

INDEMNIFICATION AGREEMENT
(CDB Sewer Credit)

This Indemnification Agreement (the “**Agreement**”) is made and entered into as of the latest date written below between Di Loreto South Truckee Meadows, Inc., a Nevada corporation (“**DSTM**”) and Washoe County, a political subdivision of the State of Nevada (“**County**”).

RECITALS:

WHEREAS, pursuant to that certain Agreement for Sale of Wastewater Treatment Facility dated November 20, 1984 entered between CDB Service, Inc. and Washoe County, the County agreed to purchase the CDB wastewater facility and system and County further agreed to provide CDB with a credit equal to \$400,000 which could be applied to sewer connection hookup fees in the future. The credit was fully assignable by CDB to any transferee.

WHEREAS, in 1990, CDB Service, Inc., assigned all of its rights to the \$400,000 credit to the shareholders of CDB Service as follows: i) \$133,000 to the Ben Caramella Family Trust (“Caramella Credits”); ii) \$133,000 to the Bianco Family Trust; and iii) \$133,000 to Ben Damonte and the estate of Eva Damonte.

WHEREAS, on July 12, 2016, DSTM acquired the Caramella Credits from The Ben A. Caramella Family Limited Partnership, the successor to the Ben Caramella Family Trust.

WHEREAS, the parties desire County remit a cash payment to DSTM in full satisfaction of the Caramella Credits, and to facilitate such payment, DSTM agrees to indemnify and hold harmless County on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of and for other valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Payment of Caramella Credits and Release of County. Upon the execution of this Agreement by all parties, County shall pay DSTM the sum of \$133,000.00 as full and final satisfaction of all County obligations with respect to the Caramella Credits. Subject to receipt of payment in the amount of \$133,000 from the County, DSTM does hereby release and fully discharge the County from any claims, liabilities or obligations with respect to the Caramella Credits.

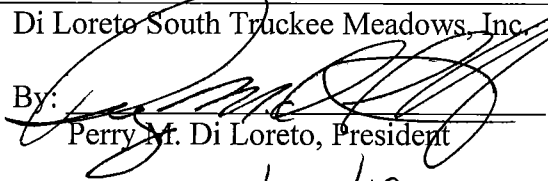
2. Representations and Warranties and Indemnification. DSTM represents and warrants to County that: i) DSTM is the successor in interest to the Caramella Family Trust with respect to the Caramella Credits and holds all rights to payment thereunder; ii) DSTM holds all right, title and interest to the Carmella Credits and has not previously committed or applied the Caramella Credits for sewer service; and iii) to the best of DSTM’s knowledge the Caramella Credits remain uncommitted and available for use. DSTM shall hold harmless, defend and indemnify County to the fullest extent permitted by law from and against, any loss, damage, liability, claim, demand, cost or expense arising from or related to any breach of DSTM’s representation and warranties set forth in Section 2 of this Agreement.

3. Enforcement. In the event County is required to bring any action to enforce rights or to collect moneys due under this Agreement and is successful in such action, DSTM shall reimburse County for all of County's reasonable fees and expenses in enforcing this Agreement.

4. Governing Law. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Nevada.

5. Binding Effect. This Agreement shall be binding upon DSTM and upon the County, its successors and assigns, and shall inure to the benefit of DSTM its successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first above written.

Di Loreto South Truckee Meadows, Inc.	Washoe County
By:  Perry M. Di Loreto, President	By: _____
Dated: <u>12/27/19</u>	Its: _____
	Dated: _____