#### SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into as of the Effective Date (as hereinafter defined) by and between the Center for a Sustainable Coast ("CSC"), the Altamaha Riverkeeper ("ARK"), and Surfrider Foundation ("SF") (together referred to as the "Environmental Organizations"), and Sea Island Acquisition, LLC ("SIA"), (collectively referred to as the "Parties").

#### RECITALS

WHEREAS, in August 2013, SIA submitted a preliminary plat application ("PP2713") to the Glynn County Islands Planning Commission ("IPC") to subdivide and develop certain property at the southern end of Sea Island now known as the "Cloister Reserve";

WHEREAS, CSC and ARK opposed SIA's PP2713;

WHEREAS, on January 21, 2014, the IPC approved SIA's PP2713;

WHEREAS, after the IPC approved PP2713, CSC and ARK repeatedly requested that the Glynn County Commission hold a hearing on IPC's approval of PP2713 which the County Commission declined to do;

WHEREAS, after the IPC approved PP2713, the Environmental Organizations continued to oppose PP2713 on several grounds including, but not limited to, the IPC's alleged violation of the Glynn County Zoning Ordinance and SIA's alleged and anticipated violation of the Glynn County Zoning Ordinance, the Georgia Coastal Marshlands Protection Act, and the Georgia Erosion and Sedimentation Act as well as certain other provisions of Georgia law by, among other things, failing to apply for certain permits and variances;

WHEREAS, on August 14, 2014, Glynn County issued to SIA a land-disturbing permit number LDA 9647 (the "LDA Permit"), which authorized the land-disturbing activity at the Cloister Reserve;

WHEREAS, on February 18, 2015, Glynn County approved the bridge construction plans and work associated therewith (the "Bridge Approval");

WHEREAS, SIA contends that IPC's approval of PP2713, the issuance of the LDA

Permit, the Bridge Approval, and related regulatory and permit approvals comply with law in all
respects and that the plans to develop the Cloister Reserve comply with all applicable legal
requirements, including the Glynn County Zoning Ordinance, the Georgia Coastal Marshlands

Protection Act, the Clean Water Act, and the Georgia Erosion and Sedimentation Act, together
with all related rules and regulations;

WHEREAS, the Environmental Organizations dispute that these Approvals comply in all respects with all applicable legal requirements, including the Glynn County Zoning Ordinance, the Georgia Coastal Marshlands Protection Act, the Clean Water Act, and the Georgia Erosion and Sedimentation Act, together with all related rules and regulations;

WHEREAS, by entering into this Agreement, the Parties desire to reach an amicable resolution with respect to the IPC's approval of PP2713, the LDA Permit, the Bridge Approval and certain additional matters related to SIA's development of the Cloister Reserve without litigation;

NOW THEREFORE, in consideration of the foregoing, and of the mutual promises and covenants set forth herein and intending to be legally bound thereby, the Parties agree as follows:

#### 1. Purpose and Scope.

The purpose of this Agreement is to fully release, settle, and resolve all past, present, and potential disputes between the Parties in connection with any Claims (as hereinafter defined).

#### 2. Definitions.

The definitions contained herein shall apply only to this Agreement and shall not apply to any other agreement, nor shall they be used as evidence, except in respect to this Agreement, of the meaning of any term. Each defined term stated in a singular form shall include the plural form, and each defined term stated in a plural form shall include the singular form.

- 2.1 "Approvals" means the Glynn County Islands Planning Commission ("IPC") approval of SIA's preliminary plat application ("PP2713"); Glynn County's issuance of the LDA Permit; the Bridge Approval; and zoning designations / determinations pursuant to the Glynn County Zoning Ordinance.
- 2.2 "Bridge Approval" means SIA's bridge construction plans and work associated therewith for the Cloister Reserve approved by Glynn County on February 18, 2015.
- (a) "Claim" or "Claims" means, except as specifically set forth in Subsection (b) below, any and all claims, rights, counts, demands, actions, equitable relief, liabilities, causes of action, lawsuits, expenses, attorney's fees, expert fees, litigation costs, civil penalties, statutory or regulatory obligations, and any other assertions of liability of any kind, whether known or unknown, foreseen or unforeseen, made or that could have been made, whether accruing in the past, present, or future, that relate in any way to any of the following:
  - (1) any contention challenging in whole or in part the legality and validity of the Approvals;
  - (2) any contention that the Approvals are not in full compliance with all applicable federal, state, and local laws, regulations, rules, and ordinances;
  - (3) any contention that SIA must obtain any permit, authorization, or variance pursuant to the Glynn County Zoning Ordinance, the Glynn County Subdivision Regulations, the Georgia Coastal Marshlands Protection Act, the Georgia Erosion and Sedimentation Act, the Glynn

County Soil Erosion and Sedimentation Control Ordinance, §§ 2-5-100 to 2-5-110, the Glynn County Water Resources Protection Ordinance, §§ 2-27-1 to 2-27-37, the federal Clean Water Act, or any other federal, state, or local law, regulation, rule, or ordinance before proceeding with or completing the work or activities authorized by the Approvals;

- (4) any contention that the work or activities that SIA has performed, is performing, or will perform in accordance with the Approvals may violate the Glynn County Zoning Ordinance, the Glynn County Subdivision Regulations, the Coastal Marshlands Protection Act, the Erosion and Sedimentation Act, the Glynn County Soil Erosion and Sedimentation Control Ordinance, §§ 2-5-100 to 2-5-110, the Glynn County Water Resources Protection Ordinance, §§ 2-27-1 to 2-27-37, the federal Clean Water Act, O.C.G.A. § 51-1-6, or any other federal, state, or local law, regulation, rule, or ordinance (including, without any limitation, negligence per se, negligence, public nuisance, private nuisance, or public trust);
- (5) any contention that any of the existing jurisdictional delineations approved by the appropriate regulatory agencies pursuant to the Coastal Marshlands Protection Act, the Shore Protection Act, and the Clean Water Act, as set forth in the survey and plat map of Shupe Surveying Company, P.C. dated March 18, 2014 and referenced and attached to Lisia Kowalczyk's letter dated May 20, 2014 (attached as Exhibit 1), are in any way inconsistent with law;

- (6) any objection to any application pursuant to the Shore Protection

  Act by SIA or any purchaser of property within the Cloister Reserve for a

  permit authorizing construction of a maximum of four wooden dune crossover structures from residences within the Cloister Reserve to the beach

  adjacent to the Cloister Reserve, so long as such dune cross-over

  structures have no poured surfaces, are no more than five feet in width,

  and have walkways approximately three feet, or more, above the sand

  surface; and
- (7) any objection to any application pursuant to the Shore Protection Act by SIA or any purchaser of property within the Cloister Reserve for a permit authorizing a land alteration in an area not more than thirty (30) feet east of the Shore Protection jurisdiction line as shown on Exhibit 1 solely in order to facilitate the construction of a house or other structure on the property, so long as such land alteration does not involve any permanent structure, is temporary in nature, and will restore the natural topography and vegetation to at least its former condition, upon completion, using the best available technology; provided, however, that the agreement not to object to any such application shall expire as to any lot within the Cloister Reserve thirty (30) days after completion of construction of a house or other structure on such lot, and shall expire in any event no later than seven (7) years from the Effective Date of this Agreement; and provided further that the agreement not to object to any such application shall apply solely to the first application for a given lot that results in the construction of a house or other structure on such lot.

- (b) Notwithstanding any of the foregoing, "Claim" or "Claims" does not include:
  - (1) any contention that SIA has performed, is performing, or will perform any work or activity that is inconsistent with the Approvals;
  - (2) any contention that SIA has performed, is performing, or will perform any work or activity inconsistent with the jurisdictional delineations by the appropriate regulatory agencies pursuant to the Coastal Marshlands Protection Act, the Shore Protection Act, and the Clean Water Act, as set forth in the survey and plat map of Shupe Surveying Company, P.C. dated March 18, 2014 and referenced and attached to Lisia Kowalczyk's letter dated May 20, 2014 (attached as Exhibit 1);
  - buffer including any marsh buffer that might be established as a result of the decision of the Georgia Supreme Court in *Turner v. Georgia River Network*, No. S14G1780 (Ga.), or a marsh buffer that might be established as a result of a law enacted by the General Assembly of Georgia, if and to the extent either of such applies to SIA based on the facts and circumstances at that point in time (provided, however, that any contention regarding any existing marsh buffer as applied to work authorized by the Bridge Approval qualifies as a Claim for purposes of this Agreement);
  - (4) any contention that any person other than SIA, including but not limited to any purchaser of any property located within the Cloister Reserve, must obtain a permit, authorization, or variance for any work or activity related to the Cloister Reserve beyond the work and activities set

forth in the Approvals, except as set forth in Subsection 2.3(a)(6) and (7) above, or that any such person is in violation of any legal or regulatory requirements for any work or activities beyond that set forth in the Approvals;

- (5) any contention or dispute related to any marshland engineering activity beyond any work or activities set forth in the Approvals;
- (6) any contention or dispute related to any shoreline engineering activity; and
- (7) any contention or dispute related to the need or propriety for the issuance of a permit or authorization under the Georgia Shore Protection Act, except as set forth in Subsection 2.3(a)(6) and (7) above.
- "Clean Water Act" means those provisions located at 33 U.S.C. §§ 1251 *et seq.*, as well as the rules and regulations adopted pursuant to the Clean Water Act.
- 2.5 "Cloister Reserve" means the eight (8) lot subdivision on 7.326 acres that is located on Sea Island, Georgia at the southern end of Dune Avenue between the Black Banks River and the Atlantic Ocean, as shown on Exhibit 2, and that is included as part of PP2713 approved by the IPC on January 21, 2014, as well as any internal adjustments of lot lines and road locations approved in the final plat.
- "Coastal Marshlands Protection Act" means those provisions located at O.C.G.A. §§ 12-5-280 *et seq.*, as well as the rules and regulations adopted pursuant to the Coastal Marshlands Protection Act.
- 2.7 "Conservation Easement Area" means that portion of land on Sea Island as generally shown on the aerial photograph that is attached hereto as Exhibit 3 and incorporated herein and that is more specifically defined as follows: that portion of land

on Sea Island which is hereby described and defined as bounded westerly by the high water line of the Black Banks River, southerly by the high water line of Gould's Inlet and easterly by the high water line of the Atlantic Ocean, which high water line boundaries will move with accretion and erosion, and northerly by the following defined line: to locate said northern boundary line, commence at the point of intersection of the southeasterly line of Sea Island Drive, a 100-foot private right of way, with the southwesterly line of Dune Avenue, a 40-foot private right of way (which intersection is shown on a plat by Robert N. Shupe, Georgia Registered Land Surveyor No. 2224, dated October 15, 2007, recorded in the office of the Clerk of Superior Court of Glynn County at Plat Book 30, Map 278), and from said intersection running South 24 degrees 27 minutes 45 seconds West for a distance of 2,563 feet to the beginning point of said northern boundary line, and from said beginning point running thence North 50 degrees 05 minutes 06 seconds West for a distance of 600 feet, more or less, to the high water line of the Black Banks River; thence returning to the beginning point and running South 50 degrees 05 minutes 06 seconds East for a distance of 25 feet, more or less, to the high water line of the Atlantic Ocean, the entirety of said northern boundary line, being 625 feet, more or less, in length, running on the above described bearings, from the high water line of the Atlantic Ocean to the high water line of the Black Banks River, and with the understanding that the intent hereof is that the Conservation Easement Area will also extend to the low water lines of said ocean, inlet, and river, to the extent of Sea Island Acquisition, LLC's right, title and interest in and to the land lying between the high water line and the low water line.

2.8 "Effective Date" means the date on which this Agreement shall have been executed by the last of the Parties.

- 2.9 "Environmental Monitoring Area" shall include the Conservation Easement Area, areas adjacent and neighboring to the Conservation Easement Area, and areas adjacent and neighboring to the Cloister Reserve, including, without limitation, the adjacent shore, marsh, and waters; provided, however, that the Environmental Monitoring Area shall not include any land, marsh, or water located within the boundaries of the Cloister Reserve.
- 2.10 "Erosion and Sedimentation Act" means those provisions located at O.C.G.A. §§ 12-7-1 *et seq.*, including all buffer requirements, as well as the rules and regulations adopted pursuant to the Erosion and Sedimentation Act.
- 2.11 "Glynn County Zoning Ordinance" means those ordinances contained in Articles I through XIV of The Zoning Ordinance of Glynn County, Georgia, together with the current zoning designations, development districts and plans, maps, permits, approvals, and variances adopted pursuant thereto.
- 2.12 "High water" means the maximum height reached by a rising tide due to the periodic tidal forces and the effects of meteorological, hydrologic, and/or oceanographic conditions.
- 2.13 "High water line" means the line that represents the intersection of the land with the water surface at the elevation of the average of all the high water heights observed over the National Tidal Datum Epoch.
- 2.14 "IPC" means the Glynn County Islands Planning Commission.
- 2.15 "Land disturbing activity" means any activity which may result in soil erosion from water or wind and the movement of sediments into state waters or onto lands within the state, including, but not limited to, clearing, dredging, grading, excavating, transporting, and filling of land.

- 2.16 "LDA Permit" means the land-disturbing permit number LDA 9647 authorizing land-disturbing activity at the Cloister Reserve issued by Glynn County on August 14, 2014.
- 2.17 "Low water" means the minimum height reached by a receding tide due to the periodic tidal forces and the effects of meteorological, hydrologic, and/or oceanographic conditions.
- 2.18 "Low water line" means the line that represents the intersection of the land with the water surface at the elevation of the average of all the low water heights observed over the National Tidal Datum Epoch.
- 2.19 "Marshland engineering activity" means an activity which encompasses any artificial method of altering the natural topography or vegetation of the marsh or marshland-upland interface. This includes, but is not limited to, seawalls, bulkheads, revetments, riprap, groins, jetties or similar devices, if all or any part of such device is located within the jurisdiction of the Coastal Marshlands Protection Act as delineated on Exhibit 1.
- 2.20 "Ordinary high water mark" means the position along the shore of the mean monthly spring high tide reached during the most recent tidal epoch. This term is not synonymous with mean high water mark.
- 2.21 "Person" means any natural person, class or group of natural persons, corporation, proprietorship, partnership, association, trust or any other entity or organization.
- 2.22 "PP2713" means the preliminary plat application SIA submitted to the Glynn County Islands Planning Commission ("IPC") to subdivide and develop certain property at the southern end of Sea Island now known as the "Cloister Reserve."

- 2.23 "Sand-sharing system" means an interdependent sediment system composed of sand dunes, beaches, and offshore bars and shoals.
- 2.24 "Shoreline engineering activity" means an activity which encompasses any artificial method of altering the natural topography or vegetation of the sand dunes, beaches, bars, submerged shoreline lands, and other components of the sand-sharing system, if all or any part of such activity is located within the jurisdiction of the Shore Protection Act as delineated on Exhibit 1. This includes, but is not limited to, beach restoration or re-nourishment, artificial dune construction, seawalls, bulkheads, revetments, riprap, groins, jetties or similar devices as regulated by the Shore Protection Act.
- 2.25 "Shore Protection Act" means those provisions located at O.C.G.A. §§ 12-5-230, et seq., as well as the rules and regulations adopted pursuant to the Shore Protection Act.
- 2.26 "SIA" means;
  - (a) Sea Island Acquisition, LLC;
  - (b) the successors and assigns of the foregoing.
- 2.27 "Submerged shoreline lands" means the intertidal and submerged lands seaward of the ordinary high water mark within the jurisdiction of the Shore Protection Act.

#### 3. Settlement Terms.

3.1 (a) Within twenty (20) days of the Effective Date of this Agreement, SIA shall prepare, execute, and then place in escrow with Gilbert, Harrell, Sumerford & Martin, PC in Brunswick, Georgia ("Escrow Agent") a perpetual conservation easement ("Deed of Conservation Easement") over the real property described as the Conservation Easement Area in Section 2.7 above. This Deed of Conservation Easement shall, once filed with the Clerk of the Glynn County

Superior Court ("Clerk"), forever preserve the Conservation Easement Area in its natural, undeveloped condition in accordance with the requirements set forth herein. The Deed of Conservation Easement shall remain in escrow with the Escrow Agent until such time as SIA provides notice to the Escrow Agent that the Escrow Agent is authorized to file and record the Deed of Conservation Easement as set forth herein. SIA shall provide the required notice to the Escrow Agent once the work authorized by the Approvals has been completed, at which time the Escrow Agent shall file and record the Deed of Conservation Easement with the Clerk. Notwithstanding the foregoing, SIA shall direct the Escrow Agent to file and record the Deed of Conservation Easement with the Clerk no later than September 14, 2015; provided, however, that if the work authorized by the Approvals has been enjoined or otherwise halted by court order prior to September 14, 2015, SIA will not be required to authorize the Escrow Agent to file or record the Deed of Conservation Easement with the Clerk, subject to the following:

- (1) if the court order enjoining or halting the work is lifted, nullified, or otherwise withdrawn thereby allowing the work authorized by the Approvals to proceed, SIA shall provide notice authorizing the Escrow Agent to immediately file and record the Deed of Conservation Easement with the Clerk, and the Escrow Agent shall file and record the Deed of Conservation Easement with the Clerk;
- (2) if the court order enjoining or halting the work is made permanent thereby preventing the work authorized by the Approvals from being completed, SIA will have no obligation to provide the required authorization and the Escrow

Agent shall not file or record the Deed of Conservation Easement with the Clerk except upon express written agreement by SIA in its sole discretion.

- (b) The administrative costs of the Escrow Agent and of filing and recording the Deed of Conservation Easement shall be paid by SIA.
- (c) At a minimum, the Deed of Conservation Easement shall contain the following restrictions:
  - (1) Any change, disturbance, alteration, or impairment of the natural, open space, scenic, or aesthetic features of the property is prohibited;
  - (2) Any residential, commercial, or industrial uses of, or activity on, the property are prohibited, except that passive recreational use of the property is not prohibited, including passive recreational use as part of the commercial resort/residential programs of SIA. By way of example, prohibited activities in the Conservation Easement Area would include, but not be limited to, hunting, discharge of firearms, and bonfires, and any activity that takes, harasses, harms, pursues, kills, traps, captures, or collects any native wildlife or any legally protected plant, except that activities to collect avian or other species of wildlife by state and federal wildlife agencies or as part of scientific studies approved by such state and federal wildlife agencies shall not be prohibited. By way of further example, authorized activities would include walking, biking, horseback riding, bird-watching, and other nature study;
  - (3) The construction or maintenance on the property of any buildings, structures, or other improvements is prohibited;

- (4) The exploration for, or extraction of, oil, gas, or other minerals, hydrocarbons, soils, sands, or other materials on or below the surface of the property is prohibited;
- (5) The dumping or other disposal of trash, garbage, and any other items on the property is prohibited;
- (6) Any use or activity that causes or presents a risk of causing soil erosion or significant water pollution, including without limitation, excavation, land filling, dredging, and mining, is prohibited;
- Oisplay of billboards, signs, or advertisements is prohibited on or over the property, except for the posting of advisory/regulatory signs such as no trespassing signs and signs designating restricted wildlife areas, and educational signs such as signs identifying the conservation values of the property, directional signs, and informational signs advertising on-site permitted activities; provided, however, that best efforts will be made to limit the total number of signs, that no signs shall be larger than 12 square feet, that triangular or diamond shaped signs will be used (not rectangular ones), that the tops of any signs shall extend beyond the post or stake holding the sign, that the top of any stake or post holding the sign shall be cut at an angle, that the maximum height of any advisory/regulatory sign shall be three feet, and that the maximum height of any educational sign shall be eye level;
- (8) The construction or extension of utility systems is prohibited;
- (9) Any construction of roads on the property is prohibited (such prohibition, however, shall not bar sand or dirt pedestrian trails to provide

comparable access as presently exists throughout the area as well as one horse trail);

- (10) The installation of any commercial antennas, radio towers, or the like is prohibited; and
- (11) The use of motorized vehicles on the property is prohibited, except for (i) emergency access, and (ii) activities in connection with turtle patrols and other scientific studies.
- (d) Notwithstanding the restrictions set forth in Subsection 3.1(c), the Deed of Conservation Easement shall not prohibit SIA and its employees, contractors, and agents from taking all steps necessary to construct, maintain, and repair any shoreline engineering activity located within 160 feet of the northern boundary of the Conservation Easement Area, for which all required permits, subject to Section 3.2 of this Agreement, will have been secured. In conducting any such shoreline engineering activity, SIA shall be authorized to use motorized vehicles and other mechanized equipment as necessary, so long as such motorized vehicles and other mechanized equipment shall obtain access to the area in question by way of the beachfront.
- (e) The Grantee for the Deed of Conservation Easement shall be the St.

  Simons Land Trust ("SSLT"). It is understood that SIA may seek an agreement with the SSLT, as the grantee of the Deed of Conservation Easement, providing that the SSLT shall not object, either formally or informally, to any shoreline engineering activity as set forth in Section 3.1(d). The Environmental Organizations agree not to contest any such provision in any agreement that may

be reached between SIA and the SSLT; provided, however, that this Subsection is subject to Section 3.2 of this Agreement.

- (f) The Deed of Conservation Easement will not convey any right of public access above the high water line.
- (g) SIA shall retain title to the Conservation Easement Area, subject to the rights conveyed pursuant to the Deed of Conservation Easement and will retain all rights to use and enjoy the property, except as limited by the terms of this Agreement and the Deed of Conservation Easement.
- (h) Upon execution of this Agreement, SIA shall deposit with the Escrow Agent a check made payable to the St. Simons Land Trust in the amount of \$30,000.00 as a one-time lump sum payment for SSLT's oversight responsibilities. Once the Deed of Conservation Easement is filed and recorded with the Clerk, as set forth in Subsection 3.1(a), the Escrow Agent shall immediately transfer this one-time payment to SSLT.
- (i) The Deed of Conservation Easement shall grant to the grantee, at a minimum, the following rights:
  - (1) To preserve and protect the conservation values of the property;
  - (2) To enter upon the property at reasonable times in order to monitor and defend grantor's compliance with and otherwise enforce the terms of the conservation easement. Grantee shall give reasonable notice to grantor of grantee's entry onto the property except in emergency cases where grantee reasonably determines that immediate entry is required to prevent, terminate, or mitigate a violation of the conservation easement; and

- (3) To prevent any activity on or use of the property that is inconsistent with the purpose of the conservation easement and to require the restoration of such areas or features of the property that may be damaged by any inconsistent activity or use.
- (j) SIA agrees to allow the Environmental Organizations a reasonable opportunity, which shall include a minimum of three (3) days, to review and comment on any proposed Deed of Conservation Easement before it is fully agreed upon and executed.
- 3.2 At least thirty (30) days prior to the submission by SIA of any application for a permit under the Shore Protection Act, the Clean Water Act, or Section 10 of the Rivers and Harbors Act seeking approval of any shoreline engineering activity within or adjacent to the Cloister Reserve, SIA shall provide a copy of the proposed application(s) to the Environmental Organizations and shall further provide to the Environmental Organizations an opportunity to review and comment on the proposed application(s). The Environmental Organizations specifically reserve any rights they may have to oppose any application for a permit or other authorization to engage in any shoreline engineering activity or to otherwise oppose any such activity beyond any work and activities set forth in the Approvals, and as provided in Subsection 2.3(a)(6) and (7).
- 3.3 In order to allow for the most natural flow of stormwater that is practicable, to provide nourishment of the marsh, and to limit erosion and sediment runoff, SIA shall not include curbs or gutters on the roads authorized by the Approvals, shall construct the bridges authorized by the Approvals with timber decking, as shown on the Bridge Approval, and shall include the additional water quality control design features for stormwater as set forth on the attached Exhibit 4. In addition, SIA shall include a deed restriction for any conveyance of a lot

within the Cloister Reserve so as to require that all parking areas and driveways be installed and constructed with permeable materials.

- 3.4 From the date of this Agreement forward, the Environmental Organizations, collectively, shall have the right to monitor the construction and land disturbing activity that SIA or its contractors, employees, and agents may conduct related to the Cloister Reserve; this right to monitor, however, shall not extend to construction and land disturbing activities undertaken by any purchaser(s) of property within the Cloister Reserve.
  - (a) The Parties agree that the Environmental Organizations, collectively, may designate one individual as a "Construction Monitor," subject to SIA's approval of the named individual, which approval shall not be unreasonably withheld, conditioned, or delayed.
  - (b) SIA shall provide regular periodic monitoring updates to the Construction Monitor at least once every two weeks while any construction activities undertaken by SIA or its agents are occurring at or related to the Cloister Reserve.
  - (c) SIA shall allow the Construction Monitor to have access to the site upon providing at least twenty-four (24) hours' notice to a person designated by SIA.

    SIA shall have the right to require that the Construction Monitor be accompanied by a person designated by SIA.
  - (d) The Construction Monitor shall have the right to apprise SIA of any alleged violations of the Approvals or any other related legal or regulatory requirements. Upon receipt of written notice of any alleged violations, SIA shall have forty-eight (48) hours to respond to the alleged violation and to indicate what additional action, if any, SIA has taken or plans to take. For any violation,

SIA shall take appropriate action to correct the violation and prevent its recurrence.

- 3.5 (a) The Environmental Organizations, collectively, shall have the right to conduct environmental monitoring and assessment of any potential impacts or effects to the Environmental Monitoring Area caused, influenced, or enhanced by the development of the Cloister Reserve for a period of five (5) years, with funding from SIA as further provided below. This assessment shall include the right to obtain baseline data relating to the Environmental Monitoring Area before any development of the Cloister Reserve begins. The right to conduct environmental monitoring and assessment shall include, at a minimum, the right to collect data and study and assess the following:
  - (1) the habitat and health of wildlife including, without limitation, sea turtles and birds in or on the Environmental Monitoring Area, including, without limitation, the Atlantic Ocean, the Black Banks River, and East Beach on St. Simons Island.
  - (2) potential impacts or effects on the sand sharing system and marsh including, without limitation, erosion rates and material deposition in or on the Environmental Monitoring Area, including, without limitation, the Atlantic Ocean, the Black Banks River, and East Beach on St. Simons Island; and
  - (3) water quality and ecological diversity (including physical, chemical and biological characteristics) in or on the Environmental Monitoring Area, including, without limitation, the Atlantic Ocean, the Black Banks River, and East Beach on St. Simons Island.

- (b) The environmental monitoring and assessment shall be conducted in two phases.
  - (1) The first phase shall pertain to any environmental impacts or effects caused, influenced, or enhanced by SIA's development of the Cloister Reserve and by the subsequent development of the individual lots including, but not limited to, the construction of dwellings. The first phase shall begin upon completion of the first dwelling in the Cloister Reserve. SIA shall provide written notice to the Environmental Organizations of said completion. The first phase for monitoring and assessment shall end five (5) years after it begins.
  - (2) The second phase for monitoring and assessment shall pertain to any shoreline engineering activity, should such activity occur. The second phase shall begin upon the completion of any shoreline engineering activity. SIA shall provide written notice to the Environmental Organizations of said completion. The second phase for monitoring and assessment shall end five (5) years after it begins.
- (c) The environmental monitoring and assessment shall be subject to the following conditions:
  - (1) only qualified environmental professionals (persons with, at least, a degree in environmental science or a related field including, but not limited to, geology, biology, ecology, oceanography and other branches of science concerned with the physical, chemical, and biological conditions of the environment) chosen by the Environmental Organizations may conduct the monitoring and assessment;

- (2) in order for the qualified professionals chosen by the Environmental Organizations to have access to any area of Sea Island landward of the high water line, they must provide a minimum of twenty-four (24) hours' notice to SIA;
- (3) monitoring activities shall not interfere with any resort or recreational use of Sea Island;
- (4) monitoring activities shall not take place on the Cloister Reserve or on any upland on Sea Island other than on the Conservation Easement Area;
- (5) SIA shall have the opportunity to review and have meaningful input into the scope of the monitoring project as it is being developed; and
- (6) SIA shall have the opportunity to review and comment on the research and resulting reports no later than thirty (30) days prior to any publication.
- (d) SIA shall provide funding for the monitoring and assessment as follows:
  - (1) for the first phase monitoring, \$20,000 per year for five years, payable annually;
  - (2) for the second phase monitoring, if a shoreline engineering activity is implemented at or adjacent to the Cloister Reserve, \$30,000 per year for five years, payable annually.
- (e) In the event that the Environmental Organizations determine that further monitoring and assessment is no longer necessary (or no longer necessary at the full funding levels available), the Environmental Organizations may redirect the funds specified in Subsection 3.5(d) towards another environmentally beneficial

- project in the local area, subject to SIA's prior written approval, which shall not be unreasonably withheld.
- 3.6 SIA shall include a binding and enforceable covenant in any conveyance of any legal interest, right of possession, or right of use for any property included within the Cloister Reserve as follows:
  - (a) no owner, tenant, or other person possessing or using the property shall allow any cats over which that person has ownership or control to be on that person's property or surrounding property including the beach and marsh; and
  - (b) no owner, tenant, or other person possessing or using the property shall allow any dogs over which that person has ownership or control to be on the Conservation Easement Area, or on the beach and marsh, unless said dog is on a leash at all times.
- 3.7 (a) SIA shall ensure that lighting from the Cloister Reserve will not negatively impact or affect sea turtle nesting, terrapin nesting, and migratory birds. To that end, SIA shall follow the standards and conditions as defined and set forth in the Glynn County Zoning Ordinance, Article VII, § 727.7.
  - (b) SIA shall also include the lighting conditions and restrictions contained in this Section as a binding and enforceable covenant in any conveyance of any legal interest, right of possession, or right of use for any real property within the Cloister Reserve.
- 3.8 SIA shall allow a minimum of one (1) person and a maximum of twenty-five (25) persons interested in birding activities to have access to the Conservation Easement Area solely for those activities during each of the times set forth below.

- (a) SIA shall permit access for a minimum of four (4) times per year as follows:
  - (1) during the winter season at a mutually agreed upon time which likely will be in mid-January;
  - (2) during the spring migration at a mutually agreed upon time which likely will be in April;
  - (3) towards the end of the breeding season at a mutually agreed upon time which likely will be in late July or early August; and
  - (4) during the fall migration at a mutually agreed upon time which likely will be in late September.
- (b) The Environmental Organizations and GreenLaw, Inc. (a Georgia non-profit corporation) ("GreenLaw") shall collaborate with representatives of SIA to host or co-host the above-described birding events, and shall provide a proposed list of dates for the following year no later than the preceding December 1st. In addition, the Environmental Organizations and GreenLaw shall be responsible for organizing the events, shall be responsible for providing an experienced leader for the events, and shall designate a liaison who will accompany the persons participating in the events. The Environmental Organizations and GreenLaw shall not use SIA's logos without SIA's approval in SIA's sole discretion.

  Similarly, SIA shall have the right to approve any advertisements or communications (whether in printed or electronic form) regarding such events, which approval shall not be unreasonably denied, conditioned, or delayed.

- (c) The birding events provided for in this Section 3.8 shall not be limited to members of the Environmental Organizations, and SIA may charge reasonable fees for such events, which fees shall not exceed \$15 per person per day.
- (d) The access provided for in this Section 3.8 shall continue for a term of ten (10) years. The Environmental Organizations and GreenLaw may seek to renew this access for an additional ten (10) year term by submitting a request in writing to SIA seeking renewed access at least thirty (30) days prior to the term's expiration, which request shall not be unreasonably denied, conditioned, or delayed.

#### 4. Release and Covenant Not to Sue.

In consideration for and subject to all the terms and conditions provided in this

Agreement, the Environmental Organizations, on their own behalf and on behalf of their past,
present, and future officers, directors, board members, agents, successors, assigns, and legal
representatives (referred to collectively herein as the "Releasors"), do hereby fully and forever
RELEASE, WAIVE, AND DISCHARGE any and all Claims, as defined above, whether known
or unknown, suspected or unsuspected, concealed or unconcealed, tangible or intangible, in law
or equity against (a) SIA (including SIA's affiliates, subsidiaries, parent companies, partners,
principals, officers, directors, agents, employees, insurers, consultants, contractors, engineers,
and legal representatives); (b) any and all federal, state, or local governmental entities,
subdivisions, or agencies (including their agents and representatives) involved or in any way
associated with the Approvals; and (c) any past, present, or future purchaser of any property
(including their agents and representatives) located within the Cloister Reserve (referred to
collectively herein as the "Released Parties"). In further consideration for and subject to the
terms and conditions provided in this Agreement, the Releasors do also hereby covenant not to

sue any of the Released Parties with respect to any Claim as defined herein, whether known or unknown, suspected or unsuspected, concealed or unconcealed, tangible or intangible, in law or equity.

#### 5. Statements to the Public and Media.

- 5.1 The Environmental Organizations and SIA agree to issue a joint press release attached as Exhibit 5 upon the execution of this Agreement. The Parties agree that any other public statements regarding this Agreement will be consistent with, and in the spirit of, the substance of Exhibit 5.
- 5.2 To the extent permitted by law, the Environmental Organizations (including their board members, directors, and employees) agree not to publish or communicate to any person or entity or in any public forum (including social media), after the Effective Date of this Agreement, any statements concerning the Cloister Reserve development that would be considered defamatory under controlling Georgia or federal law in effect at the time the statements are made. Notwithstanding the foregoing, this Section does not, in any way, restrict or impede the Environmental Organizations from bringing any claim against SIA as set forth in Section 2.3(b) or from discussing those claims publicly. Nor does this Section restrict or impede the Environmental Organizations from discussing publicly the construction monitoring and environmental monitoring conducted pursuant to Sections 3.4 and 3.5 including, without limitation, the results of any such monitoring. Further, notwithstanding the foregoing, this Section does not, in any way, restrict or impede the Environmental Organizations from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency.

published or communicated a defamatory statement in violation of Section 5.2, SIA shall have the right to use the dispute resolution procedure established in Section 6 to determine the validity of SIA's contention. Controlling Georgia or federal defamation law in effect at the time the statements are made shall be determinative. If, after pursuing the dispute resolution process set forth in Section 6, a finding is made that one of the Environmental Organizations has published or communicated a statement in violation of Section 5.2 above, SIA shall have the right to terminate any remaining payments required to be made pursuant to Section 3.5(d); SIA, however, shall not have the right to recover any payments made prior to the date of the decision obtained through the dispute resolution process.

#### 6. Dispute Resolution.

In the event of a disagreement between the Parties concerning any aspect of this

Agreement, the dissatisfied party shall provide the other party with written notice of the dispute
and a request for negotiations. If the Parties cannot reach an agreed resolution within thirty (30)
days after receipt of written notice from the other party, then either party may invoke nonbinding mediation with a mutually agreed upon mediation service. In the event the Parties
cannot agree on the mediation service, the Parties agree to use Henning Mediation & Arbitration
Service or its successor. The Parties shall jointly select the mediator. If the Parties cannot agree
on the mediator, the mediation service will assign a mediator or mediators to hear the matter.

The party requesting mediation shall pay any initial costs required by the mediation service. At
the conclusion of the mediation, SIA shall pay one-half of the costs of the mediation, and the
Environmental Organizations shall pay one-half of the costs. In the event that the parties are
unable to resolve their disagreement through mediation, either party may then invoke binding

arbitration with a mutually agreed upon arbitration service. If the Parties cannot agree on the arbitration service, the Parties agree to use Henning Mediation & Arbitration Service or its successor. The Parties shall jointly select the arbitrator. If the Parties cannot agree on the arbitrator, the arbitration service will assign an arbitrator or arbitrators to hear the matter. The party requesting arbitration shall pay any initial costs required by the arbitration service. At the conclusion of the arbitration, SIA shall pay one-half of the costs of the arbitration, and the Environmental Organizations shall pay one-half of the costs. The decision of the arbitrator or arbitrators shall be binding, conclusive, and not appealable.

#### 7. Other Litigation.

In the event that a person or persons not a party to this Agreement commences litigation against SIA seeking to challenge or enjoin actions undertaken or to be undertaken by SIA at the Cloister Reserve that relate to the Claims resolved in this Agreement, the obligations of SIA pursuant to Subsection 3.5(d) and Section 3.8 of this Agreement shall be suspended; provided, however, that these obligations will not be suspended, or will no longer be suspended, if and when (a) the roads and bridges authorized by the Approvals have been completed, or (b) any request for injunctive relief is denied in all material respects. The Environmental Organizations further agree to provide SIA, upon SIA's request, with reasonable non-monetary support and assistance in defending any litigation seeking to enjoin the work authorized by the Approvals. In the event that the obligations of SIA pursuant to Subsection 3.5(d) and Section 3.8 are suspended as contemplated by this Section, and this suspension is later lifted for the reasons specified above, the authorized monitoring period set forth in Section 3.5 shall be tolled for the period of time during which the suspension was in place.

#### 8. Successors.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

#### 9. Severability.

If any provision of this Agreement is deemed invalid or unenforceable, the remaining portions shall remain in full force and effect. Notwithstanding the foregoing, the provisions contained in Sections 3.1, 3.2, 3.4, 3.5, 4, and 6 and the corresponding definitions shall not be severable from this Agreement.

#### 10. Amendments.

No amendment or variations of the terms of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

#### 11. Execution.

This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original.

#### 12. Construction.

Each of the Parties has participated in the drafting of this Agreement after consulting with counsel. Therefore, the language of this Agreement shall not be construed presumptively in favor of or against any of the Parties hereto.

#### 13. Reservation of Rights.

This Agreement does not waive or limit in any way the Parties' rights except as expressly provided in this Agreement.

#### 14. Headings.

Paragraph headings contained in this Agreement are for purposes of organization only and shall not constitute a part of this Agreement.

#### 15. Entire Agreement.

This Agreement is an integrated agreement containing the entire understanding between the Parties regarding the matters addressed herein and, except as set forth in this Agreement, no representations, warranties or promises have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications regarding the matters contained herein.

#### 16. Representation of Authority.

Each signatory to this Agreement represents and warrants that he or she is authorized to enter into and execute the terms and conditions of this Agreement and to legally bind the Party he or she represents.

#### 17. Governing Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflicts of laws except as otherwise specifically set forth in this Agreement. Any action brought to enforce the provisions of this Agreement shall be brought in the Superior Court of Glynn County, and the Environmental Organizations further consent to personal jurisdiction in the Superior Court of Glynn County in any such action.

#### 18. Communications and Notices.

Any documents, communications or notices to be provided pursuant to this Agreement shall be addressed and sent in writing to the attention of the persons identified below:

#### If to SIA:

James B. Gilbert, Jr.
General Counsel
Sea Island Acquisition, LLC
P.O. Box 30351
Sea Island, Georgia 31561
jimgilbert@seaisland.com

#### - and -

Scott K. Steilen President Sea Island Acquisition, LLC P.O. Box 30351 Sea Island, Georgia 31561 scottsteilen@seaisland.com

### If to CSC:

David Kyler Executive Director Center for a Sustainable Coast 221 Mallery Street, Suite B St. Simons, Island 31522 susdev@gate.net

#### If to ARK:

Jenifer Hilburn Altamaha Riverkeeper P.O. Box 2642 Darien, Georgia 31305 jen@altamahariverkeeper.org

#### If to SF:

Clay Davidson Chairperson, Executive Committee Surfrider Foundation – Georgia Chapter P.O. Box 191653 Atlanta, Georgia 31119 chair@georgia.surfrider.org

(Signatures begin on following page.)

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, affix their signatures hereto.

## Sea Island Acquisition, LLC James B. Gilbert, Jr. Printed Name MARCH 14 Date Center for a Sustainable Coast By: Signature Printed Name Date Altamaha Riverkeeper By: Signature Printed Name

(Additional signature on following page.)

Date

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, affix their signatures hereto.

## Sea Island Acquisition, LLC

Ву:
Signature
James B. Gilbert, Jr.
Printed Name
Date
Center for a Sustainable Coast
By: David Life.
Signature
David C. Kyler
Printed Name
March 14, 2014 Date
Altamaha Riverkeeper
By:
Signature
Printed Name
I IIIIOU I WIIIO
Date
(Additional signature on following page.)

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, affix their signatures hereto.

Sea Island Acquisition, LLC
By:Signature
Signature
James B. Gilbert, Jr.
Printed Name
Date
Center for a Sustainable Coast
By:
Signature
Printed Name
Date
Altamaha Riverkeeper
By: Signature
By: Signature  ON BE. House  Printed Name
3/14/15 Date

(Additional signature on following page.)

## **Surfrider Foundation**

By:	Clasiff	
•	Signature	
	Chad E. Nelsen Printed Name	<u>z - 22</u>
	March 16, 2015 Date	

# EXHIBIT 1



MARK WILLIAMS COMMISSIONER A.G. 'SPUD' WOODWARD DIRECTOR

May 20, 2014

Roxanne Thomas Shupe Surveying Company, P.C. 3837 Darien Highway Brunswick, Georgia 31525

Re: Coastal Marshlands Protection Act and Shore Protection Act Jurisdiction Lines for Tract IX, Cloister Residences East & Additional Property, Sea Island, Glynn County, Georgia

Dear Roxanne,

Our office has received the survey plat dated March 18, 2014, entitled "Georgia DNR Jurisdiction Lines of: Tract IX, Cloister Residences East & Additional Property" for Sea Island Acquisition, LLC.

This survey accurately depicts the Ordinary High Water Mark and Jurisdiction Line under the authority of the Shore Protection Act O.C.G. A. 12-5-230 et seq. as confirmed by the Department on March 12, 2014.

This plat and survey generally depict the delineation of the marsh/upland boundary as required by the State of Georgia for jurisdiction under the authority of the Coastal Marshlands Protection Act of 1970 as confirmed March 12, 2014.

These jurisdiction lines are valid for one year from date of the delineation. It will normally expire one year from the date of inspection which occurred on March 12, 2014, but may be voided should legal and/or environmental conditions change.

This letter does not relieve you of the responsibility of obtaining other state, local or federal permission or authorization relative to the site. Authorization by the Coastal Marshlands Protection Committee or this Department is required prior to any construction or alteration in the shore jurisdictional area.

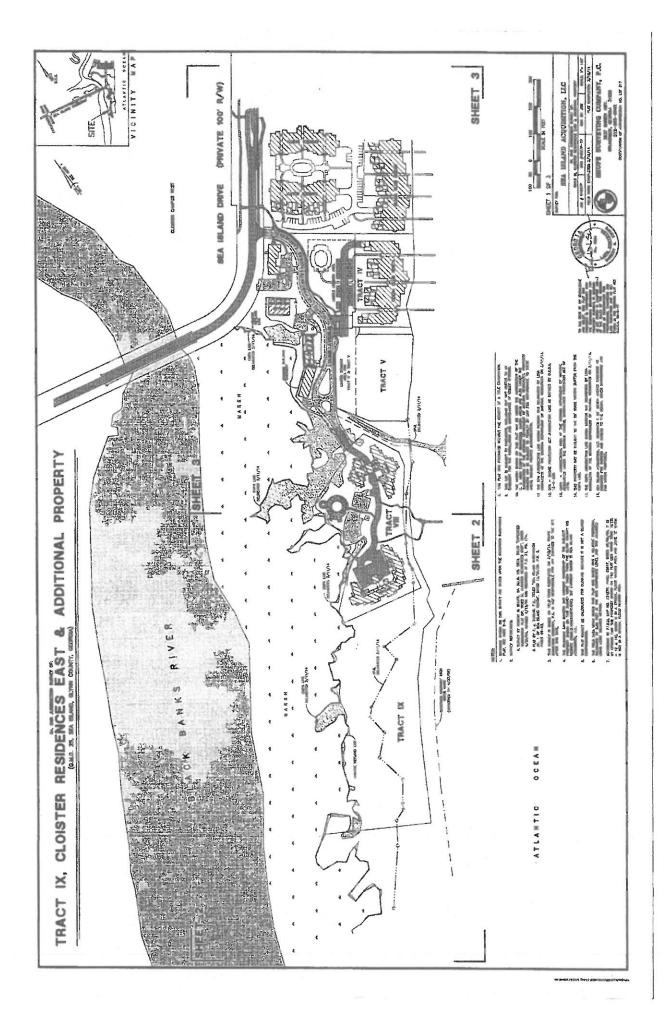
I appreciate you providing us with this information for our records. Please contact me @ (912) 262-3109 if I may be of further assistance.

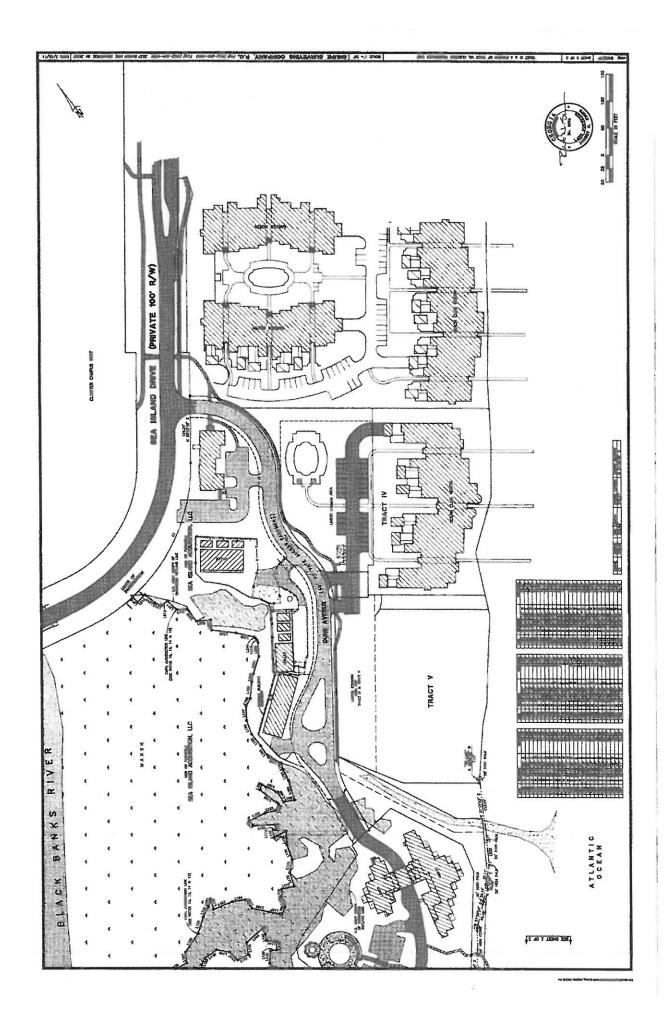
Tract IX Cloister CMPA/SPA JD Page 2 of 2

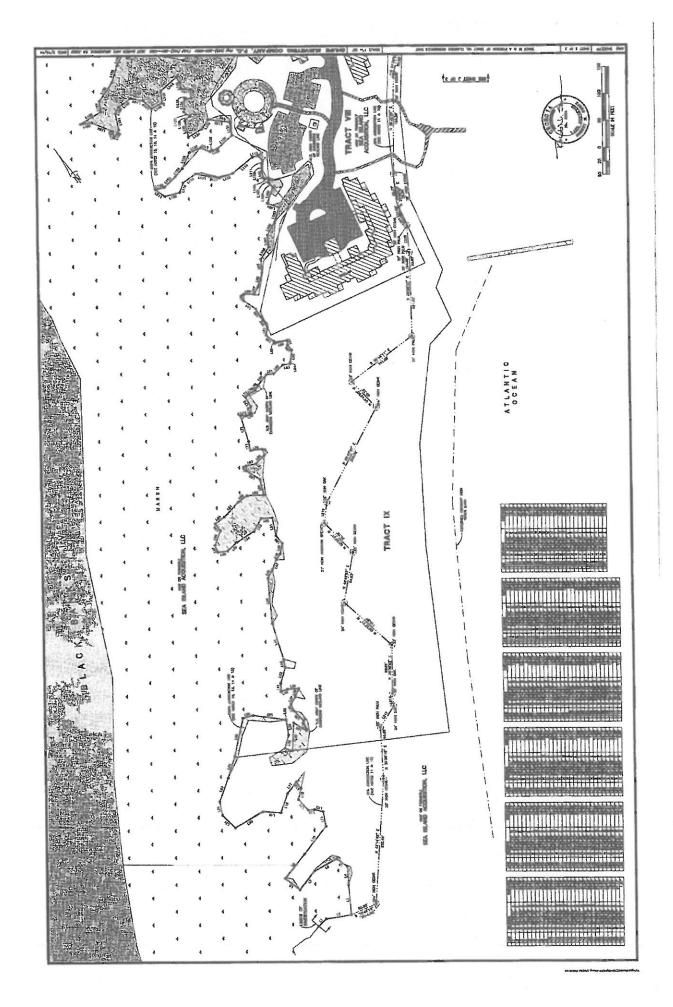
Sincerely,

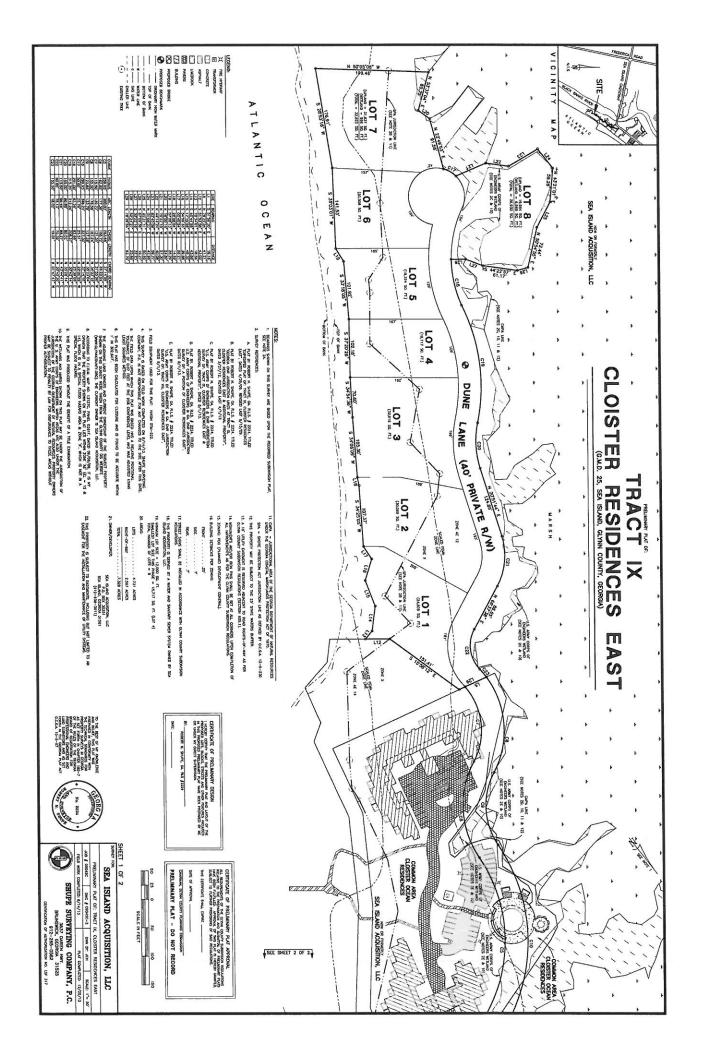
Lisia Kowalczyk
Permitting Unit Manager
Marsh and Shore Management Program
GA DNR-Coastal Resources Division

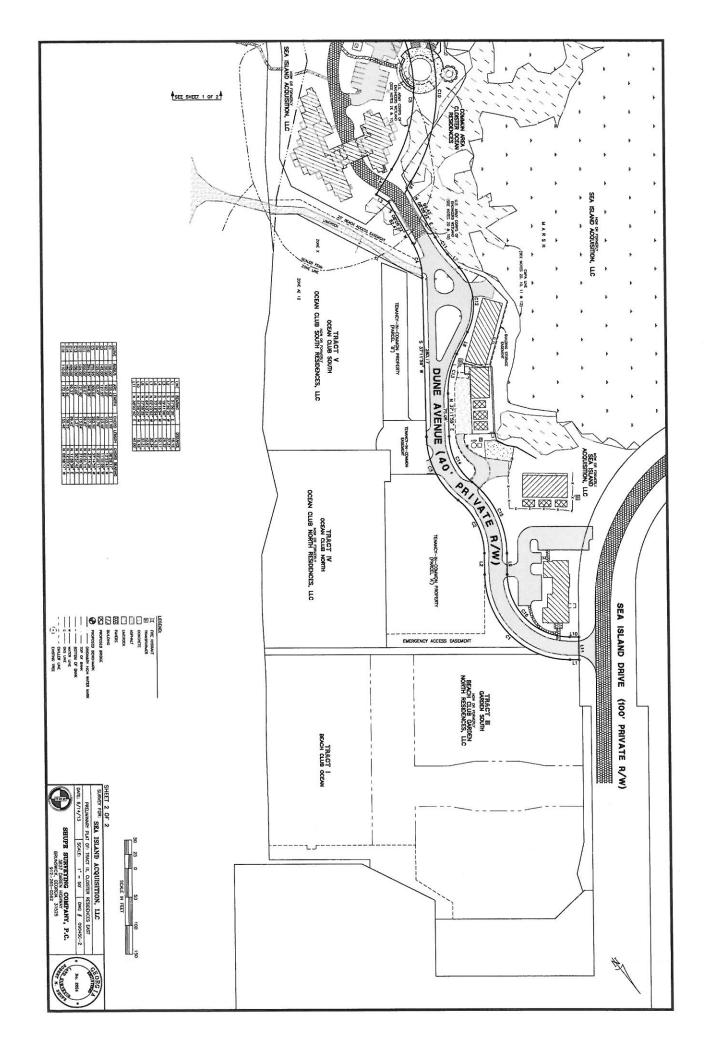
cc: JDS20140111 JDS20140112





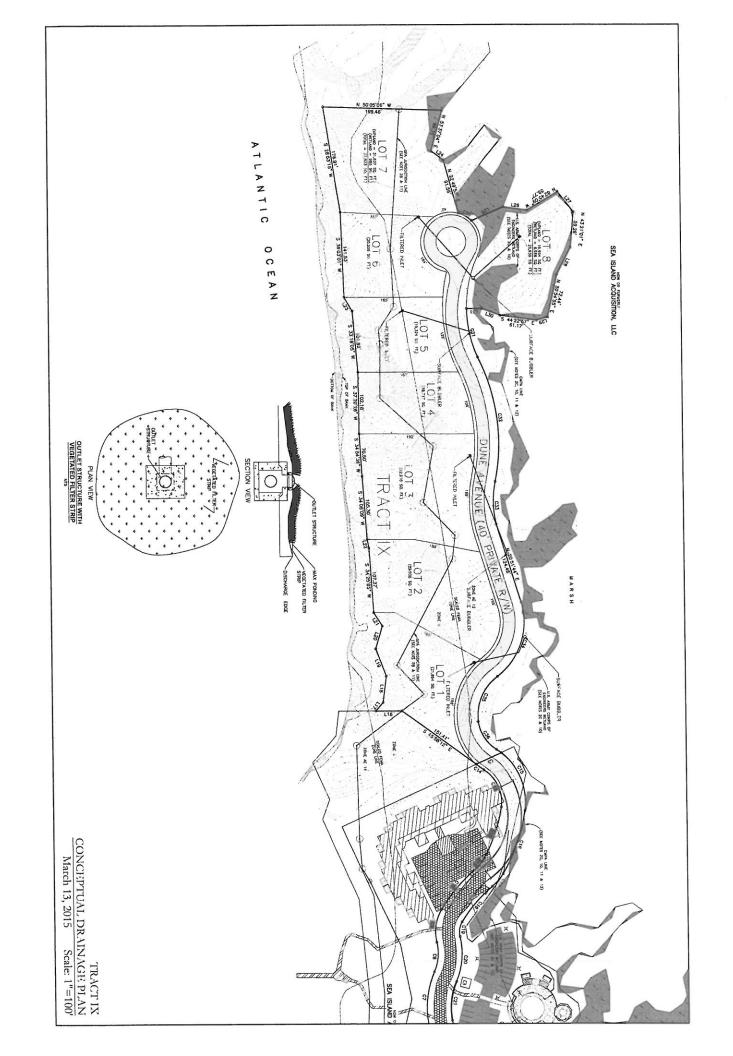


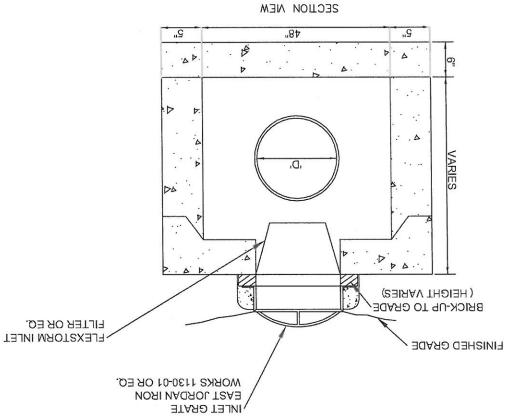


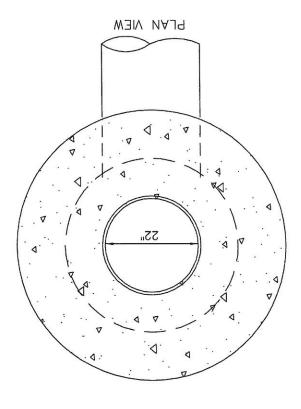




PROPOSED CONSERVATION EASEMENT
Scale:1"=500' Date: 3.12.15







STN **GRATE INLET** 

### Joint Press Release - March 17, 2015

### Sea Island Spit Dispute Settled - Land Conservation Easement Will Protect 80 acres

Environmental Groups Reach Agreement with Sea Island Company - Development on 8 Lots to Proceed in Exchange for Conservation Easement and Other Conservation Measures

Close to 80 acres at the southern end of Sea Island will go into a conservation easement under the terms of a settlement agreement that ends a dispute between the Altamaha Riverkeeper, Center for a Sustainable Coast, Georgia Chapter of the Surfrider Foundation, and Sea Island Company.

As opposed to addressing this dispute in the courts, the parties have agreed that Sea Island Company may proceed with its planned development of 8 lots on 7.3 acres (the "Cloister Reserve") while achieving conservation objectives through implementation of the following:

- Creating a conservation easement that will forever protect the remaining 90% of the undeveloped land at the south end of Sea Island, including the "Spit," from development.
- Providing funding to the environmental groups over a five year period so they can independently monitor and evaluate any environmental effects of the Cloister Reserve and any possible beach renourishment project, including a possible shoreline stabilization project, on the conserved land and the adjacent marsh, shore, and waters, while preserving the right to monitor and challenge such a project.
- Allowing for independent monitoring of all construction and land disturbing activities related to the development of the Cloister Reserve to insure compliance with the county approved development plans and the jurisdictional lines established by DNR for the protection of the marsh, beach, and dunes under the Coastal Marshlands Protection Act and the Shore Protection Act.
- Implementing plans that will assure the natural flow of stormwater from the Cloister Reserve including forgoing curbs and gutters on any roads, using permeable materials for parking areas and driveways, and utilizing other design features to protect the adjacent marsh from potentially harmful stormwater runoff.
- Requiring lighting restrictions for the benefit of beach-nesting sea turtles.
- Imposing certain restrictions on pets to protect native species from non-native predation and harassment.
- Providing for limited public seasonal birding excursions on the Spit.

"We are pleased with this settlement that will protect 90% of the Spit from future development by placing it into a conservation easement, requiring compliance with current environmental protection laws, and providing significant funding for environmental monitoring" said Steve Caley, Legal Director for Atlanta-based GreenLaw who represents the environmental groups.

The environmental groups strenuously objected to the development from the outset, when the development was announced more than a year ago. However, Glynn County took the position that Sea Island Company had met all planning and zoning requirements and was authorized to proceed.

Caley added: "This has been a hard-fought battle made more difficult by Glynn County's actions in this matter and changes in the law that occurred after we began this fight. As with any settlement, neither side got everything it wanted. However, on balance, we believe this is a very good settlement, and we commend Sea Island Company for meeting us at least half-way."

Scott Steilen, President of Sea Island Company, said: "Sea Island is pleased to continue its record of more than eight decades of environmental stewardship of its land by placing the southernmost tip of Sea Island under a perpetual conservation easement. The Cloister Reserve project will result in a low-impact development of eight single family homes that we are confident, based on the advice of our experts, will not adversely impact the adjacent beach, marsh and tidal waters."

Jen Hilburn, the Altamaha Riverkeeper noted that "as part of the Altamaha Delta, the Sea Island Spit, of which 90% will now be protected in perpetuity, is critically important habitat to sea turtles, diamondback terrapins, shorebirds, and waterbirds. Understanding the hydrogeology and ecological effects of development adjacent to natural/protected areas, and their impact on sand-sharing systems such as found along the Georgia coast, will help community leaders make more informed decisions when it comes to land use planning priorities to better protect our wildlife, our coastline, and our communities."

"Given the circumstances, we are thankful for the opportunity to reach a mutually agreeable outcome that provides significant benefits to the residents of coastal Georgia and Glynn County," said David Kyler, with the Center for a Sustainable Coast. "The environmental study supported by this project is urgently needed to gain better understanding about the consequences of shorefront development."

And Clay Davidson with the Georgia Chapter of Surfrider Foundation had this to say: "We are pleased that Sea Island Company has come to a common sense solution to preserve this delicate piece of coastal land. By protecting 90% of the Spit in perpetuity, and granting funding for environmental monitoring and study, the settlement will provide the environmental community as a whole, and the Surfrider Foundation, enhanced knowledge and insight into the dynamic coastal marsh system, and how to better protect it for generations to come."

The conservation easement will be held and managed by the St. Simons Land Trust. Under applicable law, a conservation easement must be held by a qualified private land conservation organization or the government. The parties to the settlement agreement unanimously agreed

that the St. Simons Land Trust, with its record of stewardship in the area, was the best choice to hold this easement.

#### Contacts:

(912) 506-5088

Steven D. Caley, GreenLaw Legal Director (404) 659-3122, ext. 222; 678-595-8828 (c)

Dave Kyler, Center for a Sustainable Coast

Jen Hilburn, Altamaha Riverkeeper (912) 441-3908

Clay Davidson Surfrider Foundation Georgia Chapter (323) 369-0544

Jim Gilbert, Sea Island Company (912) 634-3976