STATE OF FLORIDA

MITIGATION BANK INSURANCE COVERAGE FORM

This policy provides financial responsibility for construction and operation ~~implementation~~ authorized by the Mitigation Bank Permit (or Permit) as required by Rule 62-342.700, F.A.C. The specific construction and implementation activities to be covered under this Policy are described in the Mitigation Bank Permit as identified in the Declarations page of this Policy, and further detailed in the associated cost estimates, as modified from time to time.

Words and phrases that appear in quotation marks have special meaning. Refer to Section II – Definitions.

In consideration of the payment of the premium by you, we agree with you, subject to all terms, exclusions, and conditions of this Coverage Part, as follows:

I. INSURING AGREEMENT

If the Regulatory Agency determines, at its sole discretion, that the Mitigation Banker has failed to comply with the conditions of the Mitigation Bank Permit up to the point of achieving final success, and reports the claim to the Insurer during the policy period, then the Insurer agrees to satisfy the claim at the sole election and in the sole manner that is approved by the Regulatory Agency in writing.

II. DEFINITIONS

1. "Insurer" means:

[Insurer's name and address]

2. "Insured Location" means the physical location of the Mitigation Bank site as identified in the Declarations of this policy.

3. "Mitigation Bank" means the project permitted under Chapter 373, Florida Statutes, and Chapter 62-342, F.A.C~~, or authorized by the U.S. Army Corps of Engineers~~.

4. "Mitigation Bank Permit" or "Permit" means all permit ~~and U.S. Army Corps of Engineer Mitigation Bank Instrument~~ numbers, referenced in the Declarations page, and as amended from time to time, issued to a person or entity to create, operate, manage, and maintain a mitigation bank. The term "Mitigation Bank Permit" shall also include the entire contents of the Regulatory Agency's permit file, including but not limited to cost estimates submitted by the Permittee pursuant to Rule 62-342.700, F.A.C.~~, or as required by the U.S. Army Corps of Engineers~~.

5. "Permittee" means the entity authorized to create, operate, manage, or maintain a Mitigation Bank pursuant to a Mitigation Bank Permit. The Permittee is also the "Named Insured" as set forth in the Declarations page of this policy.

6. "Policy Period" means the period set forth in the Declarations page, or any shorter period due to the cancellation or termination of the policy pursuant to the terms and conditions of the policy.

7. "Regulatory Agency" means the entity or entities set forth in the Declarations page of this policy pursuant to Rule 62-342.700, F.A.C.

III. LIMIT OF LIABILITY AND DEDUCTIBLE

1. The limits of liability shown in the Declarations page are the maximum amounts the Insurer will pay for claims reported during the policy period. The Regulatory Agency may make partial or multiple claims which shall not exceed the policy limit at the time of the claim. The Insurer will pay to the Regulatory Agency the full amount of any claim and may seek reimbursement for any deductible amounts included in the limits of liability from the Permittee.

2. The Permittee agrees to reimburse the Insurer for any deductible amounts as specified in the Declarations page. However, the Permittee's failure to reimburse the Insurer for all or part of a deductible amount does not reduce the amount the Insurer must pay the Regulatory Agency for a claim.

IV. LIMIT OF LIABILITY CHANGE — The limits of liability shall remain unchanged unless the Permittee requests in writing a modification in the limits of liability. Such requests must include a copy of the Regulatory Agency's written approval of the specific modification to ~~in~~ the limits of liability. No modification to ~~in~~ the limits of liability shall be authorized by the Insurer except upon prior written approval by the Regulatory Agency.

The Insurer shall modify the limits of liability to the amount approved by the Regulatory Agency by issuing an endorsement to the policy setting forth the new limits of liability. The Insurer shall provide all copies of endorsements modifying the limits of liability to the Permittee and Regulatory Agency at the address identified in the Declarations page to this policy.

Any change in the limit of liability without the prior written approval of the Regulatory Agency shall be invalid.

V. EXCLUSIONS

This insurance does not apply to claims or to any costs arising out of any claims based upon:

1. Any claim for which the Regulatory Agency did not provide notice in writing during the policy period.

2. Any property or location other than the insured property.

3. Any defense costs, including court fees, attorneys' fees, legal fees, expert witness fees, or other expenses or costs incurred in your defense for any reason.

VI. CLAIMS

1. The Regulatory Agency may provide written notice of a claim in the event the Regulatory Agency determines that the Permittee has:

A. failed to comply with the conditions and terms of the Mitigation Bank Permit; or

B. failed to replace this policy with an alternate financial responsibility mechanism within 90 days following receipt of notice of nonrenewal or notice of cancellation of the policy.

2. The Regulatory Agency shall provide written notice to the Insurer of a claim. Such claim notification must be in writing and may, at the Regulatory Agency's discretion, include copies of correspondence or other notification that the Regulatory Agency provided to the Permittee documenting the noncompliance that resulted in the claim and any other information the Regulatory Agency deems relevant to the claim.

The Insurer agrees that the Regulatory Agency's knowledge of the Permittee's noncompliance with the terms of the Mitigation Bank Permit does not constitute late reporting of a claim. The Insurer also acknowledges and agrees that prior to filing a claim, the Regulatory Agency may first choose to advise the Insurer of how to come back into compliance with the Permit and allow reasonable time for the Permittee to correct any noncompliance of the Permit, may proceed against the Permittee in an enforcement action for violations of the Permit, or may discontinue the withdrawal of credits from the Mitigation Bank as authorized under Florida Administrative Code Chapter 62-342 ~~or the enforcement authorities of the U.S. Army Corps of Engineers~~, and that doing any of these shall not act as a waiver of any claim. The Insurer also acknowledges and agrees that the Regulatory Agency is not required to exhaust its enforcement remedies against the Permittee prior to filing a claim.

3. The Regulatory Agency shall have the sole discretion and responsibility to determine which of the following methods shall be used by the Insurer to satisfy a claim under this policy:

A. pay into a standby trust account or standby escrow account the amount the Regulatory Agency deems necessary to bring the Permittee into compliance with the Regulatory Agency's rules and statutes;

B. perform such construction and implementation, as directed and approved by the Regulatory Agency and in accordance with the Mitigation Bank Permit, until success is achieved as set forth in the conditions of the Mitigation Bank Permit.

Upon satisfaction of a claim in accordance with this paragraph, the limit of liability will only reduce by the amount paid into a standby trust or standby escrow account, or by the approved amount actually paid by the Insurer to perform the construction and implementation activities in accordance with the Permit.

4. The Regulatory Agency has the sole obligation, responsibility, and authority for determining compliance with the conditions of the Mitigation Bank Permit including successful performance of the construction and implementation requirements of the Permit.

5. The Regulatory Agency has the sole authority and discretion to determine whether action taken or proposed to be taken by the Insurer is sufficient to satisfy a claim made by the Regulatory Agency. The Insurer shall not be released from its obligations to satisfy a claim until the Regulatory Agency provides written notice that the claim may be closed.

VII. NOTICE OF A CLAIM

1. All claims must be reported to the Insurer in writing at the claim's notice address as identified in the Declarations of this policy.

VIII. CONDITIONS

1. ASSIGNMENT — This policy is not assignable except with the prior written consent of the Insurer, which consent shall be granted at our sole discretion, and with prior written approval by the Regulatory Agency of a transfer of the Mitigation Bank Permit to the new proposed permittee.

2. BANKRUPTCY — Bankruptcy or insolvency of the Permittee or the Permittee's agents, contractors, or subcontractors, shall not relieve the Insurer or Permittee of the obligations under this policy, including our obligation to pay claims to the Regulatory Agency not to exceed the limits of liability.

3. RENEWAL — The policy will automatically renew for the same terms and conditions as this policy unless the Insurer provides written notice of nonrenewal to the Permittee~~,~~ and the Regulatory Agency~~, and the U.S. Army Corps of Engineers~~ no less than 120 days prior to the expiration of the policy period. The Insurer shall identify the project name and Mitigation Bank Permit number in any notice of nonrenewal.

4. CANCELLATION —This policy shall not be cancelled during the policy period and shall remain in effect until it is terminated or released upon written approval of the Regulatory Agency unless the Insurer provides written notice of cancellation to the Named Insured~~,~~ and the Regulatory Agency~~, and the U.S. Army Corps of Engineers~~ no less than 120 days prior to cancellation of the policy. The Insurer shall identify the project name and Mitigation Bank Permit number in any notice of cancellation.

5. AMENDMENTS TO THE POLICY— No change or amendment to this policy is authorized except upon prior written approval of such change by the Regulatory Agency. If approved by the Regulatory Agency in writing, such change shall not become effective until the Insurer issues an endorsement to the policy identifying the approved amendment to the policy. The Insurer shall provide all copies of endorsements to the policy to the Permittee and Regulatory Agency at the addresses identified in the Declarations page to this policy. Any endorsement to the policy issued without the prior written approval of the Regulatory Agency shall be invalid.

6. INDEPENDENT AGREEMENT — This policy is a separate, independent agreement between the Insurer and the Permittee for the benefit of the Regulatory Agency as a third-party beneficiary. The Insurer and the Permittee hereby agree that only the Mitigation Bank Permit, including any attachments and exhibits attached therein, and applicable Florida statutes and rules, shall be used to interpret the provisions of this policy, and this policy shall not be used to interpret any other contract or agreement.

7. THIRD-PARTY BENEFICIARY — The Regulatory Agency identified in the Declarations of this policy is the only third-party beneficiary created as a result of this Policy. This policy gives no rights by or on behalf of any other parties.

8. WAIVER OF NOTIFICATION — The Insurer waives notification of amendments to the Mitigation Bank Permit, applicable laws, statutes, and regulations, and agrees that no such amendment shall in any way relieve the Insurer's obligations under this policy.

9. ACCESS TO PROPERTY— The Permittee shall provide reasonable access to the Mitigation Bank site for the purpose of inspecting and investigating any claims made by the Regulatory Agency. The Permittee shall also provide the Insurer, and its contractors or agents, reasonable access to perform any construction and implementation activities as directed by the Regulatory Agency in satisfaction of a claim.

10. OTHER FINANCIAL ASSURANCE – The Insurer acknowledges and agrees that the Permittee is authorized under Rule 62-342.700, F.A.C., to have more than one form of financial responsibility

collectively covering all construction and implementation activities required by the Permit. If more than one financial responsibility mechanism is used to provide financial assurance for the construction and implementation activities of the Mitigation Bank, this policy will insure the specific construction and implementation activities indicated in the cost estimates as being covered by this policy. The existence of more than one form of financial responsibility for the construction and implementation of the Mitigation Bank shall in no way limit the Regulatory Agency's ability to file a claim under this policy or limit the Insurer's obligation to satisfy a claim for specific construction and implementation activities covered by this policy.

11. RELIANCE UPON REPRESENTATIONS — It is agreed by the Insurer and Permittee that the Permit, and any modifications thereto, shall be on file with the Insurer and is deemed attached hereto as if physically attached to the policy. By acceptance of this policy, the Permittee agrees that the statements in the Declarations page and the Permit are the Permittee's agreements and representations, that this policy is being issued in reliance upon the truth of these representations and that this policy embodies all agreements existing between Permittee and Insurer. Misrepresentations by the Named Insured shall not invalidate the Insurer's obligation to the Regulatory Agency in the event of a claim.

12. INSPECTION, REVIEW AND AUDIT — The Insurer is authorized but is not obligated to inspect, sample, audit, review or monitor the Permittee or the Mitigation Bank site upon providing reasonable advance notice with consideration for the timing of such notice and any site access requirements. These actions by the Insurer cannot interfere with, or delay, the completion of any activities by the Permittee as set forth in the Permit.

13. FULLY EARNED PREMIUM — The policy premium set forth in the Declarations page is fully earned on the inception date of this policy. Any cancellation or termination of the policy under the provisions allowable in this policy, regardless of the party instituting the cancellation or termination, shall not result in the return of any policy premium.

14. SUBROGATION — In the event that the Insurer makes any payment under this policy, the Insurer shall be subrogated to all of the rights of recovery that the Permittee may have against any person or organization other than the Regulatory Agency or its designee. The Permittee shall execute all papers and take all necessary actions to secure such rights, including the execution of any documents necessary to enable the Insurer to effectively bring suit in the name of the Permittee. The failure of the Permittee to execute all papers and take all necessary actions to secure such rights shall not relieve the Insurer's obligation under this policy in the event of a claim by the Regulatory Agency.

15. VENUE — This policy is governed by the laws of Florida. It is understood and agreed that any litigation which may arise under or in connection with this policy, including any determination of the amount of loss, shall be brought only in a state court in _____ ~~Leon~~ County, which shall have exclusive jurisdiction over such litigation.

16. SERVICE OF SUIT — Florida law requires that the Chief Financial Officer of the State of Florida be designated as the Insurer's agent for service of process. In Florida, the Insurer designates the Chief Financial Officer as the Insurer's true and lawful attorney upon whom service of process on the Insurer's behalf may be made. The Insurer also authorizes the Chief Financial Officer to mail process received on the Insurer's behalf to the person named below:

{name/address of company person}

17. WAIVER IN THE EVENT OF FRAUD OR MISREPRESENTATION – The Insurer acknowledges and agrees that in no way shall fraud or misrepresentation by the Permittee relieve the Insurer of its obligation in the event of a claim made by the Regulatory Agency under this Policy.

18. COOPERATION CLAUSE – The Permittee agrees to provide the Insurer with any information, assistance, and cooperation requested in writing by the Insurer in the event of a claim made by the Regulatory Agency. The Insurer acknowledges and agrees that any failure of the Permittee to cooperate with the Insurer shall not relieve the Insurer of its obligation to satisfy a claim made by the Regulatory Agency under this Policy.