



April 4, 2024

Koko Nor Corporation
dba Maxville Lake Winery
Attn: Anthony Hsu, CEO
4105 Chiles-Pope Valley Road
St. Helena, CA 94574

Dear Anthony,

It was a pleasure to meet with you and the consultants from HDVine LLC and Garvey Vineyard Management on February 13, 2024. We have also been in communication with Dana Morrison from the County of Napa Planning, Building and Environmental Services. We appreciate the notification of the proposed vineyard development plans, as submitted in the draft Erosion Control Plan P23-00130 ("ECP") and understand that all parties are still working towards a final version of this plan.

The Conservation Easement

As you mention in the ECP, the Property you seek to develop is protected by an existing Conservation Easement that was originally filed in 2001 and amended in 2019. The original donor of the Conservation Easement received a federal tax deduction at the time of the gift and thus, the value of the rights given up have already been used for that purpose.

For accuracy purposes within the ECP, the Conservation Easement covers the entirety of APNs 025-020-023, -027, and -028. The Conservation Easement outlines specific zones with differing reserved rights and prohibited activities, but is applicable over the entire 1,025-acre property. The 2019 amended Conservation Easement recorded the legal description of the Forever Wild Zone for APNs -027 and -028; our in-house calculations total the Forever Wild Zone as approximately 520 acres of the 777.48 acres within the two parcels.

We will require physical confirmation that proposed Blocks A, H and K lie fully outside the Forever Wild Zone boundary. We have concerns about the map accuracy depicting the zone boundary and these proposed vineyard blocks.

The Forever Wild Zones on the property have limited development potential and mostly provide for management of existing vegetation, such as grazing and healthy forest management, both of which are increasingly important for fire mitigation and fuels reduction. The Forever Wild Zone also allows for passive, non-commercial recreation consistent with the property's natural, scenic, agricultural and open space conservation values.

We have reviewed the conservation easement covering your property and have concluded that development of vineyards outside the Forever Wild Zone on the property does not conflict with the permitted rights allowed in Paragraph 6.1, subject to the on-ground delineation for Blocks A, H and K along the Zone boundary.

The ECP

At the request of Napa County PBES, we have looked over the draft ECP documents and maps, specifically with intent to maintain compliance with the terms of the Conservation Easement. The Land Trust cannot consent or otherwise determine approval or rejection of the ECP application nor any conditions that may result from the ECP; these are the purview of County staff. However, we note that the ECP seems to count the already protected acreage as potential mitigation for this project (the "Canopy Preservation Area"). We understand that mitigation typically requires the conservation of unprotected lands, and that the Internal Revenue Service has already given the original Conservation Easement donor any tax benefits associated with the existing conservation on this property. In this case, we believe the IRS would have a prior claim. There may be other areas not in the Forever Wild Zones on the property that could satisfy mitigation requirements, as the reserved rights and prohibitions differ from the more stringent Forever Wild Zone classification of our Conservation Easement.

I hope this clarifies any outstanding issues. Feel free to contact me if you have any questions. Please keep us informed about changes, particularly with the above-identified vineyard blocks. We understand this process can be lengthy, so appreciate notice when you anticipate work beginning on the property. Otherwise, we will be visiting the property for our annual monitoring visit later this year.

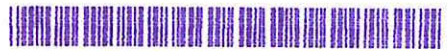
Sincerely,

Lena Pollastro

Lena Pollastro
Conservation Director

Encl: 1

cc: Coda Rainsford, HDVine LLC
Scott Garvey, Garvey Vineyard Management
Dana Morrison, County of Napa PBES



2019-0009087

Recorded
Official Records
County of
Napa
JOHN TUTEUR
Assessor-Recorder-Co.

REC FEE 39.00
HOUSING TAX-3 225.00

12:01PM 20-May-2019

EV
Page 1 of 9

RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

NAPA COUNTY LAND TRUST
Executive Director
1700 Soscol Ave. Suite 20
Napa, California 94559
Telephone: (707) 252-3270

AMENDMENT OF DEED OF CONSERVATION EASEMENT

THIS AMENDMENT OF DEED OF CONSERVATION EASEMENT (the "Easement Amendment") is made this 10th day of MAY, 2019, by Koko Nor Corporation, a California Corporation, (the "Grantor") in favor of NAPA COUNTY LAND TRUST, a California nonprofit corporation doing business as The Land Trust of Napa County (the "Land Trust").

This Easement Amendment amends the Deed of Conservation Easement executed on December 28, 2001 and recorded in the Napa County Official Records, Series Number 2001-0046663 (the "Existing Easement").

RECITALS

- A. Grantor is the current owner in fee simple of certain real property comprised of 1,025 acres in Napa County, California, commonly known as Assessor's Parcel Numbers 025-020-002, 025-020-008 and 025-020-023 in **Exhibit A** attached hereto and incorporated by this reference (the "Property").
- B. Grantor acquired the Property in 2013, and would like to have a clear definition of the Forever Wild Areas defined in the Existing Easement. As contemplated by the original parties to the Existing Easement in paragraph 1, the Forever Wild Areas described in the Existing Easement have been surveyed and metes and bounds descriptions have been prepared by a professional surveyor. The metes and bounds descriptions are attached hereto as **Exhibits B-1 and B-2** attached hereto and incorporated by this reference. These Exhibits shall become the new **Exhibits B-1 and B-2** to the Existing Easement, and are labeled accordingly.
- C. The parties intend that the Forever Wild Area forever be recognized as the zone-delineated boundaries, hereby completing the terms and conditions required by Paragraph 1 of the Existing Easement.

AGREEMENT

Therefore, the Parties agree as follows:

1. The foregoing Recitals are hereby incorporated by reference.
2. The Existing Easement is hereby amended so

a. Recital A of the Easement reads:

A. Grantor is the sole owner in fee simple of certain real property containing 1,025 acres in Napa County, California, commonly known as Assessor's Parcel Numbers 025-020-002, 025-020-008 and 025-020-023 on the Napa County Assessor's Maps currently in effect and more particularly described in **Exhibit A** attached hereto and incorporated by this reference (the "Property"). The boundary lines of certain portions of the Property which are intended to remain in forever wild conditions (the "**Forever Wild Areas**") and the area within which a polo field may be constructed pursuant to Paragraph 6.11 of this agreement (the "**Polo Field**") are depicted in the aerial photo attached hereto as Exhibit B, the metes and bounds descriptions for the Forever Wild Areas are attached hereto as Exhibit B-1 and B-2, and all exhibits are incorporated herein by this reference.

b. And paragraph 1 of the Easement reads:

1. Grant of Easement. In consideration of the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of California and in particular Section 815 et sq. of the California Civil Code, Grantor hereby voluntarily grants and conveys to Trust a conservation easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth.

TO HAVE AND TO HOLD unto the Trust, its successors, and assigns,

WITNESS the following signatures.

TRUST:
NAPA COUNTY LAND TRUST,
A California Nonprofit Corporation
dba The Land Trust of Napa County

Dated: 5-15, 2019


By: Greg A. Bennett
Its: Chairman, Board of Trustees

GRANTOR:
Koko Nor Corporation

Dated: 5/10, 2019


By: Anthony William Hsu
Its: Chief Executive Officer

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

County of Napa

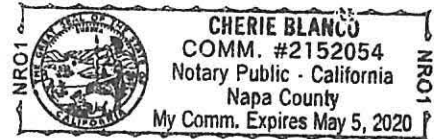
On May 10, 2019 before me, Cherie Blanco, Notary Public
(insert name and title of the officer)

personally appeared Anthony William Hsu,
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 Cherie Blanco (Seal)



Title/Type of Document: Amendment of Deed of Conservation easement

Number of Pages: _____

Additional Information: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

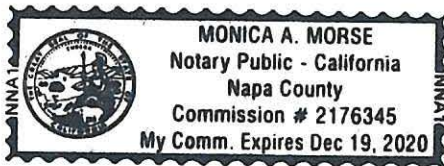
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
 County of Napa)
 On 5-15-19 before me, Monica A Morse, Notary Public
 Date Here Insert Name and Title of the Officer
 personally appeared Greg A Bennett
 Name(s) of Signer(s)

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 Monica A Morse
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Assignment of Deed of Trust and Conservation Easement
 Document Date: 5-10-19 Number of Pages: ?
 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Anthony William Hsu
☒ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

Exhibit A
Property Legal Description

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

TRACT ONE:

That portion of the Catacula Rancho, County of Napa, State of California, described as follows:

Commencing on the Southwestern line of the Rancho Catacula, at the most Southern corner of the 1200 acre tract of land conveyed by the Security Trust and Savings Bank to Frank Borges by Deed of record in Book 20 at page 389 of Official Records of Napa County; running thence along the Southwestern line of said 1200 acre tract North 50° 45' West 7512.30 feet, more or less, to the intersection thereof with the Southwesterly projection of a deer fence on the Southeasterly side of an existing 17 foot wide dirt road; thence along said deer fence and the Southwesterly projection thereof North 40° 29' 00" East 1141.72 feet, more or less, to the Southwestern line of the County Road that runs through Chiles Valley to Pope Valley; thence along the Southwesterly line of said road South 54° 16' East 397.97 feet, South 55° East 1396.60 feet, South 52° 30' East 1947.90 feet, South 25° 33' East 191.10 feet, South 44° 16' East 257.80 feet, South 63° 50' East 639.50 feet, South 58° 30' East 258.10 feet, South 68° 40' East 390.70 feet, South 69° 34' East 283.40 feet, South 59° 22' East 1180.50 feet, South 46° 32' East 209.10 feet and South 25° 50' East 520 feet, more or less, to the intersection of the Southwestern line of said County Road with the Southeastern line of the aforesaid 1200 acre tract; thence along the Southeastern line of said tract South 39° 15' West 1600 feet, more or less, to the point of commencement.

EXCEPTING THEREFROM, that portion, if any, as lies within the 1.652 acre tract heretofore conveyed by the Cache D'Oro Live Stock Company, a corporation, to the County of Napa, by instrument dated September 7, 1921, recorded September 13, 1921 in Book 134 of Deeds at page 8, Napa County Records.

APN 025-020-023

TRACT TWO:

Commencing at a post marked J.A.H. in the Northern boundary of the Catacula Rancho in Chiles Valley, said post marking the Northwest corner of lands formerly known as the "Boothe Tract", from which post a live oak tree 48 inches in diameter distant 110 links, bears North 20-1/4° East; thence running along the line of said Catacula Rancho, South 50-3/4° East 37.00 chains to a stake; thence South 39-3/4° West parallel with the Westerly line of said "Boothe Tract" about 72.00 chains to a stake on the Northerly side of the County Road; thence South 71-1/2° East, along the line of said County Road 4.00 chains to an angle therein; thence South 54-1/2° East 3.36 chains to a stake; thence South 39-3/4° West parallel with the Westerly line of said "Boothe Tract" about 32.00 chains to the Southerly boundary of the Catacula Rancho; thence along said boundary line, North 50-3/4° West 45.00 chains to the Southeast corner of a tract of land formerly owned by one Hanna; and thence North 39-3/4°

East along the Easterly line of said tract formerly owned by Hanna 105.34 chains to the point of commencement.

EXCEPTING THEREFROM that certain 0.985 acre parcel of land described in the Deed to G. A. Davis, et ux, recorded December 22, 1950 in Book 354 at page 332 of Official Records of Napa County.

ALSO EXCEPTING THEREFROM that portion of the herein described property lying Southwesterly of the Northeastern line of the County Road, Route 3, Section G known as the Chiles and Pope Valley Road.

APN 025-020-008

TRACT THREE:

Commencing at a point on the Northeasterly line of the Catacula Rancho said point being South 50° 45' East, 3670.00 feet distant from the most Northerly corner of the 1200 acre tract of land conveyed by the Security Trust and Savings Bank to Frank Borges, by Deed of record in Book 20 at page 389 of Official Records of Napa County; and running thence parallel with the Northwesterly line of said 1200 acre tract South 39° 15' West 5553 feet to a point on the Northeasterly line of the County Road that runs through Chiles Valley to Pope Valley; thence along the Northeasterly line of said road, South 52° 30' East, 74.40 feet, South 25° 33' East, 194.80 feet, South 44° 16' East, 241.00 feet, South 63° 50' East, 633.20 feet, South 58° 30' East, 256.00 feet, South 68° 40' East, 385.90 feet, South 69° 34' East, 287.50 feet, South 59° 22' East, 1190.60 feet, South 46° 32' East, 223.80 feet and South 25° 50' East, 506.10 feet to the intersection thereof with the Southeasterly line of the aforesaid 1200 acre tract; thence along the Southeasterly line of said 1200 acre tract, North 39° 15' East, 5297 feet to the most Easterly corner thereof on the Northeasterly line of the Catacula Rancho; thence along the Northeasterly line of said Rancho, North 50° 45' West, 3859 feet to the point of commencement.

APN 025-020-002

Exhibit B-1
Forever Wild Area Legal Description

New Exhibit B-1 to the Existing Agreement

The land referred to herein is situated in the State of California, in the unincorporated area of Napa County and is described as follows:

Commencing on the northerly right-of-way line of Chiles-Pope Valley Road at a rebar tagged RCE 15156, as shown in Book 18 of Surveys at page 45, map number 2424, recorded on August 3, 1973 in the office of the Napa County Recorder, said rebar being on the northwesterly line of the lands of Edward A. Keith Revocable Trust as recorded January 2, 2001 under series number 2001-0000100 of the Official Records of Napa County; thence along said northwesterly line North 40° 13' 41" East, (given as North 39°15' East in said Revocable Trust Deed) 1050.91 feet to the TRUE POINT OF BEGINNING; thence leaving said northwesterly line South 54° 13' 08" East 37.22 feet to an iron pipe tagged LS 4510; thence continuing South 54° 13' 08" East 2620.30 feet to an iron pipe tagged LS 4510; thence North 84°35'33" East 2421.28 feet to an iron pipe tagged LS 4510; thence South 58°55'12" East 1892.82 feet to an iron pipe tagged LS 4510; thence continuing South 58° 55'12" East 90.88 feet to the southeasterly line of tract two of the lands of Edward A. Keith as recorded May 10, 1996 under series number 1996-011285 of the Official Records of Napa County; thence along said southeasterly line North 40°13'41" East (given as South 39 3/4° West in said Tract Two) 2249.66 feet to the most easterly corner of the lands of Keith, said corner also being on the northeasterly line of the Catacula Rancho; thence along said Rancho line being the northeasterly line of said Tract Two and said northwesterly Keith 6301 feet more or less to the northeasterly corner thereof; thence along the northwesterly line of the lands of Keith, South 40°13'41" West 4502.09 feet to the true point of beginning.

EXCEPTING THEREFROM the following described parcel:

Commencing on the northerly right-of-way line of Chiles-Pope Valley Road at a rebar tagged RCE 15156, as shown in Book 18 of Surveys at page 45, map number 2424, recorded on August 3, 1973 in the office of the Napa County Recorder; said rebar being on the northwesterly line of the Lands of Edward A. Keith Revocable Trust as recorded January 2, 2001 under series number 2001-0000100 of the Official Records of Napa County; thence North 85°16'25" East 5336.07 feet to an iron pipe tagged LS 4510, said pipe being the TRUE POINT OF BEGINNING; thence South 57°03'38" East 545.85 feet to an iron pipe tagged LS 4510; thence South 72°06'08" East 102.85 feet to an iron pipe tagged LS 4510; thence North 81°20'50" East 192.60 feet to an iron pipe tagged LS 4510; thence North 19°43'27" East 392.46 feet to an iron pipe tagged LS 4510; thence North 58°22'13" West 679.62 feet to an iron pipe tagged LS 4510; thence South 35°08'38" West 521.46 feet to the true point of beginning.

APN 025-020-002 (ptn) & 025-020-008 (ptn)

END OF DOCUMENT

Exhibit B-2 Forever Wild Area Legal Description

New Exhibit B-2 to the Existing Agreement

The land referred to herein is situated in the State of California, in the unincorporated area of Napa County and is described as follows:

Commencing on the northerly right-of-way line of Chiles-Pope Valley Road at a rebar tagged RCE 15156, as shown in Book 18 of Surveys at page 45, map number 2424, recorded on August 3, 1973 in the office of the Napa County Recorder, said rebar being on the northwesterly line of the lands of Edward A. Keith Revocable Trust as recorded January 2, 2001 under series number 2001-0000100 of the Official Records of Napa County; thence North 82°37'34" West 2217.44 feet to the intersection of a wire fence with the southwesterly line of tract one of the lands of Edward A. Keith as recorded May 10, 1996 under series number 1996-011285 of the Official Records of Napa County, said southwesterly line also being the southwesterly line of the Catacula Rancho and said intersection being the TRUE POINT OF BEGINNING; thence along said fence North 34°58'47" East 295.64 feet, North 52°52'24" East 30.28 feet and North 71°49'06" East 43.92 feet; thence leaving said fence North 38°02'18" East 131.35 feet to the centerline of maxwell creek; thence along said creek centerline southeasterly 2915 feet more or less with the meanderings thereof to a point in said creek from which the point of commencement bears North 23°25'31" West 1163.71 feet and a thirty-eight inch black oak bears South 4°32'11" West 53.5 feet; thence leaving said creek South 17°17'56" West 257.16 feet; thence South 33°26'52" East 98.35 feet; thence South 19°32'58" East 86.62 feet; thence South 19°05'48" West 84.95 feet; thence South 40°13'41" West 299.19 feet to the southwesterly line of the Catacula Rancho; thence along said Rancho line being the southwesterly line of said Tract One northwesterly 3206 feet more or less to the true point of beginning.

The basis of bearing for the above description is Book 18 of Surveys at page 45, Map No 2424.

APN 025-020-023 (ptn)