

Wilkes County
Mildred Peeler, Clerk of Court
23 Court Street, Room 205
Washington, Georgia 30673

Reference Number
74605
Date
12/04/2018

Reference Number

To: CHARLES E. LEGETTE, JR.

Account Description	QTY	Each	Extended
EASE-EASEMENT			\$58.00

Cash Paid: <u>\$58.00</u>	Check Paid: <u>\$0.00</u>	Check #:	Total Paid	<u>\$58.00</u>
	<u>\$0.00</u>			
	<u>\$0.00</u>			
	<u>\$0.00</u>			
	<u>\$0.00</u>			

MEMO:



Deed Doc: EASE
Recorded 12/04/2018 02:30PM

Mildred Peeler

Clerk Superior Court, Wilkes County, Ga.

Ek 00357 Pg 0435-0459

Penalty:

Mail after recording to: Southeast Regional Land Conservancy, Inc., 6111 Peachtree-Dunwoody Road, Building E, Suite 102, Atlanta, Georgia 30328. This instrument was prepared by: Christopher W. Derrick, P.C., One Town Square Blvd., Suite 339, Asheville, North Carolina 28803.

Notice of Subsequent Transfer and Subsequent Transfer Conveyance Contribution Required: See Article VI(A).

**CONSERVATION EASEMENT
AND
DECLARATION OF RESTRICTIONS AND COVENANTS**

THIS CONSERVATION EASEMENT AND DECLARATION OF RESTRICTIONS AND COVENANTS (this "Conservation Easement") is made effective this 29th day of NOVEMBER, 2018, by and between Smith Woods, LLC, ("Owner"), a Delaware limited liability company with an address of 601 21st Street, Suite 400, Vero Beach, Florida 32960, and Southeast Regional Land Conservancy, Inc. ("SERLC"), a North Carolina non-profit corporation with an address of 6111 Peachtree-Dunwoody Road, Building E, Suite 102, Atlanta, Georgia 30328.

RECITALS

A. Owner is the owner in fee simple of that certain parcel of real property consisting of approximately 95.320 acres off Bradford Road (County Road #132), near the community of Danburg, Wilkes County, Georgia (the "Property"), as more fully described in the Property Description attached hereto and incorporated herein as "Exhibit A." The Property is also depicted and described on that certain Survey for Smith Woods (the "Survey") prepared and certified by Aaron P. Blomberg (Georgia Registered Land Surveyor No. 3100) and bearing a plat preparation date of May 30, 2018, a true and accurate copy of which is attached hereto and incorporated herein as "Exhibit B."

B. The Property is made up of a single tract of land containing 95.320 acres. The Property also includes one (1) parcel approximately 1.000 acres in area contained within the Property, which is designated as the "Building Envelope" (hereinafter, the "Reserved Area") on the Survey, and also on an excerpt of the Survey entitled "Reserved Area Map," which is attached hereto and incorporated herein as "Exhibit C."

C. Owner intends that all of the area of the Property described in the Property Description on the Survey (including the Reserved Area) be conserved, maintained and preserved as conservation area (the "Conservation Area"). Accordingly, the Conservation Area has a total area of approximately 95.320 acres.

D. SERLC is a tax exempt public charity under Sections 501(c)(3) and 509(a)(2) of the Internal Revenue Code, is authorized by the laws of the State of North Carolina to accept, hold, and administer conservation easements, possesses the authority to accept and is willing to accept this Conservation Easement under the terms and conditions hereinafter described, and is a "qualified organization" and an "eligible donee" within the meaning of Section 170(h)(3) of the Internal Revenue Code and regulations promulgated thereunder.

E. Owner recognizes the natural, open space, aesthetic, and special character of the Conservation Area, and has the purpose of the conservation and protection in perpetuity of the Conservation Area as "a relatively natural habitat of wildlife or plants or similar ecosystem" as well as for the purpose of "preservation of open space (including farmland and forestland) where such preservation is for the scenic enjoyment of the general public or pursuant to a clearly delineated Federal, state or local governmental conservation policy, and will yield a significant public benefit" as those phrases are used in Public Law 96-541, 26 U.S.C. Section 170(h)(4)(A)(ii) and (iii), as amended and in regulations promulgated thereunder, by placing voluntary restrictions upon the use of the Conservation Area and by providing for the transfer from Owner to SERLC of affirmative rights for the protection of the Conservation Area.

F. Specifically, preservation of the Conservation Area shall serve the following conservation purposes:

(1) Natural Habitat. The Conservation Easement will provide for the permanent protection of areas that serve as relatively natural habitat and corridors for native and rare plant and animal species, in addition to protection of water quality in support of these habitats, as further described in the Baseline Documentation (as defined below), and which is summarized as follows:

(a) The Conservation Area contains a wide variety of habitats, including creeks, wetlands, forests, and a unique exposed granite flatrock community. These habitats provide for an unusually large range of hydric conditions, from lush creek corridors to extremely dry conditions of the flatrock community, which in combination promote preservation of diverse native plant and animal species. The Conservation Easement will serve to protect natural communities that are specifically identified as a Priority Habitat for conservation emphasis in the Georgia Department of Natural Resources ("DNR") State Wildlife Action Plan for the Piedmont region in which the Conservation Area is located. These significant habitats are Granite Outcrops, Oak-Hickory-Pine Forests, and Mesic Hardwood Forests.

(b) Within the Conservation Area is a rare and unique natural community, Southern Piedmont Granite Flatrock, which is listed as significant by the Georgia DNR. Exposed granite flatrock communities provide habitat for rare plant species that are able to thrive in its extremely dry conditions. Rare species occurring in the Conservation Area associated with this habitat are Granite Rock Stonecrop, a state-listed Species of Concern with a global and state ranking of Vulnerable, Spotted Scorpionweed globally ranked as Vulnerable, and Piedmont Xanthoparmelia Lichen with a global ranking of Imperiled. Other uncommon plants present in the Conservation Area associated with this community include Stone Mountain Coreopsis, One-

flower Stitchwort, Appalachian Rock-pink, Flatrock Pimpernel, Georgia Calamint, Hop Tree, Rock Spikemoss, Glade Rushfoil, Peppered Rock Shield, Appalachian Sandwort, Fringe-tree, Blunt-lobed Cliff Fern, and Grace Garlic. The worldwide range for species such as these typically occurs only in exposed granite flatrock communities limited to portions of the Southeastern United States. Adjoining the flatrock community in the Conservation Area is a rare woodland community, Upper Piedmont Rich Granitic Red Cedar-Hardwood Woodland, globally ranked as Critically Impaired. Because these unique flatrock communities occur only in areas rich in near-surface granite, they are particularly threatened and commonly destroyed by the extensive granite mining activities which have historically dominated the region of Georgia in which the Conservation Area is located, such as two surface mining operations currently operating immediately to the north and southeast of the Property.

(c) The Conservation Area contains at least 184 species of trees and other plants. The Conservation Area is generally forested, with varying forest types including pine, mixed pine-hardwood forest, mesic hardwoods, and other species of hardwood forest. A wide variety of mammals, amphibians, migratory birds, predatory birds are likely to use the land within the Conservation Area due to the water sources and habitat varieties. Based on the facts that the Conservation Area is relatively large in size, contains forests, riparian areas, the rare natural communities and rare species, and is proximal to known occurrences of other rare species, there is potential for occurrences of other rare species within the Conservation Area. Of the rare animal and plant species currently recorded for Wilkes County, the Conservation Area provides appropriate habitat for Pool sprite, Sun-loving Draba, Bachman's Sparrow, Schwerin's Indigo-bush, Oglethorpe Oak, Pale Yellow Trillium, Indian Olive, and Georgia Spurge.

(d) Preservation of the Conservation Area provides important water quality protection for water features found within the Conservation Area. The Conservation Area is well within the Newford Creek watershed, which is designated as a High-Priority watershed for protection emphasis in the Georgia DNR State Wildlife Action Plan. The Conservation Area includes narrow wetlands recognized by the U.S. National Wetlands Inventory along the its riparian areas. Two tributaries of Newford Creek flow through a large portion of the Conservation Area, which join Newford Creek within a short distance from the Property. Newford Creek further flows approximately four miles downstream into Lake Strom Thurmond, which forms a large part of the important Savannah River Basin. Protection of the water features existing within and bordering the Conservation Area sustain several public benefits, including reduced storm water runoff, ground water recharge, retention of permeable surfaces, filtering runoff water, decreasing sedimentation to downstream water bodies, and protecting channels and banks from scour and erosion. In addition, the water features within the Conservation Area provide a habitat for aquatic organisms, reproductive habitat for terrestrial amphibians, and drinking sources for wildlife, among other benefits.

(2) Open Space Protection. Preserving the Conservation Area protects working forestland and open space as follows:

(a) Wildlife and Forestry Management; Preserved Land Continuity. This Conservation Easement sustains for the long term the ecological values and Conservation Values (as defined below) of the Conservation Area through economical and sustainable conservation management principles, including: maintenance and enhancement of wildlife and game habitat; maintenance of soil productivity and control of soil erosion; protection of unique

and fragile natural areas; maintenance of the Conservation Area as working and sustainable forestland consistent with best management practices and with the Conservation Values; and maintenance of the value of the Conservation Area as significant open space, thereby avoiding land fragmentation. Continuity, such as that afforded by this relatively large Conservation Area, is an important ecological concept for sustainable habitat for plant and animal populations as well as ecological communities. The Conservation Area is proximal to a number of other large, publicly-protected lands and will serve as part of an ecological matrix for the region. These proximal protected lands help to form a corridor for waterfowl and wildlife movement that is of particular importance in areas impacted by development. Habitat value is enhanced exponentially when land connectivity occurs because habitat potential and diversity are increased, and larger contiguous land areas, such as the Conservation Area itself along with nearby protected lands, promote better genetic diversity and larger foraging and nesting habitats.

(b) Support of Government Conservation Policy. The Conservation Easement represents a voluntary private initiative in support of specifically delineated federal and state conservation policies, as follows:

(i) Pursuant to the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127), also known as the 1996 Farm Bill, the National Resources Conservation Service, a division of the U.S. Department of Agriculture (“USDA”), established the National Conservation Buffers Initiative to encourage landowners in agricultural and other urban and rural settings, such as the Conservation Area, to install buffer strips primarily to improve water quality in the United States. The Conservation Easement directly supports this federal government conservation policy by requiring Stream Buffer Zones (as defined below) around all water sources.

(ii) Portions of the Conservation Area are specifically identified by the USDA as both prime farmland soil, and as farmland of statewide importance. The USDA’s Natural Resource Conservation Service places significant importance on the conservation of the nation’s quality farmland soils, which are frequently and permanently lost to development. The Conservation Easement will afford permanent protection of these significant farmland soils in support of this federal conservation policy.

(iii) As stated above, the Conservation Easement serves to support the Georgia DNR State Wildlife Action Plan, a comprehensive strategy to protect specifically identified high priority habitats and watersheds, such as those described as existing in the Conservation Area. The objective of this state conservation policy is, in part, to conserve Georgia’s animals, plants, and natural habitats through proactive measures emphasizing voluntary and incentive-based conservation initiatives on private lands, such as conservation easements.

G. As described in the Recitals hereinabove, the Conservation Area possesses natural and open space values (collectively, “Conservation Values”) of great significance to Owner, SERLC, and the general public. Owner recognizes the traditional uses of the Conservation Area for forestry, wildlife game management and other naturalistic purposes, which uses have fostered and preserved the Conservation Values described herein. Owner also recognizes that preservation of the Conservation Area will protect habitat for wildlife through long-term conservation of habitat for various species of animals and plants, as well as forestry and other uses that are compatible with the conservation and protection of the Conservation Area.

H. The ecological significance of the Conservation Area and the Conservation Values have been established in the reports, plans, accompanying photographs, documentation, and exhibits, including the baseline documentation prepared by SERLC (collectively referred to as the "Baseline Documentation"). As depicted on the Baseline Documentation, the Conservation Area is divided into two (2) designated conservation management areas: (1) the area designated as "Conservation Management Area A," and (2) the area designated as "Conservation Management Area B."

I. Owner intends that the Conservation Values of the Conservation Area be maintained and preserved, and Owner further intends, as owner of the Conservation Area, to convey to SERLC the right to preserve and protect the Conservation Values of the Conservation Area in perpetuity.

J. Owner and SERLC intend this document to be a "conservation agreement" as defined in the Georgia Uniform Conservation Easement Act O.C.G.A. §44-10-1, *et seq.* (the "Georgia Conservation Easement Act"); provided, however, the continued existence of this Conservation Easement shall not be dependent on the continued existence of the Georgia Conservation Easement Act.

NOW, THEREFORE, as an absolute charitable gift with no monetary consideration, but in consideration of the mutual covenants, terms, conditions, restrictions, and promises contained in this Conservation Easement, and intending to be legally bound hereby, Owner hereby voluntarily, unconditionally and absolutely grants and conveys unto SERLC, its successors and assigns, the easements, covenants, prohibitions and restrictions set forth in this Conservation Easement, in perpetuity, to protect the Conservation Values and to benefit the people of Georgia. SERLC hereby accepts the grant of such easements and agrees to hold such easements exclusively for the protection of the Conservation Values and to enforce the terms of the restrictive covenants set forth in this Conservation Easement.

ARTICLE I: GRANT OF PERPETUAL EASEMENT

Owner hereby voluntarily grants and conveys unto SERLC and its successors and assigns, as an absolute and unconditional charitable gift, a perpetual easement in gross over the Conservation Area for the purpose of preserving and protecting the Conservation Values and enforcing the restrictive covenants set forth below, in order to maintain permanently the open space values of the Property and the dominant woodland, open and natural character of the Conservation Area, including land and water resources, rare plants, animals, and plant communities, and to prevent any use of the Conservation Area that will impair or interfere with the Conservation Values or interest of the Conservation Area.

ARTICLE II: RETAINED RIGHTS AND PROHIBITED AND RESTRICTED ACTIVITIES

Any activity on or use of the Conservation Area inconsistent with the purposes of this Conservation Easement is prohibited. The Conservation Area shall be maintained in its natural and open condition and be restricted from any development that would impair or interfere with the Conservation Values of the Conservation Area.

All rights reserved herein by Owner are considered to be consistent with the conservation purposes of this Conservation Easement and, except as specifically stated otherwise herein, require no prior notification to or approval by SERLC. Notwithstanding the foregoing, Owner and SERLC have no right to agree to any activity that would result in the termination of this Conservation Easement.

In addition to the foregoing, the following specific activities as set forth in this Article II are prohibited, restricted, or reserved as the case may be with respect to the Property and the Conservation Area.

A. Disturbance of Natural Features. Any change, disturbance, alteration or impairment of the natural, open and aesthetic features of the Conservation Area is prohibited, except in furtherance of the conservation purposes of this Conservation Easement as specifically set forth herein, or as otherwise permitted herein.

B. No Industrial, (Large-Scale Commercial) Agricultural or Residential Use. Industrial and large-scale commercial agricultural activities are prohibited on the Conservation Area. However, agricultural activities related to small-scale, limited commercial activities and use with respect to timber farming (as described in Article II, Section C(2) below) are specifically permitted. In addition, agricultural activities related to personal use, ecological restoration, and habitat enhancement are permitted. Except as specifically permitted herein (pursuant to Article II, Section D(2)(a) below), the Conservation Area shall not be used for a residence.

C. Hunting and Recreational Activities; Certain Agricultural Activities and Uses. The Conservation Area may be used for hunting (and other recreational) activities and the agricultural activities described below in accordance with this Article II, Section C:

(1) Hunting and Recreational Activities.

(a) Hunting Activities. Subject to and in accordance with all applicable law and regulations and the provisions of this Conservation Easement, Owner reserves the right to use the Conservation Area for hunting (with or without dogs) and shooting. In addition, Owner reserves the right to charge guests a fee for the right to hunt on the area designated as "Conservation Management Area A." Provided that no trees are removed for such purposes, any open areas in "Conservation Management Area A" as depicted in the Baseline Documentation may be maintained as open areas for the purposes of serving as food plots for hunting on the Conservation Area as provided herein.

(b) Other Recreational Activities. Subject to and in accordance with all applicable law and regulations and the provisions of this Conservation Easement, Owner reserves the right to use the Conservation Area for fishing, hiking, biking, and horseback riding and other passive recreational activities and recreational uses not inconsistent with the purposes of this Conservation Easement.

(2) Timber Farming Activities. Small-scale, limited commercial timber farming (including the thinning of trees) is permitted within the Conservation Area only within the area designated in the Baseline Documentation as "Conservation Management Area A," using selective timber management, provided that:

(a) all such activities shall be conducted in accordance with all applicable governmental regulations or guidelines covering such activities and with a Forest

Management Plan (that is prepared by a registered forester in accordance with Article V, Section C below and is approved by SERLC), which is designed to protect soil stability, water quality, ecology, and other Conservation Values of the Conservation Area, including without limitation, riparian, ecological, and wildlife habitat values;

(b) Owner may use thinning, seedtree, or other selective harvesting methods as approved by SERLC, and under no circumstances whatsoever shall clear cutting be permitted;

(c) site preparation for tree planting shall not be performed using any chemical or soil-disturbing mechanical methods, and fertilizers shall not to be used in planted forest stands;

(d) herbicide spraying shall not be used for vegetation control on the Conservation Area, other than as provided for in certain small areas specified in a Forest Management Plan approved by SERLC and only in accordance with Article II, Section L below;

(e) such activities shall not be detrimental to the natural area, natural and rare species habitat protection, wildlife game habitat protection, sustainable forestry purposes or other conservation purposes and Conservation Values set forth and described in this Conservation Easement; and

(f) Owner obtains the prior written approval of SERLC as required pursuant to Article II, Section P below, prior to the commencing of any such activities.

D. Facilities and Construction. No development of the Conservation Area shall be permitted, and no building, facility, or structure of any kind shall be built, erected, installed, placed, affixed or assembled within or upon the Conservation Area; provided, however, Owner shall retain the following rights with respect to construction on the areas within the Conservation Area:

(1) Utility Infrastructure. Subject to SERLC's prior written approval as required pursuant to Article II, Section P below, and only where such infrastructure cannot be otherwise placed on areas outside the Conservation Area and when conducted in accordance with all applicable governmental regulations, Owner may construct and maintain underground power lines, underground water distribution lines, and similar infrastructure that may cross or be within the Conservation Area and supply power, water, and other utilities to the Reserved Area and the Additional Structures (as such terms are defined below), provided that any and all such infrastructure be designed to produce no material adverse effect on the Conservation Area, be located immediately adjacent to or under an Existing Road or New Road (as such terms are defined below), and be located only in the area designated in the Baseline Documentation as "Conservation Management Area A."

(2) Structures on Reserved Area; Additional Structures on Conservation Area.

(a) Structures on Reserved Area. Subject to SERLC's prior written approval of a written plan of development for the Reserved Area (the "Reserved Area Development Plan"), as required pursuant to Article II, Section P below, Owner reserves the right to develop the Reserved Area through the construction of either one (1) hunting lodge or one (1) single family residential home on the Reserved Area; provided that: (i) the aggregate ground surface covered by the lodge/residential home shall not exceed two thousand five hundred (2,500) square feet; (ii) all such construction and maintenance is conducted in a manner consistent with all

applicable permits, local ordinances, building codes and regulations, and is designed to produce no material adverse effect on the Conservation Area and the Conservation Values; (iii) the Reserved Area Development Plan, among other things, limits the removal of trees and requires any septic fields to be located only within the Reserved Area; (iv) the Reserved Area Development Plan is approved in writing by SERLC in accordance with Article II, Section P prior to the commencement of construction of any building on the Reserved Area; and (v) the Reserved Area shall be in the location depicted on the "Reserved Area Map" (attached hereto as "Exhibit C"). Construction of the building on the Reserved Area shall be in accordance with the Reserved Area Development Plan as approved in writing by SERLC.

(b) Additional Structures on Conservation Area. Owner may construct, replace and maintain certain additional non-dwelling structures on the Conservation Area that are consistent with the conservation purposes described in this Conservation Easement, including sheds, picnic shelters, pavilions, stands, blinds, decks, and other similar improvements for hunting, horseback riding, fishing and wildlife observation, and other permitted recreational activities (hereinafter "Additional Structures") provided that: (i) the aggregate ground surface covered by all such Additional Structures shall not exceed one hundred fifty (150) square feet; (ii) all such construction and maintenance is conducted in a manner designed to produce no material adverse effect on any of the Conservation Values; (iii) such Additional Structures shall be located only in the area designated in the Baseline Documentation as "Conservation Management Area A" and so as to avoid tree removal; (iv) SERLC approves any proposed Additional Structures with a cost in excess of Twenty-Five Thousand Dollars (\$25,000) in accordance with Article II, Section P before any construction or earth disturbance commences; and (v) such Additional Structures shall not be amenities constructed for the sole or specific benefit of any properties or areas outside the Conservation Area, any and all of which shall not be permitted within the Conservation Area.

E. Roads.

(1) Existing Roads. This Conservation Easement shall be subject to all existing roads, driveways, and right of ways as of the date hereof, and as depicted on the Survey and the Baseline Documentation (the "Existing Roads").

(2) New Roads. There shall be no construction of new roads or any other new right of ways on the Conservation Area other than the following (collectively referred to as the "New Roads"): (a) one or more roads to provide fire breaks or to access fire break right-of-ways; and (b) temporary roads located within "Conservation Management Area A" (as depicted in the Baseline Documentation) necessary for supporting the permitted forestry activities described in Article II, Section C(2). Owner will endeavor to use the Existing Roads or other right of ways to the maximum extent possible for permitted forestry activities. Upon conclusion of such forestry activities, Owner shall allow the temporary roads to return to their natural vegetative state; provided, however, that appropriate erosion control measures will be taken with respect to the creation, maintenance and termination of any and all temporary roads so as to prevent any erosion damage. Any and all such New Roads shall be no wider than the minimum necessary width and shall be limited to primarily permeable materials.

(3) Maintenance. Owner reserves the right to maintain in passable condition, re-grade, resurface and improve the Existing Roads and New Roads as permitted under the terms of this Article II, Section E. Owner shall be responsible for the proper maintenance of, and the prevention of soil erosion, on all Existing Roads and New Roads. Maintenance of all roads on the

Conservation Area shall be limited to removal of dead vegetation, necessary pruning or removal of hazardous trees and plants, application of permeable materials necessary to correct or impede erosion, grading, resurfacing, replacement of culverts and bridges, and maintenance of roadside ditches.

(4) Vehicles. All activities permitted on the Conservation Area may be conducted using all-terrain vehicles, such as 4-wheelers and the like; provided, however, all vehicles shall be used in such a manner as to avoid soil disruption and destruction of plant life and recreational use of such vehicles shall be prohibited in the area designated in the Baseline Documentation as "Conservation Management Area B." Use of vehicles larger than all-terrain vehicles shall be restricted to the Existing Roads and New Roads (as provided above) and other right of ways.

F. Additional Trails. Owner may construct and maintain walking trails ("Additional Trails") in the area designated in the Baseline Documentation as "Conservation Management Area A" of natural, permeable surfaces; provided, however, such Additional Trails shall be no more than three (3) feet in width and shall not exceed one (1) mile in length in the aggregate.

G. Water, Water Quality and Drainage Patterns. Owner shall manage the Conservation Area in a manner so as to prevent pollution, alteration, or depletion of surface water, natural watercourses, subsurface water, or any other water bodies. All areas within 100 feet of any rivers, creeks, streams, natural wetlands, and ravines (or other such intermittent water drainages) located within the Conservation Area, except such areas existing within the Reserved Area, are designated as "Stream Buffer Zones," and shall not be disturbed and shall retain a permanently protected vegetated buffer. Diking, draining, damming, filling or removal of any wetlands is prohibited on the Conservation Area.

Subject to the foregoing, Owner reserves the following rights:

(1) Owner shall be permitted to continue to operate, maintain, or replace existing ground water wells and to add new wells incident to all permitted uses on the Conservation Area (including wildlife management purposes, agricultural purposes, and water service to the Reserved Area and the Additional Structures).

(2) Owner shall be permitted to perform work, including the removal of vegetation or disturbance of land, within the vicinity of existing water courses or regulated wetlands (other than within the Stream Buffer Zones); provided, however, that such work may take place only if such work shall restore natural stream channel morphology and natural wetland hydrology as part of an approved restoration or mitigation program, and only after obtaining the prior written approval of SERLC in accordance with Article II, Section P following Owner obtaining, and providing SERLC with copies of, all applicable local, state, and federal permits and approvals necessary for such activity.

H. Plants and Wildlife. There shall be no introduction of plant or animal species within the Conservation Area except those native to the area in which the Conservation Area is located.

I. Signage. Display of billboards, signs or advertisements is prohibited on or over the Conservation Area, except for (1) no trespassing signs, (2) directional signs to allowed activities (which shall not exceed four (4) square feet in area), (3) interpretive trail signs identifying the Conservation Values of the Conservation Area, and/or (4) signs identifying the Owner as owner of the Conservation Area.

J. Topography. Except as reasonably necessary for the construction and maintenance of the improvements allowed under this Conservation Easement and for the purpose of combating erosion or flooding, there shall be no (1) filling, excavating, dredging, mining or drilling; (2) removal of topsoil, sand, gravel, rock, minerals or other materials; or (3) any dumping or changing of the topography of the land in the Conservation Area in any manner.

K. Dumping. The dumping of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, or machinery, or other materials on the Conservation Area is prohibited.

L. Vegetation.

(1) Removal of Vegetation. Notwithstanding the forestry management restrictions pursuant to Article II, Section C(2), Owner reserves the right to cut vegetation, or remove or destroy trees or vegetation within the Conservation Area under only the following conditions and only for the following purposes: (a) to clear and restore vegetative cover that has been damaged or disturbed by forces of nature or otherwise; (b) to remove invasive plant species; (c) to remove dead, dying or damaged trees near trails, roads, or structures that may reasonably pose a danger or create hazardous conditions; (d) to remove trees to the minimum extent necessary to install or construct the items permitted to be constructed under this Conservation Easement; and (e) to use such removed wood as firewood for allowed activities on the Conservation Area.

(2) Use of Herbicides Prohibited. Wide area spraying of the Conservation Area with herbicides by aerial or ground means for removal or control of vegetation is specifically prohibited and is not permitted under any circumstances. Use of herbicides of any kind shall be limited to spot treatment of vegetation that is otherwise permitted to be removed under the terms of this Conservation Easement. Herbicides may only be applied in such manner so as avoid damage or destruction to surrounding vegetation and trees, and may not be used within ten (10) feet of any natural water source.

M. Subdivision. As more specifically stated in the Baseline Documentation, Owner and SERLC recognize and agree that the Conservation Area should be preserved in perpetuity as a single, undivided parcel for the protection of the Conservation Area and its conservation purposes, and the preservation of the Conservation Values. The parties therefore covenant and agree that the division, subdivision, de facto subdivision or partition in kind of the Conservation Area, whether by legal or physical process, into two or more parcels of land or partial or separate interests (including but not limited to the partition of undivided interests) is prohibited. At all times Owner shall own and convey the Conservation Area as a single parcel, which shall be subject to the provisions of this Conservation Easement, regardless of whether the Conservation Area now consists of separate parcels, was acquired as separate parcels, or is treated as separate parcels for property tax or other purposes. Owner may own the single parcel by joint tenancy or tenancy in common; provided, however, Owner shall not undertake any legal proceeding to partition, subdivide, or partition in kind in any manner such undivided interests in the single parcel.

N. Quiet Enjoyment. Owner reserves to itself, its agents, representatives, successors and assigns, all rights accruing from its ownership of the Conservation Area, including the right to engage in or permit or invite others to engage in all uses of the Conservation Area that are not expressly prohibited or restricted herein and are not inconsistent with purposes of this Conservation Easement. Without limiting the generality of the foregoing, Owner expressly

reserves the right of access to the Conservation Area and the right of quiet enjoyment of the Conservation Area.

O. Mineral Use, Excavation, Dredging. Exploration for, or the extraction of, oil, hydrocarbons, natural gas, minerals, soil, or other materials located on or below the surface of the Conservation Area, or using any exploration or extraction method that disturbs the surface or subsurface of the land is prohibited. Owner shall not transfer, lease or otherwise separate the minerals or mineral rights from the Conservation Area.

P. Notification of Exercise of Certain Reserved Rights.

(1) In addition to any other notification requirements set forth herein, Owner must notify SERLC in writing at least sixty (60) days before Owner begins, or allows, any exercise of the following reserved rights (the “Prior Notice Reserved Rights”) on the Conservation Area:

(a) the commencement of any thinning, harvesting, or planting of trees pursuant to Article II, Section C(2);

(b) the placement of any facilities, underground utilities or any utility or power lines within the Conservation Area pursuant to Article II, Section D;

(c) the completion of the Reserved Area Development Plan and the construction of any buildings on the Reserved Area, pursuant to Article II, Section D(2)(a);

(d) the construction of any Additional Structures on the Conservation Area with a cost in excess of Twenty-Five Thousand Dollars (\$25,000) pursuant to Article II, Section D(2)(b);

(e) the location and construction of any New Roads pursuant to Article II, Section E(2);

(f) the performance of any work (including the removal of vegetation or disturbance of land) within the vicinity of existing water courses or regulated wetland, pursuant to Article II, Section G;

(g) the election by Owner to terminate otherwise reserved and permitted “commercial recreational activities” pursuant to Article VI, Section B(6) hereof;

(h) the completion of a final Forest Management Plan, suitable for SERLC’s approval, pursuant to Article V, Section C; and

(i) the exercise of any reserved rights where the potential result of such exercise would impair the Conservation Values or violate the conservation purposes of this Conservation Easement.

(2) In order to exercise a Prior Notice Reserved Right, Owner must first obtain prior written approval from SERLC evidencing SERLC’s satisfaction that any use or activity done in the exercise of the Prior Notice Reserved Right will have no material adverse effect on the Conservation Values or on the significant environmental features of the Conservation Area described in the Baseline Documentation. Under no circumstances whatsoever may Owner exercise a Prior Notice Reserved Right without first obtaining the prior written approval of SERLC.

(3) SERLC's prior written approval of the exercise of Prior Notice Reserved Rights described in this Article II, Section P may be granted, conditionally granted or declined by SERLC according to the procedure provided in this Section. Upon the request of SERLC, Owner shall provide SERLC with plans depicting in such detail, as SERLC reasonably requests, the construction or other use or activity, and location thereof, which Owner intends to undertake with respect to the proposed exercise of the Prior Notice Reserved Rights. SERLC may request additional information or details not provided by Owner regarding Owner's proposed exercise of Prior Notice Reserved Rights as SERLC reasonably believes necessary to determine compliance with this Article. Within sixty (60) days from its receipt of the notice required pursuant to Article II, Section P(1) above (or, if later, receipt of any additional information regarding the proposed use or activity requested by SERLC), SERLC may make one of the following determinations:

(a) Approve the Owner's proposed exercise of a Prior Notice Reserved Right in accordance with the materials submitted by the Owner. Approval on such terms shall constitute a covenant by Owner to exercise the Prior Notice Reserved Right solely in accordance with the notice and other information submitted to SERLC, which covenant shall be enforceable by SERLC as fully as if set forth in this Conservation Easement;

(b) Approve the Owner's proposed exercise of a Prior Notice Reserved Right in accordance with the materials submitted by the Owner but subject, however, to such qualifications and conditions as SERLC may impose in its notice of approval. Approval on such terms shall constitute a covenant by Owner to exercise the Prior Notice Reserved Right, if at all, only in accordance with the notice and other information submitted to SERLC, as modified or supplemented by the qualifications and conditions that SERLC imposed, which covenant shall be enforceable by SERLC as fully as if set forth in this Conservation Easement; or

(c) Decline to grant approval of Owner's proposed exercise of a Prior Notice Reserved Right on the basis of the notice and other materials submitted, in which case SERLC shall set forth in writing the grounds for such decline in detail and will cooperate in good faith with Owner in attempting to develop acceptable modifications or alternatives.

In the event that SERLC fails to make a determination as provided above within sixty (60) days as provided above, Owner's proposed exercise of the Prior Notice Reserved Right shall be deemed declined, in which case SERLC will cooperate in good faith with Owner in attempting to develop acceptable modifications or alternatives.

(4) SERLC may condition consideration of a proposal for exercise of Prior Notice Reserved Rights upon the deposit of a sum of money with SERLC to secure payment of SERLC's reasonable costs of review. The time period for SERLC's consideration of the Owner's request shall not run until such deposit is made. Owner shall be responsible, as a condition of the right to exercise the Prior Notice Reserved Rights, for payment of SERLC's reasonable costs and expenses, including legal and consultant fees, associated with review of the Owner's request for approval.

Q. Limitations on Reserved Rights. No assurance is given that any of the above reserved rights (including the Prior Notice Reserved Rights) may be exercised, in such manner as Owner might propose, without adversely affecting the Conservation Values or other significant ecological values of the Conservation Area. The foregoing procedure is established for the purpose of making that determination, and Owner's proposed exercise of a Prior Notice Reserved Right

shall be deemed declined if SERLC fails to make a determination within sixty (60) days, as provided in Article II, Section (P)(3) above. The Prior Notice Reserved Rights may not be exercised under any circumstances unless and until SERLC has provided prior written approval evidencing that SERLC is satisfied that the exercise of the Prior Notice Reserved Right for which approval is sought, and in the manner proposed by the Owner, can be done without an adverse effect on the Conservation Values or other significant ecological values of the Conservation Area. Owner hereby waives, for Owner, and Owner's heirs, successors, legal representatives, and assigns, to the fullest extent allowed by law, any and all right to seek or recover damages from SERLC in any litigation or other legal action arising from a dispute over SERLC's exercise of its rights, obligations or interpretations under this Article II and agrees that the sole remedy or legal right to seek redress arising from any decision of SERLC pursuant to this Article II shall be to seek a declaratory judgment or other legal declaration by a court of competent jurisdiction as to the rights of Owner hereunder.

ARTICLE III: ENFORCEMENT AND REMEDIES

A. Upon any breach of the terms of this Conservation Easement by Owner, which (1) Owner fails to cure within thirty (30) days from written notice thereof from SERLC to Owner, or (2) under circumstances where the breach cannot reasonably be cured within such thirty (30) day period, Owner fails to begin curing such violation within the thirty (30) day period or fails to continue diligently to cure such violation until finally cured, SERLC may enforce the conservation restrictions and prohibitions by appropriate legal proceedings, including but not limited to the exercise of the right to require that the Conservation Area be restored promptly to the condition required by this Conservation Easement. The foregoing shall not limit any of the rights or remedies available to SERLC as specifically set forth in any law or in this Conservation Easement.

B. No failure on the part of SERLC to enforce any covenant or provision hereof shall discharge or invalidate such covenant or any other covenant, condition, or provision hereof or affect the right of SERLC to enforce the same in the event of subsequent breach or default.

C. Nothing contained in this Conservation Easement shall be construed to entitle SERLC to bring any action against Owner for any injury or change in the Conservation Area resulting from causes determined to have been entirely beyond the Owner's control, including, without limitation, fire, flood, storm, and natural earth movement, or from any prudent action taken in good faith by the Owner under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Conservation Area resulting from such causes.

D. This Conservation Easement may only be enforced by the parties hereto, and their respective successors and assigns, and no third-party beneficiary rights, including but not limited to third party rights of enforcement, are created hereby. SERLC's remedies described in this Article shall be cumulative and concurrent and shall be in addition to all remedies now or hereafter available or existing at law or in equity.

E. Without limitation of any other rights of SERLC in this Conservation Easement, SERLC's right of enforcement of this Conservation Easement shall include the right to seek specific performance by Owner of the restoration of the Conservation Area to its original condition as established in the Baseline Documentation or to its condition prior to any activity that violates this Conservation Easement or as otherwise may be necessary to remedy any violation of any easement, covenant, prohibition or restriction in this Conservation Easement, as SERLC may elect.

F. In the event that SERLC acts, after notice to Owner, to enforce this Conservation Easement or any obligation hereunder, all reasonable expenses incurred by SERLC shall be charged to and paid by the Owner, including reasonable attorneys' fees regardless of whether an action or proceeding is commenced. All such expenses, together with costs of collection (including reasonable attorneys' fees) if the Owner is determined by a court to have violated this Conservation Easement, shall be recoverable by SERLC and be liens upon the Conservation Area, and collection thereof may be enforced by foreclosure and sale of the Conservation Area. Notwithstanding anything to the contrary, this Conservation Easement shall not merge with any interest in the Conservation Area upon such sale and title shall be transferred subject hereto in accordance with the laws of the State of Georgia.

G. In the event that the Owner or anyone acting by, through, under or on behalf of Owner, commences litigation against SERLC to enforce any rights hereunder or to dispute any actions or inaction of SERLC, to enforce any alleged duty or obligation of SERLC hereunder, or to seek damages or specific performance against SERLC, Owner shall reimburse SERLC on demand for all costs and expenses, including attorneys' fees, reasonably incurred by SERLC in its defense in such litigation, unless SERLC is finally determined by a court of competent jurisdiction, beyond right of appeal, to have acted in an arbitrary or capricious manner and contrary to the terms of this Conservation Easement.

ARTICLE IV: PUBLIC ACCESS

Owner agrees to allow visual access from points outside the Conservation Area to the general public. Owner may, at Owner's sole discretion and from time to time, grant physical access to groups, organizations, and individuals studying the Conservation Values of the Conservation Area or enjoying its recreational values. However, the granting of this Conservation Easement does not convey to the public the right to enter the Conservation Area and nothing herein shall require Owner to allow physical access to the general public.

ARTICLE V: COVENANTS OF OWNER

A. Baseline Documentation. Owner has received and fully reviewed the Baseline Documentation in its entirety. Owner acknowledges that the Baseline Documentation is an accurate representation of the condition of the Conservation Area and accurately establishes the uses, structures, Conservation Values and condition of the Conservation Area as of the date hereof.

B. Title. Owner covenants and represents that: (1) Owner is the sole owner and is seized of the Conservation Area in fee simple and has good right to grant and convey this Conservation Easement; (2) the Conservation Area is free and clear of any and all security interests (except for security interests that have been properly subordinated prior to the conveyance of this Conservation Easement); (3) the Conservation Area is free and clear of any and all encumbrances, except for liens for taxes not yet due and payable and easements and road rights of way recorded prior to the date of this Conservation Easement in the place for the recording of such liens or encumbrances (the "Exceptions"); (4) none of the Exceptions affect the perpetuity of this Conservation Easement or otherwise adversely affect or impair any of the Conservation Values of the Conservation Area or the conservation purposes of this Conservation Easement; (5) SERLC shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement, and shall at all times have an immediate legal means of access to the Conservation Area; and (6) Owner has made, within a reasonable time just prior to the conveyance of this Conservation

Easement, a title examination of the Property (including the Conservation Area) that provides the reasonable basis for each of the foregoing covenants and representations.

C. Forest Management Plan. Owner represents and warrants that it is establishing a management plan (“Forest Management Plan”) for the long-term management of the Conservation Values with respect to the forest areas on the Conservation Area, which shall be in a form acceptable to SERLC and shall be deemed final upon written acceptance of SERLC. The Forest Management Plan shall include long-range conservation and management strategies for the land conservation project, including what conservation tools will be employed. The Forest Management Plan shall be reviewed and may, if necessary, be revised, on an annual basis by mutual agreement of SERLC and Owner. In the event of a conflict between the terms of the Forest Management Plan and the terms of this Conservation Easement, the terms of the Conservation Easement shall control. The conservation purposes described in this Conservation Easement shall direct and determine all timber/forest management practices or actions permitted with respect to the Conservation Area. In the event of a conflict between best timber/forest management practices and the conservation purposes described in this Conservation Easement, the conservation purposes described in this Conservation Easement shall control.

ARTICLE VI: MISCELLANEOUS

A. Subsequent Transfers.

(1) Definition of Transfer. For purposes of this Conservation Easement, “Transfer” is defined as follows: (a) the direct or indirect sale, agreement to sell, assignment, conveyance, lease or other disposition of the Conservation Area or any portion of the Conservation Area; and/or (b) if a majority ownership interest in, or control of, the Conservation Area is changed as a result of the transfer of stock, membership, partnership or other ownership interests in the Owner. The occurrence of any of these events is a Transfer whether or not it is voluntary, involuntary, by operation of law, or otherwise.

(2) Notice Required. Nothing in this Conservation Easement shall limit the right of Owner, its successors or assigns to Transfer the Conservation Area, provided that any such Transfer shall be under and subject to this Conservation Easement (including, without limitation, the restrictions on subdivision set forth in Article II, Section M). Owner shall notify SERLC in writing of any Transfer, whether by operation of law or otherwise, not less than 60 days prior to such Transfer, and such notice shall include a description of the proposed Transfer, the proposed date of Transfer, and the name or names and addresses for notices of the transferee(s).

(3) Authorization Prior to Transfer. Owner authorizes SERLC to (a) contact the transferee(s) to whom the Conservation Area or any part thereof will be Transferred, and other persons representing Owner or the prospective transferees, to discuss with them this Conservation Easement and, if applicable, other pertinent documents; and (b) enter the Conservation Area to assess compliance with this Conservation Easement.

(4) Continuing Obligations and Liability. The Owner prior to Transfer is liable, on a joint and several basis with the Owner following the Transfer, for the correction of violations and discharge of other obligations of Owner under this Conservation Easement. The Owner prior to Transfer shall be relieved of liability for violations and discharge of other obligations of Owner occurring after the Transfer only in the event that SERLC has been notified of the Transfer, inspects the Conservation Area, and reports no violations observed during such inspection as of

the date of the Transfer; provided, however, the Owner prior to Transfer shall remain liable for violations and the discharge of other obligations of Owner occurring prior to the Transfer.

(5) Conveyance Contribution. For each Transfer, the Owner shall pay the sum of \$2,500 (the “Conveyance Contribution”) to SERLC at the time of and with the written notice of Transfer to SERLC required by this Article VI, Section (A)(2) above. The Conveyance Contribution is to be adjusted as needed to maintain equivalent value with the U.S. Dollar as of the date of this Conservation Easement.

(6) Conveyance Obligations. Owner authorizes the attorney or other person handling closing of a Transfer to withhold, from funds otherwise payable to Owner as a result of the Transfer, the sums (if any) required to satisfy obligations to SERLC then outstanding or which become due upon Transfer as set forth above in this Section or otherwise itemized by SERLC in its statement rendered to Owner. Owner and its successors, representatives, administrators, and assigns, further agree (a) to make specific reference to this Conservation Easement in a separate paragraph of any Transfer lease, deed or other legal instrument by which any interest in the Conservation Area is Transferred; and (b) to provide any transferee of the Conservation Area with a copy of this Conservation Easement, the Baseline Documentation, and any other material documentation related to this Conservation Easement.

B. Conservation Purpose.

(1) Owner, for itself, its agents, successors, representatives, and assigns, agrees that this Conservation Easement shall be held exclusively for conservation purposes, as defined in Section 170(h)(4)(A) of the Internal Revenue Code.

(2) In accordance with Treas. Reg. 1.170A-14(g)(6)(ii), Owner acknowledges that this Conservation Easement gives rise to a perpetual real property right and interest, immediately vested in SERLC, that has “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 value of the property as a whole at that time.” For purposes of this Conservation Easement, the fair market value of this Conservation Easement and SERLC’s resulting property right and interest (which value shall remain constant) shall be equal to the difference between (a) the fair market value of the Conservation Area as if not burdened by this Conservation Easement and (b) the fair market value of the Conservation Area burdened by this Conservation Easement, as such values are determined as of the date of this Conservation Easement. If a change in conditions makes impossible or impractical any continued protection of the Conservation Area for conservation purposes, the restrictions contained herein may only be extinguished by judicial proceeding. Upon such proceeding and any subsequent sale, exchange or involuntary conversion of the Conservation Area, SERLC shall be entitled to a portion of the proceeds at least equal to the fair market value of this Conservation Easement (as determined through the equation stated above in this subsection) in accordance with Treas. Reg. 1.170A-14(g)(6)(ii). SERLC shall use its share of the proceeds in a manner consistent with the conservation purposes set forth in the Recitals herein.

(3) Whenever all or part of the Conservation Area is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, Owner and SERLC shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of

SERLC's and Owner's interests as determined through the equation stated in Article VI, Section (B)(2) above. All expenses, including attorneys' fees, incurred by Owner and SERLC in such action shall be paid out of the recovered proceeds to the extent not paid by the condemning authority.

(4) Owner and SERLC agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Conservation Area.

(5) The parties hereto recognize and agree that the benefits of this Conservation Easement are in gross and assignable to an assignee designated by SERLC; provided, however, that SERLC covenants and agrees, that in the event it transfers or assigns this Conservation Easement, the organization receiving the interest will be a qualified organization and an eligible donee as those terms are defined in Section 170(h)(3) of the Internal Revenue Code of 1986 (or any successor section) and the regulations promulgated thereunder, which is organized or operated primarily for one of the conservation purposes specified in Section 170(h)(4)(A) of the Internal Revenue Code. SERLC further covenants and agrees that the terms of any such transfer or assignment will be such that the transferee or assignee will be required to continue to carry out in perpetuity the conservation purposes which the contribution was originally intended to advance, set forth in Article I herein.

(6) Owner represents that (a) the rights and activities reserved and permitted hereunder relating to recreational activities are consistent with the conservation purposes herein and as outlined in Section 170(h) of the Internal Revenue Code, and (b) such rights and activities do not constitute more than "de minimis" use of the Conservation Area for "commercial recreational activities" as those terms are used in Section 2031(c) of the Internal Revenue Code. Nevertheless, solely for the purpose of qualifying this Conservation Easement for the estate tax exclusion and any expansion thereof under Internal Revenue Code Section 2031(c), or its successor provisions, Owner (including Owner's estate, successors and assigns) may elect in writing in recordable form to release and terminate otherwise reserved and permitted "commercial recreational activities" either inter vivos or, alternatively, post mortem, in accordance with Section 2031(c), to the extent permitted by said Section 2031(c), if necessary to qualify for the conservation easement estate tax exclusion under Internal Revenue Code Section 2031(c), such election to be recorded in the public records of Wilkes County, Georgia. Owner shall notify SERLC in writing of such election in accordance with Article II, Section P.

C. Access. SERLC, its employees and agents and its successors and assigns, have the right, upon prior written notice to Owner, to enter the Conservation Area at reasonable times to inspect the Conservation Area to determine whether the Owner, its agents, representatives, successors or assigns are complying with the terms, conditions and restrictions of this Conservation Easement. Owner covenants and agrees that Owner shall at all times provide and ensure immediate means of legal access for SERLC to the Conservation Area via one or more public roads or private right of ways that run with the land (such that the Conservation Area is not considered to be "landlocked," as such term may be defined by SERLC in its sole and absolute discretion).

D. Construction of Terms. This Conservation Easement shall be construed to promote the purposes of the Georgia Conservation Easement Act (O.C.G.A. § 44-10-2 *et seq.*), which authorizes the creation of conservation easements for purposes including those set forth in the recitals herein, and the conservation purposes of this Conservation Easement, including such

purposes as are defined in Section 170(h)(4)(A) of the Internal Revenue Code. The parties recognize the Conservation Values and have the common purpose of preserving these values. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the grant to protect the Conservation Values and effect the policies and purposes of SERLC. If any provision in this Conservation Easement is found to be ambiguous, an interpretation consistent with its conservation purposes that would render the provision valid should be favored over any interpretation that would render it invalid. If any provision of this Conservation Easement is determined by final judgment of a court having competent jurisdiction to be invalid, such determination shall not have the effect of rendering the remaining provisions of this Conservation Easement invalid. The parties intend that this Conservation Easement, which is by nature and character primarily prohibitive (in that the Owner has restricted and limited the rights inherent in ownership of the Conservation Area), shall be construed at all times and by all parties to effectuate the conservation purposes of this Conservation Easement.

E. Amendment. If circumstances arise under which an amendment to or modification of this Conservation Easement would be appropriate and provide protection equal to or greater than this Conservation Easement, Owner and SERLC are free to jointly amend this Conservation Easement, provided that no amendment shall be allowed that will: (i) affect the status of this Conservation Easement as a “qualified real property interest” within the meaning of § 170(h)(2) of the Internal Revenue Code; (ii) cause this Conservation Easement to be contributed to an organization other than a “qualified organization” within the meaning of § 170(h)(3) of the Internal Revenue Code; (iii) affect the status of SERLC as a “qualified organization” within the meaning of § 170(h)(3) of the Internal Revenue Code; (iv) cause this Conservation Easement to be contributed other than “exclusively for conservation purposes” within the meaning of §§ 170(h)(1), (4), and (5) of the Internal Revenue Code; (v) affect the status of this Conservation Easement as a conservation easement within the meaning of the Georgia Conservation Easement Act; (vi) affect the qualification of this Conservation Easement or the status of SERLC under any applicable laws, including but not limited to, the Georgia Conservation Easement Act or § 170(h) of the Internal Revenue Code; (vii) increase or expand any of Owner’s reserved rights set forth herein; or (viii) confer to Owner any reserved rights in addition to those set forth herein. Any amendment shall be consistent with the intent and purpose of this Conservation Easement, shall not confer impermissible private benefit or private inurement to any party, shall not affect its perpetual duration, and shall provide protection equal to or greater than the protections herein established for the Conservation Values of the Conservation Area. Any such amendment shall be recorded and cross-referenced to this Conservation Easement in the official records of Wilkes County, Georgia.

F. Successors and Assigns. This Conservation Easement and all of the covenants, indemnifications, releases, easements and restrictions set forth in this Conservation Easement shall run with the land and be binding upon Owner and Owner’s successors and assigns, unless otherwise expressly provided in this Conservation Easement. The term “Owner” used in this Conservation Easement shall mean and include the above-named Owner and any of Owner’s successors or assigns that are the legal owners of the Conservation Area or any part thereof. The term “SERLC” used in this Conservation Easement shall mean and include the above-named organization and its successors and assigns, it being understood and agreed that any assignee of the rights of SERLC hereunder must be a “qualified organization” as defined in Section 170(h) of the Internal Revenue Code, as amended, and shall carry out the obligations of SERLC and the intent of this Conservation Easement.

G. Limitation of Liability. Owner shall be and remain liable for any breach or violation of this Conservation Easement if such breach or violation occurs during such time as Owner is the legal or equitable owner of the Conservation Area or any part thereof or is in possession of the Conservation Area or any part thereof.

H. Indemnification. Owner covenants and agrees to indemnify, defend, reimburse, and hold harmless SERLC, its directors, officers, employees, representatives, consultants, and agents (collectively, the ("SERLC Indemnitees") from, for and against any loss, cost (including, but not limited to, reasonable attorneys' fees and witness and court fees and costs from any lawsuit or governmental administrative or law enforcement action which is commenced or threatened against any of the SERLC Indemnitees or to which any of the foregoing are made a party or called as a witness), liability, penalty, fine, and damage, of any kind or nature whatsoever, which any of the SERLC Indemnitees may suffer or incur which arises out of or relates to the Conservation Area, including, without limitation, any of the following: the violation or alleged violation of any law in, upon or involving the Conservation Area; any breach or violation of Owner's agreements, covenants and/or restrictions contained in this Conservation Easement; the failure of Owner to provide SERLC with any notice required hereunder; any tax or assessment upon the Conservation Area; any death or injury to any person occurring on or about the Conservation Area; any lien or attempts to enforce a lien asserted against the Conservation Area; the costs of performing any work on the Conservation Area; any loss or damage to any property on or about the Conservation Area; any dispute regarding the interpretation or enforcement of this Conservation Easement; and/or any lawsuit (even if initiated by Owner or SERLC) or governmental administrative or law enforcement action which is commenced or threatened against any of the SERLC Indemnitees or to which any of the foregoing are made a party or called as a witness. Notwithstanding the foregoing, Owner shall have no obligation to indemnify, defend or reimburse SERLC or hold SERLC harmless against loss, cost, liability, claim, penalty, fine or damage which results solely from SERLC's own acts which are finally determined by a court of competent jurisdiction, beyond right of appeal, to have been the result of bad faith, gross negligence or willful misconduct of SERLC. Without limitation of anything herein to the contrary, Owner shall retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operations, upkeep, and maintenance of the Conservation Area, including, but not limited to, the general liability insurance coverage and obligation to comply with applicable law.

I. Control. Nothing in this Conservation Easement shall be construed as giving rise to any right or ability of SERLC to exercise physical or managerial control over day-to-day operations of the Conservation Area, or any of the Owner's activities on the Conservation Area, or otherwise to become an operator with respect to the Conservation Area within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

J. Taxes. Owner shall continue to pay all taxes, levies and assessments and other governmental or municipal charges that may become a lien on the Conservation Area, including any taxes or levies imposed to make those payments.

K. Tax Deduction. SERLC makes no warranty, representation or other assurance regarding the availability, amount or effect of any deduction, credit or other benefit to Owner or any other person or entity under United States or any state, local or other tax law to be derived from the donation of this Conservation Easement or other transaction associated with the donation

of this Conservation Easement. Neither this Conservation Easement nor this donation is conditioned upon the availability or amount of any such deduction, credit or other benefit. SERLC makes no warranty, representation or other assurance regarding the value of this Conservation Easement or of the Conservation Area. As to all of the foregoing, Owner is relying upon Owner's own legal counsel, accountant, financial advisor, appraiser or other consultant and not upon SERLC or any legal counsel, accountant, financial advisor, appraiser or other consultant of SERLC. In the event of any audit or other inquiry of a governmental authority into the effect of this donation upon the taxation or financial affairs affecting Owner or Owner's successors or assigns or other similar matter (collectively, an "Audit"), Owner shall reimburse and indemnify SERLC for any cost or expense of any kind or nature whatsoever incurred by SERLC in responding or replying to such Audit. As a condition to obtaining SERLC's participation in responding to an Audit, SERLC may require Owner to provide a retainer in an amount sufficient to cover SERLC's reasonably anticipated costs and expenses associated with the Audit (as determined by SERLC in its sole and absolute discretion), and Owner shall hold SERLC harmless from any and all penalties, damages, costs or expenses resulting from Owner's failure to provide such retainer and obtain SERLC's participation in the Audit.

L. Recording. This instrument shall be recorded in timely fashion in the official records of Wilkes County, Georgia, and SERLC may re-record it at any time as may be required to preserve its rights under this Conservation Easement.

M. Notices. Any notices pursuant to this Conservation Easement must be: (i) in writing; (ii) addressed to the parties at their addresses shown hereinabove or to other address(es) as either party establishes in writing upon notification to the other; and (iii) via personal delivery, registered or certified mail (return receipt requested and postage prepaid), or nationally recognized overnight courier (with all fees prepaid). Owner acknowledges that Owner shall be liable for any and all damages arising out of Owner's failure to send or properly address any notices to SERLC pursuant to this Conservation Easement.

N. Mortgages; Deeds of Trust. All mortgages, deeds of trust and other liens or encumbrances upon all or any part of the Conservation Area that either come into existence or are recorded in the place for the recording of such liens or encumbrances after the date of this Conservation Easement will be subject to and subordinate to this Conservation Easement.

O. Compliance with Laws. Notwithstanding provisions hereof to the contrary, if any, Owner shall be solely responsible for complying with all federal, state and local laws and regulations in connection with the conduct of any use of the Conservation Area or the erection of any structure permitted hereunder, and Owner shall be solely responsible for obtaining any required permits, approvals and consents from the relevant governmental authorities in connection therewith.

P. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Conservation Easement. If any provision is found to be invalid, the remainder of the provisions of this Conservation Easement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

Q. Counterparts. This Conservation Easement may be executed in counterparts, each of which shall be deemed to be an original, and taken together shall constitute one and the same instrument.

TO HAVE AND TO HOLD unto the Southeast Regional Land Conservancy, Inc., its successors and assigns, forever. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Owner, its representatives, agents, successors and assigns, and shall continue as a servitude running in perpetuity with the Conservation Area.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals and caused these presents to be executed in their respective names by authority duly given, and their corporate seal affixed, the day and year above written.

Signed, sealed and delivered
In the presence of:

Melissa Cearfoss
Witness 1 Signature

Janet Axell Gingrich
Witness 2/Notary Signature

**SOUTHEAST REGIONAL LAND
CONSERVANCY, INC.**, a North Carolina
non-profit corporation [SEAL]

By: [Signature]
James C. Wright, Executive Director

STATE OF Georgia
COUNTY OF DeKalb

ACKNOWLEDGMENT

I, Janet Axell Gingrich, a Notary Public in and for said County and State do hereby certify that James C. Wright personally appeared before me this day and duly acknowledged that he is the Executive Director of Southeast Regional Land Conservancy, Inc. ("SERLC"), a North Carolina nonprofit corporation, and that by authority duly given and as the act of SERLC, the foregoing instrument was signed in its name.

WITNESS my hand and notarial seal, this 29th day of November, 2018.

Janet Axell Gingrich (SEAL)
Notary Public for DeKalb County, GA
My commission expires: 11/12/19



Signed, sealed and delivered
In the presence of:

Melissa Cearfoss
Witness 1 Signature

OWNER:
SMITH WOODS, LLC,
a Delaware limited liability company [SEAL]

By: True North Resources, LLC, a Florida limited liability company, Manager of Smith Woods, LLC

Janet Axell Gingrich
Witness 2/Notary Signature

By: [Signature]
Pieter van Staden, Managing Member

STATE OF Georgia
COUNTY OF DeKalb

ACKNOWLEDGMENT

I, Janet Axell Gingrich, a Notary Public in and for said County and State do hereby certify that Pieter van Staden personally appeared before me this day and duly acknowledged that (i) he is the Manager of True North Resources, LLC, a Florida limited liability company, (ii) True North Resources, LLC is the Manager of Smith Woods, LLC, a Delaware limited liability company, and (iii) by authority duly given, the foregoing instrument was signed in the name of Smith Woods, LLC.

WITNESS my hand and notarial seal, this 29th day of November, 2018.

Janet Axell Gingrich (SEAL)
Notary Public for DeKalb County, GA
My commission expires: 11/12/19



Exhibit "A"

Property Description

All that certain tract or parcel of land, lying and being in the 180th G.M.D. of Wilkes County, Georgia, containing 95.320 acres and being more fully described as follows:

Commencing at the Northeastern intersection of State Route #44 and Co. Road #132;
Thence 0.28 miles along the Eastern Right-of-Way (80' R/W) of Co. Paved Road #132 to the True Point of Beginning;
Thence along said R/W N 22°31'55" W a distance of 497.40' to a point;
Thence leaving said R/W N 43°15'45" E a distance of 636.61' to an IPF (1" Pipe);
Thence S 88°59'55" W a distance of 338.69' to an IPF (1-½" Pipe);
Thence N 53°56'30" W a distance of 311.65' to an IPS;
Thence N 81°33'50" W a distance of 223.51' to an IPF (2" Pipe);
Thence N 32°54'35" E a distance of 627.46' to an IPF (Bumper Jack);
Thence S 61°25'30" E a distance of 381.90' to an IPF (3" Pipe);
Thence N 50°14'30" E a distance of 342.66' to an IPS;
Thence N 25°14'30" E a distance of 231.04' to an IPS;
Thence N 65°00'05" W a distance of 311.22' to an IPF (1" Pipe);
Thence N 07°49'15" W a distance of 1670.65' to an IPF (#4 Rebar);
Thence S 83°16'55" E a distance of 1222.12' to an IPF (#4 Rebar);
Thence S 32°04'25" E a distance of 869.49' to an IPF (#4 Rebar w/ cap);
Thence S 23°33'30" W a distance of 1421.81' to an IPS;
Thence S 73°26'35" E a distance of 213.00' to an IPF (#4 Rebar);
Thence S 21°22'55" W a distance of 694.49' to an IPF (#4 Rebar);
Thence N 56°05'10" W a distance of 216.64' to an IPF (#4 Rebar);
Thence S 26°36'00" W a distance of 681.58' to an IPF (¾" Pipe);
Thence S 23°22'50" W a distance of 465.14' to an IPS;
Thence N 78°57'20" W a distance of 281.17' to an IPF (#4 Rebar);
Thence N 51°34'00" W a distance of 96.34' to the TRUE POINT OF BEGINNING;

The above described property is more particularly shown according to a survey by Land and Lake Surveying, PC (Aaron P. Blomberg, GA RLS #3100), dated May 30, 2018, entitled "Survey for Smith Woods, LLC".

Exhibit "C"

Reserved Area Map

**Note: The "Reserved Area Map" is an excerpt from the Survey, which is included here for the sole purpose of depicting the location of the Reserved Area within the Conservation Area.*

