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INDEMNITY, HOLD HARMLESS, AND DEFENSE AGREEMENT

This Indemnity, Hold Harmless and Defense Agreement ("Agreement") is made by and between the County of El Dorado, a political subdivision of the State of California ("County"), and Serrano Associates, LLC, a Delaware limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 4525 Serrano Parkway, El Dorado Hills, California 95762 ("Serrano").

RECITALS

- A. The El Dorado Hills Community Facilities District No. 1992-1 (the "CFD") was established pursuant to Resolution No. 65-93 duly adopted by the County Board of Supervisors on February 23, 1993, for the purpose of providing for the financing of certain facilities in and for CFD.
- B. Pursuant to a Deposit and Reimbursement Agreement, Serrano's predecessor El Dorado Hills Development Company advanced funding to the County to cover preliminary costs and expenses incurred by the County related to the processing, formation, and implementation of the CFD. The deposit was credited to an account maintained by the County within CFD 1992-1, Fund 41-514-502 (the "Account").
- C. The County Auditor-Controller received a letter dated December 30, 2014 from the Director of Government Affairs for Serrano, Kirk Bone, requesting the return of the unexpended funds in the Account in the amount of \$30,890.38 ("Deposit Amount").

AGREEMENT

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

1. County shall refund to Serrano the Deposit Amount within 30 days after execution of this Agreement.
2. Serrano assumes full responsibility for the refund of the Deposit Amount and, to the fullest extent allowed by law, shall indemnify, defend and hold the County, its officers, employees and agents, and the CFD harmless against and from any and all claims, suits, losses and liability for damages of every name, kind and description, including attorney's fees and costs incurred, which are claimed to or in any way arise out of or are connected with the refund of the Deposit Amount to Serrano, including, but not limited to, claims that this Agreement is invalid or unenforceable in whole or in part. This duty of Serrano to indemnify and save County harmless

includes the duties to defend set forth in California Civil Code Section 2778. This duty to indemnify and save harmless County, its officers, employees and agents shall survive performance of this Agreement.

3. General Provisions.

A. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California. Any action to interpret or enforce this Agreement shall be brought and maintained exclusively in the courts of and for El Dorado County. No such action may be instituted by either party until they have met and conferred over any disputed issues.

B. Severance. Any provision of this Agreement which proves to be invalid or illegal shall in no way affect, impair or invalidate any other provisions of this Agreement, and such other provisions shall remain in full force and effect.

C. Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified in writing signed by both parties. This Agreement shall be interpreted as if jointly prepared by the parties. No presumption shall arise from the identity of the drafter.

D. Authority. Each party warrants to each other that the individual signing this Agreement on behalf of such party is fully authorized to bind such party and agrees to be bound by this Agreement as of the effective date of this Agreement.


E. No Third Party Rights. This Agreement has been created exclusively for the benefit of the signatory parties and no rights are created in any third party by entry into this Agreement.

F. Administrator. The County Officer or employee with responsibility for administering this Agreement is Joe Harn, Auditor-Controller, or successor.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the last date set forth below.

-- COUNTY OF EL DORADO --

By: _____

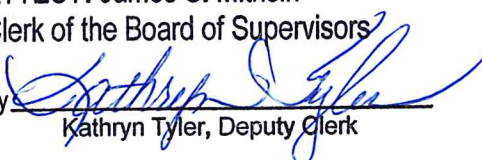

Brian Veerkamp
Chairman, Board of Supervisors

Dated: _____



ATTEST: James S. Mitrison
Clerk of the Board of Supervisors

By: _____


Kathryn Tyler, Deputy Clerk

ATTEST:

James Mitrison


Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 5-5-15

-- SERRANO ASSOCIATES, LLC --
--a Delaware Limited Liability Company--

By: Parker Development Company
a California Corporation
its Managing Member

By: 

Dated: 5-12-15

n/B