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Attorneys for Plaintiffs, The Hollister Ranch Cooperative and the Hollister Ranch Owners' Association

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA BARBARA

ANACAPA DIVISION

TOM PAPPAS, et al., Plaintiffs, v. CALIFORNIA COASTAL CONSERVANCY, et al., Defendants.	Case No. 1417388 Assigned for All Purposes to the Honorable Colleen K. Sterne, Dept. SB5 **CLASS ACTION** **STIPULATION AND AGREEMENT OF SETTLEMENT BETWEEN THE HOLLISTER RANCH OWNERS' ASSOCIATION AND DEFENDANTS STATE OF CALIFORNIA COASTAL CONSERVANCY, CALIFORNIA COASTAL COMMISSION AND RANCHO CUARTA**

Plaintiff HOLLISTER RANCH OWNERS' ASSOCIATION ("HROA"), a non-profit mutual benefit corporation, and Defendants CALIFORNIA STATE COASTAL CONSERVANCY, an agency of the State of California, and the CALIFORNIA COASTAL COMMISSION, an agency of the State of California, (collectively, the "State"), and Defendant and Real Party in Interest Rancho Cuarta, a general partnership ("Rancho Cuarta"), (together, the State and Rancho Cuarta are referred to as the "Defendants," and together, HROA and the Defendants are referred to as the "Stipulating Parties"), enter into this stipulation and agreement of settlement (the "Agreement" or "Settlement Agreement"). This Agreement is intended by the Stipulating Parties hereto to fully, finally, completely, and unconditionally compromise, resolve

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and settle the above-captioned lawsuit and the Released Claims (defined below) as between the Stipulating Parties, subject to the terms and conditions set forth below and final approval by Court.

WHEREAS:

A. Hollister Ranch consists of approximately 14,500 acres of land along the Santa Barbara coast which has been an operating cattle ranch for over 100 years. In 1970, Hollister Ranch was subdivided into 135 parcels, each approximately 100 acres. After 1970, Parcel 136 was annexed as part of Hollister Ranch. 133 of these 136 parcels are privately owned by members of the HROA (the "Members"). There are an estimated 1,100 Members of the HROA. The HROA owns three of the 136 parcels.

B. In October 1980, the Commission approved the issuance of Coastal Development Permit No. 309-05 subject to certain conditions that the Commission determined were satisfied by the Young Men's Christian Association of Metropolitan Los Angeles (YMCA) when the YMCA executed on March 11, 1982 an Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as Instrument No. 82-17113 of the Official Records, County of Santa Barbara ("Offer to Dedicate").

C. On April 26, 2013, Defendant Conservancy recorded a Certificate of Acceptance as Instrument No. 2013-0028299 of the Official Records, County of Santa Barbara ("Certificate of Acceptance"). The purpose of the Certificate of Acceptance was to accept the Offer to Dedicate for various public access easements ("Access Easements") in and on the Hollister Ranch. The Offer to Dedicate was executed by the YMCA, a former owner of Parcel 136. Each of the alleged Access Easements described in the Certificate of Acceptance or Offer to Dedicate would burden property owned by HROA and the Members. Neither HROA, nor any of the Members (with the exception of the former owner of Parcel 136) consented to the recording of the Certificate of Acceptance or Offer to Dedicate.

D. On May 31, 2013, the above-captioned litigation was initiated by Tom Pappas, Tim Behunin, Trustee of the Behunin Family Trust, Patrick Connelly, The Hollister Ranch Cooperative, HROA, and the Members (as a class action) with the filing of a Complaint for Quiet

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Title, Cancellation, Declaratory and Injunctive Relief, Petition for Writ of Mandate and Other Relief in the Superior Court of the State of California for Santa Barbara County against the State of California, a public entity, State Coastal Conservancy (named as the California Coastal Conservancy), an agency of the State of California, California Coastal Commission, an agency of the State of California, County of Santa Barbara, a political subdivision of the State of California, and All Persons Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien, or Interest in the Property Described in the Complaint Adverse to Plaintiffs' Title, or Any Cloud on Plaintiffs' Title Thereto, and Does 1-100 Inclusive, Santa Barbara Superior Court Case No. 1417388 (the "Action").

E. On or about April 9, 2013, Defendant County of Santa Barbara adopted a resolution by which it declined to accept the benefits of the public access easements alleged to have been created by the Certificate of Acceptance of the Offer to Dedicate and subsequently entered into a settlement agreement similarly disavowing any interest under either the Offer to Dedicate or the Certificate of Acceptance. An Order Granting Final Approval of Class Action for Settlement with the County of Santa Barbara and a Judgment in favor of plaintiffs was entered on October 30, 2014.

F. On or about March 11, 2014, Rancho Cuarta was named as a Defendant and Real Party in Interest to this Action by way of the Second Amended Complaint in this Action.

G. The Stipulating Parties wish, on the terms set forth herein, to resolve their differences concerning the foregoing matters without resort to additional expensive and time-consuming litigation, the outcome of which would be uncertain. This Agreement shall not be construed or deemed to be a concession by any Party of any wrongdoing, fault, liability, or damage to any person or entity, or any infirmity in any claim or defense.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE MUTUAL PROMISES CONTAINED HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, WITHOUT ANY ADMISSION OR CONCESSION ON THE PART OF THE STIPULATING PARTIES, IT IS HEREBY STIPULATED AND

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AGREED, BY AND AMONG THE STIPULATING PARTIES AS FOLLOWS:

1. RULES OF CONSTRUCTION AND DEFINITIONS

As used in this Agreement, the following rules of construction and definitions apply to this Agreement, including the Exhibits to this Agreement.

1.1 The definitions contained in this Agreement apply to capitalized terms wherever those terms appear in this Agreement, including the prefatory paragraphs and recitals above, the sections below, and the Exhibits hereto. Capitalized terms have the meanings ascribed to them to the extent they are not otherwise defined in this Section. Each defined term stated in the singular shall include the plural and each defined term stated in the plural shall include the singular. Any pronoun stated in the masculine, feminine or neutral gender shall include all genders. The word "including" when used in this Agreement means "including but not limited to," and the words "include," "includes," and "included" shall be similarly construed. The words "herein," "hereof," "hereunder," and any other words of similar import, when used in this Agreement, refer to the entirety of the Agreement, including the Exhibits hereto.

1.2 "Action" means the claims brought in the above-captioned litigation.

1.3 "Approved Non-Profit Group" means a non-profit or not-for-profit entity that provides outdoor educational and recreational experiences, which has been vetted and approved by both Plaintiff and the Coastal Conservancy for participation in the Hollister Ranch Access Program. The Plaintiff and the Coastal Conservancy will consider the following factors when evaluating a potential Approved Non-Profit Group: proof of tax exempt or not for profit status, formal legal structure (e.g., not for-profit corporation or public entity), operational track record, financial responsibility, proof of adequate insurance coverage (as approved by Plaintiff and equivalent to at least $1,000,000 in liability in 2017), a mission to provide services to individuals such as the disabled, children, or underserved populations who would benefit from therapeutic, recreational, and/or educational experiences at the coast, and history of successful and close management/supervision of similar activities. The Plaintiff and the Coastal Conservancy will collaborate to notify and recruit a broad range of potential groups to apply for participation in the

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Non-Profit Access Program. Both the Plaintiff and the Coastal Conservancy have the power to disapprove a group, for any reason, at any time.

1.4 "Court" means the court in which the Action is pending.

1.5 "Coastal Commission" means the California Coastal Commission, an agency of the State of California.

1.6 "Coastal Conservancy" means the California State Coastal Conservancy, an agency of the State of California.

1.7 "Defendants" means the Coastal Commission, Coastal Conservancy, and Rancho Cuarta.

1.8 "Effective Date" means the date on which the Court enters the Stipulated Judgment attached as Exhibit 1.

1.9 "Execution Date" means the first date by which all of the Stipulating Parties have executed and delivered this Agreement. This Agreement shall be deemed delivered when the last Party sends an executed copy of this Agreement by electronic mail.

1.10 "Final" means the latest of: (i) the expiration of the time to appeal, or otherwise seek review of the relevant order or judgment as to which no appeal or review shall be pending; (ii) the final affirmance of the relevant order or judgment on appeal and the expiration of the time for a petition to review the affirmance of the relevant order or judgment on appeal, or if such petition is granted, the final affirmance of the relevant order or judgment following review pursuant to that grant; (iii) the final dismissal of any appeal from the relevant order or judgment or the final resolution of any proceeding to review any appeal from the relevant order or judgment without any material change thereto; or (iv) the date on which all rights to appeal, petition for certiorari, or move for reargument or rehearing as to the relevant order or judgment shall have been waived in writing.

1.11 "Hollister Ranch Managed Access Program" shall mean the Non-Profit Access Program and the Tidepool School Program operated by Plaintiff to provide supervised managed public access to the coast.

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1.12 "Non-Profit Access Program" is a part of the Hollister Ranch Managed Access Program, which provides public access opportunities on the beach at Hollister Ranch for certain Approved Non-Profit Groups.

1.13 An "Opportunity" means Plaintiff's good faith effort to make available an opportunity for at least 20 members of the public to enter Hollister Ranch and participate in a Hollister Ranch Managed Access Program. If (a) the event is cancelled due to circumstances beyond Plaintiffs' control such as weather or natural conditions or hazards, road closure, or fire, or (b) participants or the organization does not attend, Plaintiff has fulfilled its commitment to provide the individual Opportunity. Plaintiff has the sole discretion to determine whether conditions are inappropriate for public access at a given time, which discretion shall not be unreasonably exercised and Plaintiffs will make good faith efforts to reschedule cancelled Opportunities. A rescheduled Opportunity shall be counted as if it were the original, cancelled Opportunity and not a new Opportunity. Any (a) volunteers from Hollister Ranch or (b) support staff from the Approved Non-Profit Groups who do not participate in the public access program (such as transportation staff) do not count as members of the public for purposes of this definition. If Plaintiff offers to hold an event with at least 40 members of the public, and an Approved Non-Profit Group accepts that Opportunity, the event will count as two "Opportunities." Similarly, if an Approved Non-Profit Group accepts an invitation to hold an event with at least 60 members of the public, the event will constitute three "Opportunities."

1.14 "Plaintiff" means the HROA.

1.15 "Released Claims" means any past, present, or future claim, of any kind that has been or could be asserted by Plaintiff against any of the Released Parties, whether seeking damages or equitable relief, including costs, attorneys' fees and expenses of any nature whatsoever, whether known or Unknown (as defined below), asserted or unasserted, anticipated or unanticipated, that arise out of or are based on (i) the subject matters of the Action; or (ii) related to the events, allegations, facts, acts, omissions, or transactions referred to in the Complaint, or any subsequent pleading or amended complaint in the Action; provided, however, Released Claims

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shall not include (a) any claim arising out of the breach of this Agreement, or (b) any claim that has been specifically and expressly excluded from the release.

1.16 "Released Parties" means the Defendants, together with Defendants' subsidiaries, assigns, and the directors, officers, employees, agents and attorneys of the foregoing, but solely in their capacity as such for the Released Parties.

1.17 "Settlement" means the terms of this Settlement.

1.18 "Stipulating Parties" means the parties to this Agreement: Plaintiff HROA and Defendants.

1.19 The "Tidepool School Program" is a part of the Hollister Ranch Managed Access Program, which provides access opportunities for K-12th grade children to observe tidepools on Hollister Ranch for educational purposes.

1.20 "Unknown Claims" means any and all (i) Released Claims that Plaintiff is not aware of or does not suspect to exist, and which is in its favor at the time of the release of the Released Claims, and, (ii) if known by it might have affected its decision(s) to enter into this Settlement. With respect to any and all Released Claims, the Stipulating Parties stipulate and agree that upon the Effective Date, Plaintiff shall expressly waive and relinquish, to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by California Civil Code § 1542 and any federal law, any law of any state or territory of the United States, or any principle of common law, which is similar, comparable, or equivalent to California Civil Code § 1542. California Civil Code § 1542 provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

It is the intention of the Stipulating Parties that, notwithstanding the provisions of California Civil Code § 1542 or any similar provisions and notwithstanding the possibility that Plaintiff may discover or gain a more complete understanding of the facts, events or law that, if presently known or fully understood, would have affected the decision to enter into this Agreement, any

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and all Released Claims, including Unknown Claims, shall be fully, finally, and forever settled.

2. LICENSE AGREEMENT AND RELEASE OF CLAIMS AGAINST THE DEFENDANTS IN EXCHANGE FOR JUDGMENT QUIETING TITLE

2.1 Prior to the Effective Date, the HROA, the Coastal Commission and the Coastal Conservancy shall execute the License Agreement for public access to the Beach Area (as defined in the License Agreement), which is attached hereto as Exhibit 2. This Settlement Agreement is expressly contingent upon execution of the attached License Agreement by the HROA, the Coastal Commission, and the Coastal Conservancy.

2.2 Upon the Effective Date, the Plaintiff, on behalf of itself and each of its past or present officers, directors, employees, agents, representatives, partners, managers, members, affiliates, parents, subsidiaries, heirs, executors, administrators, successors and assigns, shall fully, finally, completely, and unconditionally release, acquit, discharge, compromise, resolve, settle, and waive all Released Claims against the Released Parties.

2.3 Plaintiff acknowledges and agrees that the Settlement with the Defendants represents a compromise of all possible damage claims including, but not limited to, temporary or permanent taking claims, attorneys' fees, costs, fines, statutory or civil penalties, emotional distress claims, personal injury claims, and any other tort, contract, consequential and/or punitive damages of any kind arising out of the matters alleged in the Action.

2.4 Within five days of the date on which the Final Judgment disposing of this action in its entirety becomes Final (as defined in Section 1.10), the State shall also execute and deliver to Plaintiff's Counsel the attached Quitclaim and Extinguishment of the Offer to Dedicate and Acceptance attached as Exhibit 3.

3. QUIET TITLE, CANCELATION, AND ACCESS TO DOCUMENTS

3.1 The State disavows, abandons, extinguishes, cancels, and disclaims any right, title, or interest whatsoever in or to Parcels 1 through 136 of the Hollister Ranch associated with or described in the Offer to Dedicate (Santa Barbara Co. Instrument No. 82-17113, recorded on April 28, 1982) or the Certificate of Acceptance (Santa Barbara Co. Instrument No. 2013-0028299, recorded on April 26, 2013). The State agrees that the Hollister Ranch Managed Access Program

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and License constitute complete compliance with special condition 1 of Coastal Development Permit number 309-05.

4. HOLLISTER RANCH MANAGED ACCESS PROGRAM

4.1 Plaintiff will provide Opportunities for members of the public to enter Hollister Ranch through the Hollister Ranch Managed Access Program. The Hollister Ranch Managed Access Program will consist of two elements: (1) Tidepool School Program for K-12th grade children and (2) Non-Profit Access Program.

4.2 Tidepool School Program: Starting in 2018 and continuing in perpetuity (subject to the limits of the Automatic Termination in Section 4.7), Plaintiff commits to provide at least 24 Opportunities annually for access to Hollister Ranch for the Tidepool School Program.

4.3 Non-Profit Access Program: Starting in 2019 and continuing in perpetuity (subject to the limits of the Automatic Termination in Section 4.7), Plaintiff commits to provide at least seven Opportunities annually for access to Hollister Ranch under the Non-Profit Access Program (in addition to the Tidepool School Program Opportunities). Within five years of the Effective Date and subject to Sections 4.5 and 4.6 below, Stipulating Parties commit to increase the Opportunities for Non-Profit Access Program in a phased manner to a total of 20 Opportunities per year, at least seven of which will be scheduled for weekend days. Plaintiff will host Approved Non-Profit Groups on beaches with appropriate facilities and features. The duration of the Opportunities offered by Plaintiff in the Non-Profit Access Program shall be at least four hours, but if the Approved Non-Profit Group does not utilize the entire time offered, Plaintiff will receive credit for offering the Opportunity. The duration of an Opportunity is measured between entry and exit from the Hollister Ranch gate. Any organization participating in the Hollister Ranch Managed Access Program must provide transportation to and from the Hollister Ranch, support and event management, supervision of participants to ensure safety and preservation of Hollister Ranch resources, certificate of proof of insurance coverage (as approved by Plaintiff and equivalent to at least $1,000,000 in liability in 2017), and clean-up services to the satisfaction of the Plaintiff.

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4.4 In 2018, Plaintiff shall conduct baseline survey of resources and facilities that will be used or affected by the Hollister Ranch Managed Program and shall obtain and establish any staffing, support services, infrastructure, and procedures it deems necessary to implement the Non-Profit Access Program on an ongoing basis.

4.5 The Coastal Conservancy and Plaintiff shall meet annually to discuss the Hollister Ranch Managed Access Program (i.e., the number of events, public solicitation process, participating entities, and numbers of participants) and coordinate regarding any modifications that may be needed to the program to reach the level of public participation described herein. At that meeting the Coastal Conservancy and Plaintiff shall evaluate the impacts associated with the intensity of use from the implementation of this Hollister Ranch Managed Access Program to important resources (i.e., environmental, coastal, cultural, and agricultural resources) at Hollister Ranch. Based on that evaluation, in an attempt to reduce potential impacts, the Coastal Conservancy and Plaintiff may agree to modify the activities or reduce the Opportunities associated with the Hollister Ranch Managed Access Program.

4.6 The Hollister Ranch Managed Access Program shall be funded with Coastal Conservancy funds collected through the Hollister Ranch in-lieu fee program and other funding sources that support increased public access to the California coast and to Hollister Ranch. The Coastal Commission and Coastal Conservancy will make good faith efforts to support the funding of the Hollister Ranch Managed Access Program (including Coastal Resources Enhancement Fund (CREF) funding).

4.7 The Plaintiff's commitment to host a Hollister Ranch Managed Access Program shall automatically terminate if and when any public entity initiates the condemnation process for any property within Hollister Ranch for the purposes of obtaining (a) public access or recreational use or (b) facilities associated with public access (Automatic Termination) by filing a condemnation action in court. Upon Automatic Termination, Plaintiff shall be entitled to deliver to the State notice of termination of the Hollister Ranch Managed Access Program in its entirety, and this notice shall not constitute a violation of any State law, including the California Coastal Act.

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5. REPRESENTATIONS AND WARRANTIES OF THE STIPULATING PARTIES

5.1 Each of the Stipulating Parties separately represents and warrants that it has the requisite power and authority to enter into this Agreement and to perform the obligations imposed on it by this Agreement.

5.2 Each of the Stipulating Parties separately represents and warrants that the execution and delivery of, and the performance of the obligations contemplated by this Agreement has been approved by duly authorized representatives of the Party.

5.3 Each of the Stipulating Parties separately represents and warrants that the Party has expressly authorized its undersigned representative to execute this Agreement on the Party's behalf as its duly authorized agent and that the Party has carefully read the Agreement, knows and understands the contents hereof, and is freely executing the Agreement.

5.4 Each of the Stipulating Parties separately represents and warrants that this Agreement has been thoroughly negotiated and analyzed by its counsel; that they agree to the terms of this Agreement based on the legal advice of their respective attorneys; that they have been afforded the opportunity to discuss the contents of this Agreement with their attorneys; that the terms and conditions of this Agreement are fully understood and voluntarily accepted; and that this Agreement has been executed and delivered in good faith, pursuant to arms' length negotiations, and for good and valuable consideration.

6. ENTIRE AGREEMENT

6.1 This Agreement and its Exhibits constitute a single integrated written contract that expresses the entire agreement and understanding between and among the Stipulating Parties with respect to matters that are the subject of this Agreement. If any material provision hereof is deemed unenforceable by a court of competent jurisdiction, then the Agreement as a whole shall be deemed terminated and null and void by written notice, and the rights and obligations of the Stipulating Parties shall be the same as if the Agreement were terminated and became null and void by written notice. Except as otherwise expressly provided herein, this Agreement supersedes all prior communications, discussions, negotiations, agreements, settlements, and understandings between the Stipulating Parties and their representatives regarding the matters addressed by this

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Agreement, whether oral or written, all of which are merged herein. Except as explicitly set forth in this Agreement, there are no representations, warranties, promises, statements, or inducements, whether oral, written, expressed, or implied, that in any way affect or condition the validity of this Agreement or alter or supplement its terms.

7. NOTICE

7.1 Any and all statements, communications, or notices to be provided pursuant to this Agreement shall be in writing and shall be deemed to have been given when sent by electronic mail or overnight delivery service, in each case to the appropriate address or electronic mail address set forth below. Such notices shall be sent to the individuals listed below, or to such other individuals as the respective Party may designate in writing by notice to the other Stipulating Parties from time to time.

To Plaintiff:

General Manager
Hollister Ranch Owners Association
#1000 Hollister Ranch
Rural Route
Gaviota, CA 93117
email: ranchmanager@hollisterranch.org

Beth Collins
Brownstein Hyatt Farber Schreck, LLP
1020 State Street St.
Santa Barbara, CA 93101
bcollins@bhfs.com

To the State:

Jamee Jordan Patterson
California Attorney General's Office
600 West Broadway, Suite 1800
San Diego, CA 92101

Chief Legal Counsel
California Coastal Commission
45 Fremont Street, 20th Floor
San Francisco, CA 94105-2219

Executive Officer
California State Coastal Conservancy
1515 Clay St., 10th Floor
Oakland, CA 94612

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

Legal Counsel
California State Coastal Conservancy
1515 Clay St, 10th Floor
Oakland, CA 94612

To Rancho Cuarta
Joseph Liebman, Esq.
4250 Mariposa Drive
Santa Barbara, CA 93110
email: jliebmanlaw@gmail.com

8. MISCELLANEOUS

8.1 Each Stipulating Party agrees to take such steps and to execute any documents as may be reasonably necessary or proper to effectuate the purpose and intent of this Agreement and to preserve its validity and enforceability. In the event that any action or proceeding of any type whatsoever is commenced or prosecuted by any person or entity not a Stipulating Party hereto to invalidate, interpret, or prevent the validity, enforcement, or carrying out of all or any of the provisions of this Agreement, the Stipulating Parties mutually agree, represent, warrant, and covenant to cooperate fully in opposing such action or proceeding.

8.2 None of the Stipulating Parties shall be considered the drafter of this Agreement. The Stipulating Parties agree that they negotiated this Agreement at arm's length and in good faith, with each Party receiving advice from independent legal counsel.

8.3 All of the Exhibits attached hereto are hereby incorporated by reference as if fully set forth herein.

8.4 Titles and captions contained in this Agreement are inserted only as a matter of convenience and are for reference purposes only. Such titles and captions in no way are intended to define, limit, expand or describe the scope of this Agreement, nor the intent of any provision thereof. The recitals contained herein are contractual in nature and form a material part of this Agreement.

8.5 Except as expressly set forth herein, all Stipulating Parties shall bear their own costs and expenses incurred in connection with implementing the terms of this Agreement and every aspect of the Settlement.

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8.6 No breach of any provision hereof can be waived by any Stipulating Party unless in writing. The waiver by one Stipulating Party of any breach of this Agreement by any other Stipulating Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

8.7 This Agreement cannot be amended, altered or modified except by a written agreement duly executed by each Stipulating Party to be charged or its heirs, successors, duly authorized representative, or assigns.

8.8 This Agreement may be executed in counterpart originals, all of which, when so executed and taken together, shall be deemed an original and all of which shall constitute one and the same instrument. Each counterpart may be delivered by email (as a pdf attachment), and an emailed signature shall have the same force and effect as an original signature.

8.9 The Stipulating Parties agree that they shall not transfer or assign any claims within the scope of the releases contained in this Agreement.

8.10 This Settlement Agreement shall be binding upon and shall inure to the benefit of the Stipulating Parties and their respective successors, assignees, heirs, and personal representatives.

8.11 The Court shall retain jurisdiction over the Stipulating Parties to this Agreement with respect to the future performance of the terms of this Agreement pursuant to Code of Civil Procedure section 664.6.

8.12 Concurrent with execution of this Settlement Agreement, the Stipulating Parties shall execute a separate stipulation, by which the Stipulating Parties shall agree, pursuant to Code of Civil Procedure section 583.330(a), to extend the 5-year deadline to prosecute set forth in Code of Civil Procedure section 583.310 for a period of one year, and expressly waive their right to mandatory dismissal of the Action during that period. The purpose of the stipulation is to allow the parties the necessary time to certify the settlement class and file a Motion for Approval of the Class Action Settlement. The Stipulating Parties shall work in good faith to diligently pursue certification of the class and approval of the class action settlement.

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IN WITNESS WHEREOF the Stipulating Parties have executed this Agreement on the date(s) indicated below.

Dated: 12/6, 2017

HOLLISTER RANCH OWNERS' ASSOCIATION

BY: Monte R Ward
PRESIDENT BOARD OF DIRECTORS

Dated: _____, 2017

STATE COASTAL CONSERVANCY

BY: _____
SAMUEL SCHUCHAT, EXECUTIVE OFFICER

Dated: _____, 2017

CALIFORNIA COASTAL COMMISSION

BY: _____
NAME:
TITLE:

Dated: _____, 2017

RANCHO CUARTA

BY: _____
NAME:
TITLE:

APPROVED AS TO FORM:

Dated: _____, 2017

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: _____
STEVEN A. AMERIKANER
BETH COLLINS-BURGARD
Attorney for Plaintiff The Hollister Ranch Owners' Association

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

IN WITNESS WHEREOF the Stipulating Parties have executed this Agreement on the date(s) indicated below.

Dated: _____, 2017

HOLLISTER RANCH OWNERS' ASSOCIATION

BY: _____
PRESIDENT BOARD OF DIRECTORS

Dated: _____, 2017

STATE COASTAL CONSERVANCY

BY: _____
SAMUEL SCHUCHAT, EXECUTIVE OFFICER

Dated: _____, 2017

CALIFORNIA COASTAL COMMISSION

BY: _____
NAME:
TITLE:

Dated: 8 DECEMBER, 2017

RANCHO CUARTA

BY: _____
NAME: JONATHAN SHIELDS
TITLE: GENERAL PARTNER

APPROVED AS TO FORM:

Dated: _____, 2017

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: _____
STEVEN A. AMERIKANER
BETH COLLINS-BURGARD
Attorney for Plaintiff The Hollister Ranch Owners' Association

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

IN WITNESS WHEREOF the Stipulating Parties have executed this Agreement on the date(s) indicated below.

Dated: _____, 2017

HOLLISTER RANCH OWNERS' ASSOCIATION

BY:_____
PRESIDENT BOARD OF DIRECTORS

Dated: 4/30, 2017

STATE COASTAL CONSERVANCY

BY:_____
SAMUEL SCHUCHAT, EXECUTIVE OFFICER

Dated: _____, 2017

CALIFORNIA COASTAL COMMISSION

BY:_____
NAME:
TITLE:

Dated: _____, 2017

RANCHO CUARTA

BY:_____
NAME:
TITLE:

APPROVED AS TO FORM:

Dated: _____, 2017

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By:_____
STEVEN A. AMERIKANER
BETH COLLINS-BURGARD
Attorney for Plaintiff The Hollister Ranch Owners' Association

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

IN WITNESS WHEREOF the Stipulating Parties have executed this Agreement on the date(s) indicated below.

Dated: _____, 2017

HOLLISTER RANCH OWNERS' ASSOCIATION

BY: _____
PRESIDENT BOARD OF DIRECTORS

Dated: _____, 2017

STATE COASTAL CONSERVANCY

BY: _____
SAMUEL SCHUCHAT, EXECUTIVE OFFICER

Dated: NOVEMBER 28, 2017

CALIFORNIA COASTAL COMMISSION

BY: _____
NAME: JOHN AINSWORTH
TITLE: EXECUTIVE DIRECTOR

Dated: _____, 2017

RANCHO CUARTA

BY: _____
NAME:
TITLE:

APPROVED AS TO FORM:

Dated: _____, 2017

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: _____
STEVEN A. AMERIKANER
BETH COLLINS-BURGARD
Attorney for Plaintiff The Hollister Ranch Owners' Association

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

Dated: November 28, 2017

XAVIER BECERRA, ATTORNEY GENERAL OF THE STATE OF CALIFORNIA

By: Jamee Jordan Patterson
JAMEE JORDAN PATTERSON, Supervising Deputy Attorney General
Attorneys for Defendants State Coastal Conservancy and California Coastal Commission

Dated: _____, 2017

LAW OFFICES OF JOSEPH LIEBMAN

BY: _____
JOSEPH LIEBMAN
Attorney for Defendant and Real Party in Interest Rancho Cuarta

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

Dated: _____, 2017

XAVIER BECERRA, ATTORNEY GENERAL OF THE STATE OF CALIFORNIA

By: _____
JAMEE JORDAN PATTERSON, Supervising Deputy Attorney General
Attorneys for Defendants State Coastal Conservancy and California Coastal Commission

Dated: 12/8/17, 2017

LAW OFFICES OF JOSEPH LIEBMAN

BY: _____
JOSEPH LIEBMAN
Attorney for Defendant and Real Party in Interest Rancho Cuarta

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

EXHIBIT 1

STEVEN A. AMERIKANER (State Bar No. 56446)
BETH COLLINS-BURGARD (State Bar No. 222108)
HILLARY STEENBERGE (State Bar No. 270794)
BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2706
Telephone: 805.963.7000
Facsimile: 805.965.4333
Attorneys for Plaintiff the Hollister Ranch Owners' Association

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA BARBARA

ANACAPA DIVISION

TOM PAPPAS, et al., Plaintiffs, v. STATE COASTAL CONSERVANCY, et al., Defendants.	Case No. 1417388 Assigned for All Purposes to the Honorable Colleen K. Sterne, Dept. SB5 **STIPULATION FOR ENTRY OF JUDGMENT; [PROPOSED] JUDGMENT**

Plaintiff Hollister Ranch Owners' Association, and by and through its counsel of record, Beth Collins-Burgard of Brownstein Hyatt Farber Schreck, LLP, and Defendants State Coastal Conservancy and California Coastal Commission, by and through their counsel of record, Jamee Jordan Patterson, Supervising Deputy Attorney General, and Defendant and Real Party in Interest Rancho Cuarta, by and through its counsel of record, Joseph Liebman, Esq., (collectively, the "Stipulating Parties"), hereby request, agree and stipulate as follows:

WHEREAS, on May 31, 2013, the above-captioned litigation was initiated by Tom Pappas, Tim Behunin, Trustee of the Behunin Family Trust, Patrick Connelly, The Hollister Ranch Cooperative, the Hollister Ranch Owners' Association, and a putative class representing owners in Hollister Ranch with the filing of a Complaint for Quiet Title, Cancellation, Declaratory and Injunctive Relief, Petition for Writ of Mandate and Other Relief in the Superior Court of the State of California for Santa Barbara County against the State of California, a public

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entity, California State Coastal Conservancy, an agency of the State of California, California Coastal Commission, an agency of the State of California, County of Santa Barbara, a political subdivision of the State of California, and All Persons Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien, or Interest in the Property Described in the Complaint Adverse to Plaintiffs' Title, or Any Cloud on Plaintiffs' Title Thereto, and Does 1-100 Inclusive, Santa Barbara Superior Court Case No. 1417388 (the "Action");

WHEREAS, the Stipulating Parties wish, on the terms set forth herein and in that certain Stipulation and Agreement of Settlement Between the Hollister Ranch Owners' Association and Defendants State Coastal Conservancy, California Coastal Commission and Rancho Cuarta ("Settlement Agreement") attached hereto as Exhibit 1 (which describes the Hollister Ranch Managed Access Program) and the Public Access License Agreement attached hereto as Exhibit 2, to resolve their differences concerning the Action without resort to additional expensive and time-consuming litigation; and

WHEREAS, the Stipulating Parties have entered into this Stipulation for Entry of Judgment freely and voluntarily out of their desire to avoid the risk, inconvenience and expense of litigation, and to fully and finally resolve the legal claims subject to the Action.

NOW, THEREFORE, in consideration of the foregoing, the Stipulating Parties, through their respective attorneys of record, do hereby REQUEST, AGREE, AND STIPULATE as follows:

1. When the Final Judgment (which disposes of all claims, by all Plaintiffs in this action in its entirety) becomes Final, Defendants CALIFORNIA COASTAL COMMISSION, STATE COASTAL CONSERVANCY, and RANCHO CUARTA (collectively, "Defendants") disavow, abandon, extinguish, cancel and disclaim any interest whatsoever in or to any easements or other interest for public access or public recreation in, to, over, under, or through any property in Hollister Ranch (described in Exhibit 3) as a result of that certain document entitled Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as instrument number 82-17113 in the office of the County Recorder of Santa Barbara County ("OTD"), or that certain document entitled the Certificate of Acceptance, recorded on April 26,

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2013 as instrument number 2013-0028299 in the office the County Recorder of Santa Barbara County ("Acceptance"). The State agrees that the Hollister Ranch Managed Access Program and Public Access License Agreement constitute complete compliance with special condition 1 of Coastal Development Permit number 309-05.

2. "Final" means the latest of: (i) the expiration of the time to appeal, or otherwise seek review of the relevant order or judgment as to which no appeal or review shall be pending; (ii) the final affirmance of the relevant order or judgment on appeal and the expiration of the time for a petition to review the affirmance of the relevant order or judgment on appeal, or if such petition is granted, the final affirmance of the relevant order or judgment following review pursuant to that grant; (iii) the final dismissal of any appeal from the relevant order or judgment or the final resolution of any proceeding to review any appeal from the relevant order or judgment without any material change thereto; or (iv) the date on which all rights to appeal, petition for certiorari, or move for reargument or rehearing as to the relevant order or judgment shall have been waived in writing.

3. Judgment shall be recorded in the office of the County Recorder of Santa Barbara when the Final Judgment (which disposes of all claims, by all Plaintiffs in this action in its entirety) becomes Final. The Judgment shall declare that Defendants have no right, title, or interest whatsoever in or to any easements or other interest for public access or public recreation in, to, over, under, or through any property in Hollister Ranch (which property is described in Exhibit 2) as a result of the OTD or Acceptance, other than interests granted by way of that certain document titled Public Access License Agreement, entered into and dated as of _____, between the Hollister Ranch Owners Association and the California State Coastal Conservancy.

4. Defendants shall execute and deliver to Plaintiffs' counsel the Quitclaim and Extinguishment of Offer to Dedicate and Abandonment of Permit and Certificate of Acceptance attached to the Settlement Agreement, as required therein.

5. As part of the Judgment, the Court shall retain jurisdiction to enforce the terms of, administration, and determination of any controversies relating to the Judgment, the Public

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Access License Agreement, and the Settlement Agreement, and any and all claims asserted in, arising out of, or related to the subject matter of the Action, in accordance with the provisions of section 664.6 of the Code of Civil Procedure.

6. A Judgment shall be entered in this matter according to the above terms. The Judgment shall be a final disposition of the Action as between the Stipulating Parties and is immediately appealable.

IT IS REQUESTED, AGREED, AND SO STIPULATED.

Dated: _____, 2017

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: _____
STEVEN A. AMERIKANER
BETH COLLINS-BURGARD
Attorney for Plaintiff the Hollister Ranch Owners' Association

Dated: _____, 2017

XAVIER BECERRA, ATTORNEY GENERAL OF THE STATE OF CALIFORNIA

By: _____
JAMEE JORDAN PATTERSON, Supervising Deputy Attorney General
Attorneys for Defendants State Coastal Conservancy and California Coastal Commission

Dated: 12/8/17, 2017

LAW OFFICES OF JOSEPH LIEBMAN

BY: _____
JOSEPH LIEBMAN
Attorney for Defendant and Real Party in Interest Rancho Cuarta

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Santa Barbara, CA 93101-2711

[PROPOSED] JUDGMENT

FOR GOOD CAUSE SHOWN, and it appearing to the Court that the Stipulating Parties have stipulated that judgment as hereinafter set forth may be entered, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. Defendants CALIFORNIA COASTAL COMMISSION, STATE COASTAL CONSERVANCY, and RANCHO CUARTA (collectively, "Defendants") have no right, title, or interest whatsoever in or to any easements or other interest for public access or public recreation in, to, over, under, or through associated with or described in that certain document entitled Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as instrument number 82-17113 in the office of the County Recorder of Santa Barbara County ("OTD"), or as described in that certain document entitled the Certificate of Acceptance, recorded on April 26, 2013 as instrument number 2013-0028299 in the office the County Recorder of Santa Barbara County ("Acceptance") (Plaintiffs and Defendants collectively referred to herein as the "Stipulating Parties"). The State agrees that the Hollister Ranch Managed Access Program and Public Access License Agreement constitute complete compliance with special condition 1 of Coastal Development Permit number 309-05.

2. Through this Judgment Defendants shall have no right, title, or interest whatsoever in or to any easements or other interest for public access or public recreation in, to, over, under, or through any property in Hollister Ranch (which are described in Exhibit 2) as a result of the OTD or Acceptance, other than interests granted by way of that certain document titled Public Access License Agreement, entered into between the Hollister Ranch Owners Association and the California State Coastal Conservancy and dated as of _____.

3. When the Final Judgment (which disposes of all claims, by all Plaintiffs in this action in its entirety) becomes Final, this Judgment shall be recorded in favor of all owners of property within Hollister Ranch in the office of the County Recorder of Santa Barbara.

4. Defendants also shall execute and deliver to Plaintiffs' counsel the Quitclaim and Extinguishment of the Offer to Dedicate and Acceptance attached to the Settlement Agreement as required therein.

5. As part of this Judgment, the Court retains jurisdiction to enforce the terms of, administration, and determination of any controversies relating to this Judgment, the Public Access License Agreement, and the Settlement Agreement, and any and all claims asserted in, arising out of, or related to the subject matter of the lawsuit, in accordance with the provisions of section 664.6 of the Code of Civil Procedure.

6. This Judgment is a final disposition of the above-captioned action as between the Stipulating Parties and is immediately appealable.

IT IS SO ORDERED.

Dated: _____

_____
JUDGE OF THE SUPERIOR COURT

BROWNSTEIN HYATT FARBER SCHRECK, LLP
1020 State Street
Santa Barbara, CA 93101-2711

EXHIBIT 2

RECORDING REQUESTED BY
Brownstein Hyatt Farber Schreck, LLP

AND WHEN RECORDED, RETURN TO:
Beth Collins-Burgard
Brownstein Hyatt Farber Schreck, LLP
1020 State Street
Santa Barbara, CA 93101

THIS SPACE RESERVED FOR RECORDER ONLY
(Gov. Code § 27361.6)

PUBLIC ACCESS LICENSE AGREEMENT

APN:

THIS LICENSE AGREEMENT (**Agreement**) is made and entered into this __ day of _____, 2017 (**Effective Date**), by and between the **Hollister Ranch Owners' Association,** a California a non-profit mutual benefit corporation (**Licensor**), and **the California Coastal Commission** (**Commission**), an agency of the State of California and the **State of California Coastal Conservancy** (**Conservancy**), an agency of the State of California (the Commission and the Conservancy are referred to herein as **State**). Licensor and State are sometimes in this Agreement referred to individually as a **Party** and together as the **Parties**.

RECITALS

WHEREAS, Hollister Ranch is an approximately 14,500-acre common interest development in Santa Barbara County, more particularly described on Exhibit A (**Ranch**).

WHEREAS, the owners of all the properties within the Ranch share easements over the Ranch Parcel 104 (more particularly described on Exhibit B), which is owned in fee by the Licensor (**Beach Parcel**).

WHEREAS, in October 1980, the Commission approved the issuance of Coastal Development Permit No. 309-05 subject to certain conditions that Commission staff determined were satisfied by the Young Men's Christian Association of Metropolitan Los Angeles (YMCA) when the YMCA executed on March 11, 1982 an Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as Instrument No. 82-17113 of the Official Records, County of Santa Barbara (**Offer to Dedicate**).

WHEREAS, on April 26, 2013, the Conservancy recorded a Certificate of Acceptance as Instrument No. 2013-0028299 of the Official Records, County of Santa Barbara (**Certificate of Acceptance**). The purpose of the Certificate of Acceptance was to accept the **Offer to Dedicate** that offered various public access easements in and on the Ranch.

WHEREAS, on May 31, 2013, Licensor, along with other Plaintiffs, filed a Complaint for Quiet Title, Declaratory and Injunctive Relief and Other Relief in the Superior Court of the State of California for Santa Barbara County against the State in the case of *Pappas, et al. v.*

State of California, et al., Case no. 1417388 (**Lawsuit**).

WHEREAS, on _____, Licensor, along with the other Plaintiffs, reached a settlement agreement with the State in the Lawsuit, by which Licensor agreed to grant a limited license to the State for the purpose of public access.

WHEREAS, pursuant to such settlement agreement, Licensor has agreed to license to the Conservancy, for the benefit of the People of the State of California (collectively, the **Licensees**) the right to use a portion of the Beach Parcel more particularly described in attached Exhibit C (**License Area**), subject to the provisions of this Agreement as set forth below. Under no circumstances is any public access granted by this License outside of property owned by Plaintiff or landward of the railroad right of way or outside of the License Area.

WHEREAS, Licensor has the requisite power and authority to enter into this Agreement and grant this License.

NOW, THEREFORE, for valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties agree as follows:

1. **Grant of License and Conditions Precedent to Effectiveness of the Grant**. Licensor grants to Licensees a non-exclusive license (**License**), pursuant to the terms of this Agreement and the Use Restrictions (defined below) contained herein, for passive recreational use of the License Area (and for no other purpose). Passive recreational use means activities normally associated with beach use (e.g. walking, swimming, jogging, sunbathing, and surfing), and does not include any uses prohibited by other provisions of this License. Access to other areas of the Ranch is not permitted under this License Agreement.

2. **Use of License Area by Licensees**. The following restrictions shall apply to use of the License Area under this License by Licensees (**Use Restrictions**).

(i) Licensees may access the License Area from the ocean only. Licensees shall not be permitted to access or enter any other portion of the Ranch to reach the License Area.

(ii) Licensees may access and use the License Area only between the hours of sunrise and sunset, as published by the United States Naval Observatory.

(iii) No overnight camping shall be permitted in the License Area.

(iv) No commercial activities shall be permitted on the License Area. "Commercial activities" include (a) the sale or rental of goods or services, (b) the storage of materials or erection of temporary structures associated with the commercial operation, and (c) commercial activities inconsistent with the Purpose of this License. This provision does not prohibit transporting members of the public to the License Area in vessels that are allowed to be temporarily parked in the License Area pursuant to Paragraph 2(xiii) of this License. In the event Licensor determines that a particular use is a "commercial use" prohibited by this provision, and the Executive Officer of the Conservancy disagrees with that determination, and

the Parties are unable to reach a compromise, the Parties agree that any such dispute shall be resolved by mediation.

(v) No fires, smoking, fireworks, barbeques, flammable liquids, weapons, glass containers, shooting, hunting, or cooking shall be permitted on the License Area.

(vi) No use of unmanned flying devices, including, but not limited to, drones, shall be permitted on the License Area.

(vii) No urination, defecation, or nudity shall be permitted on the License Area.

(viii) No objects shall be removed from the License Area, including, but not limited to, sand, shells, habitat resources or species, and archaeological and cultural resources.

(ix) No alcohol shall be permitted on the License Area.

(x) No littering shall be permitted on the License Area.

(xi) No animals shall be permitted on the License Area except as provided by law, such as leashed service or guide dogs.

(xii) Licensees shall respect and not disturb any natural resources, sensitive habitats, and scientific study areas.

(xiii) Licensees shall not be permitted to use or park motorized vehicles, horses, bicycles, boats, water craft, or similar items on the License Area, provided that Licensees may temporarily park or use surfboards, paddleboards, kayaks not to exceed 16 feet in length and soft bottomed boats not to exceed 12 feet in length to access the License Area.

(xiv) Licensees must comply with all State, Federal, and Local statutes, regulations, and ordinances.

3. **Enforcement of the Use Restrictions**. Any violations of the Use Restrictions shall constitute a trespass, which shall be enforceable through 1) a warning issued by Licensor's private security or 2) if the warning is not complied with or ignored a second time, ejectment by public law enforcement and shall be subject to any applicable penalties. Licensor shall report in writing any violations to the Commission and Conservancy within 10 days of the violation. Any individual Licensee who violates the Use Restrictions more than three times in twelve months may be barred from using the License Area by Licensor for a period time reasonably proportional to the severity of the violations. Any commercial operation that has employees which violate the Use Restrictions or that brings members of the public to the License Area which violate the Use Restrictions more than three times in twelve months may be barred from bringing members of the public to the License Area by the Licensor for a period of time reasonably proportional to the severity of the violations. The Licensor shall report its decision to the Executive Director of the Commission and the Executive Officer of the Conservancy who

may (a) object within 30 days on the ground that the duration of the prohibition is excessive and (b) propose an alternative to barring the individual from or the commercial operation's use of the License Area. In the event that Licensor disputes the Executive Director's or Executive Officer's decision and the Parties are unable to reach a compromise, the Parties hereto agree that any such dispute shall be resolved by mediation. If mediation does not resolve the matter, either Party may bring the dispute to the Court. Judicial review of the dispute will be *de novo* and any judicial determination will be based on the severity of the violations of the Use Restrictions and the totality of the circumstances, relying on the plain language of the License supported by established principles of contract interpretation. The Court may not award monetary damages.

4. Warning to Licensees. The License Area includes tides, waves, currents, rocks, predators and other dangerous organisms, falling rocks from coastal bluffs, unstable soils, rocks, seawalls and other improvements, cliff erosion, and other coastal hazards that may be dangerous to Licensees. Licensees shall use and access the License Area at their own risk. In accepting the benefits of this License, Licensees waive any claims for death or bodily injury against Licensor and its member, officers, agents, and contractors, other than claims arising out of intentional conduct or gross negligence of Licensor.

5. Licensor's Use of the License Area. The Parties agree that this is a non-exclusive License, and Licensor reserves the right to use the License Area for any purpose and to convey use and access rights to others. In the event Licensor conveys use and access rights to others, Licensor shall require those others to share equally in the maintenance costs. Notwithstanding the foregoing, Licensor and any others to whom it conveys use or access rights shall not interfere with Licensees' use of the License Area.

6. Civil Code Section 846. It is the Parties' intention that Civil Code Section 846 will apply to the License Area and Licensees' recreational use of the License Area.

7. Purpose of the License. The purpose of this License and its Use Restrictions is to grant public access to a portion of the Hollister Ranch beach consistent with public safety needs and the need to protect public rights, rights of private property owners, cultural resources, and natural resources from over use.

8. State's Agreement to Indemnify Licensor. During the term of this License and to the extent permitted by law, the Conservancy shall indemnify, defend, protect, and hold Licensor and Licensor's members, employees, contractors, and agents (Indemnified Parties) harmless from and against any and all claims, proceedings, lawsuits, liabilities, or damages (Damages), that arise out of, or relate to, use or attempted use of the License Area by Licensees pursuant to this Agreement, except to the extent that such Damages arise from Indemnified Parties' negligence or willful misconduct. In the event that any Damages are caused by the joint negligence of Indemnified Parties and any other entity, the Conservancy's indemnification and defense obligations contained herein shall be proportionally reduced based on the Indemnified Parties' percentage of fault, as determined by a court of competent jurisdiction.

9. **Licensor's Agreement to Indemnify State.** During the term of this License and to the extent permitted by law, Licensor shall indemnify, defend, protect, and hold the State and State's employees, contractors, and agents harmless from and against any and all Damages that arise from Licensor's willful or malicious failure to guard against a dangerous condition, use, structure or activity within the License Area related in any way to the access granted by this License.

10. **Maintenance and Assignment**. The Conservancy and Licensor shall share in maintenance costs associated with Licensee's use of the License Area. Subject to the prior written approval of Licensor, the State may transfer or assign this License (including all rights and obligations contained herein) or any of the State's duties and obligations hereunder to California Department of Parks and Recreation, the County of Santa Barbara, or to a non-profit with history of or strong potential for effective collaboration with Hollister Ranch, whose purposes are consistent with the purposes of this License. This License is otherwise not assignable by the State, and any attempt to assign or transfer this License shall terminate it.

11. **Permissive Use Only**. This license is entered into in accordance with Civil Code Section 813. The right of Licensees to make any use whatsoever of the License Area, or any portion thereof (in addition to or other than the uses permitted herein), shall be deemed permission from, and subject to control of, Licensor. The Licensor shall exercise its control in a manner that is consistent with the terms of this License. This License is not a grant of easement rights, dedication, or an agreement to adjust any property lines of record.

12. **Signs and Fencing; Public Notice**. Prior to the opening of the License Area for public use, Licensor and the State shall prepare and implement a Fencing and Sign plan. This Fencing and Sign plan, which must be approved by the Commission and Licensor, shall describe proposed development on or near the License Area that will facilitate safe and appropriate use by the public and protect private property. This development will include fencing to prevent trespass and signage detailing Use Restrictions, demarcation of boundaries of the License Area, warnings about the location of sensitive natural resources, and warnings about certain unsafe conditions.

13. **Termination**. This License shall automatically terminate if and when any public entity initiates the condemnation process for any property within the Ranch for the purposes of obtaining (a) public access or recreational use or (b) facilities associated with public access (**Automatic Termination**) by filing a condemnation action in court. Upon Automatic Termination, Licensor shall be entitled to deliver to the State a notice of revocation under Civil Code Section 813 or any other applicable law, and no such notice of revocation shall constitute a violation of any State law, including the California Coastal Act. With the exception of an Automatic Termination as provided in this Section 13, this License shall be irrevocable.

14. **Violation of Agreement.** If Licensor, its members, guests or private security engages in conduct that substantially prevents Licensee's use of the License Area as authorized by this Agreement, such conduct shall be deemed a violation of this Agreement. If Licensor, its members, guests, or private security fails to remedy such violation, such violation shall be

enforceable against the offending Licensor, member, guest or private security as a violation of the Coastal Act and any other applicable laws. Any penalties or enforcement under this provision shall be consistent with the requirements and procedures of the Coastal Act.

15. Miscellaneous Provisions

15.1 Enjoyment of License Area by Licensee. It is expressly acknowledged and agreed by the Parties that no additional access to the License Area or construction of temporary or permanent facilities on the License Area is necessary or incidental to the use or enjoyment of the License by Licensee.

15.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

15.3 Heading and Titles. The captions of the articles or sections of this Agreement are only to assist the parties in reading this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

15.4 Binding Agreement. This Agreement and all of its provisions shall be binding upon the Parties, their assigns, and successors-in-interest, as applicable.

15.5 Interpretation. Whenever required by the context of this Agreement, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the obligations, conduct, acts or omissions of Licensor or State, the terms "Licensor" or "State" shall include Licensor's or State's officers, agents, employees, contractors, successors, subtenants or assigns. This Agreement shall be construed as though mutually drafted by Licensor and State.

15.6 Time is of the Essence. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

15.7 Severability. If any term or provision of this Agreement shall be held invalid or unenforceable to any extent under any applicable law by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15.8 Integration and Amendment. This instrument constitutes the entire agreement between Licensor and State relative to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and communications, verbal or written, between Licensor and State pertaining to the issues herein. This instrument may be amended only by an instrument in writing signed by both Licensor and State.

15.9 Incorporation of Recitals. The introductory recitals set forth above from the material part of this Agreement are incorporated by reference.

15.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

15.11 Exhibits. All exhibits attached to this Agreement are incorporated herein by reference as though fully set forth.

15.12 Jurisdiction and Venue. All Parties to this Agreement hereby agree that, unless the other party consents to or chooses another forum, the state with jurisdiction over any disputes arising out of or relating to this Agreement shall be California, and the sole location for proper venue shall be in Santa Barbara County, California.

15.13 Continuing Jurisdiction. The Court shall retain jurisdiction over the Parties to enforce the terms of, administration, and determination of any controversies relating to the License Agreement, and any and all claims asserted in, arising out of, or related to the subject matter of the lawsuit, in accordance with the provisions of section 664.6 of the Code of Civil Procedure.

15.14 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified United States mail, postage prepaid, return receipt requested, or sent by email (with delivery and read receipts requested) or fax, and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if mailed, four (4) business days after the date of posting by the United States post office, , or (iii) if given by email or fax, when sent.

To Licensor:
General Manager
Hollister Ranch Owners Association
#1000 Hollister Ranch
Rural Route
Gaviota, CA 93117
email: ranchmanager@hollisterranch.org

Beth Collins
Brownstein Hyatt Farber Schreck, LLP
1020 State Street Street
Santa Barbara, CA 93101
email: bcollins@bhfs.com

To State:

Jamee Jordan Patterson
California Attorney General's Office
600 West Broadway, Suite 1800
San Diego, CA 92101
fax: (619) 645-2271

Chief Legal Counsel
California Coastal Commission
45 Fremont Street, 20th Floor
San Francisco, CA 94105-2219
fax: (415) 904-5400

Executive Officer
California State Coastal Conservancy
1515 Clay St., 10th Floor
Oakland, CA 94612
fax: (510) 286-0470

Legal Counsel
California State Coastal Conservancy
1515 Clay St, 10th Floor
Oakland, CA 94612
fax: (510) 286-0470

Notice of change of address shall be given by written notice in the manner detailed in this Paragraph. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first above written.

LICENSOR:
Hollister Ranch Owners' Association

By: Monte R Ward
Print: MONTE R. WARD

STATE:

California Coastal Commission

By: _____
Print: _____

State Coastal Conservancy

By: _____
Print: _____

ACKNOWLEDGMENT

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

On _____ before me, _____, Notary Public (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (SEAL)
Notary Public

ACKNOWLEDGMENT

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

On _____ before me, _____, Notary Public (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (SEAL)
Notary Public

Exhibit A

Parcel A
Parcels 1 through 49, inclusive, of Parcel Map of the Hollister Ranch, Phase I, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 8, Pages 45 through 57, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-660-001 through 020, inclusive
APNs 083-660-023 through 033, inclusive
APNs 083-670-001 through 018, inclusive

Parcel B
Parcels 50 through 104, inclusive, of Parcel Map of the Hollister Ranch, Phase II, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 9 through 17, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-680-001 through 034, inclusive
APNs 083-690-001 through 022, inclusive

Parcel C
Parcels 105 through 135, inclusive, of Parcel Map of the Hollister Ranch, Phase III, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 32 through 39, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-070-001 through 025, inclusive
APNs 083-070-028 through 031, inclusive
APNs 083-700-037 and 038

Parcel D
Parcel 136 of Hollister Ranch, more fully described in Exhibit "A" to Notice of Annexation of Territory, dated February 11, 1984 and recorded on February 24, 1984, as Instrument No. 84-9917 of Official Records, in the office of the County Recorder in the County of Santa Barbara, State of California.
APN 083-700-032



The above depiction is for illustration purposes and may be inaccurate as to scale and/or exact parcel boundaries.

Exhibit B

Parcel 104 of the Parcel Map of the Hollister Ranch, Phase II, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 9 through 17, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-680-034, 083-690-022

Exhibit C

A license area for beach use over that portion of the Rancho Nuestra Senora del Refugio, in the County of Santa Barbara, State of California, according to the United States Patent, recorded July 28, 1866 in Book A, Page 17, et seq. of Patents, in the office of the County Recorder of said County, which lies southerly of the toe of the bluff along the Pacific Ocean and between a line which passes north and south through United States Coast and Geodetic Triangulation Station "Horse Shoe", as shown on the Map of Survey filed in Book 41, Pages 12 to 50 of Miscellaneous Maps and a line that passes north and south through a point that bears north 70°57'45" west from said "Horse Shoe" triangulation station a distance of 3,880 feet.

Excepting any portion lying below the mean high tide line of the Pacific Ocean and any area not located on Parcel 104 (which is described in Exhibit B).

EXHIBIT 3

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Beth Collins
Brownstein Hyatt Farber Schreck, LLP
1020 State Street
Santa Barbara, CA 93101

SPACE ABOVE RESERVED FOR RECORDER ONLY
(GOV. CODE § 27361.6)

QUITCLAIM AND EXTINGUISHMENT OF OFFER TO DEDICATE AND ABANDONMENT OF CERTIFICATE OF ACCEPTANCE

Assessor's Parcel Numbers: [See Exhibit A attached]

This Quitclaim and Extinguishment of Offer to Dedicate and Abandonment of Certificate of Acceptance ("Quitclaim") is made this ____ day of _____, 2017 by the HOLLISTER RANCH OWNERS' ASSOCIATION ("HROA"), a non-profit mutual benefit corporation and the STATE COASTAL CONSERVANCY, an agency of the State of California, and the CALIFORNIA COASTAL COMMISSION, an agency of the State of California (collectively, the "State").

Whereas, Hollister Ranch consists of approximately 14,500 acres of land along the Santa Barbara coast. In 1970, Hollister Ranch was subdivided into 135 parcels, each approximately 100 acres. After 1970, Parcel 136 was annexed as part of Hollister Ranch (collectively, the 136 properties are referred to herein as the "Hollister Ranch Properties"). 133 of these 136 parcels are privately owned by members of the HROA (the "Members"). There are an estimated 1,100 Members of the HROA. The HROA owns three of the 136 parcels.

Whereas, the Hollister Ranch Properties are more fully described in Exhibit A.

Whereas, in October 1980, the California Coastal Commission approved the issuance of Coastal Development Permit No. 309-05 subject to certain conditions that the Commission determined were satisfied by the Young Men's Christian Association of Metropolitan Los Angeles ("YMCA") when the YMCA executed on March 11, 1982 an Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as Instrument No. 82-17113 of the Official Records, County of Santa Barbara ("Offer to Dedicate").

Whereas, on April 26, 2013, State Coastal Conservancy recorded a "Certificate of Acceptance" as Instrument No. 2013-0028299 of the Official Records, County of Santa Barbara. The purpose of the Certificate of Acceptance was to accept the Offer to Dedicate.

Whereas, each of the alleged Access Easements described in the Certificate of Acceptance or Offer to Dedicate would burden property owned by HROA and the Members.

Whereas, on May 31, 2013, HROA and the Members filed a Complaint for Quiet Title, Cancellation, Declaratory and Injunctive Relief, Petition for Writ of Mandate and Other Relief in the Superior Court of the State of California for Santa Barbara County against the State and all persons unknown claiming any legal or equitable right, title, estate lien, or interest in the Properties adverse to HROA and the Member's title, or any cloud on their title thereto (the "Action").

Whereas, as part of the settlement of the Action, the State intends to extinguish, disavow, abandon, cancel, and disclaim the Offer to Dedicate and Certificate of Acceptance and to quitclaim any alleged right, title, and interest in the Hollister Ranch Properties pursuant to the Offer to Dedicate and Certificate of Acceptance in consideration of the HROA's provision of the Public Access License Agreement and Hollister Ranch Managed Access Program.

NOW, THEREFORE, pursuant to the Judgment recorded concurrently herewith, the State does hereby: 1) extinguish and abandon the Offer to Dedicate and Certificate of Acceptance; and 2) with the exception of the License granted by HROA to the State over Parcel 104 (attached hereto as Exhibit B), REMISE, RELEASE and FOREVER QUITCLAIM unto HROA and the Members, all rights, title, and interest it may have in the Hollister Ranch Properties pursuant to the Offer to Dedicate and Certificate of Acceptance.

This Quitclaim shall be effective only upon recordation in the Official Records of the County of Santa Barbara, State of California. This Quitclaim may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The execution pages of counterparts may be attached to any one copy of this Quitclaim to form a single, complete document.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed this ___ day of _____, 2017.

Dated: 12/6, 2017

HOLLISTER RANCH OWNERS' ASSOCIATION

By: Monte R. Ward
President Board of Directors

Dated: _____, 2017

STATE COASTAL CONSERVANCY

By: _____
Samuel Schuchat, Executive Officer

15849856

Acknowledged and agreed to with regard to the extinguishment and abandonment of the Offer to Dedicate:

Dated: _____, 2017

CALIFORNIA COASTAL COMMISSION

By:_____
Name:
Title:

APPROVED AS TO FORM:

Dated: _____, 2017

XAVIER BECERRA, ATTORNEY GENERAL OF THE STATE OF CALIFORNIA

By:_____
JAMEE JORDAN PATTERSON, Supervising Deputy Attorney General
Attorneys for Defendants State Coastal Conservancy and California Coastal Commission

Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

State of California)
) ss.
County of Santa Barbara)

On December 6, 2017, before me, Lynda Moore, Notary Public, personally appeared Monte Ward, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the same.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

LYNDA MOORE
Commission # 2119535
Notary Public - California
Santa Barbara County
My Comm. Expires Aug 11, 2019

Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

State of California)
) ss.
County of _____)

On _____, 2017, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the same.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

_____

15849856

Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

State of California)
) ss.
County of _____)

On _____, 2017, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the same.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

_____

Exhibit A

Parcel A
Parcels 1 through 49, inclusive, of Parcel Map of the Hollister Ranch, Phase I, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 8, Pages 45 through 57, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-660-001 through 020, inclusive
APNs 083-660-023 through 033, inclusive
APNs 083-670-001 through 018, inclusive

Parcel B
Parcels 50 through 104, inclusive, of Parcel Map of the Hollister Ranch, Phase II, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 9 through 17, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-680-001 through 034, inclusive
APNs 083-690-001 through 022, inclusive

Parcel C
Parcels 105 through 135, inclusive, of Parcel Map of the Hollister Ranch, Phase III, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 32 through 39, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-070-001 through 025, inclusive
APNs 083-070-028 through 031, inclusive
APNs 083-700-037 and 038

Parcel D
Parcel 136 of Hollister Ranch, more fully described in Exhibit "A" to Notice of Annexation of Territory, dated February 11, 1984 and recorded on February 24, 1984, as Instrument No. 84-9917 of Official Records, in the office of the County Recorder in the County of Santa Barbara, State of California.
APN 083-700-032



The above depiction is for illustration purposes and may be inaccurate as to scale and/or exact parcel boundaries.

Exhibit B

RECORDING REQUESTED BY
Brownstein Hyatt Farber Schreck, LLP

AND WHEN RECORDED, RETURN TO:
Beth Collins-Burgard
Brownstein Hyatt Farber Schreck, LLP
1020 State Street
Santa Barbara, CA 93101

THIS SPACE RESERVED FOR RECORDER ONLY
(Gov. Code § 27361.6)

PUBLIC ACCESS LICENSE AGREEMENT

APN:

THIS LICENSE AGREEMENT (**Agreement**) is made and entered into this __ day of _____, 2017 (**Effective Date**), by and between the **Hollister Ranch Owners' Association,** a California a non-profit mutual benefit corporation (**Licensor**), and **the California Coastal Commission** (**Commission**), an agency of the State of California and the **State of California Coastal Conservancy** (**Conservancy**), an agency of the State of California (the Commission and the Conservancy are referred to herein as **State**). Licensor and State are sometimes in this Agreement referred to individually as a **Party** and together as the **Parties**.

RECITALS

WHEREAS, Hollister Ranch is an approximately 14,500-acre common interest development in Santa Barbara County, more particularly described on Exhibit A (**Ranch**).

WHEREAS, the owners of all the properties within the Ranch share easements over the Ranch Parcel 104 (more particularly described on Exhibit B), which is owned in fee by the Licensor (**Beach Parcel**).

WHEREAS, in October 1980, the Commission approved the issuance of Coastal Development Permit No. 309-05 subject to certain conditions that Commission staff determined were satisfied by the Young Men's Christian Association of Metropolitan Los Angeles (YMCA) when the YMCA executed on March 11, 1982 an Irrevocable Offer to Dedicate and Covenant Running with the Land, recorded on April 28, 1982 as Instrument No. 82-17113 of the Official Records, County of Santa Barbara (**Offer to Dedicate**).

WHEREAS, on April 26, 2013, the Conservancy recorded a Certificate of Acceptance as Instrument No. 2013-0028299 of the Official Records, County of Santa Barbara (**Certificate of Acceptance**). The purpose of the Certificate of Acceptance was to accept the **Offer to Dedicate** that offered various public access easements in and on the Ranch.

WHEREAS, on May 31, 2013, Licensor, along with other Plaintiffs, filed a Complaint for Quiet Title, Declaratory and Injunctive Relief and Other Relief in the Superior Court of the State of California for Santa Barbara County against the State in the case of *Pappas, et al. v.*

State of California, et al., Case no. 1417388 (**Lawsuit**).

WHEREAS, on _____, Licensor, along with the other Plaintiffs, reached a settlement agreement with the State in the Lawsuit, by which Licensor agreed to grant a limited license to the State for the purpose of public access.

WHEREAS, pursuant to such settlement agreement, Licensor has agreed to license to the Conservancy, for the benefit of the People of the State of California (collectively, the **Licensees**) the right to use a portion of the Beach Parcel more particularly described in attached Exhibit C (**License Area**), subject to the provisions of this Agreement as set forth below. Under no circumstances is any public access granted by this License outside of property owned by Plaintiff or landward of the railroad right of way or outside of the License Area.

WHEREAS, Licensor has the requisite power and authority to enter into this Agreement and grant this License.

NOW, THEREFORE, for valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Parties agree as follows:

1. **Grant of License and Conditions Precedent to Effectiveness of the Grant**. Licensor grants to Licensees a non-exclusive license (**License**), pursuant to the terms of this Agreement and the Use Restrictions (defined below) contained herein, for passive recreational use of the License Area (and for no other purpose). Passive recreational use means activities normally associated with beach use (e.g. walking, swimming, jogging, sunbathing, and surfing), and does not include any uses prohibited by other provisions of this License. Access to other areas of the Ranch is not permitted under this License Agreement.

2. **Use of License Area by Licensees**. The following restrictions shall apply to use of the License Area under this License by Licensees (**Use Restrictions**).

(i) Licensees may access the License Area from the ocean only. Licensees shall not be permitted to access or enter any other portion of the Ranch to reach the License Area.

(ii) Licensees may access and use the License Area only between the hours of sunrise and sunset, as published by the United States Naval Observatory.

(iii) No overnight camping shall be permitted in the License Area.

(iv) No commercial activities shall be permitted on the License Area. "Commercial activities" include (a) the sale or rental of goods or services, (b) the storage of materials or erection of temporary structures associated with the commercial operation, and (c) commercial activities inconsistent with the Purpose of this License. This provision does not prohibit transporting members of the public to the License Area in vessels that are allowed to be temporarily parked in the License Area pursuant to Paragraph 2(xiii) of this License. In the event Licensor determines that a particular use is a "commercial use" prohibited by this provision, and the Executive Officer of the Conservancy disagrees with that determination, and

the Parties are unable to reach a compromise, the Parties agree that any such dispute shall be resolved by mediation.

(v) No fires, smoking, fireworks, barbeques, flammable liquids, weapons, glass containers, shooting, hunting, or cooking shall be permitted on the License Area.

(vi) No use of unmanned flying devices, including, but not limited to, drones, shall be permitted on the License Area.

(vii) No urination, defecation, or nudity shall be permitted on the License Area.

(viii) No objects shall be removed from the License Area, including, but not limited to, sand, shells, habitat resources or species, and archaeological and cultural resources.

(ix) No alcohol shall be permitted on the License Area.

(x) No littering shall be permitted on the License Area.

(xi) No animals shall be permitted on the License Area except as provided by law, such as leashed service or guide dogs.

(xii) Licensees shall respect and not disturb any natural resources, sensitive habitats, and scientific study areas.

(xiii) Licensees shall not be permitted to use or park motorized vehicles, horses, bicycles, boats, water craft, or similar items on the License Area, provided that Licensees may temporarily park or use surfboards, paddleboards, kayaks not to exceed 16 feet in length and soft bottomed boats not to exceed 12 feet in length to access the License Area.

(xiv) Licensees must comply with all State, Federal, and Local statutes, regulations, and ordinances.

3. **Enforcement of the Use Restrictions**. Any violations of the Use Restrictions shall constitute a trespass, which shall be enforceable through 1) a warning issued by Licensor's private security or 2) if the warning is not complied with or ignored a second time, ejectment by public law enforcement and shall be subject to any applicable penalties. Licensor shall report in writing any violations to the Commission and Conservancy within 10 days of the violation. Any individual Licensee who violates the Use Restrictions more than three times in twelve months may be barred from using the License Area by Licensor for a period time reasonably proportional to the severity of the violations. Any commercial operation that has employees which violate the Use Restrictions or that brings members of the public to the License Area which violate the Use Restrictions more than three times in twelve months may be barred from bringing members of the public to the License Area by the Licensor for a period of time reasonably proportional to the severity of the violations. The Licensor shall report its decision to the Executive Director of the Commission and the Executive Officer of the Conservancy who

may (a) object within 30 days on the ground that the duration of the prohibition is excessive and (b) propose an alternative to barring the individual from or the commercial operation's use of the License Area. In the event that Licensor disputes the Executive Director's or Executive Officer's decision and the Parties are unable to reach a compromise, the Parties hereto agree that any such dispute shall be resolved by mediation. If mediation does not resolve the matter, either Party may bring the dispute to the Court. Judicial review of the dispute will be *de novo* and any judicial determination will be based on the severity of the violations of the Use Restrictions and the totality of the circumstances, relying on the plain language of the License supported by established principles of contract interpretation. The Court may not award monetary damages.

4. **Warning to Licensees**. The License Area includes tides, waves, currents, rocks, predators and other dangerous organisms, falling rocks from coastal bluffs, unstable soils, rocks, seawalls and other improvements, cliff erosion, and other coastal hazards that may be dangerous to Licensees. Licensees shall use and access the License Area at their own risk. In accepting the benefits of this License, Licensees waive any claims for death or bodily injury against Licensor and its member, officers, agents, and contractors, other than claims arising out of intentional conduct or gross negligence of Licensor.

5. **Licensor's Use of the License Area**. The Parties agree that this is a non-exclusive License, and Licensor reserves the right to use the License Area for any purpose and to convey use and access rights to others. In the event Licensor conveys use and access rights to others, Licensor shall require those others to share equally in the maintenance costs. Notwithstanding the foregoing, Licensor and any others to whom it conveys use or access rights shall not interfere with Licensees' use of the License Area.

6. **Civil Code Section 846**. It is the Parties' intention that Civil Code Section 846 will apply to the License Area and Licensees' recreational use of the License Area.

7. **Purpose of the License.** The purpose of this License and its Use Restrictions is to grant public access to a portion of the Hollister Ranch beach consistent with public safety needs and the need to protect public rights, rights of private property owners, cultural resources, and natural resources from over use.

8. **State's Agreement to Indemnify Licensor**. During the term of this License and to the extent permitted by law, the Conservancy shall indemnify, defend, protect, and hold Licensor and Licensor's members, employees, contractors, and agents (Indemnified Parties) harmless from and against any and all claims, proceedings, lawsuits, liabilities, or damages (Damages), that arise out of, or relate to, use or attempted use of the License Area by Licensees pursuant to this Agreement, except to the extent that such Damages arise from Indemnified Parties' negligence or willful misconduct. In the event that any Damages are caused by the joint negligence of Indemnified Parties and any other entity, the Conservancy's indemnification and defense obligations contained herein shall be proportionally reduced based on the Indemnified Parties' percentage of fault, as determined by a court of competent jurisdiction.

9. **Licensor's Agreement to Indemnify State.** During the term of this License and to the extent permitted by law, Licensor shall indemnify, defend, protect, and hold the State and State's employees, contractors, and agents harmless from and against any and all Damages that arise from Licensor's willful or malicious failure to guard against a dangerous condition, use, structure or activity within the License Area related in any way to the access granted by this License.

10. **Maintenance and Assignment**. The Conservancy and Licensor shall share in maintenance costs associated with Licensee's use of the License Area. Subject to the prior written approval of Licensor, the State may transfer or assign this License (including all rights and obligations contained herein) or any of the State's duties and obligations hereunder to California Department of Parks and Recreation, the County of Santa Barbara, or to a non-profit with history of or strong potential for effective collaboration with Hollister Ranch, whose purposes are consistent with the purposes of this License. This License is otherwise not assignable by the State, and any attempt to assign or transfer this License shall terminate it.

11. **Permissive Use Only**. This license is entered into in accordance with Civil Code Section 813. The right of Licensees to make any use whatsoever of the License Area, or any portion thereof (in addition to or other than the uses permitted herein), shall be deemed permission from, and subject to control of, Licensor. The Licensor shall exercise its control in a manner that is consistent with the terms of this License. This License is not a grant of easement rights, dedication, or an agreement to adjust any property lines of record.

12. **Signs and Fencing; Public Notice**. Prior to the opening of the License Area for public use, Licensor and the State shall prepare and implement a Fencing and Sign plan. This Fencing and Sign plan, which must be approved by the Commission and Licensor, shall describe proposed development on or near the License Area that will facilitate safe and appropriate use by the public and protect private property. This development will include fencing to prevent trespass and signage detailing Use Restrictions, demarcation of boundaries of the License Area, warnings about the location of sensitive natural resources, and warnings about certain unsafe conditions.

13. **Termination**. This License shall automatically terminate if and when any public entity initiates the condemnation process for any property within the Ranch for the purposes of obtaining (a) public access or recreational use or (b) facilities associated with public access (**Automatic Termination**) by filing a condemnation action in court. Upon Automatic Termination, Licensor shall be entitled to deliver to the State a notice of revocation under Civil Code Section 813 or any other applicable law, and no such notice of revocation shall constitute a violation of any State law, including the California Coastal Act. With the exception of an Automatic Termination as provided in this Section 13, this License shall be irrevocable.

14. **Violation of Agreement**. If Licensor, its members, guests or private security engages in conduct that substantially prevents Licensee's use of the License Area as authorized by this Agreement, such conduct shall be deemed a violation of this Agreement. If Licensor, its members, guests, or private security fails to remedy such violation, such violation shall be

enforceable against the offending Licensor, member, guest or private security as a violation of the Coastal Act and any other applicable laws. Any penalties or enforcement under this provision shall be consistent with the requirements and procedures of the Coastal Act.

15. Miscellaneous Provisions

15.1 Enjoyment of License Area by Licensee. It is expressly acknowledged and agreed by the Parties that no additional access to the License Area or construction of temporary or permanent facilities on the License Area is necessary or incidental to the use or enjoyment of the License by Licensee.

15.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

15.3 Heading and Titles. The captions of the articles or sections of this Agreement are only to assist the parties in reading this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

15.4 Binding Agreement. This Agreement and all of its provisions shall be binding upon the Parties, their assigns, and successors-in-interest, as applicable.

15.5 Interpretation. Whenever required by the context of this Agreement, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the obligations, conduct, acts or omissions of Licensor or State, the terms "Licensor" or "State" shall include Licensor's or State's officers, agents, employees, contractors, successors, subtenants or assigns. This Agreement shall be construed as though mutually drafted by Licensor and State.

15.6 Time is of the Essence. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

15.7 Severability. If any term or provision of this Agreement shall be held invalid or unenforceable to any extent under any applicable law by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15.8 Integration and Amendment. This instrument constitutes the entire agreement between Licensor and State relative to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and communications, verbal or written, between Licensor and State pertaining to the issues herein. This instrument may be amended only by an instrument in writing signed by both Licensor and State.

15.9 Incorporation of Recitals. The introductory recitals set forth above from the material part of this Agreement are incorporated by reference.

15.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

15.11 Exhibits. All exhibits attached to this Agreement are incorporated herein by reference as though fully set forth.

15.12 Jurisdiction and Venue. All Parties to this Agreement hereby agree that, unless the other party consents to or chooses another forum, the state with jurisdiction over any disputes arising out of or relating to this Agreement shall be California, and the sole location for proper venue shall be in Santa Barbara County, California.

15.13 Continuing Jurisdiction. The Court shall retain jurisdiction over the Parties to enforce the terms of, administration, and determination of any controversies relating to the License Agreement, and any and all claims asserted in, arising out of, or related to the subject matter of the lawsuit, in accordance with the provisions of section 664.6 of the Code of Civil Procedure.

15.14 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified United States mail, postage prepaid, return receipt requested, or sent by email (with delivery and read receipts requested) or fax, and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if mailed, four (4) business days after the date of posting by the United States post office, , or (iii) if given by email or fax, when sent.

To Licensor:
General Manager
Hollister Ranch Owners Association
#1000 Hollister Ranch
Rural Route
Gaviota, CA 93117
email: ranchmanager@hollisterranch.org

Beth Collins
Brownstein Hyatt Farber Schreck, LLP
1020 State Street Street
Santa Barbara, CA 93101
email: bcollins@bhfs.com

To State:

Jamee Jordan Patterson
California Attorney General's Office
600 West Broadway, Suite 1800
San Diego, CA 92101
fax: (619) 645-2271

Chief Legal Counsel
California Coastal Commission
45 Fremont Street, 20th Floor
San Francisco, CA 94105-2219
fax: (415) 904-5400

Executive Officer
California State Coastal Conservancy
1515 Clay St., 10th Floor
Oakland, CA 94612
fax: (510) 286-0470

Legal Counsel
California State Coastal Conservancy
1515 Clay St, 10th Floor
Oakland, CA 94612
fax: (510) 286-0470

Notice of change of address shall be given by written notice in the manner detailed in this Paragraph. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first above written.

LICENSOR:
Hollister Ranch Owners' Association

By: _____
Print: _____

STATE:

California Coastal Commission

By: _____
Print: _____

State Coastal Conservancy

By: _____
Print: _____

ACKNOWLEDGMENT

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

On _____ before me, _____, Notary Public (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (SEAL)
Notary Public

ACKNOWLEDGMENT

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

On _____ before me, _____, Notary Public (insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (SEAL)
Notary Public

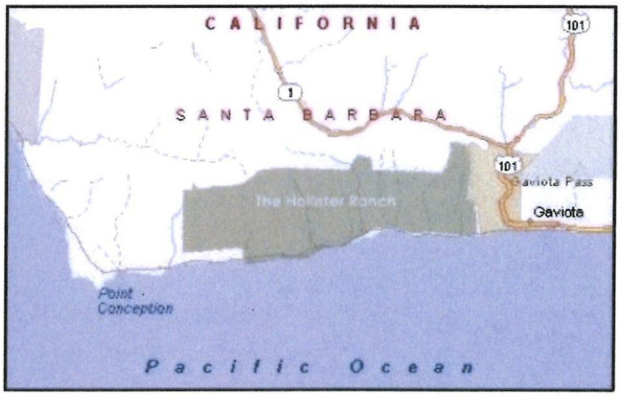
Exhibit A

Parcel A
Parcels 1 through 49, inclusive, of Parcel Map of the Hollister Ranch, Phase I, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 8, Pages 45 through 57, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-660-001 through 020, inclusive
APNs 083-660-023 through 033, inclusive
APNs 083-670-001 through 018, inclusive

Parcel B
Parcels 50 through 104, inclusive, of Parcel Map of the Hollister Ranch, Phase II, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 9 through 17, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-680-001 through 034, inclusive
APNs 083-690-001 through 022, inclusive

Parcel C
Parcels 105 through 135, inclusive, of Parcel Map of the Hollister Ranch, Phase III, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 32 through 39, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-070-001 through 025, inclusive
APNs 083-070-028 through 031, inclusive
APNs 083-700-037 and 038

Parcel D
Parcel 136 of Hollister Ranch, more fully described in Exhibit "A" to Notice of Annexation of Territory, dated February 11, 1984 and recorded on February 24, 1984, as Instrument No. 84-9917 of Official Records, in the office of the County Recorder in the County of Santa Barbara, State of California.
APN 083-700-032



The above depiction is for illustration purposes and may be inaccurate as to scale and/or exact parcel boundaries.

Exhibit B

Parcel 104 of the Parcel Map of the Hollister Ranch, Phase II, in the County of Santa Barbara, State of California, as shown on a map recorded in Book 9, Pages 9 through 17, inclusive, of Parcel Maps in the office of the County Recorder of said County.
APNs 083-680-034, 083-690-022

Exhibit C

A license area for beach use over that portion of the Rancho Nuestra Senora del Refugio, in the County of Santa Barbara, State of California, according to the United States Patent, recorded July 28, 1866 in Book A, Page 17, et seq. of Patents, in the office of the County Recorder of said County, which lies southerly of the toe of the bluff along the Pacific Ocean and between a line which passes north and south through United States Coast and Geodetic Triangulation Station "Horse Shoe", as shown on the Map of Survey filed in Book 41, Pages 12 to 50 of Miscellaneous Maps and a line that passes north and south through a point that bears north 70°57'45" west from said "Horse Shoe" triangulation station a distance of 3,880 feet.

Excepting any portion lying below the mean high tide line of the Pacific Ocean and any area not located on Parcel 104 (which is described in Exhibit B).