

SUBORDINATION AGREEMENT

(Subordination to Conservation Easement)

This Subordination Agreement is by and between the Colorado Water Conservation Board (the "CWCB") and the Boulder White Rock Ditch and Reservoir Company (the "Company").

Recitals

- A. The Panama Reservoir Property (the "Property") is a 392.22 acre tract located in Boulder County, Colorado and is the site of the Panama Reservoir. The Property is legally described in Exhibit A attached hereto.
- B. The Company entered into a Loan Contract (No. C150279) with the CWCB on February 13, 2009 for the Panama Reservoir Outlet Project ("CWCB Panama Loan"). As collateral for the loan, CWCB holds a first-position lien of an undivided one-quarter interest in the Property, recorded in Boulder County ("CWCB Lien").
- C. The Company and Wetlands America, LLC. have entered into a Deed of Conservation Easement in Gross and Transfer Fee Agreement dated the same date as this Agreement (the "Deed of Conservation Easement") encumbering the Property with terms and conditions, which requires the Company to obtain subordination of the CWCB Lien.
- D. In exchange for executing the Deed of Conservation Easement, the Company will receive a tax credit certificate issued by the Colorado Division of Conservation allowing the Company to claim a tax credit on their state income tax or transfer the tax credit certificate as part of a sale agreement.

Agreement

- 1. Accordingly, the Company agrees:
 - a. to increase the collateral for the CWCB Panama Loan from an undivided 25% interest in the Property to a 100% interest in the Property which will be memorialized in the Amended Deed of Trust and will be recorded contemporaneously with the Deed of Conservation Easement; and
 - b. to apply the proceeds from the first Tax Credit sale, less \$138,000, to the principal of the CWCB Panama Loan after which the Company shall continue making regular annual loan payments in accordance with the CWCB Panama Loan Contract (No. C150279).
- 2. Upon execution and recording of the Amended Deed of Trust, the CWCB agrees to subordinate the CWCB Lien in the Property to the Deed of Conservation Easement and agrees that any foreclosure by CWCB shall not adversely affect the existence or continuing validity of the Deed of Conservation Easement.
- 3. This Agreement shall not be interpreted to have any other effect on the terms of the CWCB Panama Loan Contract.

BOULDER AND WHITE ROCK DITCH AND RESERVOIR COMPANY

Date: April 3, 2023 | 9:17 AM MDT

DocuSigned by:
By Julius Van Thuyne, Jr.
48F3F0F721824FB...
Julius Van Thuyne, Jr., President

Date: March 31, 2023 | 7:42 PM MDT

DocuSigned by:
Attest Angie Swanson
39ABCFAB6DF3457...
Angie Swanson, Secretary

Date: April 3, 2023 | 9:10 AM MDT

DocuSigned by:
Attest Robert Alexander
BD62A0E365BC4FE...
Robert S. Alexander, Director

COLORADO WATER CONSERVATION BOARD

Date: April 3, 2023 | 10:02 AM MDT

DocuSigned by:
By Kirk Russell
546EA29BD43244E...
Kirk Russell, Finance Section Chief

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

A TRACT OF LAND SITUATED IN THE WEST HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, AND IN SECTION 35, TOWNSHIP 2 NORTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF BOULDER, STATE OF COLORADO, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 35, WHENCE THE EAST ONE-QUARTER CORNER OF SECTION 35 BEARS NORTH 00°35'46" EAST 3,152.75 FEET; THENCE ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 35, NORTH 00°35'46" EAST 717.62 FEET TO THE MOST SOUTHERLY CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED IN BOOK 280 AT PAGE 217 OF BOULDER COUNTY RECORDS; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID TRACT THE FOLLOWING 3 COURSES:

THENCE NORTH 40°53'34" WEST 568.67 FEET; THENCE NORTH 38°10'00" WEST 456.75 FEET; THENCE NORTH 34°50'00" WEST 82.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 35; THENCE ALONG SAID NORTH LINE, SOUTH 89°51'58" WEST 103.07 FEET TO A POINT ON THE SOUTHERLY LINE OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED IN BOOK 381 AT PAGE 457 OF BOULDER COUNTY RECORDS; THENCE ALONG SAID BOUNDARY THE FOLLOWING 14 COURSES:

THENCE SOUTH 49°01'03" WEST 267.21 FEET; THENCE NORTH 48°16'57" WEST 225.00 FEET; THENCE NORTH 88°19'57" WEST 600.00 FEET; THENCE SOUTH 21°44'57" EAST 340.00 FEET; THENCE SOUTH 35°14'03" WEST 600.00 FEET; THENCE SOUTH 41°43'03" WEST 500.00 FEET; THENCE NORTH 82°55'57" WEST 365.00 FEET; THENCE SOUTH 70°18'17" WEST 686.24 FEET; THENCE NORTH 89°24'57" WEST 200.00 FEET; THENCE NORTH 38°29'57" WEST 410.00 FEET; THENCE NORTH 03°14'57" WEST 1,000.00 FEET; THENCE NORTH 82°09'57" WEST 800.00 FEET; THENCE NORTH 65°19'57" WEST 500.00 FEET; THENCE NORTH 37°47'57" WEST 116.28 FEET TO A POINT ON THE NORTHERLY LINE OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED IN BOOK 281 AT PAGE 82 OF BOULDER COUNTY RECORDS; THENCE ALONG THE NORTHEASTERLY BOUNDARY OF SAID TRACT OF LAND, NORTH 67°51'20" WEST 171.98 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 35; THENCE ALONG SAID WEST LINE, NORTH 00°29'23" EAST 720.07 FEET; THENCE NORTH 89°01'12" EAST 287.89 FEET; THENCE NORTH 56°32'23" EAST 249.00 FEET; THENCE NORTH 21°15'23" EAST 302.77 FEET; THENCE NORTH 86°00'34" EAST 79.36 FEET; THENCE ALONG SAID BOUNDARY THE FOLLOWING 6 COURSES:

THENCE NORTH 01°18'09" WEST 1,058.71 FEET; THENCE NORTH 02°29'30" WEST 26.50 FEET; THENCE NORTH 11°30'22" EAST 2.49 FEET; THENCE NORTH 01°18'09" WEST 76.64 FEET; THENCE NORTH 14°54'08" EAST 231.82 FEET; THENCE NORTH 42°04'38" EAST 241.43 FEET TO THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED BY DEED RECORDED JULY 20, 1999 AT RECEPTION NO. 1963467; THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID TRACT THE FOLLOWING 4 COURSES:

THENCE NORTH 42°04'38" EAST 237.57 FEET; THENCE NORTH 73°13'46" EAST 391.77 FEET; THENCE NORTH 77°22'33" EAST 229.35 FEET; THENCE SOUTH 72°32'44" EAST 1,120.70 FEET TO A POINT ON THE NORTH-SOUTH CENTERLINE OF SECTION 35; THENCE ALONG SAID NORTH-SOUTH CENTERLINE, NORTH 01°02'03" WEST 63.72 FEET TO A POINT ON THE NORTHERLY LINE OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED IN BOOK 366 AT PAGE 26 AND BOOK 381 AT

PAGE 457 OF BOULDER COUNTY RECORDS; THENCE ALONG SAID NORTHERLY LINE THE FOLLOWING 10 COURSES:

THENCE SOUTH 69°38'42" EAST 97.55 FEET; THENCE SOUTH 72°58'56" EAST 85.08 FEET; THENCE SOUTH 69°06'56" EAST 420.77 FEET; THENCE SOUTH 69°45'56" EAST 450.67 FEET; THENCE SOUTH 78°43'56" EAST 150.00 FEET; THENCE NORTH 84°32'04" EAST 321.15 FEET; THENCE NORTH 83°08'04" EAST 354.33 FEET; THENCE NORTH 87°25'04" EAST 100.00 FEET; THENCE SOUTH 68°50'56" EAST 178.73 FEET; THENCE SOUTH 73°00'55" EAST 257.04 FEET; THENCE SOUTH 89°13'07" EAST 325.83 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 35; THENCE ALONG SAID EAST LINE, SOUTH 00°27'17" WEST 1,167.69 FEET TO THE EAST ONE-QUARTER CORNER OF SECTION 35 AND THE WEST ONE-QUARTER CORNER OF SECTION 36; THENCE THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 36, SOUTH 84°18'41" EAST 16.54 FEET TO A POINT ON A LINE DESCRIBED BY DEED RECORDED MAY 6, 1991 AT RECEPTION NO. 1101384; THENCE ALONG SAID LINE THE FOLLOWING 16 COURSES:

THENCE SOUTH 01°16'35" WEST 55.37 FEET; THENCE SOUTH 09°23'01" EAST 81.48 FEET; THENCE SOUTH 26°14'14" EAST 22.40 FEET; THENCE SOUTH 01°31'06" WEST 157.85 FEET; THENCE SOUTH 21°01'29" EAST 321.08 FEET; THENCE SOUTH 05°08'09" WEST 135.86 FEET; THENCE SOUTH 25°02'40" WEST 57.27 FEET; THENCE SOUTH 50°49'10" WEST 262.11 FEET; THENCE SOUTH 50°10'12" WEST 161.40 FEET; THENCE SOUTH 53°26'15" WEST 511.80 FEET; THENCE SOUTH 35°01'58" EAST 1,073.18 FEET; THENCE SOUTH 35°03'06" EAST 114.68 FEET; THENCE SOUTH 12°33'27" EAST 86.09 FEET; THENCE SOUTH 05°48'42" WEST 97.20 FEET; THENCE SOUTH 00°11'05" WEST 522.64 FEET TO A POINT ON THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED BY DEED RECORDED IN BOOK 281 AT PAGE 77; THENCE ALONG SAID NORTH LINE, NORTH 89°59'36" EAST 1,265.79 FEET; THENCE SOUTH 00°00'27" WEST 80.00 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 36; THENCE ALONG SAID SOUTH LINE, SOUTH 89°59'36" WEST 1,350.00 FEET TO THE SOUTHEAST CORNER OF SECTION 35 AND THE POINT OF BEGINNING, CONTAINING 403.47 ACRES MORE OR LESS.