

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is entered into by and between the CITY OF LOMPOC, a municipal corporation ("City") and the PALE BLUE DOT VENTURES LLC, a Delaware limited liability company ("PBDV"), under the terms and provisions set forth below.

WHEREAS, in furtherance of the goals and objectives of providing diverse educational, scientific, recreational and economic development opportunities to City and the region's residents, visitors and businesses, City and PBDV desire to enter into negotiations concerning the potential conveyance and development of certain land (defined below as the "Project Site"); and

WHEREAS, the Project Site is designated as such on the aerial photograph of the Project Site, attached hereto as Exhibit A; and

WHEREAS, the parties recognize and acknowledge the purpose of this MOU is to establish a 545-day period of exclusivity between the parties to assist with facilitating terms and toward the possible execution a subsequent definitive Exclusive Negotiation Agreement ("ENA") and/or a disposition and development agreement ("DDA"), as well as for PBDV to deliver to City a Concept & Feasibility Study and Experience Design Plan ("CFSEDP") during the term of this MOU, which will identify key capital requirements, and performance milestones to commence, complete and operate the Proposed Project (as defined below); and

WHEREAS, the parties acknowledge and agree no commitments have been made in relation to the ultimate terms of an ENA or DDA or conveyance or development of the Project Site.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, City and PBDV hereto mutually agree as follows:

1. PURPOSE

The purpose of this MOU is to provide for a 545-day period of exclusivity during which PBDV will raise the capital to fund and undertake the production of the CFSEDP. Contemporaneously, City and PBDV will negotiate in good faith with the goal of reaching terms amenable to both parties that would facilitate the execution of an ENA and/or DDA. Upon its completion, the CFSEDP will be presented to the City by PBDV and, if PBDV elects to proceed with the Proposed Project, then, based on the findings in the CFSEDP, as accepted by City's City Council at a public meeting, the parties may elect to execute an ENA and/or DDA. Terms and provisions of a possible ENA and/or DDA may include, among other things, the following:

- A. The Project Site is proposed to consist of approximately eighty-two acres including and adjacent to Ken Adam Park.
- B. The Project Site is to be conveyed by a grant made by the City to PBDV of a deed to the Project Site ("Grant Deed") which is free of liens and encumbrances that

would otherwise restrict the ability of PBDV to successfully develop the Project Site; provided, that, due to the manner in which the Project Site was obtained by City from the United States, the parties agree to work together, as needed, to remove any federal land use restrictions (including possible Federal legislation) that may limit any of the uses intended for the Proposed Project.

- C. The conveyance by Grant Deed of the Project Site to PBDV would be for, but not limited to, the development of a space-themed and related visitor's center comprised of entertaining and educationally sound attractions and related experiences, parkland, museum, education facility, convention hall, research business park, and possible amphitheater, hotel, restaurants, theater, retail and associated parking and aesthetic improvements (the "Proposed Project"). The Grant Deed for the full Project Site may be issued in any number of installments that corresponds with those portions of the Proposed Project that are to be developed at any particular point in time. A Grant Deed for any portion of the Project Site to be so developed shall not be conveyed to PBDV until PBDV obtains all necessary land use permits and all necessary financing commitments and building permits are ready to be issued, all of which are needed to commence and complete the development of the Proposed Project on that portion of the Project Site to be so conveyed. The development shall be subject to and consistent with the requirements of the California Environmental Quality Act and related State Guidelines ("CEQA"), the National Environmental Policy Act ("NEPA"), if applicable, as well as City development regulations (the "Land Use Regulations") and any Federal, State or local applicable regulations.
- D. The planning, design, construction, operation and maintenance of Proposed Project on the Project Site shall be coordinated between the City and PBDV to be compatible with the abutting and adjacent uses and to minimize environmental and traffic impacts. Once the Parties have mutually agreed on the specifics of the Proposed Project that PBDV would commit to construct, maintain and operate on the Project Site, which can only be done after full environmental review, City does not intend to approve uses on abutting or adjacent properties that would be incompatible with those specifics.
- E. As agreed to by the parties, other provisions may be included in the ENA or the DDA, as the case may be, regarding the participation and responsibilities of PBDV and City that are necessary to further the purpose of developing the Project Site, including, but not limited to, provisions for processing approvals and permits.

2. AGREEMENT TO EXCLUSIVELY COOPERATE

- A. Unless this MOU is earlier terminated pursuant to Section 8 hereof, City hereby agrees to cooperate with PBDV for a period of five hundred forty-five (545) days, commencing on the effective date of this MOU ("Exclusivity Period")
- B. City and PBDV agree, during the Exclusivity Period, they will use their

reasonable efforts to cooperate with each other in a good faith with the goal of mutually agreeing to sign a definitive ENA, which meets the terms described in Section 4., below, or alternatively, as requested by PBDV, a DDA, which meets the terms of Section 5., below; provided, that the Parties understand and agree this MOU is not a commitment or obligation to enter into an ENA or a DDA.

- C. During the Exclusivity Period, City agrees not to (i) negotiate for the conveyance through sale, development or otherwise dispose of the Project Site, or any portions thereof, with any party, other than PBDV, or any entity, approved by City, which succeeds to the portion of PBDV business responsible for carrying out its responsibilities under this MOU, or (ii) approve or conduct a public hearing for any other development of the Project Site, or portion thereof. During the term of this MOU, PBDV agrees as partial consideration for this MOU not to negotiate with any other party for a similar project within a 250-mile radius of the Project Site.

3. EXECUTORY TERMS OF THIS MOU

- A. Within fifteen (15) days after the effective date of this MOU, PBDV shall remit \$25,000 ("MOU Security for City's MOU Related Costs") to City to cover the costs City incurs related to negotiation of the ENA or DDA (collectively, "City's MOU Related Costs"). Included as part of City's MOU Related Costs are those costs incurred by City for fiscal analysis of the Proposed Project by a third party chosen by City, staff costs and legal fees to negotiate the ENA or DDA. City shall be entitled to withdraw from the MOU Security to pay for City's MOU Related Costs. Total MOU Security for City's MOU Related Costs is limited to \$50,000 in the aggregate, unless otherwise agreed in writing by both parties ("Costs Cap"); provided, that the Costs Cap does not apply to City costs incurred due to CEQA/NEPA, to proposed changes to the Land Use Regulations or to any lawsuit challenging this MOU, or approval of this MOU, for any reason. If, in accordance with this MOU, the MOU Security for City's MOU Related Costs is reduced to less than \$5,000.00, then, subject to the previous sentence related to the Costs Cap, PBDV shall replenish the MOU Security for City's MOU Related Costs within 30 days after receiving notice from City, pursuant to Section 9. During the first week of each calendar month this MOU is effective, City shall provide an accounting to PBDV of City's withdrawal, if any, from the MOU Security for City's MOU Related Costs for the immediately preceding calendar month. City shall obtain PBDV'S approval before incurring more than \$3,000 in costs, other than City staff time and fees from the firm that provides it city attorney services, for any activity for which PBDV is responsible to pay.
- B. Within 30 days after the effective date of this MOU, City will provide PBDV an estimate for a preliminary title report for the Project Site. Within 30 days after providing that estimate, or as soon as reasonably possible, City will provide PBDV: (i) an updated preliminary title report, at PBDV expense, for the Project Site; (ii) prior or pending lawsuits or claims pertaining to the Project Site, if any, and (iii) any CEQA or NEPA environmental studies performed on the Project

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Site, or abutting it, which are in City's possession (e.g. Allan Hancock College, Police & Fire Training Academy, etc.). An estimate of the cost of the preliminary title report will be provided prior to that work commencing.

- C. Within three hundred sixty-five (365) days after the effective date of this MOU, PBDV shall:
1. Show evidence of having completed a seed funding round in an amount not less than \$750,000, including at least \$500,000 in cash and the remainder can be provided through the verified value of third-party services, soft costs and professional fees, as reasonably approved by City's City Manager, in writing; and
 2. Submit to City's Planning Manager, for review by the City Council at a public meeting, the CFSEDP (MOU Submittals).
- D. Within sixty (60) days after City's receipt of the MOU Submittals, City shall provide reasonable responses, and in writing when specifically requested by PBDV. Such response may be made by the City Council as a body, from direction given after an open session and closed session, as permitted by law, or the City Manager, as he determines appropriate with or without consultation with the City Council.
- E. If a claim or lawsuit is filed by one or more third parties challenging this MOU or the approval of this MOU, then PBDV shall pay all City and PBDV'S reasonable attorney's fees and court costs expended to defend that claim/lawsuit, as well as each third party's reasonable attorney's fees and court costs if any are awarded by a court by a final judgment or agreed to as part of a settlement of the claim/lawsuit, up to the Fee/Costs Limit as defined below; provided, that the total amount of the above City and all third-party fees and court costs, collectively, for which PBDV shall be responsible shall not exceed \$50,000 ("Fee/Costs Limit"), unless the Parties agree in writing to increase the Fee/Costs Limit.
- F. During the Exclusivity Period, both the City and PBDV shall have the right to request reasonable additional information and data from each other as necessary for review and evaluation. Both parties agree to provide such additional information or data as requested in a timely manner. In connection with the negotiation of the ENA and the DDA and the preparation and submission of the CFSEDP, as well as compliance with the terms and conditions of this MOU, each of the parties may receive certain confidential, non-public and proprietary information concerning the other party ("Confidential Information"). For purposes of this MOU, Confidential Information of PBDV includes, among other things, any and all confidential, nonpublic, proprietary information, technical data, trade secrets or know-how relating to PBDV or its business, furnished in any medium, or disclosed in any form or method, including orally, by PBDV to the City or its employees, affiliates, attorneys, subcontractors and advisors, by any means. Both parties agree from and after the effective date of this MOU, neither of them shall, directly or indirectly, divulge, use or permit the use of any

Confidential Information of the other party, except to the extent necessary for the parties to perform their respective obligations under this MOU, or as may be required by the California Public Records Act, federal Freedom of Information Act or judicial or other similar legal process (by subpoena, court order, or similar process); provided that in the event of any such judicial or similar process PBDV shall be given sufficient notice thereof to seek an appropriate protection order or other appropriate remedy if it so desires. Both parties shall have the right to redact information it deems a trade-secret or of high commercial value. This material may be provided to a third party that can provide an analysis and summary to City, as required.

4. TERMS TO BE NEGOTIATED FOR THE ENA

During the Exclusivity Period and unless the parties mutually agree to commence negotiations of a DDA, City and PBDV shall meet regularly with each other in order to negotiate the ENA to include, without limitation, the following provisions:

- A. Term of the ENA. Provisions indicating, the ENA will be for a period of three hundred sixty-five (365) days, commencing on the effective date of the ENA, and continuing in full force until expiration or earlier termination of the ENA.
- B. Good Faith Negotiations for a DDA. Provisions stating City and PBDV will agree, for the term of the ENA to negotiate diligently and in good faith for the preparation of the DDA to be entered into by City and PBDV for conveyance of the Project Site and development of the Proposed Project. As and if needed, City and PBDV shall work together during the ENA or DDA periods to attempt to have the federal land use restrictions applicable to the Project Site, if any, revised to permit the Proposed Project
- C. Negotiation with Others. Provisions requiring (i) City, during the term of the ENA, (a) not to negotiate for the conveyance or development of the Project Site, or portion thereof, with any party other than the PBDV or any entity, as approved by City, which succeeds to the portion of PBDV'S business responsible for carrying out its responsibilities under this MOU or (b) not approve or conduct a public hearing for any other development of the Project Site, or portion thereof; and (ii) PBDV, as partial consideration for the ENA, not to negotiate with any other party for a similar project within a 250-mile radius of the Project Site.
- D. Deposit. Timing, type and amount of a deposit to be provided by PBDV to guarantee PBDV'S obligations pursuant to Subsection 4. L., below.
- E. Master Plan. Timing for submittal of a master plan illustrating the Proposed Project at a Schematic Plan level of detail, including a proposed further flushed out phasing plan, if any (the "Master Plan").
- F. Pro Forma. Timing for submittal of a complete pro forma showing the fiscal feasibility for all aspects of the Proposed Project(s).

- G. Necessary Financing. Timing for submittal of evidence reasonably satisfactory to City, including the financing structure and preliminary commitments, demonstrating PBDV can and will obtain the necessary financing in an amount sufficient to pay for development, operation and maintenance of the Proposed Project.
- H. Community Outreach. Timing, number, type and noticing of public outreach and workshops PBDV shall conduct to obtain input regarding the Proposed Project from surrounding residents, community stakeholders and interested members of the public.
- I. City's Right to Additional Information; Confidentiality of Information. Provisions indicating City's the right, during the term of the ENA, to request reasonable additional information and data from PBDV necessary for review and evaluation of the Proposed Project. PBDV agrees to provide such additional information or data as requested in a timely manner. In connection with the negotiation of the ENA and the DDA, each of the parties may receive certain confidential, non-public and proprietary information concerning the other party ("Confidential Information"). For purposes of the ENA and DDA, Confidential Information of PBDV includes, among other things, any and all confidential, nonpublic, proprietary information, technical data, trade secrets or know-how relating to PBDV or its business, furnished in any medium, or disclosed in any form or method, including orally, by PBDV to the City or its employees, affiliates, attorneys, subcontractors and advisors, by any means. Both parties agree from and after the effective date of the ENA and DDA, neither of them shall, directly or indirectly, divulge, use or permit the use of any Confidential Information of the other party, except to the extent necessary for the parties to perform their respective obligations under the ENA or DDA, or as may be required by the California Public Records Act, federal Freedom of Information Act or judicial or other similar legal process (by subpoena, court order, or similar process); provided that in the event of any such judicial or similar process PBDV shall be given sufficient notice thereof to seek an appropriate protection order or other appropriate remedy if it so desires. Both parties shall have the right to redact information it deems a trade-secret or of high commercial value. This material may be provided to a third party that can provide an analysis and summary to City, as required.
- J. Hazardous Materials. Provisions stating the following: City shall not be responsible for conducting or financing any testing of the Project Site for hazardous materials pursuant to any applicable laws, statutes, rules and regulations As between City and PBDV, PBDV shall also be responsible for making site conditions suitable for the Proposed Project, including, but not limited to, flood zones, Alquist-Priolo, and similar matters. For purposes of the ENA, "hazardous materials" shall mean asbestos; polychlorinated biphenyls (whether or not highly chlorinated); radon gas; radioactive materials; explosives; chemicals known to cause cancer or reproductive toxicity; hazardous waste, toxic

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substances or related materials; petroleum and petroleum product, including, but not limited to, gasoline and diesel fuel; those substances defined as a "Hazardous Substance", as defined by section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or as "Hazardous Waste" as defined by section 6903 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.; an "Extremely Hazardous Waste," a "Hazardous Waste" or a "Restricted Hazardous Waste," as defined by The Hazardous Waste Control Law under sections 25115, 25117 or 25122.7 of the California Health and Safety Code, or is listed or identified pursuant to section 25140 of the California Health and Safety Code; a "Hazardous Material", "Hazardous Substance," "Hazardous Waste" or "Toxic Air Contaminant" as defined by the California Hazardous Substance Account Act, laws pertaining to the underground storage of hazardous substances, hazardous materials release response plans, or the California Clean Air Act under sections 25316, 25281, 25501, 25501.1 or 39655 of the California Health and Safety Code; "Oil" or a "Hazardous Substance" listed or identified pursuant to section 311 of the Federal Water Pollution Control Act, 33 U.S.C. 1321; a "Hazardous Waste," "Extremely Hazardous Waste" or an "Acutely Hazardous Waste" listed or defined pursuant to Chapter 11 of Title 22 of the California Code of Regulations sections 66261.1 - 66261.126; chemicals listed by the State of California under Proposition 65 Safe Drinking Water and Toxic Enforcement Act of 1986 as a chemical known by the State to cause cancer or reproductive toxicity pursuant to section 25249.8 of the California Health and Safety Code; a material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, materially damages or threatens to materially damage, health, safety, or the environment, or is required by any law or public City to be remediated, including remediation which such law or government City requires in order for the property to be put to the purpose proposed by this MOU; any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank; pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. 136 et seq.; asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. 2601 et seq.; any radioactive material including, without limitation, any "source material," "special nuclear material," "by-product material," "low-level wastes," "high-level radioactive waste," "spent nuclear fuel" or "transuranic waste" and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. 2011 et seq., the Nuclear Waste Policy Act, 42 U.S.C. 10101 et seq., or pursuant to the California Radiation Control Law, California Health and Safety Code sections 25800 et seq.; hazardous substances regulated under the Occupational Safety and Health Act, 29 U.S.C. 651 et seq., or the California Occupational Safety and Health Act, California Labor Code sections 6300 et seq.; or regulated under the Clean Air Act, 42 U.S.C. 7401 et seq. or pursuant to The California Clean Air Act, sections 3900 et seq. of the California Health and Safety Code. Any studies and reports generated by PBDV'S testing for hazardous materials shall be made available to City, unless otherwise prohibited or restricted

by the study's preparers. The Parties agree if hazardous materials found on the Project Site make the Proposed Project, in PBDV's opinion, financially infeasible, then PBDV may terminate the ENA.

- K. Commitment by City. Provisions expressing, although City is very interested in pursuing the Proposed Project, the parties understand and agree City legally cannot irrevocably commit to approve or execute the DDA or convey any interest in any portion of the Project Site to PBDV unless and until, among other legal requirements and as applicable, (i) CEQA/NEPA requirements are met and (ii) the DDA is executed by PBDV, approved by the City Council, after all required duly noticed public hearings, and executed by City.
- L. ENA Costs. Provisions similar to Subsection 3. A., above, with a new cap amount to be negotiated and PBDV receiving credit for any unencumbered amount of the MOU Security still retained by City.
- M. Land Use Restrictions. Provisions whereby, as and if needed, City and PBDV shall work together to attempt to have the federal land use restrictions applicable to the Project Site, if any, revised to permit the Proposed Project.
- N. DDA to Supersede the ENA. A provision indicating the ENA will be superseded by the DDA, if and when the proposed DDA is executed by PBDV, approved by City, in the manner required by law, and executed by City.
- O. Real Estate Commissions. Provisions stating (i) neither City nor PBDV shall be liable for any real estate commissions or brokerage fees, which may arise here from. City and PBDV each represents it has not engaged a broker, agent or finder in connection with this transaction; and (ii) each party agrees to hold harmless the other party from any claim by any broker, agent or finder retained, or claimed to have been retained, by that first party.
- P. Conflicts of Interest. A provision stating for the Term of the ENA, no member, officer or employee of City, during the term of his or her service with City, shall have any direct or indirect interest in the ENA or obtain any present or anticipated material benefit arising, there from.
- Q. Mutual Indemnity. A defense, indemnification and hold harmless provision similar to that set forth in Subsection 3. E., above, with changes that may be needed due to the nature of the ENA.
- R. Governing Law. A provision stating the ENA shall be interpreted and enforced in accordance with the provisions of California laws in effect at the time it is executed, without regard to conflicts of laws provisions.
- S. No Third Party Beneficiaries. Provisions making clear (i) City and PBDV expressly acknowledge and agree they do not intend, by their execution of the ENA, to benefit any persons or entities not signatory to the ENA, including, without limitation, any

brokers representing the parties to this transaction; and (ii) no person or entity not a signatory to the ENA shall have any rights or causes of action against either City or PBDV arising out of or due to City's or PBDV'S entry into the ENA.

T. Mutual Use of City and PBDV Name, Logo and Officials' Names. A provision stating prior to PBDV including the City's name, other than using the City's name to describe where the Proposed Project may be located, motto, or logo or the name or picture of any City official, officer or employee in any advertising, communication or other release of information, related directly or indirectly to the Proposed Project, PBDV shall have received express written authorization from the City Manager or a majority of the City Council, at a duly noticed public meeting for each use. In addition, use by City of PBDV's (or its contractors and service providers) name, logo and official names should be sought in advance thru written authorization.

U. LIMITATION ON REMEDIES FOR BREACH OR DEFAULT AND RELEASE OF CLAIMS. Provisions similar to those set forth in Section 6 of this MOU.

5. TERMS TO BE NEGOTIATED FOR A DDA

If (i) an ENA is signed on behalf of both parties, or (ii) during the Exclusivity Period, both parties agree, then City and PBDV shall meet regularly with each other in order to negotiate the DDA to include, without limitation, the following provisions:

- A. A single master development plan for the Proposed Project that is functional, aesthetic, and minimizes conflicts with, and is sensitive to, adjoining and adjacent properties. Architectural and site design issues to be resolved shall include, but not be limited to, acceptable architectural and landscape quality, initial size and maturity of plantings, access and circulation, determination of parcel boundaries, on-site and off-site improvements, Project Site-perimeter treatment, landscaped buffers, signage, lighting, and easements, if applicable.
- B. Public open space and public gathering spaces on the Project Site.
- C. The term of the DDA and milestones, which must be met to continue the DDA's effectiveness during its term. The milestones will include, but not be limited to, such things as timing for submission of Schematic Drawings, Design Drawings and Construction Plans, finalization of funding and commencement and completion of the Proposed Project, and each phase, if more than one.
- D. The timing and conditions for the conveyance, if any, of the Project Site or portions thereof and for reversion of any interest conveyed.
- E. The performance guarantees, amount of liquidated damages and good faith deposit to cover City's costs for implementing the DDA. The DDA shall require PBDV to pay when due all taxes, assessments, and special taxes levied on the portion of the Project Site being conveyed to PBDV and all debt service on all

bonds outstanding from time to time, which have a lien or encumbrance on the portion of the Project Site being conveyed to PBDV.

- F. A schedule of performance encompassing appropriate and necessary legal, administrative, financial and construction benchmarks to be met by the appropriate party.
- G. If required for the Proposed Project, then PBDV'S responsibility to prepare a subdivision tract map subdividing the Project Site into parcels as appropriate and necessary.
- H. If either or both remediation of hazardous materials from and demolition of any improvements on the Project Site are necessary for the Proposed Project, then PBDV'S responsibility for all costs associated with that remediation and removal.
- I. Appropriate controls to limit the use of the Project Site and provisions whereby, as and if needed and not already done during the ENA period, City and PBDV shall work together during the DDA period to attempt to have the federal land use restrictions applicable to the Project Site, if any, revised to permit the Proposed Project.
- J. Operational and maintenance plans for the Proposed Project, including the parking.
- K. Provisions to allow, subject to City's approval, PBDV to grant (on a for profit and/or non-profit basis) concessions, franchises and leases/sublease upon the Project Site for purposes consistent with uses specified in the DDA
- L. A defense, mutual indemnification and hold harmless provision similar to that set forth in Subsection 3. E. of this MOU with changes that may be needed due to the nature of the DDA.
- M. Provisions to allow the Project Site to be subdivided to facilitate financing
- N. A complete financing plan to totally fund the Proposed Project(s), including financial participation, if any, by one or more other public agencies or private entities.
- O. Use of the Proposed Site or DDA as subordinate security for financing of the Proposed Project.
- P. Ownership of improvements upon termination of the DDA.
- Q. Compliance with all Federal, State and local laws, including labor laws.

R. A confidentiality provision similar to that set forth in Subsection 4. I. of this MOU.

6. LIMITATION ON LIABILITIES AND REMEDIES FOR BREACH OR DEFAULT AND RELEASE OF CLAIMS

A. Neither party would have agreed to any part of this MOU if it were to be liable to the other party for any amount of monetary damages. Accordingly, both parties acknowledge and agree each party's exclusive right and remedy upon any breach of or default of the other party as to this MOU, is to terminate this MOU pursuant to Section 8 hereof or seek specific performance regarding the exclusivity or confidentiality provisions of this MOU, as applicable; provided, that City and PBDV agree to mediate and may agree to arbitrate whether specific performance is an appropriate remedy.

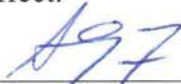
B. Each party acknowledges it is aware of the meaning and legal effect of California Civil Code Section 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

C. Civil Code Section 1542 notwithstanding, it is the parties' intention to be bound by the limitation on remedies set forth in this Section, and each party hereby releases any and all claims against the other party for monetary damages or other legal or equitable relief, whether or not such released claims were known or unknown to the releasing party as of its entry into this MOU. Each party hereby waives the benefits of Civil Code Section 1542 and all other statutes and judicial decisions (whether state or federal) of similar effect.



City Initials



PBDV Initials

D. Further, the parties agree none of the provisions of Section 4 and Section 5 apply unless and until there is an executed and definitive ENA and/or DDA, as the case may be.

7. HAZARDOUS MATERIALS. During the Exclusivity Period and in anyway connected to this MOU, City shall not be responsible for conducting or financing any testing of the Project Site for hazardous materials pursuant to any applicable laws, statutes, rules and regulations. For purposes of this MOU, "hazardous materials" shall have the same meaning as set forth in Subsection 4. J.



8. TERMINATION OF MOU

- A. Automatic Termination. Unless earlier terminated pursuant to this Section 8, this MOU will automatically terminate at the earlier of (i) the end of the Exclusivity Period without out notice unless the parties agree in writing to extend the term of this MOU beyond the Exclusivity Term as originally set forth herein, or (ii) the execution of either a definitive ENA or DDA.
- B. Mutual Consent. This MOU may be terminated prior to the expiration of the Exclusivity Period by the mutual written consent of the parties.
- C. Termination by the City. This MOU may be terminated prior to the expiration of the Exclusivity Period by the City if (i) within 30 days after receiving notice from City pursuant to Section 9 hereof, PBDV fails, subject to the Costs Cap, to replenish the MOU Security for City's MOU Related Costs to the original amount of the MOU Security for City's MOU Related Costs, (ii) within thirty (30) days after receiving notice from City pursuant to Section 9 hereof, PBDV does not agree to increase the Cost Cap,(iii) or within fifteen (15) days after receiving notice from City pursuant to Section 9 hereof, PBDV does not agree to increase the Fee/Costs Limitation to cover additional amounts necessary due to the ligation or claim.
- D. Termination by PBDV. This MOU may be terminated by PBDV: (i) at any time, without cause, upon twenty-days' (20-days') written notice, given pursuant to Section 9, (ii) at any time, upon five-days' (5-days') written notice, given pursuant to Section 9, if the City adopts Land Use Regulations that will prohibit or make infeasible the Proposed Project or the use of the Project Site for such purposes, (iii) if after the filing of any claim/lawsuit by a third party, PBDV provides City five-days' (5-days') notice, pursuant to Section 9 hereof, PBDV has determined it is in its best interest to terminate this MOU or (iv) any time, upon five-days' (5-days') written notice, given pursuant to Section 9, if any hazardous materials are discovered on the Projected Site and PBDV reasonably determines that makes the Proposed Project financially infeasible.
- E. Effect of Termination. In the event of a termination of this MOU pursuant to this Section 8, the parties will have no obligations or liabilities to each other under this MOU; provided, however, that notwithstanding the termination of this MOU, (i) the terms and obligations of the parties under Subsection 3. A., E. and F. and Sections 6, 7, and 11 shall survive the termination of this MOU, (ii) if City retains any unencumbered funding in the MOU Security for City's MOU Related Costs as of the termination date of this MOU, then City shall return the MOU Security for City's MOU Related Costs to PBDV within 15 days after such termination, and (iii) if this MOU is terminated pursuant to Subdivision 8. D. (ii), then City shall agree to pay PBDV an amount equal PBDV's actual expenditures to third parties to produce the CFSEDP, if City uses the information contained in the

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CFSEDP for development of the Project Site or bases the development of the Project Site on information contained in the CFSEDP.

9. NOTICES.

- A. Any formal notice, request, approval or other communication to be provided by either party shall be in writing and dispatched by first class mail, registered or certified mail, postage prepaid, return-receipt requested, or by electronic transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), to the addresses of City and PBDV set forth below. Such written notices, requests, approvals or other communication may be sent in the same manner to such other addresses as either party may from time to time designate.
- B. Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt; and any notice that is sent by registered or certified mail, postage prepaid, return-receipt requested shall be deemed received on the date of receipt thereof.

C. If to City:

City of Lompoc
Attn: City Manager
100 Civic Center Plaza
Lompoc, CA 93436
Telephone 805.875.8203
Facsimile 805.736.8681
Email: J_Throop@ci.lompoc.ca.us

With a copy to:

Aleshire & Wynder, LLP
Attn: Jeff Malawy
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
Telephone 949.250.5422
Facsimile 949.223.1180
Email: jmalawy@awattorneys.com

If to PBDV:

Pale Blue Dot Ventures LLC

Attn: Steven Franck (Founder & CEO)
1010 North H Street
Launch Pad Suite G, Box 35
Lompoc, CA 93436
Telephone 805.637.9644
Email: steven.franck@palebluedotventures.com_

10. COUNTERPART ORIGINALS.

This MOU may be executed in two counterpart originals which, when taken together, shall constitute but one and the same instrument. A party may deliver this Agreement by transmitting a facsimile or other electronic signature of this Agreement signed by such party (via PDF, TIFF, JPEG or the like) to the other party, which facsimile or other electronic signature shall be deemed an original for all purposes.

11. ENTIRE AGREEMENT; AMENDMENT

This MOU represents the entire agreement of the parties and supersedes all negotiations or previous agreements between the parties with respect to the Proposed Project or the Project Site. This MOU may be amended, but only as agreed to in writing and upon the signatures of the parties hereto. Notwithstanding the foregoing, this MOU will be superseded by the ENA or DDA, as the case may be, if and when the proposed ENA or DDA is executed by PBDV, approved by City, in the manner required by law, and executed by City.

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12. EFFECTIVE DATE

The effective date of this MOU shall be the date it is signed on behalf of City, if it has also been signed on behalf of PBDV.

Dated: July 17, 2019

THE CITY OF LOMPOC, a municipal corporation

By: Jenelle A Osborne
Jenelle Osborne, Mayor

APPROVED AS TO FORM:

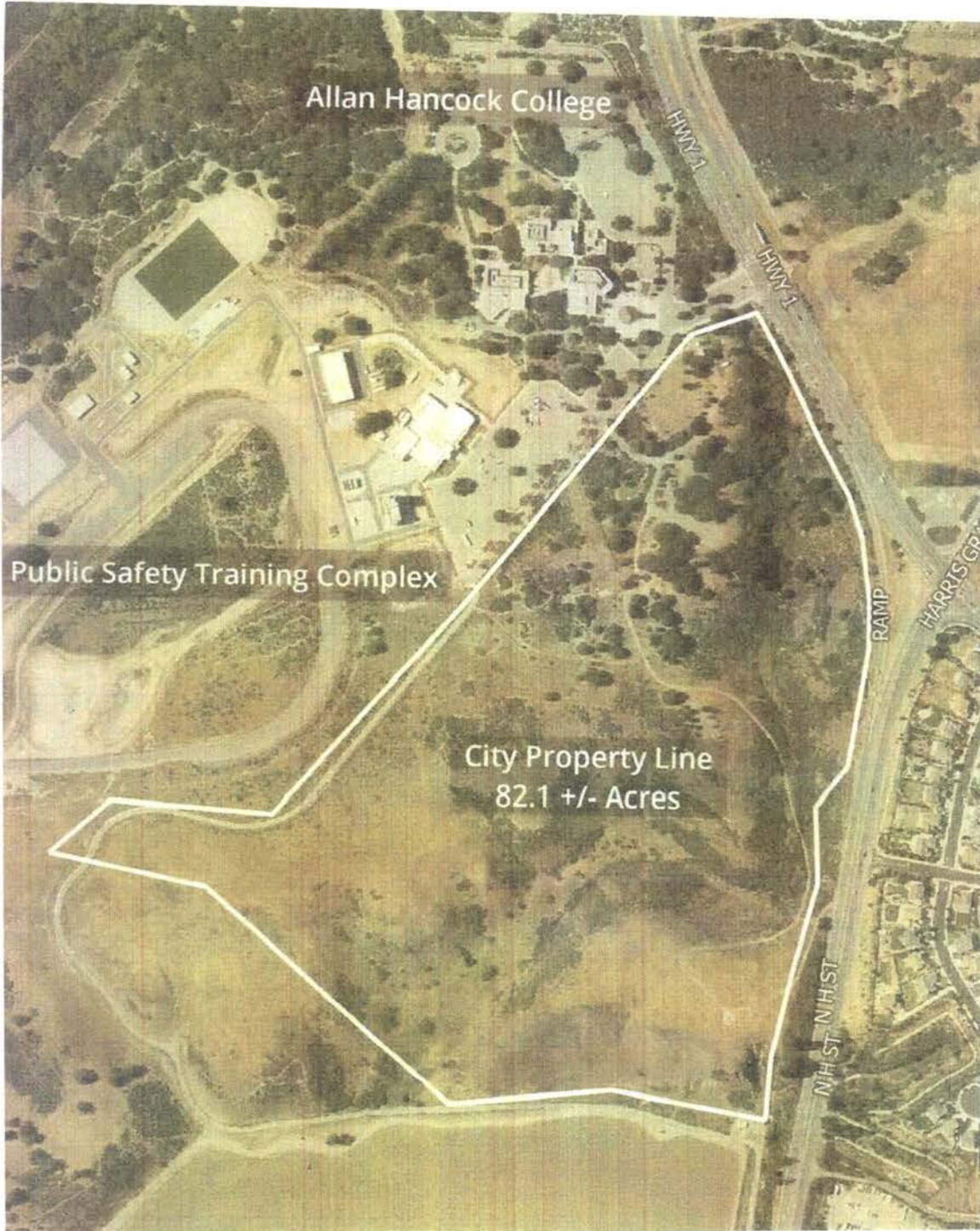
Jeff Malawy
Jeff Malawy,
City Attorney

Dated: July 8, 2019

PALE BLUE DOT VENTURES LLC, a
Delaware limited liability company

By: Steven G. Franck
Steven Franck,
Founder and CEO

Exhibit A
Project Site



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