

Exhibit D – Environmental Plan

I. The Voluntary Cleanup Agreement Process

Silver Reef Investment Holdings LLC's ("SRIH") predecessor in interest, Crocker Capital, LLC, hired an environmental consultant to conduct a Phase I Environmental Site Assessment ("Phase 1 ESA") before purchasing the property now known as the Cove at Silver Reef (the "Cove"). During this routine and preliminary environmental investigation, it was discovered that historic mining activities in the area were not remediated to Federal or State environmental standards. No tailings were found on the property but due to the quantity of mining waste rock left behind and the potential environmental liability for the cleanup under Federal and State law as an owner of the property, SRIH proactively entered into the State of Utah's Voluntary Cleanup Program ("VCP") and created an VCP Agreement ("VCPA") with the Utah Department of Environmental Quality ("UDEQ"), to remediate at its own expense the mining waste rock and associated soil on the SPE property under Utah Code Ann. §19-8-101 *et seq.*

Initially, the VCPA cleanup boundary contained approximately 145 acres of property owned by SRIH and its predecessors in interest. During the site characterization and remediation process under the VCPA, SRIH proposed to remediate approximately 90 acres of the SPE Property before moving on to clean up the remaining 55 acres. This decision was made because the 90-acre portion of the SPE property contained the majority of the impacted rock and soil left on the property by the historic mining activities and encompassed the area that would be developed by SRIH through the Town of Leeds development approval process as plats 1 & 2 of the SPE development under the previous SRIH Development Agreement with the Town of Leeds.

Remediation of the 90 acres was completed in two VCP cleanup phases. The VCPA was also subsequently amended in 2023 to exclude the remaining 55 acres (approximately) of property that was initially included in the VCPA. With remediation completed on the 90 acres included in the Amended VCPA, and SRIH meeting all of the remaining requirements of the VCP, and a Certificate of Completion was issued on August 20, 2024.

II. SRIH Acreage Removed from the VCPA

SRIH has determined the remediation of the remaining 55 acres will be done privately due to relatively small areas of the acreage affected by the historic mining activities. This decision was based upon numerous site investigations conducted on this property and upon extensive environmental testing, and bolstered by additional testing that was completed in May, 2024. The additional test results indicate there is approximately 0.7 acre of land immediately north of the soil repository that has been affected by windblown sand from the Southwest Assay Site. This material (which appears to average about 3 to 6 inches in depth) contains mercury at concentrations that will require remediation. One small area (less than 0.1 acre) on the ridge of Tecumseh Hill also contained elevated radiation readings. Based upon these site investigations and test results, SRIH is confident it can privately remediate these small areas and bring them into compliance with the same environmental standards used to remediate the initial 90 acres under the VCPA. SRIH will conduct this remediation the same way it conducted its remediation of the acreage under the VCPA, and will place the similar environmental controls, land restrictions, engineering protections, and CC&Rs on the remaining acreage to provide consistency with regard to applicable environmental rules and use limitations throughout the development.

In this vein, SRIH will proceed with remediating the remaining 55-acre parcel in accordance with the process it developed for remediating the initial 90 acres under the VCPA. The following is a summary of the primary steps to be taken for the remaining 55-acre parcel:

- A. Environmental Investigation. SRIH's Environmental Engineer investigated the environmental conditions in the remaining 55 acres in May 2024 and provided a detailed report of this additional sampling in July, 2024.
- B. Remedial Plan Development. Based on the findings of the recent site investigation and soil testing of this parcel, SRIH's Environmental Engineer is developing a rigorous written Remedial Plan to adequately address the small areas of environmental concern that remain on this acreage. After the Remedial Plan has been developed, under the Environmental Engineer's supervision, the Remedial Plan will be implemented. SRIH is also willing to pay for a third-party environmental professional chosen by the Town to review the development and implementation of the Remedial Plan.
- C. Institutional and/or Engineering Controls. After the Remedial Plan has been implemented, the Environmental Engineer will ascertain whether any further institutional and/or engineering controls are required. If such controls are needed, the Environmental Engineer will design appropriate controls, and oversee the implementation of such controls. If appropriate, the Environmental Engineer will also establish an inspection protocol to ensure such controls are periodically inspected and adequately maintained. SRIH will also pay for the Town's third-party environmental professional to review any institutional controls that are determined to be required and/or the implementation of the same.

III. Environmental Safety Controls Applicable to the Project

There are numerous environmental controls that have been and will continue to be implemented within the Project to ensure the safety of the residents of the Project. The applicable environmental controls include:

A. **Adherence to the Recorded Environmental Covenant.** The property already remediated under the VCPA is subject to an Environmental Covenant recorded as Entry Number 20210047099 in the Office of the Washington County Recorder's Office and dated July 12, 2021. The 2021 Environmental Covenant imposes the following use limitations on the VCPA and Repository Property:

1. The Repository will be limited to use as a repository and shall not be used or developed for use for anything other than a repository;
2. The Large Headframe Area shall be precluded from any future development; and
3. The Small Headframe area shall be precluded from any future development.
4. In addition, the Owner is required to ensure that the Repository, Large Headframe and Small Headframe area are maintained as described in the Site Management Plan.
5. The Environmental Covenant also requires compliance with the Site Management Plan and the recorded Supplemental Covenants, Conditions, and Restrictions for Silver Pointe Estates recorded on May 3, 2021.

If the terms of the Environmental Covenant are not enforced, UDEQ also retained the right to enforce the 2021 Environmental Covenant. DERR also reserved the right to access the property for implementation and enforcement of the Environmental Covenant as an additional assurance for compliance with the environmental controls.

B. Adherence to the Approved Site Management Plan. The Site Management Plan for the VCP was finalized and approved in March 2020. It requires the following environmental inspections and management techniques to be utilized:

1. SRIH is required to conduct yearly inspections and provide the Agency with reports;
2. Implementation of erosion control measures;
3. Maintenance of liners, riprap and cover;
4. Maintenance of perimeter fence around the Repository and Large Headframe;
5. Agency approval of workplans involving disturbances or repairs;
6. Sampling and management of soil and broken rock generated during future development;
7. Repairs or modifications to meet or exceed the original design requirements;
8. Ensuring that a minimum of 6 inches of clean soil is maintained at areas identified in Plate 1 of the SMP and not covered by a building; and
9. Worker notification and health and safety requirements.

C. CC&Rs: The Cove at Silver Reef Community Association will be created and subject to a new set of covenants, conditions, and restrictions. These CC&Rs are modeled after the previous UDEQ approved CC&Rs that were recorded for the prior development that was proposed on the Property. The former CC&Rs include the June 30, 2016 Declaration for the Silver Pointe Estates Homeowners Association, the Supplemental Declaration of Covenants, Conditions and Restrictions of Silver Pointe Estates, recorded as Entry Number 20210031833 dated May 3, 2021 and the June 10, 2024 additional Declaration of Covenants, Conditions and Restrictions of Silver Pointe Estates Phase 2. The proposed CC&Rs for the Cove at Silver Reef Community Association require the same environmental controls that were previously approved in the CC&Rs for the Silver Pointe Estates subdivision but apply those controls to the whole Property as one unit. The proposed CC&Rs are required to be approved by the UDEQ and will be submitted to UDEQ upon approval of the MDA. The environmental controls contained in the Proposed CC&Rs include:

1. Each home in the subdivision is required to have an active radon mitigation system;
2. Requires the Community 's Association to be responsible for the maintenance of all common areas including the Repository, the Large Head Frame area, the Small Headframe Area in the manner set forth in the Site Management Plan;
3. Requires DEQ consent to transfer title to the Repository, Large Head Frame Area, or Small Headframe area to a third party;
4. The Community Association is responsible to enforce testing requirements for spoils piles from excavations at building lots on the property and testing spoils piles from utility or road excavations in accordance with the SMP;
5. The Community Association has a duty to notify prospective buyers and Owners of the Property of the environmental conditions on portions of the Property, the presence of

contamination, and cleanup, which may affect health, maintenance, costs, expenses and property valuation;

6. The CC&Rs provides the Community Association with the right to use assessments to maintain the Repository, Large Headframe Area, and Small Headframe Area;
7. Requires DEQ approval to modify any portion of the CC&Rs pertaining to the Repository, Small Head Frame Area, or Large Head Frame Area.
8. The Community Association shall provide to the Owners copies of any and all material reports and correspondence with or from all governmental agencies, authorities or any other persons relating to the environmental conditions of the property;
9. An Owner shall have the right but not the obligation reasonably inspect, investigate, sample or monitor his Lot and any adjoining Common Areas, including any soil, water, ground water, or other sampling, and other testing, digging, drilling, or analyses by a qualified environmental professional, at any reasonable time to determine whether the Declarant and/or Association is complying with the SMP.

D. **Environmental Escrow Agreement.** As an additional assurance, SRIH agrees to enter into an Environmental Escrow Agreement with the Town wherein SRIH will place \$100,000.00 into an escrow account to pay for any required maintenance or environmental testing required to be paid for by the Community Association in the CC&Rs to ensure there are adequate funds available to cover all Ongoing Maintenance Activities as outlined in the Agreement. SRIH will also maintain an additional \$10,000.00 in the account to pay for an Environmental Professional of the Town's choice to review all annual reports and submissions required by the VCP and submitted to the UDEQ. A Form of Environmental Escrow Agreement is attached hereto as [Exhibit D-1](#).