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**INVESTMENT FUND PUT AND CALL AGREEMENT**

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**by and between**

**U.S. Bancorp Community Development Corporation,  
a Minnesota corporation  
("USBCDC")**

**and**

**Western Rivers Conservancy,  
An Oregon nonprofit public benefit corporation,  
or its designee(s)  
("Purchaser")**

**March \_\_, 2015**

**THIS INVESTMENT FUND PUT AND CALL AGREEMENT** (this “**Agreement**”) is made as of March \_\_\_\_, 2015, by and among U.S. BANCORP COMMUNITY DEVELOPMENT CORPORATION, a Minnesota corporation (“**USBCDC**”), and WESTERN RIVERS CONSERVANCY, a Oregon nonprofit public benefit corporation, or its designee(s) (“**Purchaser**”).

**WHEREAS**, USBCDC is the sole member of WRC Blue Creek Investment Fund, LLC, a Missouri limited liability company (the “**Investment Fund**”), and owns 100% of the membership interest of the Investment Fund; and

**WHEREAS**, the parties hereto now desire to enter into this Agreement and set forth all of the terms and conditions upon which (i) USBCDC shall have an option to put USBCDC’s membership interest in the Investment Fund (the “**USBCDC Interest**”), to Purchaser or such person designated by Purchaser, and (ii) Purchaser shall have an option to call for the sale to Purchaser of the USBCDC Interest.

**NOW, THEREFORE**, in consideration of mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereby agree as follows:

**Section 1. Put of the USBCDC Interest.**

(a) USBCDC shall have the right and option, but not the obligation, to require Purchaser to purchase all (but not less than all) of the USBCDC Interest (the “**Investment Fund Put**”) upon each and every occurrence of any of the following events (each a “**Put Availability Event**”):

(i) the later of (A) the first day following the end of the Tax Credit Investment Period (as defined in the Operating Agreement of the Investment Fund dated as of the date hereof (the “**Investment Fund Operating Agreement**”), or (B) the seventh (7th) anniversary of the date hereof (such date being referred to herein as the “**Recapture Expiration Date**”); or

(ii) the occurrence of an NMTC Recapture Event (as defined in the NMTC Guaranty (as defined below).

Purchaser shall deliver written notice to USBCDC upon the occurrence of any Put Availability Event, advising USBCDC of the availability of the Investment Fund Put (the “**Put Availability Notice**”).

(b) Not in limitation of the foregoing, during the Put Exercise Period (as defined below), upon receipt of a Put Availability Notice, USBCDC shall be entitled to exercise the Investment Fund Put by delivering notice of such exercise in writing to Purchaser (the “**Put Exercise Notice**”); provided, that, whether or not Purchaser provides the applicable Put Availability Notice, USBCDC shall have the right to exercise the Investment Fund Put at any time during the Put Exercise Period by delivery of a Put Exercise Notice to Purchaser. For purposes of this Agreement, the “**Put Exercise Period**” shall refer to the period beginning on the date of a Put Availability Event and ending one hundred twenty (120) calendar days following receipt by USBCDC of a Put Availability Notice from Purchaser in which to exercise such Investment Fund Put by delivering a Put Exercise Notice. For the sake of clarity, the Put Exercise Period shall not expire until one hundred twenty (120) calendar days following receipt

by USBCDC of a Put Availability Notice; provided that if, during that one hundred twenty (120) calendar day period, USBCDC delivers the Put Exercise Notice, the Put Exercise Period shall not expire until the Investment Fund Put Closing Date (as defined below). If exercised, USBCDC shall be obligated to sell, without recourse, and without representation or warranty (except as otherwise set forth herein, which shall include USBCDC's (or its successor's or assign's) ownership of the USBCDC Interest, free and clear of any liens or encumbrances, except as disclosed to Purchaser), and Purchaser shall be obligated to purchase, the USBCDC Interest then owned by USBCDC. USBCDC's failure to exercise its Investment Fund Put during any Put Exercise Period shall not preclude it from exercising its Investment Fund Put after the occurrence of any subsequent Put Availability Event.

(c) The purchase price for the USBCDC Interest (the "**Put Price**") pursuant to the Investment Fund Put shall be an amount equal to the sum of:

- (i) One Thousand Dollars (\$1,000); plus
- (ii) any transfer taxes and other closing costs attributable to the exercise of the Investment Fund Put and the sale of the USBCDC Interest; plus
- (iii) any amounts due and owing from Purchaser, or any of its respective Affiliates (as hereinafter defined) to the Investment Fund to the extent not included in Section 1(c)(iv) hereof; plus
- (iv) any amounts due and owing from Purchaser, Western Rivers Forestry, a California nonprofit public benefit corporation ("**QALICB**"), or any of their respective Affiliates, to USBCDC, in connection with that certain Unconditional Guaranty of New Markets Tax Credits, Put Price and Environmental Indemnification (the "**NMTC Guaranty**"), executed as of the date hereof by QALICB and Purchaser and any other guarantors, as may be required by USBCDC for the benefit of USBCDC.

(d) The Put Price shall be paid by Purchaser by federal wire transfer on the Investment Fund Put Closing Date (as defined below), at which time USBCDC in its capacity as investor and Twain Financial Partners, LLC, a Missouri limited liability company ("**Twain**"), or its successors or its assignees, in its capacity as non-member manager shall execute an amendment to the Investment Fund Operating Agreement, in form and substance reasonably acceptable to Purchaser, pursuant to which (i) Twain, or its successors or its assignees, shall resign as the non-member manager of the Investment Fund, and (ii) USBCDC shall assign its membership interest to Purchaser without recourse, and without representation or warranty (except as otherwise set forth herein).

(e) The date of the Investment Fund Put closing will be forty-five (45) calendar days following the mailing of the Put Exercise Notice, or such other date as USBCDC and Purchaser shall agree in writing (the "**Investment Fund Put Closing Date**").

## **Section 2. Call of USBCDC Interest.**

(a) In the event that USBCDC has not exercised the Investment Fund Put (or otherwise provided the Put Exercise Notice), Purchaser shall have the right and option (the "**Investment Fund Call**") to purchase all, but not less than all, of the USBCDC Interest for thirty (30) calendar days following the expiration of the Put Exercise Period occurring after and as a result of the Recapture Expiration Date (the "**Call Period**"), provided that (i) QALICB shall have

paid in full all principal, interest and any other obligations then due and owing pursuant to the Loan Documents (as such term is defined in that certain Loan Agreement by and between LCD New Markets Fund XVIII, LLC, a Delaware limited liability company (the “**CDE**”), and QALICB dated as of the date hereof, (ii) no amounts are then due and owing from Purchaser, QALICB, or any of their Affiliates to the Investment Fund and/or to USBCDC, including but not limited to any amounts due and owing under the NMTC Guaranty, and (iii) all amounts have been paid in full which are due and owing from QALICB to the CDE and its Affiliates. For purposes of this Agreement, “Affiliate” shall mean, with respect to any entity or person, (x) any entity directly or indirectly controlling, controlled by or under common control with such entity or person, (y) any entity owning or controlling ten percent (10%) or more of the outstanding voting securities or beneficial interests of such entity or person, and (z) any officer, director, partner, trustee or member of the immediate family of such entity or person. For purposes of this Agreement, the term “control” (including the terms “controlled by” and “under common control with”) shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the person or such entity, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, Purchaser shall have no right to exercise the Investment Fund Call if Purchaser failed to pay the Put Exercise Price after the timely receipt of a Put Exercise Notice from USBCDC.

(b) If the Investment Fund Call is exercised, USBCDC shall be obligated to sell, without recourse, and without representation or warranty (except as otherwise provided herein), and Purchaser shall be obligated to purchase all of the USBCDC Interest then owned by USBCDC on the following terms and conditions:

(i) The date of the Investment Fund Call closing (the “**Investment Fund Call Closing Date**”) shall be sixty (60) calendar days following delivery of the notice of exercise of the Investment Fund Call (the “**Call Exercise Notice**”) to USBCDC or such other date as USBCDC and Purchaser may agree upon in writing.

(ii) The purchase price for the USBCDC Interest pursuant to this Section 2 (the “**Call Price**”) shall be an amount equal to the fair market value (the “**Appraised Value Price**”) of the USBCDC Interest (as agreed by USBCDC and Purchaser, or if they shall be unable to agree upon such price, as determined by an independent appraiser having not less than five (5) years experience appraising similar assets, selected by Purchaser and reasonably acceptable to USBCDC, said appraisal to be as of the last day of the month preceding the month within which the option to purchase is exercised by Purchaser). In the event USBCDC and Purchaser are unable to agree on an appraisal firm, each party shall select an appraisal firm and such two firms shall select a third independent appraisal firm, which shall conduct the actual appraisal. All costs relating to the appraisal shall be shared equally by the parties, and the results of the appraisal shall be deemed conclusive in the absence of fraud, malfeasance, or gross negligence. The Call Price for any purchase pursuant to this Section 2 shall be payable by Purchaser to USBCDC by federal wire transfer on the Investment Fund Call Closing Date, at which time USBCDC will execute an amendment to the Investment Fund Operating Agreement, in form and substance reasonably acceptable to Purchaser, pursuant to which USBCDC shall (i) cause Twain or its successors and assignees, if applicable, to withdraw as the non-member manager of the Investment Fund, and (ii) assign USBCDC’s membership interest to Purchaser without recourse, and without representation or warranty (except as otherwise provided herein).

(iii) The Appraised Value Price shall be determined by valuing the estimated cash flow and capital proceeds to be received by USBCDC, as a member, pursuant to the Investment Fund Operating Agreement during the remaining term of the Investment Fund,

using actual income and expenses for the prior calendar year, as updated through the month prior to the month of closing, and thereafter using an appropriate time value of money discount rate reasonably acceptable to Purchaser, provided the appraiser uses the income capitalization approach to valuation based upon the actual income received from USBCDC's Interest and has an aggregate valuation and marketability discount rate for USBCDC's Interest for illiquidity, any restrictions on transferability and any minority nonvoting characteristics thereof. The above method of determining Appraised Value Price shall be modified as appropriate, to comply with then existing tax law respecting valuation of the fair market value of USBCDC's Interest.

**Section 3. Representations and Warranties of USB.** USBCDC represents and warrants to Purchaser as of the date of this Agreement as follows, all of which are material to Purchaser and the truth and accuracy of which have been relied upon by Purchaser in executing and performing their obligations under this Agreement:

- (a) USBCDC has authority to enter into this Agreement and carry out the transactions contemplated hereunder;
- (b) the execution, delivery, and performance by USBCDC of this Agreement and all obligations of USBCDC hereunder have been duly authorized by all necessary corporate action, and are valid and binding upon, and enforceable against USBCDC in accordance with the applicable terms hereof; and
- (c) no consent or approvals from or filing with any governmental or regulatory body or other party are required in connection with this Agreement, the rights granted hereunder, or their exercise by USBCDC.

**Section 4. Representations and Warranties of Purchaser.** Purchaser represents and warrants to USBCDC as of the date of this Agreement as follows, all of which are material to USBCDC and the truth and accuracy of which have been relied upon by USBCDC in executing and performing their obligations under this Agreement:

- (a) Purchaser has authority to enter into this Agreement and carry out the transactions contemplated hereunder;
- (b) the execution, delivery, and performance by Purchaser of this Agreement and all obligations of Purchaser hereunder have been duly authorized by all necessary corporate action, and are valid and binding upon, and enforceable against Purchaser in accordance with the applicable terms hereof; and
- (c) no consent or approvals from or filing with any governmental or regulatory body or other party are required in connection with this Agreement, the rights granted hereunder, or their exercise by Purchaser.

**Section 5. Notice.** All notices and other communication permitted or required hereunder shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by depositing same with Federal Express for next Business Day delivery or by depositing same in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed as follows, to a party at its address set forth below, or to such other address as the party may specify by notice given to the other party in the manner prescribed. Facsimile transmission shall not constitute notice for purposes of this Agreement.

(a) If to USB: U.S. Bancorp Community Development Corporation  
1307 Washington Avenue, Suite 300  
St. Louis, Missouri 63103  
Attention: Director of Asset Management – NMTC  
Project Reference #23286  
Facsimile: (314) 335-2602

With a copy to:

Twain Financial Partners LLC  
1324 Washington Avenue, Suite 200  
St. Louis, MO 63103  
Attention: General Counsel  
Project #: 23286  
Facsimile: (314) 300-4158

With a copy to:

Bocarsly Emden Cowan Esmail & Arndt LLP  
633 West Fifth Street, 64th Floor  
Los Angeles, CA 90071  
Attention: Eugene Cowan  
Facsimile: (213) 559-0751

(b) If to Purchaser:

Western Rivers Conservancy  
71 SW Oak Street, Suite 100  
Portland, OR 97204  
Attention: Sue Doroff  
Facsimile: (503) 241-0374

With a copy to:

Coblentz, Patch, Duffy & Bass LLP  
One Ferry Building, Suite 200  
San Francisco, CA 94111-4213  
Attention: Julie Treppa  
Facsimile: (415) 772-5765

**Section 6. Governing Law.** This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in all respects in accordance with the laws of the State of California.

**Section 7. Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties hereto.

**Section 8. Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and any representation, inducement, promise or agreement between the parties with respect to the subject matter of this Agreement that is not embodied herein shall be null and void and of no further force or effect.

**Section 9. Amendment.** This Agreement may not be modified, amended or otherwise altered except by written agreement executed by USBCDC and Purchaser.

**Section 10. Counterparts.** This Agreement and any amendments hereof may be executed in counterparts, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

**Section 11. Time is of the Essence.** Time is of the essence with respect to all of the terms of this Agreement.

**Section 12. Fees.** Purchaser agrees to pay USBCDC's reasonable attorneys' fees and expenses in connection the transaction contemplated hereunder, including, without limitation, all fees and expenses in connection with this Agreement.

**Section 13. Assignment.** USBCDC shall be entitled to assign, in whole or in part, its rights under this Agreement to an investment fund of which USBCDC (or an affiliate) is the manager, managing member, or general partner without prior notice to or the consent of Purchaser, provided that USBCDC also assigns its obligations under this Agreement to such investment fund to the same extent that its rights are assigned herewith. Purchaser shall have the right to assign its rights and obligations to a designee of Purchaser, provided that (i) Purchaser assigns not only its rights but also its obligations under this Agreement to such designee, (ii) Purchaser shall remain liable for all its obligations hereunder, and (iii) prior to such assignment, the designee delivers to USBCDC a letter of representations and warranties, in form reasonably acceptable to USBCDC, with designee making the same representations and warranties as Purchaser has made to USBCDC under Section 4 of this Agreement, and (iv) such designee irrevocably waives, with respect to itself and its property, any diplomatic or sovereign immunity of any kind or nature, and any immunity from the jurisdiction of any court or from any legal process, to which such designee may be entitled, and agrees not to assert any claims of any such immunities in any action or claim brought by USBCDC under or in connection with this Agreement.

**Section 14. Capitalized Terms.** For purposes of this Agreement, unless otherwise defined herein, capitalized terms shall have the meaning ascribed to such terms in the Investment Fund Operating Agreement.

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**COUNTERPART SIGNATURE PAGE  
INVESTMENT FUND PUT AND CALL AGREEMENT**

**IN WITNESS WHEREOF**, the undersigned has executed this Agreement as of the day and year first above written.

**USBDCD:**

**U.S. BANCORP COMMUNITY DEVELOPMENT  
CORPORATION**, a Minnesota corporation

By: \_\_\_\_\_  
David Kilper, Authorized Officer



**COUNTERPART SIGNATURE PAGE  
INVESTMENT FUND PUT AND CALL AGREEMENT**

**IN WITNESS WHEREOF**, the undersigned has executed this Agreement as of the day and year first above written.

**PURCHASER:**

**WESTERN RIVERS CONSERVANCY,**  
an Oregon nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Sue Doroff  
Title: President