

GRANT OF EXECUTORY INTEREST

KNOW ALL PERSONS BY THESE PRESENTS that VERMONT LAND TRUST, INC. a non-profit corporation organized under the laws of the State of Vermont with a place of business in Montpelier, Vermont, and qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code, whose purpose is to preserve undeveloped and open space land in order to protect the aesthetic, recreational, cultural, educational, scientific and natural resources of the state through non-regulatory means, thereby reducing the burdens on state and local governments, on behalf of itself and its successors and assigns ("Grantor"), in consideration of Ten Dollars and other valuable consideration paid to its full satisfaction by the **TOWN OF CHARLOTTE**, does freely give, grant, sell, convey and confirm unto the **TOWN OF CHARLOTTE**, a Vermont municipality located in Chittenden County, Vermont and its successors and assigns forever ("Grantee"), an executory interest in the property interest more particularly described as follows:

All those rights and restrictions conveyed to Grantor by instrument entitled "Grant of Development Rights, Conservation Restrictions, Option to Purchase, and Right of Enforcement of the United States" dated _____, 201__ and recorded in Book __, Page __ of the Town of Charlotte Land Records (the "Rights and Restrictions"), on 101.1 acres of land, more or less, with the improvements thereon, which tract of land is more particularly described as being all of the land situated in the Town of Charlotte which is subject to the Rights and Restrictions; and further being described as a portion of the land conveyed to Clark W. Hinsdale, III by Warranty Deed of Clark W. Hinsdale, III, Trustee of the Clark W. Hinsdale, Jr., Testamentary Trust established under Article Fifth (b) of the Last Will and Testament of Clark W. Hinsdale, Jr., dated October 4, 2007 allowed by the Chittenden Probate Court on June 3, 2008, dated February 22, 2016, and recorded in Book 222, Page 435 of the Charlotte Land Records; (the "Property").

A. The Covenants

Grantor covenants and agrees as follows:

- 1) Grantor shall not alter, amend, modify or terminate the Rights and Restrictions in a manner inconsistent with Grantor's policies as they apply to the amendment of other operating farm conservation easements held by the Grantor, or except to effect de minimis changes or correct technical deficiencies, without first securing the prior written approval of Grantee, which approval shall not be unreasonably withheld or delayed, provided that the requested approval is consistent with Section I -- Purposes of the Grant and is otherwise permitted by the Rights and Restrictions.
- 2) Grantor shall not give, grant, sell, convey, transfer, mortgage, pledge or otherwise encumber the Rights and Restrictions without the prior written approval of Grantee, which approval shall not be unreasonably withheld or delayed, provided that the requested approval is consistent with Section I – Purposes of the Grant and is otherwise permitted by the Rights and Restrictions.
- 3) Grantor shall periodically (not less than once each two years) monitor the Property encumbered by the Rights and Restrictions to assure compliance with

the Rights and Restrictions and shall, upon request, report the results of the monitoring to Grantee.

- 4) Grantor shall take all reasonable steps to secure compliance with the Rights and Restrictions in the event a breach is discovered, provided said breach has a substantial negative impact on the natural resource attributes described in Section I(4), of the Grant. Those steps shall include efforts at securing voluntary compliance and, if necessary, appropriate legal action.

(Hereinafter referred to collectively as "the Covenants.")

B. Notice of Breach and Vesting of Co-Holder Status in Grantee

In the event Grantor takes or fails to take any action which could result in a breach or could reasonably be interpreted as expressing an intent to breach the Covenants, Grantee holds an executory interest, which interest, if exercised by Grantee upon such breach of, or intention to breach, the Covenants, shall be exercised by mailing a notice of violation ("Notice") by certified mail to Vermont Land Trust, Inc., 8 Bailey Avenue, Montpelier VT 05602, or the last known address of any successor or assign. Said Notice shall declare that Grantee is exercising its right to be vested as a co-holder of the Rights and Restrictions, and shall state the breach which caused the action. Grantor shall have a period of ninety (90) days from the date of its receipt of said notice to correct the breach. Further, to the extent that, in the exercise of due diligence in correcting a breach, Grantor requires additional time to accomplish the correction, Grantee shall grant one reasonable extension of said original ninety-day period.

If in the reasonable opinion of Grantee the breach is not cured within said ninety day period (or any extension of said period), Grantee's exercise of the rights under this instrument shall become final and a copy of the Notice shall be recorded in the Town of Charlotte Land Records. UPON RECORDATION OF SAID NOTICE, THE STATUS OF CO-HOLDER AS TO ALL RIGHT TITLE AND INTEREST OF GRANTOR IN THE RIGHTS AND RESTRICTIONS IN THE PROPERTY SHALL VEST, AS A MATTER OF LAW, IN GRANTEE AS TENANT IN COMMON WITH GRANTOR; provided, however, that the vesting shall not become final if, within said ninety day period (or any extension of said period) Grantor delivers to Grantee a written request for binding arbitration as provided in Section C, below.

C. Binding Arbitration of Disputes

Any dispute between Grantee and Grantor with respect to whether a breach of the Covenants has occurred, or whether Grantor has, upon notice from Grantee, cured any breach, shall be submitted to binding arbitration. The arbitrator's authority shall include the right to interpret this instrument, the right to determine whether a violation of the Covenants has occurred and, if so, the right to determine whether the breach has been cured by Grantor. The arbitrator shall be selected by the parties or by the American Arbitration Association if the parties cannot agree on an arbitrator. The costs of arbitration shall be shared equally by the parties, unless otherwise determined by the arbitrator due to one party being unreasonable or otherwise dilatory. The decision of the arbitrator shall be binding on the parties.

The parties shall select an arbitrator within two weeks of the submission of an issue to arbitration, and every reasonable effort shall be made to complete arbitration of any dispute within thirty (30) days of the selection of an arbitrator.

D. Miscellaneous Provisions

1. Grantee shall transfer the right of entry conveyed by Grantor herein only to a State agency, municipality, or qualified organization, as defined in Chapter 34 or Chapter 155 Title 10 V.S.A., in accordance with the laws of the State of Vermont and the regulations established by the Internal Revenue Service governing such transfers.
2. Grantee shall be entitled to rerecord this Grant, or to record a notice making reference to the existence of this Grant, in the Land Records of the Town of Charlotte as may be necessary to satisfy the requirements of the Record Marketable Title Act, 27 V.S.A., Chapter 5, Subchapter 7, including 27 V.S.A. §§ 603 and 605.
3. The term "Grantor" shall include the successors and assigns of the original Grantor, Vermont Land Trust, Inc. The term "Grantee" shall include the successors and assigns of the original Grantee, Town of Charlotte.

INVALIDATION of any provision hereof shall not affect any other provision of this Grant.

TO HAVE AND TO HOLD said granted executory interest, with all the privileges and appurtenances thereof, to the said Grantee, TOWN OF CHARLOTTE, its successors and assigns, to their own use and behoof forever, and the said Grantor, VERMONT LAND TRUST, INC., for itself, and its successors and assigns, does covenant with the said Grantee, its successors and assigns, that until the ensealing of these presents, it is the sole owner of the Rights and Restrictions and has good right and title to convey the same in the manner aforesaid, that the Rights and Restrictions are free from every encumbrance, except those of record, and it hereby engages to warrant and defend the same against all lawful claims whatever.

Richard F. Peterson, Jr., duly authorized agent of VERMONT LAND TRUST, INC., set his hand and seal this ___ day of _____, 201__.

Grantor
VERMONT LAND TRUST, INC.

By: _____
Richard F. Peterson, Jr.
Its Duly Authorized Agent

STATE OF VERMONT
_____ COUNTY, ss.

At _____, this __ day of _____, 201__, Richard F. Peterson, Jr., duly authorized agent for Vermont Land Trust, Inc., personally appeared and he acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, and the free act and deed of Vermont Land Trust, Inc.

Before me,

Notary Public
My commission expires: 2/10/2015

ACKNOWLEDGMENT OF ARBITRATION

We understand that Section C of this instrument contains an agreement to arbitrate. After signing this document below we understand that we will not be able to bring a lawsuit concerning any dispute that may arise which is covered by the arbitration agreement set forth in Section C, unless it involves a question of constitutional or civil rights. Instead, we agree to submit any such dispute to an impartial arbitrator. We understand that the arbitration provisions of this instrument are limited exclusively to matters set forth in said Section C.

Town of Charlotte

By: _____
Its Duly Authorized Agent

Dated: _____

Vermont Land Trust, Inc.

By: _____
Its Duly Authorized Agent

Dated: _____