

## **ESCROW AGREEMENT**

(United Security Bank)

THIS ESCROW AGREEMENT, dated June 10, 2025 ("Escrow Agreement"), is entered into by and among RE Scarlet LLC, a Delaware limited liability company ("Applicant"), the County of Fresno, a political subdivision of the State of California ("County"), and United Security Bank, state-chartered bank organized and existing under the laws of California, whose headquarters are at 2126 Inyo St., Suite 2611, Fresno, CA. 93721, as the escrow agent hereunder ("Escrow Agent"). The County and Applicant, together, are the "Parties," and individually the Applicant or the County are each a "Party."

### **RECITALS**

The Parties represent that they entered into that certain Scarlet III Project Reclamation Agreement, effective June 10, 2025, for that certain Scarlet Solar Energy Project, Section III (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Reclamation Agreement"); and

The Applicant now desires to secure its faithful performance of its obligations under the Reclamation Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the promises and agreements of the Parties and the Escrow Agent, set forth herein, the Parties and the Escrow Agent agree as follows:

### **ARTICLE 1**

#### **APPOINTMENT OF ESCROW AGENT**

Section 1.1. Appointment. The Parties hereby appoint the Escrow Agent as their escrow agent under this Escrow Agreement, and the Escrow Agent hereby accepts such appointment.

### **ARTICLE 2**

#### **ESCROW FUNDS**

Section 2.1. Delivery of Escrow Funds to Escrow Agent; Deposit of Escrow Funds.

(a) Within three (3) business days following the Parties' and the Escrow Agent's execution of this Escrow Agreement, the Applicant shall irrevocably deliver to the Escrow Agent the total initial amount of **one million, one hundred and eighty-nine thousand, one hundred and eighteen, and 71/100 dollars (\$1,189,118.71)** in immediately available United States currency ("US Currency") for the exclusive purposes of this Escrow Agreement ("Escrow Funds"). In addition, the Reclamation Agreement requires the Applicant to make periodic cash deposits to ensure that the Escrow Funds keep pace with inflation. Within two (2) business days following Escrow Agent's receipt of such initial Escrow Funds or other subsequent deposits of accrued interest, the Escrow Agent shall provide notice to the County, in substantially the form provided in Exhibit A-3 hereto, acknowledging the Escrow Agent's receipt and deposit of such amount of Escrow Funds in the Escrow Account defined in Section 2.2(a).

(b) All references herein to "Escrow Funds" shall mean and include (i) all of the then-current amounts of the Escrow Funds, or any portion thereof, including the Applicant's initial deposit of the Escrow Funds pursuant to this Section 2.1, and (ii) any increases of the Escrow Funds as a result of any interest income earned on the Escrow Funds or as a result of any additional cash deposits required by the Reclamation Agreement, which additional cash deposits shall be US Currency for the exclusive purposes of this Escrow Agreement, and which increases or additional cash deposits are deemed irrevocable once increased or deposited, as applicable, all as held on deposit by the Escrow Agent for the sole benefit of the County under this Escrow Agreement, less any County drawings of the Escrow Funds under this Escrow Agreement.



(c) The Applicant, including its successors or assigns or anyone claiming through the Applicant, shall not have any rights whatsoever to use, control, or access, either directly or indirectly, or withdraw any funds from or borrow against the Escrow Funds, or to make any other demand of the Escrow Agent or the County with respect to the Escrow Funds. The Applicant promises, covenants, and warrants to the County and the Escrow Agent that the Escrow Funds are not and shall not at any time be subject to any attachments, seizures, garnishments, pledges, liens, encumbrances, levies, security interests, claims of any creditors, or writs, or court orders, judgments or decrees, of threat of any of the foregoing, all of which shall be of every nature whatsoever; and if any such conditions occur, or are threatened, the Applicant shall, to County's satisfaction, immediately remove, cure, or satisfy such conditions or threatened conditions, which may include the Applicant's deposit of an equal amount thereof of replacement funds into the Escrow Account, which replacement funds shall satisfy the requirements of this Section 2.1, and promptly give the County and the Escrow Agent notice of such deposit. In the event of any such deposit of replacement funds by the Applicant into the Escrow Account, and the Applicant's prompt notice thereof give to the County and the Escrow Agent, the County shall promptly give notice to the Applicant and the Escrow Agent whether such replacement deposit of funds is acceptable to County, and the Escrow Agent shall promptly give notice to the County and the Applicant whether such replacement funds have been deposited, and if the County so accepts, then the Escrow Agent shall promptly thereafter return to the Applicant the funds so substituted, provided however, such notice given by County shall not preclude County from enforcing the requirements of the Reclamation Agreement and this Escrow Agreement if such replacement deposit of funds is subsequently determined not to satisfy the Reclamation Agreement or this Escrow Agreement.

#### Section 2.2. Savings Account.

(a) The Escrow Agent shall receive, and upon receipt immediately deposit, and hold the Escrow Funds only in a savings deposit account ("Escrow Account") of the Escrow Agent for the exclusive purposes of this Escrow Agreement. For the purposes of this Escrow Agreement, a "savings account" does not include a money market account, certificate of deposit, or any account which is not immediately liquid. The Escrow Agent shall cause the Escrow Funds, while on deposit with the Escrow Agent under this Escrow Agreement, to be (i) interest-bearing, at a savings deposit rate available to members of the public, and (ii) fully insured by the Federal Deposit Insurance Corporation (FDIC) up to the lesser of (1) the amount of the Escrow Funds while on deposit with the Escrow Agent under this Escrow Agreement, or (2) the then-current maximum FDIC insurance coverage available for an FDIC-insured deposit account. The Escrow Funds shall be maintained by the Escrow Agent as a separate deposit account with its own ownership classification as being for the sole benefit of the County, which deposit account shall be distinct from any and all other accounts or funds of the Applicant that might be maintained or held by Escrow Agent or its parent or affiliates, to ensure that the maximum FDIC insurance coverage available for an FDIC-insured deposit account shall apply to the Escrow Funds.

(b) Notwithstanding Section 2.2(a) herein, the County shall not have any liability, either directly or indirectly, in respect of any loss of any principal of, or any earnings on, the Escrow Funds, or any failure of the Escrow Agent to obtain earnings on the Escrow Funds.

#### Section 2.3. Drawings by the County.

(a) Upon the County's presentation of its written instructions for drawing upon the Escrow Funds to the Escrow Agent in the form of the sight draft attached as Exhibit A-1 hereto ("Sight Draft"), which is incorporated herein by this reference, with the signature and payment instructions in brackets in such sight draft completed by a County representative identified as an authorized signatory pursuant to the Certificate as to Authorized Signatures – County of Fresno in Exhibit A-2 ("Certificate as to Authorized Signatures"), which is incorporated herein by this reference, the Escrow Agent shall, solely by examining the face of such Sight Draft for its compliance with Exhibit A-1 and the Certificate as to



Authorized Signatures, as completed and delivered to the Escrow Agent pursuant to Section 3.3 herein, pay the County according to the terms of such Sight Draft in immediately available United States currency up to the then-current amount of the Escrow Funds within three (3) business days of such presentation to the Escrow Agent. Partial and multiple drawings, or a single drawing, by the County upon the Escrow Funds, up to the then-current amount of the Escrow Funds, are permitted under this Escrow Agreement.

The County's place of presentation of its written instructions for drawing upon the Escrow Funds to the Escrow Agent shall be at Escrow Agent's branch, located at 2151 W Shaw Ave, Fresno, CA. 93711. Escrow Agent represents to County that the physical place of presentation is open to the public and freely accessible during Escrow Agent's regular business hours. Presentation may be also made electronically to the Escrow Agent, and shall be honored for payment hereunder by the Escrow Agent during any Escrow Agent business day and during Escrow Agent's business hours. Electronic presentation shall be made, at County's election either (i) in portable document format (.pdf) sent by electronic mail to the following email address: pthaxter@unitedsecuritybank.com, or (ii) by telephonic facsimile transmission (fax) to the following facsimile number: (559) 246-4929. Escrow Agent shall maintain this email address and facsimile number for the entire term of this Escrow Agreement, provided however, in the event that Escrow Agent needs to change such email address or facsimile number, Escrow Agent shall provide County at least ten (10) calendar days' notice of such change pursuant to section 5.3 of this Escrow Agreement. The County and Escrow Agent may also agree to additional or alternative procedures for electronic presentation in writing. County's Director of Public Works and Planning is authorized to agree to such additional or alternative procedures for electronic presentation on behalf of County.

In the event a County representative's title has changed, or a County representative has been replaced by another County representative, the County may give notice thereof to the Escrow Agent, and deliver an updated Exhibit A-2 hereto to the Escrow Agent in such updated form, and upon delivery of the updated Exhibit A-2 hereto by the County to the Escrow Agent, such updated Exhibit A-2 hereto shall replace the then-current Exhibit A-2 hereto, and shall be used for the purposes of Exhibit A-2 hereto, and shall be incorporated herein by this reference.

(b) The Applicant promises, covenants, and warrants to the County and the Escrow Agent that if the County attempts to draw upon, or draws upon, the Escrow Funds, the Applicant (including the Applicant's successors or assigns, or anyone claiming through the Applicant, or any other persons, firms, or entities acting at the direction, or under the authority, of the Applicant) shall not in any way whatsoever defeat, interfere with, obstruct, or cause delay to said right of the County to do so, including, but not limited to, demanding the Escrow Agent not to honor or pay the County on any draw upon the Escrow Funds, or taking any legal action against the County and/or the Escrow Agent, including the Escrow Funds, to stay, enjoin, or prevent the County from drawing upon the Escrow Funds, or taking any legal action against the County and/or the Escrow Agent, including the Escrow Funds, to seek to suspend, invalidate, make unenforceable, or terminate this Escrow Agreement, provided however, nothing in this Section 2.3(b) precludes the Applicant from any subsequent legal action against the County, after the County has made a drawing upon the Escrow Funds, on the ground that such drawing violated the Reclamation Agreement, provided further however, the County shall not be precluded from bringing any cross-action against the Applicant relating to same.

#### Section 2.4. Income Tax Allocation and Reporting.

(a) For tax reporting purposes, all interest earned on the Escrow Funds shall, as of the end of each calendar year and to the extent required by the Internal Revenue Service, be reported as having been earned solely by the Applicant, whether or not such income was disbursed during such calendar year.

(b) At the commencement of this Escrow Agreement, and from time to time as requested by the Escrow Agent, the Parties shall provide the Escrow Agent with their tax identification numbers by



furnishing appropriate forms W-9 and such other forms and documents that the Escrow Agent may reasonably request to assist the Escrow Agent in fulfilling its obligations under this Escrow Agreement.

(c) To the extent that the Escrow Agent and/or the County becomes liable for the payment of any taxes in respect of income derived from the Escrow Funds, the Applicant shall indemnify, defend and hold the Escrow Agent and the County harmless, including their respective officers, agents, and employees, from and against any and all taxes, late payments, interest, penalty or other cost or expense (including attorneys' fees and expenses) that may be assessed against the Escrow Agent and/or the County, on or with respect to the Escrow Funds and the interest thereon unless such taxes, late payments, interest, penalty or other expense was directly caused by the gross negligence or willful misconduct of the Escrow Agent and/or the County, as applicable. Should the Escrow Agent or County become liable for the payment of taxes, including withholding taxes relating to any funds, including interest and penalties thereon, held by it pursuant to this Escrow Agreement or any payment made hereunder, Applicant shall be responsible for making such payment to Escrow Agent or County. The provisions of this Section 2.4(c) are in addition to the provisions of Section 5.1 herein, and shall survive the resignation or removal of the Escrow Agent and/or the termination of this Escrow Agreement.

(d) The Escrow Agent shall, at least quarterly, provide to the County (with quarterly copies simultaneously provided to the Applicant), and in any event at no cost to the County, all hardcopy reports of all account activities, including without limitation interest income and disbursements, in respect of the Escrow Funds. The Escrow Agent shall also give the County continuous, password-protected (only for County) on-line remote access, via Internet, to all of such account activities; and the Escrow Agent may give the Applicant continuous on-line ability to remotely read, via Internet, all of such account activities, which review rights shall be password-protected (only for the Applicant) and strictly limited only to the ability to view all such account activities. The County shall have the right, at its own cost, to audit the Escrow Agent's accounts and books with respect to the Escrow Funds upon giving advance reasonable notice thereof to the Escrow Agent.

Section 2.5. Termination. If the County, in its determination, gives the Escrow Agent and the Applicant notice that (i) all of the Escrow Funds have, according to the terms and conditions of this Escrow Agreement, been paid to the County, or (ii) the Escrow Funds are no longer needed by the County, then, if there are any remaining Escrow Funds, the Escrow Agent shall, within ten (10) business days of such notice having been provided (and after making any deduction for the payment of any tax liability under Section 2.4(c) herein, to the extent of any remaining Escrow Funds), deliver to the Applicant the remaining Escrow Funds, if any, or provide notice to the Applicant that there are no remaining Escrow Funds due to deduction for the payment of any tax liability under Section 2.4(c) herein, and this Escrow Agreement shall then automatically terminate, except that the provisions of Sections 2.4(c), 4.1, and 5.1 herein, shall survive such termination. The County's Director of Public Works and Planning (as listed on the Certificate as to Authorized Signatures) is authorized by the County to give the County's notice to the Escrow Agent described in this Section 2.5. In the event that there are, to County's knowledge, any remaining Escrow Funds at the time of such notice, the County's notice shall state that the County releases its interest under this Escrow Agreement in such remaining Escrow Funds.

### **ARTICLE 3 DUTIES OF THE ESCROW AGENT**

Section 3.1. Scope of Responsibility.

(a) Notwithstanding any provision to the contrary, the Escrow Agent is obligated only to perform the duties of the Escrow Agent specifically set forth in this Escrow Agreement, which shall be deemed purely ministerial in nature.



(b) Under no circumstances will the Escrow Agent be deemed to be a fiduciary to a Party or any other person under this Escrow Agreement. The Escrow Agent will not be responsible or liable for the failure of a Party to perform in accordance with this Escrow Agreement. Except for this Escrow Agreement, and the Escrow Agent's obligations under this Escrow Agreement with respect to any sight draft received under Section 2.3(a) herein, any tax reporting information received under Section 2.4 herein, and any notices received hereunder, (i) the Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document, whether or not an original or a copy of such other agreement, instrument or document has been provided to the Escrow Agent, or whether reference is made of such other agreement, instrument, or document herein, including the Reclamation Agreement; (ii) the Escrow Agent shall have no duty to know or inquire as to the performance or nonperformance of any provision of any such other agreement, instrument, or document; and (iii) references in this Escrow Agreement to any other agreement, instrument, or document are for the convenience of the Parties, and the Escrow Agent has no duties or obligations with respect thereto. This Escrow Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred or implied from the terms of this Escrow Agreement or any other agreement.

Section 3.2. Attorneys and Agents. The Escrow Agent shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken in good faith by the Escrow Agent in accordance with the advice of counsel or other professionals retained or consulted by the Escrow Agent. The Escrow Agent may perform any and all of its duties through its agents, representatives, attorneys, custodians, and/or nominees.

Section 3.3. County Authorized Signatures; Reliance.

(a) Upon its execution of this Escrow Agreement, the County shall cause the County's representatives identified therein to sign the Certificate as to Authorized Signatures – County of Fresno, in the form of Exhibit A-2 hereto, and upon completion and delivery thereof by the County to the Escrow Agent, such completed and delivered certificate shall be incorporated herein by this reference; provided however, if County fails to cause any such County representative not to sign, or erroneously sign, such certificate, then only such County representative's erroneous signature or lack of signature shall thereby be affected, and in any event the certificate otherwise completed and delivered by the County to the Escrow Agent in the form of Exhibit A-2 hereto shall be deemed the County's completed certificate delivered to the Escrow Agent.

(b) In the event a County representative's title has changed or a County representative erroneously signed the Certificate as to Authorized Signatures hereto, or a County representative has been replaced by another County representative, the County may give notice thereof to the Escrow Agent, and cause the County representative having a title change or erroneous signature, or the new County representative, as the case may be, to sign a supplemental certificate substantially in the form of the Certificate as to Authorized Signatures, having such updated or corrected information, as the case may be, and then only such County representative's signature, as the case may be, shall thereby be affected, and upon completion and delivery of such supplemental certificate by the County to the Escrow Agent in such form, such completed and delivered supplemental certificate shall be incorporated herein by this reference as supplementing and being part of the Certificate as to Authorized Signatures.

(c) The Escrow Agent shall not be liable for acting or refraining from acting upon any notice, consent, instruction, direction, or other document believed by it to be genuine and to have been signed or sent by the proper person or persons, without further inquiry into the person's or persons' authority. The Escrow Agent shall not be liable for any action taken by it in accordance with a direction or instruction permitted herein, of a Party, or for any action taken or not taken by it upon the joint written consent of the Parties. Nothing in this Section 3.3 authorizes the Applicant to request, instruct, or direct the Escrow



Agent to disburse the Escrow Funds to the Applicant, or to otherwise act contrary to this Escrow Agreement.

Section 3.4. Right Not Duty Undertaken. The permissive rights of the Escrow Agent enumerated in this Escrow Agreement shall not be construed as duties.

Section 3.5. No Financial Obligation. This Escrow Agreement does not require the Escrow Agent to risk or advance its own funds or otherwise incur any financial liability or potential financial liability in the performance of its duties or the exercise of its rights under this Escrow Agreement.

#### **ARTICLE 4 PROVISIONS CONCERNING THE ESCROW AGENT**

Section 4.1. Limitation of Liability. THE ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT'S NEGLIGENCE OR WILLFUL MISCONDUCT, OR BREACH OF THIS ESCROW AGREEMENT, OR (II) INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES.

Section 4.2. Resignation or Removal. The Escrow Agent may resign by providing notice of its resignation to the Parties, and the Parties may remove the Escrow Agent by providing to the Escrow Agent a joint notice of its removal along with Applicant's payment of all fees and expenses to which the Escrow Agent is entitled through the date of termination. Such resignation or removal, as the case may be, shall be effective ninety (90) days after the delivery of such notice or upon the Parties' earlier joint appointment of a successor escrow agent, and the Escrow Agent's sole responsibility thereafter shall be to safely keep the Escrow Funds and to deliver the same to a successor escrow agent as shall be appointed by the Parties, as evidenced by a joint notice filed with the Escrow Agent or in accordance with a court order. Any successor escrow agent under this Escrow Agreement shall signify its acceptance of such appointment by executing and delivering to the Parties, and to its predecessor escrow agent, a written acceptance thereof, and thereupon such successor escrow agent shall be the successor escrow agent under this Escrow Agreement and shall succeed to all of the rights and responsibilities as its predecessor hereunder with like effect as if originally appointed escrow agent hereunder; provided however, if a successor trustee has not been appointed within forty-five (45) days from such notice of resignation or removal, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and (i) any such resulting appointment of a successor escrow agent shall be binding upon the Parties, and (ii) the successor escrow agent so appointed by such court shall be the successor escrow agent under this Escrow Agreement and shall succeed to all of the rights and responsibilities as its predecessor hereunder with like effect as if originally appointed escrow agent hereunder.

Section 4.3. Compensation. The Applicant shall be solely responsible for compensating the Escrow Agent for the Escrow Agent's performance of all services, including the exercise of any rights or performance of any responsibilities, hereunder, which compensation shall be paid directly by the Applicant to the Escrow Agent, at such rate or in such amounts as agreed solely between them, and in any event shall not be payable from the Escrow Funds or by the County. If any amount due from the Applicant to the Escrow Agent for the Escrow Agent's performance of any services, including the exercise of any rights or performance of any responsibilities, hereunder, is not paid by the Applicant within thirty (30) days of the date due, the Escrow Agent in its sole discretion may charge interest on such amount to the Applicant up to the highest rate permitted by applicable law until paid, and in any event such amount shall not be payable from the Escrow Funds or by the County.



Section 4.4. Merger or Consolidation. Any financial institution into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its banking or trust business or assets as a whole or substantially as a whole, or any financial institution resulting therefrom to which the Escrow Agent is a party, shall be and become the successor escrow agent under this Escrow Agreement and shall succeed to all of the rights and responsibilities as its predecessor with like effect as if originally appointed escrow agent hereunder, but without the execution or filing of any instrument or paper or the performance of any further act. Within fifteen (15) days of such an event, Escrow Agent shall cause the successor escrow agent to provide notice to the Parties of such event.

Section 4.5. Attachment of Escrow Funds; Compliance. If any Escrow Funds are attached, seized, garnished, or levied upon, or the payment thereof to the County is stayed, enjoined, or prevented by an order of a court, or if there is any legal action against the Escrow Agent, including the Escrow Funds, to seek to suspend, invalidate, make unenforceable, or terminate this Escrow Agreement, the Escrow Agent is hereby (i) authorized, in its sole discretion, to respond as it deems appropriate or to comply therewith, and (ii) directed to give the County and the Applicant notice thereof. The provisions of this Section 4.5 do not authorize the Applicant to avoid its compliance with its obligations under Sections 2.1 and 2.3(b) herein.

Section 4.6. Outside Circumstances and Forces. The Escrow Agent shall not be responsible for any failure or delay in the performance of its obligations hereunder caused by circumstances or outside forces beyond its reasonable control, provided that the Escrow Agent shall use commercially reasonable efforts consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

## **ARTICLE 5 GENERAL PROVISIONS**

Section 5.1 Indemnification. The Applicant shall indemnify, defend and hold harmless the Escrow Agent and the County, including their respective officers, agents, employees, and representatives from and against any and all loss, liability, cost, damage and expense, including, without limitation, attorneys' fees and expenses or other professional fees and expenses which the Escrow Agent and/or the County may suffer or incur by reason of any action, claim or proceeding threatened or brought against the Escrow Agent and/or the County, arising out of or relating in any way to this Escrow Agreement or any transaction to which this Escrow Agreement relates, unless such loss, liability, cost, damage or expense shall have been finally adjudicated to have been caused by the willful misconduct or gross negligence of the Escrow Agent or the County, as applicable. The provisions of this Section 5.1 shall survive the resignation or removal of the Escrow Agent and/or the termination of this Escrow Agreement.

Section 5.2. Successors and Assigns. This Escrow Agreement shall be binding on and inure to the benefit of the Parties and the Escrow Agent, and their respective permitted successors and assigns. No other persons or entity shall have any rights under this Escrow Agreement. This Escrow Agreement may be assigned or transferred, but only in its entirety, by a Party or the Escrow Agent providing notice thereof to the other Party(ies) and (if notice is by a Party, then to) the Escrow Agent, which notice shall require the written consent of the other Party(ies) and (if notice is by a Party, then) the Escrow Agent (such consent not to be unreasonably withheld). The provisions of this Section 5.2 are in addition to the provisions of Section 4.2 herein.

Section 5.3. Notices. All notices under this Escrow Agreement shall be in writing, and shall be deemed to have been duly given if provided as follows: (i) personal delivery, in which case notice is effective upon delivery; (ii) certified or registered United States mail, return receipt requested, in which case notice shall be deemed delivered upon receipt if delivery is confirmed by a return receipt; or (iii)



nationally recognized overnight courier (*e.g.*, FedEx Corporation (FedEx), or United Parcel Service (UPS)), with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service addressed in the appropriate manner for the method of service.

If notice is given to a Party or the Escrow Agent, it shall be given at the address for such Party or the Escrow Agent, as set forth below. Each Party and the Escrow Agent shall notify the other Party and the Escrow Agent of any name, title, or physical address changes.

If to the Applicant:

By nationally recognized overnight courier, or personal delivery, in any such case, pursuant to this Section 5.3:

Attn: Chief Legal Officer  
1501 McKinney, Suite 1300  
Houston, Texas 77010

If sent by certified or registered United States mail, return receipt requested:

Attn: Chief Legal Officer  
P.O. Box 3827  
Houston, Texas 77253

If to the County:

By nationally recognized overnight courier, or personal delivery, or certified or registered United States mail, return receipt requested, in any such case, pursuant to this Section 5.3:

**County of Fresno**  
**Attention:** Director of Public Works and Planning  
2220 Tulare Avenue, Sixth Floor  
Fresno, CA 93721

Copies of notices to the County shall also be given in the same manner to:

**Office of the Fresno County Counsel**  
**Attention:** Deputy County Counsel Assigned to Land Use Matters  
2220 Tulare Street, Suite 500  
Fresno, California 93721

If to the Escrow Agent:

By nationally recognized overnight courier, or personal delivery, or certified or registered United States mail, return receipt requested, in any such case, pursuant to this Section 5.3:

United Security Bank  
Attention: Paul Thaxter  
2151 W Shaw Ave  
Fresno, CA. 93711

For all claims arising out of or related to this Escrow Agreement, nothing in this Section 5.3 establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but



not limited to the Government Claims Act (Division 3.6 of Title 1 of the California Government Code, beginning with section 810).

The Parties and Escrow Agent may also agree to additional or alternative procedures for electronic notice in writing. County's Director of Public Works and Planning is authorized to agree to such additional or alternative procedures for electronic notice on behalf of County.

Section 5.3.1. Registered Agent for Service of Process. Applicant represents to County and Escrow Agent that Applicant's agent for service of process in California, and that such agent's address for receiving such service of process in California, which information Applicant shall maintain with the office of the California Secretary of State, is as follows:

CSC - Lawyers Incorporating Service  
2710 Gateway Oaks Drive,  
Sacramento, CA 95833

Escrow Agent shall promptly notify the Parties of any name, title, or address changes of Escrow Agent's agent for service of process.

Section 5.4. Governing Law; venue. This Escrow Agreement shall be governed by California law. The Parties and the Escrow Agent agree to submit to the venue of the Superior Court of the State of California in and for the County of Fresno for any legal action.

Section 5.5. Entire Agreement; execution; amendment. Each of the Parties, and the Escrow Agent, represent to the others that the person executing this Escrow Agreement on its behalf is authorized to do so by such Party or the Escrow Agent, as applicable. This Escrow Agreement sets forth the entire agreement and understanding of the Parties and the Escrow Agent related to subject matter hereof. If any provision of this Escrow Agreement is determined to be invalid in a final judgment by a court of competent jurisdiction, each and every other provision hereof shall remain in full force and effect. This Escrow Agreement may be amended or canceled only by a written instrument executed by the Parties and the Escrow Agent.

Section 5.6. Waivers. The failure of a Party or the Escrow Agent at any time or times to require performance of any provision under this Escrow Agreement shall in no manner affect the right of such Party or the Escrow Agent at a later time to enforce the same performance. A waiver by a Party or the Escrow Agent of any condition or breach of any term, covenant, promise, representation, or warranty in this Escrow Agreement, in any one or more instances, shall neither be construed as a further or continuing waiver of any such condition or breach nor a waiver of any other condition or breach of any other term, covenant, promise, representation, or warranty in this Escrow Agreement.

Section 5.7. No Modifications. Section headings herein are only for convenience and shall in no way modify any of the terms or conditions of this Escrow Agreement. This Escrow Agreement shall in no way modify any of the terms or conditions of the Reclamation Agreement.

Section 5.8. Construction. The Parties and Escrow Agent hereby acknowledge that they and their respective counsel have cooperated in the drafting and preparation of this Escrow Agreement, for which reason this Escrow Agreement shall not be construed against any Party or the Escrow Agent as the drafter hereof.

Section 5.9. Counterparts. This Escrow Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.



Section 5.10. Electronic Signatures. The Parties and Escrow Agent agree that this Escrow Agreement may be executed by electronic signature as provided in this Section 5.10.

(a) An “electronic signature” means any symbol or process intended by an individual signing this Escrow Agreement to represent their signature, including but not limited to (1) a digital signature; (2) a faxed version of an original handwritten signature; or (3) an electronically scanned and transmitted (for example by PDF document) of a handwritten signature.

(b) Each electronic signature affixed or attached to this Escrow Agreement (1) is deemed equivalent to a valid original handwritten signature of the person signing this Escrow Agreement for all purposes, including but not limited to evidentiary proof in any administrative or judicial proceeding, and (2) has the same force and effect as the valid original handwritten signature of that person.

(c) The provisions of this section satisfy the requirements of California Civil Code section 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (California Civil Code, Division 3, Part 2, Title 2.5, beginning with section 1633.1).

(d) Each of the Parties and/or the Escrow Agent using a digital signature represents that it has undertaken and satisfied the requirements of California Government Code section 16.5, subdivision (a), paragraphs (1) through (5), and agrees that each other Party and Escrow Agent, as applicable, may rely upon that representation.

(e) This Escrow Agreement is not conditioned upon the Parties and Escrow Agent conducting the transactions under it by electronic means and either of the Parties and/or Escrow Agent may sign this Escrow Agreement with an original handwritten signature.

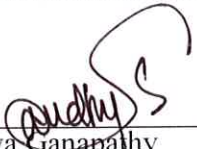
**(Signature page follows.)**



IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

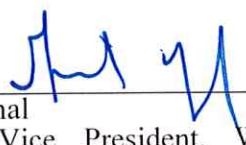
**APPLICANT:**  
**RE Scarlet LLC,**  
a Delaware limited liability company

**COUNTY:**  
**COUNTY OF FRESNO,**  
a political subdivision of the State of California

By:   
Sandhya Ganapathy  
Chief Executive Officer and Executive Vice President

By: \_\_\_\_\_  
ERNEST "BUDDY" MENDES, Chairman of  
the Board of Supervisors of the County of  
Fresno  
Date: \_\_\_\_\_

Date: 5/22/25

By:   
Gabriel Yamal  
Executive Vice President, Western  
and Central Regions, Mexico and Energy  
Storage

ATTEST:  
BERNICE E. SEIDEL, Clerk of the Board of  
Supervisors, County of Fresno, State of  
California

By: \_\_\_\_\_  
Deputy

Date: 05/22/25

**ESCROW AGENT: UNITED SECURITY BANK**

By: \_\_\_\_\_

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
[Title]

Date: \_\_\_\_\_

DKR



IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

**APPLICANT:**  
**RE Scarlet LLC,**  
a Delaware limited liability company

**COUNTY:**  
**COUNTY OF FRESNO,**  
a political subdivision of the State of California

By: \_\_\_\_\_  
Sandhya Ganapathy  
Chief Executive Officer and Executive Vice  
President

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Gabriel Yamal  
Executive Vice President, Western  
and Central Regions, Mexico and Energy  
Storage


Date: \_\_\_\_\_

By: \_\_\_\_\_  
ERNEST "BUDDY" MENDES, Chairman of  
the Board of Supervisors of the County of  
Fresno  
Date: \_\_\_\_\_

ATTEST:  
BERNICE E. SEIDEL, Clerk of the Board of  
Supervisors, County of Fresno, State of  
California

By: \_\_\_\_\_  
Deputy

**ESCROW AGENT: UNITED SECURITY BANK**

By:  \_\_\_\_\_  
Paul Thaxter, First Vice President

Date: 5/22/2025



**EXHIBIT A-1**

[Form of Sight Draft]

**United Security Bank**

**SIGHT DRAFT**

DRAFT NO. [ ] **[The County to specify and insert a unique number for the Sight Draft]**

DATE: [ ], 20 [ ]

**THIS SIGHT DRAFT IS ADDRESSED AND PRESENTED TO United Security Bank AT THE FOLLOWING PLACE OF PRESENTATION: 855 M St., Suite 130, Fresno, CA. 93721.**

At sight pay to the order of the County of Fresno, a political subdivision of the State of California, the sum of **[insert in words the dollar amount that the County is drawing]** US\$ **[insert in numbers the dollar amount that the County is drawing]**.

**DRAWN UNDER United Security Bank, a state-chartered bank in California.**

**PAYMENT INSTRUCTIONS:** Wire transfer of payment of immediately available funds to the following financial institution account:

1. NAME OF FINANCIAL INSTITUTION: [ ].
2. FINANCIAL INSTITUTION ABA/ROUTING NUMBER: [ ].
3. COUNTY OF FRESNO'S ACCOUNT NUMBER: [ ].
4. MEMO: [ ]. [County to insert memo information].

**BY: COUNTY OF FRESNO, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA:**

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**[SIGNATURE INSTRUCTIONS: FOR THE TITLE, INSERT ONE OF THE FOLLOWING:** Director of the Department of Public Works and Planning, County of Fresno **or** Planning and Resource Management Officer of the Department of Public Works and Planning, County of Fresno **or** County Administrative Officer of the County of Fresno **or** Auditor-Controller/Treasurer-Tax Collector of the County of Fresno]



**EXHIBIT A-2**

**Certificate as to Authorized Signatures – County of Fresno**

The specimen signatures shown below are the specimen signatures of the individuals who have been designated as authorized representatives of the County of Fresno and each of them, alone, is authorized on behalf of the County of Fresno to initiate and approve transactions of all types for the Escrow Account established under the Escrow Agreement by and among RE Scarlet LLC, the County of Fresno, and United Security Bank to which this Exhibit A-2 is attached.

Name / Title

Specimen Signature

Name: Steven E. White  
Director of the Department of Public  
Works and Planning, County of Fresno

Signature

Date:

Name: Bernard Jimenez  
Planning and Resource Management  
Officer of the Department of  
Public Works and  
Planning, County of Fresno

Signature

Date:

Name: Paul Nerland  
County Administrative Officer of the  
County of Fresno

Signature

Date:

Name: Oscar J. Garcia, CPA  
Auditor-Controller/Treasurer-Tax  
Collector of the County of Fresno

Signature

Date:



**EXHIBIT A-2**

**Certificate as to Authorized Signatures – County of Fresno**

The specimen signatures shown below are the specimen signatures of the individuals who have been designated as authorized representatives of the County of Fresno and each of them, alone, is authorized on behalf of the County of Fresno to initiate and approve transactions of all types for the Escrow Account established under the Escrow Agreement by and among RE Scarlet LLC, the County of Fresno, and United Security Bank to which this Exhibit A-2 is attached.

Name / Title

Specimen Signature

Name: Steven E. White  
Director of the Department of Public  
Works and Planning, County of Fresno

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Name: Bernard Jimenez  
Planning and Resource Management  
Officer of the Department of  
Public Works and  
Planning, County of Fresno

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Name: Paul Nerland  
County Administrative Officer of the  
County of Fresno



\_\_\_\_\_  
Signature

Date: 5/13/25

Name: Oscar J. Garcia, CPA  
Auditor-Controller/Treasurer-Tax  
Collector of the County of Fresno

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_



**EXHIBIT A-2**

**Certificate as to Authorized Signatures – County of Fresno**

The specimen signatures shown below are the specimen signatures of the individuals who have been designated as authorized representatives of the County of Fresno and each of them, alone, is authorized on behalf of the County of Fresno to initiate and approve transactions of all types for the Escrow Account established under the Escrow Agreement by and among RE Scarlet LLC, the County of Fresno, and United Security Bank to which this Exhibit A-2 is attached.

Name / Title

Specimen Signature

Name: Steven E. White  
Director of the Department of Public  
Works and Planning, County of Fresno

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Name: Bernard Jimenez  
Planning and Resource Management  
Officer of the Department of  
Public Works and  
Planning, County of Fresno

\_\_\_\_\_  
Signature

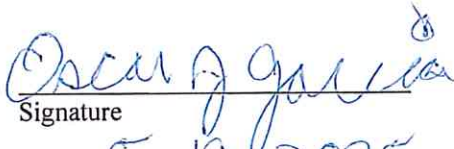
Date: \_\_\_\_\_

Name: Paul Nerland  
County Administrative Officer of the  
County of Fresno

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Name: Oscar J. Garcia, CPA  
Auditor-Controller/Treasurer-Tax  
Collector of the County of Fresno

  
Signature

Date: 5-19-2025



**EXHIBIT A-3**

**Form of Notice of Deposit of the Initial Amount of Escrow Funds**

County of Fresno  
Attention: Director of Public Works and Planning 2220 Tulare Avenue, Sixth Floor  
Fresno, CA 93721

Office of the Fresno County Counsel  
Attention: Deputy County Counsel Assigned to Land Use Matters 2220 Tulare Street, Suite 500  
Fresno, California 93721

[\_\_\_\_], 20[ ]

Reference is made to the Escrow Agreement, dated as of [\_\_\_\_], 2025 ("Escrow Agreement"), by and among RE Scarlet LLC, a Delaware limited liability company ("Applicant"), the County of Fresno, a political subdivision of the State of California ("County"), and United Security Bank, a state-chartered bank organized and existing under the laws of California, as the escrow agent hereunder ("Escrow Agent").

Pursuant to Section 2.1(a) of the Escrow Agreement, the Escrow Agent hereby notifies the County and acknowledges its receipt and deposit of the initial amount of the Escrow Funds in the amount of \$[\_\_\_\_] in the Escrow Account.

**UNITED SECURITY BANK**  
as Escrow Agent

By: \_\_\_\_\_  
Name:  
Title: