land Management Activities, Endowment Assessment, or Endowment Payment Schedule, as applicable, along with the corresponding written approval by the USACE of each such amended document; and
 - 3. Any amended Management Plan, Land Management Activities (and associated costs), Endowment Assessment, or Endowment Payment Schedule, as approved by the USACE, shall upon receipt by the Foundation supersede and replace its original counterpart, and shall thereafter govern as the "Management Plan," "Land Management Activities," "Endowment Assessment," or "Endowment Payment Schedule," as applicable, under this Agreement.
- B. Funding for Land Management Activities. The Foundation hereby agrees to disburse funds from the LTMM Fund to the Recipient to pay the costs of Recipient's performance of the Land Management Activities on the Preserve, upon the terms and conditions set forth below.
- C. Scope of Services to be Performed. The Recipient will perform the Land Management Activities as set forth in the Management Plan and the Endowment Assessment. The Recipient will pay for the costs of such Land Management Activities with funds disbursed to it under this Agreement. The Parties agree and acknowledge that the Management Plan and the Endowment Assessment were created by or on behalf of the Permittee and approved by the USACE. The Foundation is expressly entitled to rely on the validity of the USACE approval and the accuracy and validity of the Management Plan and the Endowment Assessment without independent verification. The Foundation shall not be liable in any respect to the USACE, the Recipient, the Permittee, or to any other entities or persons, for errors, omissions, inaccuracies, or other elements of the Management Plan or the Endowment Assessment, whether contained therein or omitted therefrom, including but not limited to the sufficiency or adequacy of the Endowment Amount calculated pursuant to the Endowment Assessment. The Parties agree and acknowledge that the Recipient is required to perform Land Management Activities on the Preserve only to the extent funds are made available to the Recipient under this Agreement to

pay for performance of such Land Management Activities. In addition, in the event an amendment is made to either of the Management Plan that changes the Land Management Activities identified in the Endowment Assessment, thereby requiring an amendment to the Endowment Assessment, the Foundation shall not be liable to the USACE, the Recipient, the Permittee, or to any other entities or persons for any decision by the USACE to approve the amendment to the Endowment Assessment in any way that impairs the viability of the LTMM Fund as a source of perpetual funding for the Land Management Activities on the Preserve.

D. Payment.

1. *Payment in the Ordinary Course.*

- a. Unless approved otherwise by the USACE in writing, the Foundation shall not make any disbursement of funds from the LTMM Fund unless and until it receives from Permittee a copy of the USACE's written confirmation that the Endowment Amount has been fully funded for a period of at least three (3) years. The Foundation's receipt from Permittee of the USACE's written confirmation (or other written approval) in this respect is an express condition precedent to the Foundation's initial disbursement of funds from the LTMM Fund.
- b. In consideration of the Land Management Activities to be performed by the Recipient, the Foundation shall disburse to the Recipient from the LTMM Fund annual, advance payments (each such payment, an "Endowment Payment") which the Recipient shall use to pay the costs of Land Management Activities to be performed by the Recipient throughout the forthcoming calendar year. Unless the USACE approves otherwise in a written instrument issued to Permittee and delivered by Permittee to the Foundation, each Endowment Payment will be made for the amount requested by the Recipient in a written payment request (hereinafter, a "Payment Request") submitted to the Foundation pursuant to this Section D. (as adjusted by a measure of inflation as described below in this subsection). Each Payment Request is subject to a maximum annual dollar limit calculated as the total dollar value of Land Management Activities, exclusive of any contingency amount or any incremental amount for non-annual work items (the funds for such non-annual work items to be paid in full in the calendar year immediately preceding the calendar year in which the applicable work item is to be performed), for the applicable calendar year as set forth in the Endowment Assessment. An Endowment Payment Schedule created and/or approved by the Recipient and approved by the USACE reflecting the foregoing, i.e., the total dollar value of Land Management Activities for each calendar year, including annual and applicable non-annual occurrence expenses, exclusive of any contingency amount, set forth in the Endowment Assessment ("Endowment Payment Schedule"), is attached to this Agreement as Attachment B, and incorporated herein by reference. Payment Requests shall be made in accordance with the Endowment Payment Schedule except as otherwise provided in this Agreement. Each Endowment Payment shall be adjusted by a measure of inflation over the period of time since the Endowment Assessment was completed. The measure of inflation shall be calculated using the United States Department of Labor's Bureau

of Labor Statistics' Consumer Price Index –West Region (1982-84=100), or the successor of such index over the same period of time.

- c. The Permittee must submit to the Foundation the written confirmation specified in Section IV.D.1.a. (or the Foundation must have received from Permittee another applicable written approval from the USACE) on or before the date of Recipient's first Payment Request. The Recipient must submit to the Foundation a Payment Request between July 1 and November 15 of a calendar year in order to receive an Endowment Payment to fund Land Management Activities in the immediately following calendar year. Absent the express written approval of the USACE, the Recipient will not be eligible to receive an Endowment Payment for the immediately forthcoming calendar year if the Recipient has failed to submit to the Foundation a Payment Request between July 1 and November 15 of the then-current calendar year. The Foundation will disburse Endowment Payments in December for Payment Requests properly submitted to the Foundation in the period from the immediately prior July 1 through November 15.
 - d. The Recipient shall submit all Payment Requests via email, fax, or mail to the Foundation. In the event an alternate method of requesting payment becomes available in the future, such as an online payment request system, the Foundation will notify the Recipient and provide appropriate instructions. All Payment Requests must include a written statement by the Recipient that (i) the Endowment Payment will be used exclusively for payment of expenses of Recipient for Land Management Activities and (ii) the Recipient reasonably expects the Land Management Activities specified in the Endowment Assessment for the applicable calendar year to be actually necessary in that year.
2. *USACE Suspension or Reduction of Payments for Performance Reasons.* In accordance with the terms of the USACE Permit, the USACE may conduct periodic site visits and/or other evaluations of the Preserve in order to monitor the progress and effectiveness of Land Management Activities performed by the Recipient. If at any time the USACE determines that the Land Management Activities are not being performed in a satisfactory manner (including, without limitation, that the Land Management Activities are not being performed in accordance with the Long-Term Management Plan, or applicable laws or regulations), the USACE may notify Recipient, Permittee, and Foundation of the failure of Recipient to implement the Land Management Activities in accordance with the Long-Term Management Plan (hereinafter a "Non-Compliance Notice"). Upon receipt of a Non-Compliance Notice from the USACE, the Foundation shall suspend or reduce Endowment Payments to Recipient in accordance with the terms of the Non-Compliance Notice until the Recipient, Permittee, and Foundation have received a subsequent written notice from the USACE that the concerns giving rise to the Non-Compliance Notice received from the USACE have been resolved. Thereafter, Endowment Payments to Recipient may continue in accordance with this Agreement. The Foundation shall be entitled to rely on any Non-Compliance Notice received from the USACE and shall be obligated to follow the terms contained therein. The Foundation shall not be liable in any manner to the Recipient, Permittee, or to any other entities or persons by virtue of following the instruction of the USACE contained in any Non-Compliance Notice received from the USACE.

3. *Reduction of Payments for Financial Reasons.* From time to time the Foundation's financial advisors may advise that the LTMM Fund has decreased to levels that may threaten its continued existence as a source of perpetual funding for Land Management Activities, whether due to unexpected investment performance or otherwise. The Foundation shall notify the Permittee and Recipient of any such appraisal and upon receipt of such notice; the Recipient shall propose appropriate modifications to continued Endowment Payments and associated Land Management Activities, if any, in order to protect the long-term viability of the LTMM Fund. The Permittee shall submit the Recipient's proposed modifications to the USACE for review. Upon receipt of the USACE written approval or disapproval of such proposal, the Permittee shall notify the Recipient and the Foundation in writing. The Foundation will be obligated to follow the written response of the USACE with respect to any such modifications. Neither the Foundation nor the Recipient shall be liable in any manner to the USACE, the Permittee, or any other entities or persons by virtue of following the direction or approval of the USACE contained in any notice issued under this Subsection 3.

4. *One-time Payments.* Upon request by the Recipient, which shall be accompanied by the written concurrence of the Permittee, the USACE may give approval to the Foundation in writing to disburse a specific amount of funding from the LTMM Fund to the Recipient so that the Recipient may perform an activity, or activities, which the USACE determines to be consistent with the management of the Preserve. To the extent there is no written approval by the USACE, Recipient shall a) certify and represent in writing to the Foundation that 1) such disbursement is authorized under the Permit or Long-Term Management Plan, and applicable law, and 2) no corresponding approval by the USACE is needed; and b) acknowledge that the Foundation may rely upon Recipient's certification and representation without independent verification of its accuracy and validity. The Foundation will disburse any such one-time payment within thirty (30) business days of receipt of the USACE's approval or Recipient's direction with Permittee's written concurrence, as applicable. A one-time payment may fund, but is not necessarily restricted to, activities in response to a catastrophic event (e.g., recovery after a fire), and/or a contingency. Upon receipt of such one-time payment, the Recipient shall, as soon as practicable, perform the intended activity or activities, as approved by the USACE or directed by Recipient with Permittee's written concurrence. The Recipient, Permittee, and Foundation hereby acknowledge that any approval by the USACE or direction by Recipient with Permittee's written concurrence under this Subsection 4. for the Foundation to disburse a one-time payment not contemplated by the Management Plan or Endowment Assessment may impair or preclude the viability of the LTMM Fund as a source of perpetual funding for the Land Management Activities on the Preserve. Neither the Foundation nor the Recipient shall be liable to the USACE, Permittee, or to any other entities or persons for any decision by the USACE to direct or approve a one-time payment under this Subsection 4. that impairs the viability of the LTMM Fund as a source of perpetual funding for the Land Management Activities on the Preserve.

5. *Overages in Payments.* Any portion of an Endowment Payment that remains unspent by the Recipient as of the end of the calendar year for which such amount was paid shall be deemed an "overage" for purposes of this subsection. Any overage shall be: (a) retained

and accounted for by the Recipient; (b) used by the Recipient exclusively for payment of costs of the immediately following year's Land Management Activities; (c) reflected as a deduction from the amount of the Payment Request submitted by the Recipient for the immediately following year; and (d) deducted from the amount of the Endowment Payment made by the Foundation for such following year.

6. *Replacement Recipient.* Permittee may, with written approval from USACE and Recipient, appoint a Replacement Recipient. Any Replacement Recipient shall assume the rights and responsibilities of the "Recipient" hereunder, including but not limited to the right to receive Endowment Payments and other payments under this Agreement and the obligation to perform the Land Management Activities. The Foundation shall have no obligation to make disbursements from the LTMM Fund to the Replacement Recipient unless and until: 1) Replacement Recipient executes an assignment and assumption agreement with the Recipient, approved by USACE, that is acceptable to the Foundation whereby: a) the Recipient assigns and otherwise transfers in all respects to Replacement Recipient all rights, obligations, title and interest held by the Recipient in this Agreement; and b) the Replacement Recipient agrees to accept such Assignment and assume all rights, obligations, title, and interest of the Recipient Replacement; or 2) this Recipient Agreement is terminated and Replacement Recipient enters into a substitute Recipient Agreement with the Foundation and Permittee.

- E. Review and Reporting Requirements. The Recipient shall submit to the Permittee, Foundation, and the USACE an annual funding report ("Annual Funding Report") for each calendar year this Agreement is in effect. Each Annual Funding Report shall be submitted by the Recipient between January 1 and January 31, or at least thirty (30) days prior to the effective date of termination of this Agreement. The Annual Funding Report shall: (1) describe in reasonable detail the Land Management Activities performed by the Recipient during the immediately preceding calendar year or in the event of termination the then-current calendar year (in either case, the "Reporting Period"); (2) detail all expenses incurred by or on behalf of the Recipient for Land Management Activities performed during the Reporting Period; (3) describe any discrepancy between the Land Management Activities expected to be performed during the Reporting Period in accordance with the Management Plan and the Endowment Assessment and the Land Management Activities actually performed during the Reporting Period; and (4) describe any discrepancy between the costs of Land Management Activities as modeled in the Endowment Assessment and the costs of Land Management Activities actually performed during the Reporting Period.

The Parties expressly agree and acknowledge that the Foundation is entitled to rely on the accuracy and validity of the Annual Funding Reports submitted by the Recipient and shall have no duty to independently verify the information set forth therein. The Parties further agree and acknowledge that, except as otherwise expressly permitted or required by this Agreement, the Foundation shall have neither the right nor the obligation to reduce, suspend, or otherwise modify Endowment Payments based on the contents of any Annual Funding Report, and that any remedial action under this Agreement or otherwise with respect to Endowment Payments based on the contents of any Annual Funding Report shall be the exclusive right and/or obligation of the USACE.

- F. Compliance with Laws; Indemnification.

1. In conducting the Land Management Activities and performing its obligations under this Agreement, the Recipient agrees to conduct all such activities in compliance with all applicable Federal, State, and local laws, regulations, and ordinances; and to secure all appropriate and necessary public or private permits, approvals, and consents.
2. The Foundation, Permittee and Recipient shall indemnify and hold harmless each other, and their respective officers, directors, agents, representatives, and employees in respect of any and all claims, injuries, losses, diminution in value, damages, liabilities, whether or not currently due, and related expenses (including without limitation, settlement costs and any legal or other expenses for investigating or defending any actions or threatened actions) arising from or in connection with any breach by the indemnifying Party of its obligations under this Agreement (including, in the case of the Recipient, of its obligation to perform the Land Management Activities).
3. The terms of this Section IV.F. will survive termination of this Agreement.

V. TERM, TERMINATION, AND TRANSFER

- A. This Agreement shall continue in full force and effect unless and until terminated by any Party, which termination shall be effective on the date specified by such Party in a written notice delivered to the other Parties not less than one hundred eighty (180) days prior to the intended date of termination. Notwithstanding the immediately preceding sentence, regardless of the date that notice of termination is provided and the passage of the intervening minimum one hundred eighty (180) notice period, termination is not effective unless and until the Foundation has transferred in an orderly fashion the custody, control or other power necessary for the investment, management, and administration of all the funds in the LTMM Fund (other than funds in an amount equal to any fees due and owing to the Foundation or its financial institutions) to an entity approved in writing by the USACE.
- B. Prior to the effective date of termination of this Agreement, the Foundation shall transfer all funds remaining in the LTMM Fund, other than fees due and owing to the Foundation or its financial institutions, to an entity approved by the USACE to serve as a successor.
- C. Within ninety (90) days following final disbursement of the funds in the LTMM Fund to any successor, the Foundation shall provide to the Permittee and Recipient (and, if requested, the USACE) a final financial activity report on the Account.

VI. CONTACT INFORMATION AND COMMUNICATIONS

- A. All approvals, notices, reports, and other communications required or permitted under this agreement shall be in writing and delivered by first-class mail, overnight mail, electronic mail, or electronic PDF format. Each Party agrees to notify the others promptly after any change in name representative, address, telephone, or other contact information.
- B. If any notice or communication is required or permitted to be delivered to the USACE hereunder, such notice or communication shall be delivered to the USACE lead contact identified in Section VI.C. below.

- C. The individuals named below shall be the representatives of the Permittee, Recipient, and the Foundation for purposes of this Agreement:

Foundation Primary: Anne Butterfield
Senior Manager, Impact-Directed Environmental Accounts
National Fish and Wildlife Foundation
1133 15th Street NW, Suite 1000
Washington, DC 20005
Phone: (415) 243-3106
Email: anne.butterfield@nfwf.org

Foundation Alternate: Heather Hoyles
Manager, Impact-Directed Environmental Accounts
National Fish and Wildlife Foundation
1133 15th Street NW, Suite 1000
Washington, DC 20005
Phone: (415) 243-3105
Email: heather.hoyles@nfwf.org

Permittee: Three Rivers Levee Improvement Authority
Attn: Kevin Mallen, Executive Director
1114 Yuba Street, Suite 218
Marysville, CA 95901
Phone: (530) 749-7841
Email: KMallen@CO.YUBA.CA.US

Recipient: Kelly Hopkins
Executive Director
Sacramento Valley Conservancy

For Delivery by Mail

P.O. Box 163351
Sacramento, CA 95816

For Delivery in Person or by Courier

191 Lathrop Way, Suite D
Sacramento, CA 95815

Phone: (916) 731-8798
Email: khopkins@sacramentovalleyconservancy.org

USACE Lead: United States Army Corps of Engineers
Sacramento District
Attn: Chief, Regulatory Division
1325 J Street, Room 1350
Sacramento, CA 95814-2922
Phone: (916) 557-5250

- D. The Parties agree and acknowledge that any change to their respective representatives as set forth in Section VI.C. above shall not constitute an amendment to this Agreement and may be effected through written notice to the other Parties.

VII. MISCELLANEOUS PROVISIONS

- A. If any provision of this Agreement is held to be unlawful or invalid by any court of law with duly established jurisdiction over this Agreement, the Parties intend that the remainder of this Agreement shall remain in full force and effect notwithstanding the severance of the unlawful or invalid provision(s).
- B. Except as provided in Section IV.A., this Agreement may be amended only by a written amendment signed by the Parties. Counterpart originals, facsimile copies, and/or portable document format (pdf) versions of signed amendments are acceptable and will be treated as binding originals, but this Agreement may not be amended via electronic mail.
- C. Each of the Parties is acting in its independent capacity in entering into and carrying out this Agreement and not as an agent, employee, or representative of the other Parties.
- D. The Parties will cooperate in good faith to achieve the objectives of this Agreement and to avoid disputes. The Parties will use good faith efforts to resolve disputes at the lowest organizational level and, if a dispute cannot be so resolved, the Parties will then elevate the dispute to the appropriate officials within their respective organizations.
- E. Nothing contained in this Agreement is intended to unlawfully delegate the duties of either the USACE or to limit the authority of the USACE to fulfill its statutory or regulatory responsibilities.
- F. The Foundation may provide information about this Agreement and the subject matter hereof to the United States federal government in compliance with the Establishment Act.
- G. This Agreement shall not be the basis of any claims, rights, causes of action, challenges, or appeals by any person not a Party to this Agreement, except that the USACE shall have the rights and obligations expressly assigned to it hereunder and, for such purposes, shall be intended third-party beneficiary of this Agreement.
- H. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, disregarding principles of conflicts of law. Venue for any action arising out of this Agreement shall be in the Superior Court for the County of Yuba, California.
- I. Any waiver by either Party of any term or provision of this Agreement shall be given in writing. No waiver shall be construed as a waiver of any other provision of this Agreement, nor shall such waiver be construed as a waiver of such provision respecting any other event or circumstance.
- J. The headings used in this Agreement are for convenience only and shall not determine or limit the interpretation, construction or meaning of this Agreement.

- K. This Agreement may be executed in one or more counterparts, each of which shall be considered an original, but all of which together shall constitute one and the same instrument.
- L. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof and may not be amended, except in writing signed by each Party hereto.
- M. Each Party to this Agreement warrants to the other that its respective signatory has full right and authority to enter into and consummate this Agreement and the transactions contemplated hereby.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized representatives, intending to be bound legally.

NATIONAL FISH AND WILDLIFE FOUNDATION

DocuSigned by:
By: Timothy DiCintio Date: 10/13/2022
58D6FB79415A483
Timothy J. DiCintio, Senior Vice President
Impact-Directed Environmental Accounts

THREE RIVERS LEVEE IMPROVEMENT AGENCY

DocuSigned by:
By: Kevin Mallen Date: 10/11/2022
88754BEA6D7B433...
Kevin Mallen
Executive Director

SACRAMENTO VALLEY CONSERVANCY

DocuSigned by:
By: Kelly Hopkins Date: 10/10/2022
45E46888BF4C4B5...
Kelly Hopkins
Executive Director

EXHIBIT A-1

[ADD PRESERVE LEGAL DESCRIPTION]

EXHIBIT A-1

LEGAL DESCRIPTION AND PLAT OF PRESERVE PROPERTY

All that real property situate in the Counties of Yuba and Sutter, State of California, lying within Sections 17, 20 and 29, Township 13 North, Range 4 East and within Lot number 38 of the New Helvetia Rancho and being more particularly described as follows:

BEGINNING at a point on the East line of Parcel 20 of the lands described in the Deed to the Sacramento and San Joaquin Drainage District, dated October 11, 1940 and recorded in Book 58, Page 211, Official Records of Yuba County from which a 1/2" rebar with plastic cap stamped "MHM LS 3649", marking an angle point in the North line of the parcel described in Exhibit 1-4 of the Final Order of Condemnation recorded as Instrument Number 2008R-010141, Yuba County Records bears North 35°50'19" East, 7764.12 feet and from which a 5/8" rebar at the intersection of Berry Road and Mark Hopkins Avenue, marking the Northeast corner of Lot 14 of plat of Bear River Gardens Subdivision No. 1, recorded in Book 3 of Surveys, Page 15, Sutter County Records bears North 75°20'20" East, 5400.01'; thence from said POINT OF BEGINNING, along the East line of said Parcel 20 the following eleven (11) courses:

1. North 01°08'45" East, 367.13 feet; thence
2. North 03°33'15" West, 485.64 feet; thence
3. North 02°28'15" West, 514.15 feet; thence
4. North 03°59'32" West, 499.97 feet; thence
5. North 05°58'32" West, 201.69 feet; thence
6. North 15°58'32" West, 112.11 feet; thence
7. North 09°32'32" West, 209.98 feet; thence
8. North 14°14'32" West, 500.01 feet; thence
9. North 15°40'32" West, 499.93 feet; thence
10. North 15°21'32" West, 152.54 feet; thence
11. North 15°19'32" West, 247.42 feet; thence

leaving the East line of said Parcel 20 and along the arc of a curve to the left, having a radius of 350.00 feet, the chord of which bears North 02°15'35" East, 256.46 feet; thence North 19°13'55" West, 175.51 feet; thence North 89°43'59" East, 908.06 feet; thence North 71°33'22" East, 2186.29 feet; thence North 62°59'56" East, 2387.24 feet; thence along the arc of a curve to the left, having a radius of 1000.00 feet, the chord of which bears North 48°21'23" East, 505.57 feet; thence North 33°51'23" East, 2868.63 feet; thence along the arc of a curve to the left, having a radius of 1000.00 feet, the chord of which bears North 30°19'14" East, 123.34 feet; thence North 26°47'05" East, 1237.29 feet; thence along the arc of a curve to the right, having a radius of 1500.00 feet, the chord of which bears North 33°02'25" East, 326.88 feet to a point on the Southerly line of Parcel 1, as shown on that certain Parcel Map recorded in Book 12 of Maps, Page 43, Yuba County Records, said Parcel 1 being the lands granted in the deed to the Sacramento and San Joaquin Drainage District, recorded June 27, 2006 as Instrument No. 2006R-012793; thence along the Southerly line said Parcel 1, North 89°43'27" East, 609.52 feet more or less to a point on the Northerly line of the Low Water Channel of the Bear River; thence Southwesterly following the meanderings of the Northerly line of the Low Water Channel of the Bear River the following thirty-nine (39) courses:

1. South 20°22'54" West, 205.49 feet; thence

2. South 39°04'03" West, 219.77 feet; thence
3. South 12°45'48" West, 288.57 feet; thence
4. South 17°45'49" East, 243.77 feet; thence
5. South 32°25'28" East, 143.02 feet; thence
6. South 48°55'06" East, 169.58 feet; thence
7. South 19°54'27" East, 116.05 feet; thence
8. South 01°28'31" West, 249.58 feet; thence
9. South 06°02'28" West, 289.10 feet; thence
10. South 13°29'26" West, 290.84 feet; thence
11. South 18°54'31" West, 332.05 feet; thence
12. South 26°47'10" West, 644.37 feet; thence
13. South 25°12'29" West, 463.77 feet; thence
14. South 20°53'54" West, 466.02 feet; thence
15. South 06°13'15" West, 749.61 feet; thence
16. South 14°29'50" West, 925.17 feet; thence
17. South 23°47'11" West, 188.11 feet; thence
18. South 38°09'52" West, 237.39 feet; thence
19. South 46°23'18" West, 651.46 feet; thence
20. South 44°29'23" West, 265.73 feet; thence
21. South 45°20'09" West, 837.52 feet; thence
22. South 51°42'29" West, 311.11 feet; thence
23. South 66°56'17" West, 133.31 feet; thence
24. South 83°26'47" West, 114.35 feet; thence
25. North 85°54'23" West, 323.54 feet; thence
26. North 82°07'56" West, 521.38 feet; thence
27. South 88°35'16" West 164.02 feet; thence
28. South 83°38'01" West, 191.48 feet; thence
29. South 78°52'56" West, 159.52 feet; thence
30. South 73°49'04" West, 189.93 feet; thence
31. South 57°02'32" West, 170.72 feet; thence
32. South 44°55'11" West, 231.58 feet; thence
33. South 33°59'18" West, 181.70 feet; thence
34. South 27°38'40" West, 250.71 feet; thence
35. South 23°02'20" West, 394.86 feet; thence
36. South 27°38'45" West, 383.08 feet; thence
37. South 25°21'48" West, 418.76 feet; thence
38. South 38°49'05" West, 648.16 feet; thence
39. South 65°44'05" West, 1173.32 feet to a point on the Southerly projection of the West line of Lot 10, Block 30 of the plat of Arboga Colony No. 2, recorded in Book 2 of Maps, Page 15, Yuba County Records; thence

along said West line projected South, North 00°15'53" West 252.66 feet to the Southwest corner of that certain parcel of land described as Parcel 21 in the deed to the Sacramento and San Joaquin Drainage

District, recorded in Book 58, Page 211, Official Records of Yuba County; thence along the Southeasterly line of said Parcel 21, being also the Southeasterly line of Lots 1, 2, 7 and 10, Block 30, Lot 16, Block 19 and Lots 6, 11, 13 and 14, Block 20 of said Arboga Colony No. 2, the following eight (8) courses:

1. North 29°40'11" East, 3568.93 feet; thence
2. North 52°05'11" East, 806.31 feet; thence
3. North 76°22'11" East, 1036.37 feet; thence
4. North 50°18'11" East, 656.66 feet; thence
5. North 37°13'11" East, 205.70 feet; thence
6. North 20°42'11" East, 516.48 feet; thence
7. North 31°02'11" East, 983.74 feet; thence
8. North 45°17'11" East, 233.94 feet to a point on the East line of said Lot 6, Block 20, Arboga Colony No. 2; thence

along the East line of said Parcel 21 and said Lot 6, Block 20, North 00°18'29" West, 176.80 feet to the Northeast corner of said Parcel 21; thence along the Northwesterly line of said Parcel 21 the following twenty two (22) courses:

1. South 45°02'36" West, 252.99 feet; thence
2. South 35°05'12" West, 498.84 feet; thence
3. South 33°10'36" West, 685.18 feet; thence
4. South 20°36'36" West, 248.97 feet; thence
5. South 23°55'22" West, 296.51 feet; thence
6. South 36°02'36" West, 275.61 feet; thence
7. South 51°10'36" West, 259.66 feet; thence
8. South 67°56'36" West, 385.78 feet; thence
9. South 74°00'36" West, 521.67 feet; thence
10. South 70°46'36" West, 395.29 feet; thence
11. South 59°08'36" West, 416.03 feet; thence
12. South 47°31'36" West, 411.97 feet; thence
13. South 37°43'36" West, 43.12 feet; thence
14. South 37°44'36" West, 268.52 feet; thence
15. South 31°17'36" West, 504.42 feet; thence
16. South 27°34'36" West, 500.15 feet; thence
17. South 28°24'36" West, 273.68 feet; thence
18. South 28°25'36" West, 191.52 feet; thence
19. South 28°02'36" West, 435.17 feet; thence
20. South 28°20'36" West, 400.17 feet; thence
21. South 28°35'36" West, 399.31 feet; thence
22. South 27°58'36" West, 216.68 feet to the Northwest corner of said Parcel 21, being also the Northeast corner of Parcel 20 as described in the said deed to the Sacramento and San Joaquin Drainage District;

thence along the Northerly line of said Parcel 20 the following three (3) courses:

1. South 27°53'56" West, 195.18 feet; thence
2. South 51°26'36" West, 455.28 feet; thence

3. South 49°28'36" West, 428.25 feet to the POINT OF BEGINNING, containing an area of 617.66 acres, more or less.

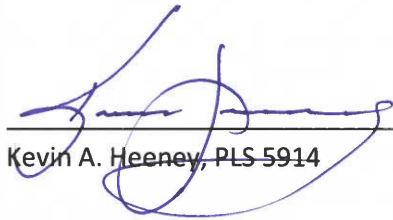
EXCEPTING THEREFROM any and all lands of the State of California lying below the Low Water Mark of the Bear River.

End of Description

The Basis of Bearings for this description is CCS83, Zone 2 (Epoch 2010.00) based on observations between NGS Stations Rio Oso, Algodon, Power Line and Hallwood. Distances contained herein are grid distances. To convert grid distance to ground distance, multiply by 1.00008298

End of Description

This description has been prepared by me or under my direct supervision.



Kevin A. Heeney, PLS 5914



09/28/2021
Date

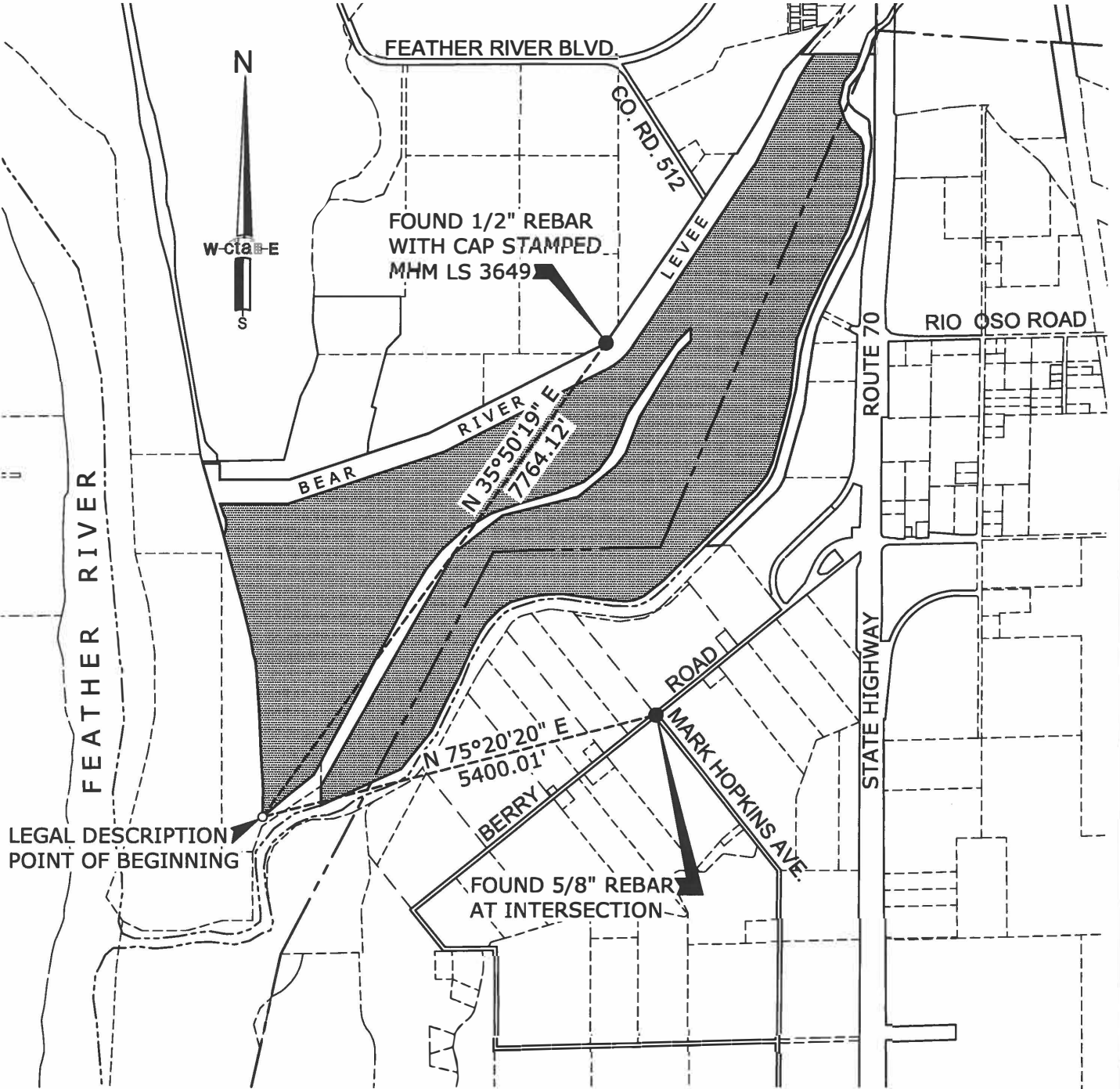
EXHIBIT A-2

[ADD PRESERVE MAP]

GRAPHIC SCALE



1 inch = 2000 ft.



BEAR RIVER

EXHIBIT DEPICTING LIMITS OF THE LANDS OWNED BY
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY (T.R.L.I.A.)
TO BE INCLUDED IN A CONSERVATION EASEMENT
SEPTEMBER, 2021 SCALE: 1"= 2000'



09/28/2021

ATTACHMENT A

Investment Policy Statement for Long-Term and "Quasi-Endowment" Land Management, Maintenance
and Monitoring Funds Accounts Held by the
National Fish and Wildlife Foundation

**INVESTMENT POLICY STATEMENT
FOR LONG-TERM AND "QUASI-ENDOWMENT"
LAND MANAGEMENT, MAINTENANCE AND MONITORING FUNDS
ACCOUNTS
HELD BY THE NATIONAL FISH AND WILDLIFE FOUNDATION
As of July 2018**

Definitions

"AGENCY"	The governmental entity that issued the permit or approval requiring the Endowment.
"COMMITTEE"	The IDEA Endowment Committee of the Foundation.
"ENDOWMENT FUNDS"	These consist of assets held by the Foundation within its Impact-Directed Environmental Accounts program that serve, under the permit or approval issued by the Agency, as a source of long-term funding to pay for management of specified mitigation or conservation lands. The funds are intended to be managed for investment purposes with a growth and income focus and are hereafter referred to as Endowment Funds or, collectively, the "Endowment."
"FOUNDATION"	The National Fish and Wildlife Foundation.
"IPS"	This investment policy statement.
"MANAGER"	The investment management organization(s) engaged as the Foundation's investment manager. Since August 2010, the Manager has been and continues to be Commonfund.

Broad Philosophy

This IPS governs the investment management of Endowment Funds received from the permittee, banker, mitigation provider, or other entity in accordance with a written agreement ("Agreement") with the Foundation governing the Foundation's fiduciary custody and management of the Endowment Funds. The Endowment Funds are designated to pay for long-term management, maintenance, and/or monitoring of specified lands pursuant to a permit or approval issued by the Agency. This IPS was originally developed for and approved by the California Department of Fish and Wildlife ("CDFW") to govern the investment and management of mitigation endowment funds that are generated as a component of required environmental mitigation as set forth in permits, licenses, authorizations, and/or other "decision documents" issued by, through, or otherwise subject to the jurisdiction of the CDFW. The Foundation utilizes the IPS for other mitigation endowment funds, often alternatively referred to as long-term stewardship funds, that other parties elect to place with the Foundation.

The Endowment Funds governed by this IPS will be maintained in financial accounts held at the Foundation, which will manage the Endowment in accordance with the terms hereof. Except to the extent provided otherwise in this IPS or directed otherwise by the Agency (acting in accordance with the applicable permits or approvals or other authorities of the Agency), the Foundation will manage the Endowment in accordance with the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”), codified in applicable State statutes. Any provision of the Agreement, this IPS, or any direction by the Agency that conflicts or is inconsistent with UPMIFA shall be deemed to control the Endowment as expressions of donor intent and shall supersede the conflicting or inconsistent provision(s) of UPMIFA. The Committee will monitor the performance of the Endowment Funds and of the Manager and may make modifications to the IPS, from time to time as warranted, and in coordination with the CDFW, to meet applicable objectives and policies.

The Manager is expected to propose to the Foundation any revisions to the IPS at any time that the Manager deems appropriate or advisable to achieve the objectives set forth herein, and the Foundation may thereafter implement such revisions to the IPS.

The Foundation has delegated to the Manager the day-to-day management and investment of the Endowment Funds. Under the scope of this delegation, the Manager shall have discretion to manage the Endowment Funds in a manner that best achieves the investment objectives within the guidelines set forth in this IPS. In discharging its duties as investment manager, the Manager shall invest and manage the Endowment Funds in good faith and as a prudent investor would, exercising reasonable care, skill, and caution. The Foundation has delegated the investment management authority it might otherwise have to the Manager in the good faith belief that the Manager will achieve the objectives set forth in this IPS.

Overall Objectives

This IPS is designed to:

- Establish appropriate **risk and return objectives** in light of the risk tolerance and the indefinite investment time horizon for the Endowment.
- Establish **asset allocation guidelines** and suitable investments for the Endowment, consistent with the risk and return objectives of this IPS.
- Provide a framework for **ongoing monitoring** of investment performance of the Endowment.

Risk and Return Objectives

Return Objectives. The overall objective with respect to the investment of Endowment Funds hereunder is to generate a level of financial support sufficient to pay the annual costs of long-term management for indefinite periods of time on parcels of real property secured or identified as “mitigation parcels” or “conservation parcels” in connection with permits, authorizations, and other proceedings of the Agency. It is the Agency's expectation that these costs will be funded exclusively from the corresponding Endowment Funds deposited for each parcel and, thus, that no other funding sources will contribute to defraying these costs.

The assumed annual drawdown rate is four and one-half percent (4.50%), comprised of three and one-half percent (3.50%) for property management expenses and one percent (1.00%) for administrative expenses. In addition, the Agency expects the Endowment Funds to be invested so as to keep pace with inflation, that is, to maintain purchasing power over time. Accordingly, in investing Endowment Funds, the Manager will seek to attain an average real annual total return, net of any fees charged by the Manager or any underlying investment managers, of at least four and one-half percent (4.50%) over the long term. This target average real annual return is referred to hereinafter as the “Return Goal.” (The Return Goal may also be stated in nominal terms as an average annual total return of four and one-half percent (4.50%) plus annual inflation. Thus, for example, if inflation were measured at three percent (3.00%), the nominal Return Goal over the measurement period would be seven and one-half percent (7.50%).)

This IPS is based on the assumption that the spending on a mitigation parcel for land management activities plus administrative expenses over the long term will average no more than four and one-half percent (4.50%) annually of the average market value of the parcel's corresponding Endowment Funds. This approach is intended to preserve the principal of the Endowment Funds to the extent practicable while generating a return that will be available to fund land management activities on the mitigation parcel and related administration. To the extent the Agency deems it necessary or desirable to allow a spending level greater than that projected for any particular parcel (which projection will be based on an assumed annual spend rate of four and one-half percent (4.50%)), the likelihood will increase that investment earnings alone (both appreciation and income) on the corresponding Endowment Funds will be insufficient to fund management activities on the relevant parcel in perpetuity. Thus, a decision by the Agency to allow a spending level greater than that projected for any particular parcel will decrease the statistical likelihood that the Endowment Funds for that parcel will exist in perpetuity.

In addition to using the Return Goal, the Committee will evaluate the Manager's performance on a relative basis by comparing it against market performance benchmarks and appropriate capital market measures, such as securities indices. The Manager's performance relative to these benchmarks and measures is referred to hereinafter as the “Relative Performance Goal.” The Relative Performance Goal will be measured by comparing actual Endowment investment results over the current quarter – as well as over moving, annualized one, three, and five year time periods – against a weighted Endowment “Portfolio Benchmark,” as defined more fully below.

The weighted Endowment Portfolio Benchmark will be created by including in the benchmark

appropriate indexed returns (e.g., Bloomberg Barclays Aggregate, S&P 500, etc.), *pro rata*, according to the asset class weightings in the Endowment’s target allocation. The overall Endowment Portfolio Benchmark for a period may be adjusted if there are disparities in asset allocations during any single time frame caused by very large Endowment inflows or outflows and/or tactical allocations that would cause the benchmark to be inappropriate for the time period being examined.

Risk Objectives. The acceptable risk profile for the Endowment should generally be for the Manager to assume the lowest possible risk consistent with achieving the Return Goal. While negative returns in any single year may be unavoidable, over longer terms, the Manager should select asset allocations that are expected to achieve overall positive portfolio returns. In order to allow ongoing assessment and monitoring of portfolio risk, the Manager will prepare and present to the Committee at least annually a report on the overall risk profile of the portfolio based on the then-existing asset allocation thereof. This report will also be made available to the Agency upon request.

Risk can be construed to include multiple different outcomes including loss of principal, failure to meet an expected return, volatility of investment returns around an expected mean (also known as “standard deviation”) and/or portfolio drawdown relative to target spending. The CDFW’s policy regarding investment risk, consistent with modern portfolio theory and UPMIFA’s express preference for diversification in endowment portfolios, is that risk cannot be eliminated but should be managed.

The Committee is delegating to the Manager the responsibility of understanding the risks inherent in the investment strategy selected to attempt to achieve the Return Goal, ensuring that the Endowment portfolio is properly compensated for these risks, measuring and monitoring those risks, and periodically communicating this risk information to the Committee and, to the extent requested, the Agency. Most importantly, the level of overall Endowment portfolio risk taken should be consistent with the statistically-likely achievement of the overall Return Goal.

Asset Allocation Guidelines

The specific asset allocations within the Endowment portfolio, including necessary or appropriate rebalancing among the asset classes from time to time, will remain the responsibility of the Manager, exercising reasonable judgment in light of prevailing market conditions and the objectives of this IPS, including the permissible asset allocation ranges that follow.

Asset Allocation Ranges. The permissible asset allocation ranges for the asset classes in which the Manager will invest the Endowment, consistent with the overall risk and return objectives of this IPS, are as follows:

	Minimum	Target	Maximum	Benchmark Index
EQUITIES	45%	55%	65%	MSCI ALL COUNTRY WORLD INDEX (ACWI)

FIXED INCOME	5%	20%	25%	BARCLAYS U.S. AGGREGATE BOND INDEX
DIVERSIFYING STRATEGIES	0%	10%	20%	HFRI FOF CONSERVATIVE INDEX
REAL ASSETS	5%	15%	25%	WEIGHTED REAL ASSETS COMPOSITE

Performance Benchmarks

Policy Benchmark: 55% ACWI / 20% Barclays U.S. Aggregate / 10% HFRI FOF Conservative Index / 15% Weighted Average of Real Asset Components

The Policy Benchmark is a diversified benchmark that reflects the underlying exposures of the portfolio. This benchmark corresponds to the “relative performance goal” defined under the section “Risk and Return Objectives” in the IPS.

Inflation Benchmark: CPI + 4.5% annualized

The long-term goal is for the portfolio to maintain its real value net of spending and inflation. This benchmark corresponds to the “nominal return goal” defined under the section “Risk and Return Objectives” in the IPS. Over shorter periods of time, the Endowment’s return may deviate substantially from this benchmark.

Allowable Investments and Guidelines

Equities

The purpose of equity investments is primarily to provide long-term capital appreciation. Investing in equities and other equity-like strategies carry the expectation of greater market volatility and increased risk of loss.

Equity investments may include both public and private equity investments. Investment managers or sub-advisors may implement investments directly using a separate account or indirectly via a commingled fund. Public equity investments may either employ index or actively managed strategies.

Public equities include investments in U.S. and non-U.S. common stocks, American Depository Receipts (ADRs), preferred stocks, and convertible stocks traded on the world’s stock exchanges or over-the-counter markets. Public equity securities shall generally be restricted to readily marketable securities of corporations that are traded on established stock exchanges, including NASDAQ and similar networks.

Decisions as to individual security selection, number of industries and holdings, current income levels and turnover are left to broad manager discretion, subject to the standards of fiduciary prudence. Mutual funds or other commingled funds will not be considered as a single security, but rather, their portfolio stocks will be assessed for concentration issues. In no event and at no time will the securities of any one issuer exceed 5% at cost and 8% at market of the total Endowment portfolio.

Private capital investments are typically made through limited partnerships or limited liability corporations offered by professional investment managers. Private capital strategies may include venture capital, private equity, and distressed investments. These strategies typically offer no or limited ability to redeem or withdraw.

Fixed Income

The primary purpose of fixed income investments is to provide liquidity and protection against price deflation. Another benefit to fixed income investments is as a predictable source of current income. Fixed income instruments should reduce the overall volatility of the Endowment's assets.

Fixed income investments may include both U.S. and non-U.S. fixed income securities. Securities may include, but are not limited to, sovereign debt, government agency bonds, public and private corporate debt, emerging market, mortgages and asset-backed securities, non-investment grade debt and illiquid strategies such as direct lending. Fixed income investments also include cash and money market instruments, including, but not limited to, commercial paper, certificates of deposit, time deposits, bankers' acceptances, repurchase agreements, and U.S. Treasury and agency obligations. Fixed income investments may be implemented by investment managers or sub-advisors either directly using a separate account or indirectly via a commingled fund.

The Manager should employ active management techniques, but changes in the average maturity of fixed income investments should be moderate and incremental. The Manager should discuss liquidity needs with the Committee as appropriate.

The use of high yield bonds and private credit is permitted, provided such bonds are held within a commingled fund or mutual fund and used to further diversify the Endowment portfolio. However, no more than 10% (at market) of the total Endowment portfolio may be allocated to high yield bonds. If a security already held in the portfolio is downgraded, the Manager will evaluate it carefully to determine whether the security should be kept in the portfolio or eliminated within a prudent time frame.

Fixed income investments should be diversified such that the securities of any one issuer, with the exception of the United States Government or its agencies, are limited at any time to 5% at cost and 8% at market of the total portfolio.

Within the above guidelines and restrictions, the Manager has discretion over the timing and selection of fixed income securities.

Diversifying Strategies

Investments into diversifying strategies should provide attractive risk-adjusted returns through low correlation to traditional equity and fixed income investments and through the value added by managers who have the flexibility to employ sophisticated investment strategies.

These diversifying strategies may include hedged equity, credit, event-driven, relative value, global macro, trend-following, quantitative, and other hedged strategies. Hedge fund managers may use leverage and derivatives to implement their strategies.

Real Assets

The purpose of investing in real assets is primarily to hedge the portfolio against inflation and to provide diversification to other investment strategies in the portfolio. Some real asset investments may also provide long-term opportunities for capital growth or income. Investments in real assets may include commodities (e.g. agricultural goods, metals, minerals, energy products, and foreign currencies), natural resources (e.g. oil, gas, clean energy, services, timber, and other natural resource investments), real estate (e.g. REITS, core, value-add, and other opportunistic real estate investment strategies) and other real asset strategies (e.g. infrastructure, intellectual property, or royalty payments).

As a general guideline, all transactions in the portfolio shall be entered into on the basis of the best execution which is interpreted to mean the best realized price.

Monitoring of Objectives and Results

1. All objectives and policies set forth in this IPS remain in effect until modified at the recommendation of the Manager in consultation with the Committee (and, if applicable, the Agency).
2. If the Manager believes that any policies or guidelines in this IPS inhibit the investment performance or are otherwise inconsistent with the Return Goal or any objectives set forth in this IPS, it is the responsibility of the Manager to so notify the Committee.
3. This IPS shall be reviewed at least annually by the Committee with the Manager. The Endowment portfolio will be monitored on a continual basis for consistency in asset allocation and return objectives. Asset concentrations will also be monitored for exposure to sectors, industries, and individual securities, notwithstanding the fact the Manager is responsible for investment decisions. The Committee (and if applicable,

the Agency) may evaluate the Manager to ensure that the factors underlying the performance expectations remain in place.

4. The Manager will report on the following to the Committee quarterly with respect to the Endowment.
 - a. Current holdings at cost and market
 - b. Purchases and sales during the period being reported
 - c. Additions and withdrawals during the period being reported
 - d. Total return net of commissions and fees
 - e. Changes in staff or ownership of the Manager to the extent these changes potentially impact the ability of the Manager to fulfill its duties hereunder

ATTACHMENT B

Endowment Payment Schedule

ENDOWMENT PAYMENT SCHEDULE

Project Name: Bear River Restoration Area Ecological Preserve

Date: 4/20/2022

2025	FIRST CALENDAR YEAR OF WORK WITH ENDOWMENT FUNDS ("YEAR 1")	LEGEND
2024	CALENDAR YEAR OF FIRST PAYMENT REQUEST TO NFWF (between July 1 and November 15 of the calendar year prior to "YEAR 1")	Cells with Automatic Formulas
\$891,659.48	FULL ENDOWMENT AMOUNT	Intentionally Left Blank
		Headings and Reference Info.
		Anticipated Payment Schedule

ENDOWMENT PAYMENT SCHEDULE YEARS 1-60 Section automatically fills in with data from "Endowment Calculations" table below. Each line adds up from left to right

YEAR	EVERY YEAR	EVERY 2 YEARS	EVERY 3 YEARS	EVERY 4 YEARS	EVERY 5 YEARS	EVERY 6 YEARS	EVERY 7 YEARS	EVERY 8 YEARS	EVERY 9 YEARS	EVERY 10 YEARS	EVERY 15 YEARS	EVERY 20 YEARS	EVERY 25 YEARS	EVERY 30 YEARS	EVERY 35 YEARS	EVERY 40 YEARS	EVERY 45 YEARS	EVERY 50 YEARS	EVERY 55 YEARS	EVERY 60 YEARS	PAYMENT SCHEDULE	YEAR	
Year 1	\$27,066.24																					\$27,066.24	Year 1
Year 2	\$27,066.24	\$0.00																				\$27,066.24	Year 2
Year 3	\$27,066.24		\$800.00																			\$27,066.24	Year 3
Year 4	\$27,066.24	\$0.00		\$0.00																		\$27,066.24	Year 4
Year 5	\$27,066.24				\$4,250.00																	\$31,316.24	Year 5
Year 6	\$27,066.24	\$0.00	\$800.00			\$0.00																\$27,066.24	Year 6
Year 7	\$27,066.24						\$0.00															\$27,066.24	Year 7
Year 8	\$27,066.24	\$0.00		\$0.00				\$0.00														\$27,066.24	Year 8
Year 9	\$27,066.24		\$800.00						\$0.00													\$27,066.24	Year 9
Year 10	\$27,066.24	\$0.00			\$4,250.00					\$6,250.00												\$37,566.24	Year 10
Year 11	\$27,066.24																					\$27,066.24	Year 11
Year 12	\$27,066.24	\$0.00	\$800.00		\$0.00																	\$27,066.24	Year 12
Year 13	\$27,066.24																					\$27,066.24	Year 13
Year 14	\$27,066.24	\$0.00				\$0.00																\$27,066.24	Year 14
Year 15	\$27,066.24		\$800.00		\$4,250.00						\$0.00											\$32,116.24	Year 15
Year 16	\$27,066.24	\$0.00		\$0.00				\$0.00														\$27,066.24	Year 16
Year 17	\$27,066.24																					\$27,066.24	Year 17
Year 18	\$27,066.24	\$0.00	\$800.00			\$0.00			\$0.00													\$27,066.24	Year 18
Year 19	\$27,066.24																					\$27,066.24	Year 19
Year 20	\$27,066.24	\$0.00		\$0.00	\$4,250.00					\$6,250.00		\$0.00										\$37,566.24	Year 20
Year 21	\$27,066.24		\$800.00					\$0.00														\$27,066.24	Year 21
Year 22	\$27,066.24	\$0.00																				\$27,066.24	Year 22
Year 23	\$27,066.24																					\$27,066.24	Year 23
Year 24	\$27,066.24	\$0.00	\$800.00		\$0.00																	\$27,066.24	Year 24
Year 25	\$27,066.24				\$4,250.00								\$0.00									\$31,316.24	Year 25
Year 26	\$27,066.24	\$0.00																				\$27,066.24	Year 26
Year 27	\$27,066.24		\$800.00							\$0.00												\$27,066.24	Year 27
Year 28	\$27,066.24	\$0.00		\$0.00																		\$27,066.24	Year 28
Year 29	\$27,066.24																					\$27,066.24	Year 29
Year 30	\$27,066.24	\$0.00	\$800.00		\$4,250.00	\$0.00				\$6,250.00	\$0.00			\$0.00								\$38,366.24	Year 30
Year 31	\$27,066.24																					\$27,066.24	Year 31
Year 32	\$27,066.24	\$0.00			\$0.00																	\$27,066.24	Year 32
Year 33	\$27,066.24		\$800.00																			\$27,066.24	Year 33
Year 34	\$27,066.24	\$0.00																				\$27,066.24	Year 34
Year 35	\$27,066.24				\$4,250.00			\$0.00							\$0.00							\$31,316.24	Year 35
Year 36	\$27,066.24	\$0.00	\$800.00		\$0.00					\$0.00												\$27,066.24	Year 36
Year 37	\$27,066.24																					\$27,066.24	Year 37
Year 38	\$27,066.24	\$0.00																				\$27,066.24	Year 38
Year 39	\$27,066.24		\$800.00																			\$27,066.24	Year 39
Year 40	\$27,066.24	\$0.00		\$0.00	\$4,250.00					\$6,250.00		\$0.00									\$0.00	\$37,566.24	Year 40
Year 41	\$27,066.24																					\$27,066.24	Year 41
Year 42	\$27,066.24	\$0.00	\$800.00			\$0.00																\$27,066.24	Year 42
Year 43	\$27,066.24																					\$27,066.24	Year 43
Year 44	\$27,066.24	\$0.00		\$0.00																		\$27,066.24	Year 44
Year 45	\$27,066.24		\$800.00		\$4,250.00					\$0.00		\$0.00									\$0.00	\$32,116.24	Year 45
Year 46	\$27,066.24	\$0.00																				\$27,066.24	Year 46
Year 47	\$27,066.24																					\$27,066.24	Year 47
Year 48	\$27,066.24	\$0.00	\$800.00		\$0.00																	\$27,066.24	Year 48
Year 49	\$27,066.24																					\$27,066.24	Year 49
Year 50	\$27,066.24	\$0.00			\$4,250.00					\$6,250.00		\$0.00									\$0.00	\$37,566.24	Year 50
Year 51	\$27,066.24		\$800.00																			\$27,066.24	Year 51
Year 52	\$27,066.24	\$0.00		\$0.00																		\$27,066.24	Year 52
Year 53	\$27,066.24																					\$27,066.24	Year 53
Year 54	\$27,066.24	\$0.00	\$800.00			\$0.00				\$0.00												\$27,066.24	Year 54
Year 55	\$27,066.24				\$4,250.00																\$0.00	\$31,316.24	Year 55
Year 56	\$27,066.24	\$0.00		\$0.00				\$0.00		\$0.00												\$27,066.24	Year 56
Year 57	\$27,066.24		\$800.00																			\$27,066.24	Year 57
Year 58	\$27,066.24	\$0.00																				\$27,066.24	Year 58
Year 59	\$27,066.24																					\$27,066.24	Year 59
Year 60	\$27,066.24	\$0.00	\$800.00		\$0.00	\$4,250.00	\$0.00			\$6,250.00	\$0.00	\$0.00		\$0.00						\$0.00	\$38,366.24	Year 60	





ENDOWMENT PAYMENT SCHEDULE

Project Name: Bear River Restoration Area Ecological Preserve

Date: 4/20/2022

2025	FIRST CALENDAR YEAR OF WORK WITH ENDOWMENT FUNDS ("YEAR 1")
2024	CALENDAR YEAR OF FIRST PAYMENT REQUEST TO NFWF (between July 1 and November 15 of the calendar year prior to "YEAR 1")
\$891,659.48	FULL ENDOWMENT AMOUNT

LEGEND

	Cells with Automatic Formulas
	Intentionally Left Blank
	Headings and Reference Info.
	Anticipated Payment Schedule

ENDOWMENT PAYMENT SCHEDULE CALCULATIONS*

Enter the amount in the Endowment Payment Schedule Calculations table (without the 10% contingency added) into the correct column for the frequency at which it occurs. For example, if the activity requires funding every 2 years, enter it into the "Every 2 Years" column.

CATEGORY	SPECIFIC ACTIVITY (Briefly Describe)	EVERY YEAR	EVERY 2 YEARS	EVERY 3 YEARS	EVERY 4 YEARS	EVERY 5 YEARS	EVERY 6 YEARS	EVERY 7 YEARS	EVERY 8 YEARS	EVERY 9 YEARS	EVERY 10 YEARS	EVERY 15 YEARS	EVERY 20 YEARS	EVERY 25 YEARS	EVERY 30 YEARS	EVERY 35 YEARS	EVERY 40 YEARS	EVERY 45 YEARS	EVERY 50 YEARS	EVERY 55 YEARS
Management	General Inspections	\$4,500.00																		
Management	Biological Inspections	\$4,750.00																		
Management	VELB Monitoring										\$6,250.00									
Management	Hand Plant Removal	\$875.00																		
Management	Backpack Spray	\$1,950.00																		
Management	Mowing	\$2,250.00																		
Management	Livestock Grazing			\$800.00																
Management	Adaptive Mgt, Vegetation, Woody De	\$2,000.00																		
Management	Channel Clearing	\$600.00																		
Management	Security	\$315.00																		
Management	Trash Removal	\$1,500.00																		
Management	Waste Management					\$500.00														
Management	Signs & Maintenances					\$3,000														
Management	Education and Recreation	\$280.00																		
Management	Annual Reports	\$500.00																		
Additional Costs	GIS	\$750.00																		
Additional Costs	Annual Work Plan/PAAR Review	\$50.00																		
Additional Costs	Management Plan Review, File Set-up					\$750														
Additional Costs	Office & Field Equipment	\$200.00																		
Additional Costs	Audit	\$639.00																		
Additional Costs	Process Endowment	\$300.00																		
Additional Costs	Insurance	\$288.00																		
Additional Costs	Travel	\$168.00																		
Additional Costs	Vehicle	\$150.00																		
Additional Costs	Training	\$200.00																		
Additional Costs	Administrative	\$4,801.24																		
TOTALS FOR EACH PERIOD:		\$27,066.24	\$0.00	\$800.00	\$0.00	\$4,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

* All disbursements will be adjusted for inflation by NFWF upon payment per the Recipient Agmt.