

Attachment J

This page intentionally left blank.

CERTIFICATE OF DEPOSIT

This certificate of deposit or cash account (CD) is issued on behalf of Carmel Reserve, LLC, a Delaware limited liability company ("Carmel Reserve"), and may only be released or encashed through the following procedures:

East West Bank a federally insured depository institution authorized to do business in the State of California using federally insured accounts, issues this CD (account or deposit number), in the amount of \$6,500,000.00 (six million five hundred thousand dollars), which shall automatically renew each year, unless released or encashed according to the terms and conditions set forth below.

This CD is for the benefit of payee the County of Monterey. Carmel Reserve hereby consents to the provision by East West Bank to the County of Monterey and of such information concerning the CD as the County of Monterey may request in writing information regarding the status of the CD, including but not limited to the amount, the account number, the maturity date, and the rate of interest.

East West Bank shall be authorized to encash the CD at any time at the request of the County of Monterey and to deliver such funds to the County of Monterey but only upon written consent for the encashment and certification from the County of Monterey that Carmel Reserve has been determined to be financially incapable of fulfilling its obligations under the Subdivision Improvement Agreement recorded concurrently with the filing of the final map for the September Ranch subdivision, identified by County planning number PLN050001, after following the applicable procedures contained in the Monterey County Code and California law. East West Bank shall have no duty to investigate whether conditions for encashing the CD at the County of Monterey's request has been satisfied and can rely on the County of Monterey's written consent and certification before releasing funds. East West Bank shall not be liable for any consequential, indirect, special, punitive, or exemplary damages to any party.

East West Bank shall be authorized to encash the CD at the instance and request of Carmel Reserve and to deliver such funds to Carmel Reserve only upon receipt of a written release from the County of Monterey relinquishing its claim and interest to this CD or upon receipt of written certification from Carmel Reserve that the final map and Subdivision Improvement Agreement associated with PLN050001 was never filed and recorded with the Office of the Recorder of the County of Monterey. No written release from the County of the Monterey shall be required to encash the CD and deliver funds to Carmel Reserve as described in this paragraph if the final map for the September Ranch subdivision and the Subdivision Improvement Agreement for the September Ranch subdivision are not recorded. East West Bank shall have no duty to investigate whether the final map and Subdivision Improvement Agreement was filed and can rely on Carmel Reserve's written certification before releasing funds.

Interest earned under this CD is not subject to the terms and conditions above. Any interest paid to Carmel Reserve in accordance with the financial institution's practices may not reduce the initial principal amount of this CD. Where an applicant elects to have earned interest subject to

the terms and conditions above, they shall do so by indicating here _____ at the time this CD is issued.

The individuals signing below certify they agree to the terms mentioned above and that the signatories are authorized to sign this agreement on behalf of their respective entity.

CARMEL RESERVE, LLC


By:  11/25/2020
Wei Huang, Authorized Signatory

Signatures continue on next page

COUNTY OF MONTEREY

By: _____
Chris Lopez, Chair, Board of Supervisors

East West Bank

By: 
Tony Wang, AVP – Relationship Manager