

**SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
FOR
TERRAFIRMA RISK RETENTION GROUP LLC**

A not-for-profit, manager-managed
limited liability company organized
under the laws of the State of Vermont

Dated as of November 9, 2012

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LIMITED LIABILITY COMPANY OPERATING AGREEMENT

This limited liability company operating agreement (the “*Agreement*”), amended and restated as of November 9, 2012, is among each person becoming a Member party hereto in compliance with Article 5, Alliance Risk Management Services LLC, as Manager only and not as a Member, and Terrafirma Risk Retention Group LLC (the “*LLC*”).

1. The Members intend to form the LLC as a manager-managed limited liability company under the Vermont Limited Liability Company Act (the “*Act*”), VT. STAT. ANN. tit. 11, ch. 21.
2. The Members intend that the LLC shall be a risk retention group pursuant to Title 8, Vermont Statutes Annotated, Chapters 141 and 142 and the Federal Liability Risk Retention Act (the “*FLRRA*”), 15 U.S.C. §§ 3901–06.
3. The Members intend that the LLC shall be an organization described in Internal Revenue Code (“*I.R.C.*”) § 501(n) and I.R.C. § 501(c)(3) and tax-exempt under I.R.C. § 501(a).
4. The exclusive purpose of the LLC is to operate as a qualified charitable risk pool, organized and operated to pool and insure the insurable risks of Members and to provide information to Members with respect to loss control and risk management.
5. Membership in the LLC shall be strictly limited as described in Section 2.6 and Article 5.

By accession to this Agreement, the parties, intending to be legally bound, agree as follows:

ARTICLE 1

Certain Definitions

Section 1.1 Definitions. The following terms shall have the indicated meanings ascribed to them when used herein:

- (a) “*Commencement of Operations*” means the time at which the LLC first engages in business or operations (other than Pre-Commencement Activities) as permitted by Article 19, following the date when the Manager shall have delivered the Commencement of Operations Certificate to the LLC.
- (b) “*Commissioner*” means the Commissioner of the Department.
- (c) “*Day*” shall mean a calendar day.
- (d) “*Department*” means the Department of Banking, Insurance, Securities and Health Care Administration of the State of Vermont.

(e) “*Dissociation*” of a Member shall mean the termination of all of the Member’s membership rights except any rights of former Members.

(f) “*Dissolution*” of the LLC shall mean the cessation of its normal business activities and the beginning of the process of its winding-up and liquidation.

(g) “*Distribution*” by the LLC shall mean a transfer of the LLC’s cash or other assets to the Members. Distribution does not include payments made to holders of Surplus Notes or claim payments made under policies of insurance issued by the LLC.

(h) “*Interim Distribution*” to the Members shall mean any distribution except a liquidating distribution.

(i) “*Liquidating Distribution*” shall mean distributions in connection with the LLC’s dissolution and liquidation.

(j) “*Liquidation*” of the LLC shall mean the sale or other disposition of its assets and the distribution of its assets (or of the proceeds of the sale or other disposition of its assets) to its creditors and to the Members.

(k) “*Membership Interest*” shall mean a unit of ownership conferring the totality of the Member’s rights as a Member under the Agreement and the Act, including both economic rights (such as the right to receive Distributions) and non-economic rights (such as voting rights, rights to receive notice of, to attend and to participate in meetings, and rights with respect to LLC information).

(l) “*Transfer*” of Membership Interest by a Member shall mean any voluntary or involuntary transfer or other disposition of all or any part of those rights to another person, with or without consideration, including: (1) a transfer by sale; (2) a transfer by exchange; (3) a transfer by gift; (4) a transfer by assignment; and (5) a transfer by operation of law, by execution of legal process, or pursuant to a bankruptcy decree (including a transfer in connection with a merger of a Member into another entity).

(m) “*Winding-up*” of the LLC shall mean the process of concluding its existing business activities and preparing for its liquidation.

Section 1.2 Construction. As the context shall require (a) the use of the singular in this Agreement shall denote the plural and vice versa, and (b) the use of any gender shall denote another gender.

ARTICLE 2

Introductory Provisions Concerning the LLC

Section 2.1 Name. The name of the LLC shall be Terrafirma Risk Retention Group LLC. References and uses by the LLC and the Manager to the name of the LLC shall at all times be made in conformance with applicable laws and to protocols adopted by the Manager from time to time. The protocols shall include a requirement that language to the effect of the

following be included in Internet and physical publications: “Terraforma was formed by The Land Trust Alliance in 2011 to help land trusts defend their conserved lands from legal challenge.”

Section 2.2 Principal Place of Business. Upon its formation, the address of the LLC’s principal place of business shall be c/o Marsh Inc., Captive Solutions Group, 100 Bank Street, Suite 601, Burlington, Vermont 05401. The Manager may change the LLC’s principal place of business from time to time to another location within the State of Vermont.

Section 2.3 Registered Agent and Registered Office. The LLC’s initial registered agent and registered office shall be as set forth in the Articles of Organization (the “Articles”). The Manager may change the LLC’s registered agent and office from time to time. The Manager shall file with the Vermont Secretary of State’s office a statement of change of registered agent or office to reflect the change.

Section 2.4 Filing of Articles. The Articles have been filed with the Vermont Secretary of State as required to form a limited liability company in accordance with the Act. The Articles as filed are set forth in Exhibit A. Each Member has reviewed and hereby approves and accepts the Articles.

Section 2.5 Duration. The existence of the LLC shall begin on the date of filing of the Articles. The duration of the LLC shall be indefinite and shall terminate only as set forth in Article 18.

Section 2.6 Identification of Initial Members; Admission of Additional Members. The entity or entities that have executed and delivered this Agreement shall be the initial Member(s) of the LLC. Additional Members shall be added to the LLC only in accordance with Article 5 (concerning membership accession).

Section 2.7 Entity Status of LLC; Ownership of LLC Assets. Upon its formation, the LLC shall be a legal entity separate and distinct from its Members. The LLC shall own all of its assets in its own name and no Member shall have any interest in those assets.

Section 2.8 Management by Non-Member Manager. The LLC has been designated in its Articles as a “manager-managed limited liability corporation.” Accordingly:

- (a) the LLC shall be managed by a Manager in accordance with Article 10;
- (b) the Manager shall be an entity domiciled in or organized under the laws of Vermont and shall not be a Member;
- (c) the LLC shall have no officers;
- (d) as provided in § 3059(h) of the Act, no Member owes any fiduciary or other duty to the LLC or any other Member solely by reason of being a Member; and
- (e) no Member is an agent for the LLC or has the right to act for, represent or bind it.

Section 2.9 Limited Liability of Members. No Member, nor the Manager, shall be personally obligated to any third party for any debt, contract, obligation, tort or other liability of the LLC solely by virtue of being a Member or the Manager.

Section 2.10 Taxation of LLC and Members.

(a) The LLC. The LLC has received a determination that it is an organization described in I.R.C. § 501(n) and I.R.C. § 501(c)(3) and is exempt under I.R.C. § 501(a) from any tax imposed on its income, gain, loss and other tax items (collectively, its “tax items”). The LLC shall conduct its affairs in compliance with the terms of such determination and shall do all things reasonably required to maintain such exemption.

(b) The Members. The Members are at all times required to be organizations described in I.R.C. § 501(c)(3) and exempt under I.R.C. § 501(a) from any tax imposed on tax items.

Section 2.11 LLC’s Annual Accounting Period. The LLC’s annual accounting period for financial and tax purposes shall be the calendar year.

Section 2.12 Conflict of Interest Policy. The LLC shall at all times have and maintain a policy regarding avoidance and management of conflicts and potential conflicts of interest. The Members hereby approve and adopt the initial “Terraforma RRG LLC Conflict of Interest Policy” dated as of the date hereof, which shall be in full force and effect as from the date hereof.

ARTICLE 3

LLC’S Exclusive Purpose

Section 3.1 Exclusive Purpose. The purpose of the LLC is exclusively to operate as a qualified charitable risk pool pursuant to I.R.C. § 501(n), organized and operated to pool and insure the insurable risks of Members and to provide information to Members with respect to loss control and risk management.

ARTICLE 4

LLC’S Powers

Section 4.1 General Authorization to Act in Furtherance of the Charitable Purposes of its Members. The LLC shall have the power, unless otherwise provided in this Article 4, to do all things that LLCs are permitted to do under the Act provided that the LLC shall at all times be operated exclusively to further the charitable purposes of its Members.

Section 4.2 Activities Not Permitted by § 501(c)(3), § 501(n) and § 170(c)(2). The LLC shall not carry on any activities not permitted to be carried on by an organization described in I.R.C. § 501(c)(3) and I.R.C. § 501(n), or by any organization, contributions to which are deductible under I.R.C. § 170(c)(2).

(a) Private Inurement. No part of the net earnings of the LLC shall inure to the benefit of, or be distributed to any persons other than its Members, except that the LLC is authorized and empowered to pay reasonable compensation for services rendered.

(b) Lobbying and Other Political Activity. No substantial part of the activities of the LLC shall be attempting to influence legislation, and the LLC shall not participate in, or intervene in any political campaign on behalf of or in opposition to, any candidate for public office.

Section 4.3 State License and Authorization to Engage in Insurance Activities. The LLC shall obtain and maintain a license as a captive insurance company under VT. STAT. ANN. tit. 8, ch. 141 and as a risk retention group under VT. STAT. ANN. tit. 8, ch. 142, and shall obtain authorization to engage in the business of insurance from the Commissioner prior to Commencement of Operations.

Section 4.4 Limitations on Provision of Insurance. The LLC shall only provide insurance with respect to the liability to which its Members are exposed by virtue of their land conservation activities.

ARTICLE 5

Membership

Section 5.1 Accession of New Members to This Agreement.

(a) An organization that satisfies and complies with each and every one of the requirements in Section 5.3 (the “*Membership Qualifications*”) may accede to this Agreement as a Member and thereby become a Member of the LLC upon executing and delivering to the Manager an Instrument of Accession in the form of Exhibit B. Upon receipt and acceptance of such instrument, the Manager shall add the name of the new Member to the list of Members set forth in Exhibit C. Each Member hereby consents to the admission of such new Members which meet the Membership Qualifications.

(b) Execution, delivery and acceptance of an Instrument of Accession shall be the exclusive means of becoming a Member.

Section 5.2 Continuing Requirement to Meet Membership Qualifications. An organization shall become or remain a Member only if the organization meets all the Membership Qualifications at the time the organization becomes a Member and continues to meet those qualifications at all times thereafter. Members shall cease to be Members if they fail at any time to meet any one of the Membership Qualifications.

Section 5.3 Membership Qualifications. The Membership Qualifications are the following:

(a) Organization Described in I.R.C. § 501(c)(3). All Members shall have received and currently maintain an unrevoked determination from the Internal Revenue

Service that the Member is described in I.R.C. § 501(c)(3) and is exempt under I.R.C. § 501(a) from any tax imposed on its income, gain, loss and other tax items.

(b) Purpose and Activities. All Members shall have purposes that include the conservation of land and activities that include the acquisition of fee interests or easements for conservation purposes.

(c) Insured by the LLC. All Members shall be insured by the LLC and all insureds must be Members of the LLC. An organization applying for membership in the LLC (“*Member-applicant*”) is “insured by the LLC” if the Member-applicant has requested an insurance policy through the LLC, the Member-applicant meets the underwriting criteria of the LLC and the application for such insurance policy has been accepted by the LLC, the Member-applicant has been provided an insurance policy through the LLC, and the Member-applicant has paid the initial premium due for such insurance policy.

(d) Capital Contribution. The Member has paid a \$100 capital contribution to the LLC.

(e) Operating Standards. The Member (i) has been accredited by The Land Trust Accreditation Commission (or any successor organization providing the principal nationally recognized accreditation service to land trusts) *and* is a member in good standing with The Land Trust Alliance, *or* (ii) the Member meets each of the following criteria:

(1) is legally organized and in good standing in a jurisdiction within the United States of America;

(2) has, by a formal vote of its board of directors or trustees, adopted the *Land Trust Standards and Practices*;

(3) has a complete baseline documentation report for every conservation easement;

(4) has a complete inventory for every parcel of fee-owned land if it is insuring its fee properties;

(5) has implemented a program for annual monitoring of its conservation easements;

(6) regularly monitors its fee-owned land, if it is insuring its fee properties;

(7) is a member in good standing with The Land Trust Alliance;

(8) has not been the subject of any final judgment against it for fraud, misrepresentation, criminal charges, bad faith, misleading business practices or any other similar charges;

(9) is not the subject of an ongoing governmental investigation or inquiry, such as an attorney general investigation, legislative hearing and the like, the subject of which is land trust complicity in misleading business practices, fraud, gross negligence or criminal misconduct;

(10) prepares an annual budget that is reviewed and approved by its board, that is based on programs planned for the year, and that either provides for annual revenue to be greater than or equal to expenses or provides for reserves to be deliberately drawn upon;

(11) has general liability insurance (which need not include directors and officers liability insurance);

(12) has and implements a written records policy and secure record-keeping system that preserves irreplaceable documents essential to defense and enforcement; and

(13) has, or is building, a legal defense and general stewardship reserve or other reserve that can be allocated for that portion of its legal defense and stewardship costs not covered by insurance from the LLC (unless prohibited by state statute or regulation).

The determination of whether a potential Member meets the criteria in paragraphs (1) to (13) above (only) shall be made by the Manager in its reasonable discretion and such discretion may include acceptance of commitments and plans for implementation.

Section 5.4 Competitive Advantage. The LLC shall not exclude any Member-applicant from membership in the LLC solely to provide for existing Members a competitive advantage over such Member-applicant.

ARTICLE 6

Dissociation of Members

Section 6.1 General Rule. A Member shall be dissociated from the LLC upon the occurrence of any of the events specified in § 3081 of the Act.

Section 6.2 Mandatory Dissociation upon Non-Renewal, Cancellation or Termination of Member's Insurance Policy. In the event of non-effectiveness, non-renewal, cancellation or termination, for any reason whatsoever, of all current insurance policies issued by the LLC to a Member, such Member shall, immediately upon the date of such non-effectiveness, non-renewal, cancellation, or termination, automatically and without any action on the part of the Member or the LLC, be dissociated from the LLC.

Section 6.3 Mandatory Dissociation upon Revocation of Determination that the Member is an Organization Described in I.R.C. § 501(c)(3). Upon the revocation of a determination by the Internal Revenue Service that the Member is an organization described in I.R.C. § 501(c)(3), such Member shall, immediately upon the announcement of such revocation

in the Internal Revenue Bulletin and without any action on the part of the Member or the LLC, be dissociated from the LLC. The effective date of the dissociation shall be the effective date of such revocation.

(a) Required Notice. Any Member which has its determination by the Internal Revenue Service that it is an organization described in I.R.C. § 501(c)(3) revoked shall immediately notify the Manager of such revocation and the effective date of such revocation, but regardless of whether or not notice is given, such Member ceases to be a Member of the LLC upon the date of the announcement of such revocation in the Internal Revenue Bulletin.

(b) Limitation of Coverage. Each policy of insurance issued through the LLC shall provide that such policy will not cover the insured with respect to events occurring on or after the date of the announcement of such revocation in the Internal Revenue Bulletin.

Section 6.4 Mandatory Dissociation upon Member Dissolution. Upon (i) the dissolution of a Member, or (ii) the occurrence of any condition or event terminating that Member's legal existence, the Manager shall dissociate that Member.

Section 6.5 Mandatory Dissociation Under Failure to Meet Other Member Qualifications. If a Member, upon its accession to Membership, had met the operating standard qualifications of Section 5.3 through being accredited, and it at any time ceases to be accredited, it shall be eligible to remain a Member provided that it then meets the operating standards in clause (ii) of Section 5.3(e). The Manager may in its discretion from time to time (but no less than annually) require Members to re-certify their accreditation or require Members that are not accredited, to re-certify their compliance with the operating standards set forth in clause (ii) of Section 5.3(e). If a Member cannot or does not make the required re-certification, the Manager shall dissociate that Member.

Section 6.6 Member Resignation. A Member may dissociate at any time by delivering an instrument in writing of intent to dissociate to the Manager; *provided*, however, that upon the effective date of such resignation, such Member shall also be deemed to have cancelled or terminated its policy issued by the LLC.

Section 6.7 Effect of Dissociation. No dissociation of a Member shall result in or require the dissolution and/or winding-up of the LLC. Upon any dissociation of a Member, the dissociated Member shall be entitled to return of its capital contribution as provided in Section 7.4, but shall cease to enjoy any of the rights or entitlements of a Member. Only Members of the LLC may be insured by the LLC. Upon dissociation of a Member, the Member's insurance shall terminate. Each policy of insurance issued by the LLC shall provide that such policy will not cover the insured for events occurring after the date of dissociation of a Member.

ARTICLE 7

LLC Membership Interest

Section 7.1 Membership Interest. Each Member's Membership Interest at any time shall be calculated as a percentage with the numerator equal to one (1) and the denominator equal to the total number of Members at such time. Accordingly, each Member shall at all times have a Membership Interest that is equal to each other Member's Membership Interest. Membership Interests shall not be evidenced by a certificate of interest or any other instrument.

Section 7.2 Member Contributions.

(a) Initial Contributions. Concurrently with its accession to Membership, each Member shall make a capital contribution to the LLC of \$100 cash. Each potential Member may also be required to pay a non-refundable sliding registration fee, but no portion thereof in excess of any part thereof applied to make the required \$100 capital contribution shall be deemed to be a capital contribution to the LLC.

(b) No Capital Calls. No Member shall be obligated to make any subsequent capital or other contribution to the LLC.

(c) No Interest on Contributions. The Members shall earn no interest on their capital contributions.

Section 7.3 No Other Membership Interest. Persons other than land trusts meeting the Membership Qualifications may make charitable donations to the capital of the LLC, but no such person shall thereby be entitled to a Membership Interest or to participate in any Distribution.

Section 7.4 No Right of Redemption or Return of Contribution. No Member has a right to have its Membership Interest redeemed or its capital contribution returned, *provided* that if a Member dissociates as described in Article 6, the LLC may (subject to any required regulatory approvals by the Department) purchase the Member's Membership Interest for an agreed price equal to the dissociated Member's initial contribution of \$100, without any accrued interest. In view of the prohibition on Interim Distributions, each Member hereby agrees that \$100 is the fair value of its distributional interest for all purposes of the Act and this Agreement, and hereby irrevocably waives any right under the Act to commence or bring, and agrees hereby not to commence or bring, any action to otherwise determine the fair value of its distributional interest.

ARTICLE 8

Distributions

Section 8.1 Prohibition Against Interim Distributions. The LLC shall make no Interim Distribution to any Member, it being understood and agreed by the Members that in the event the LLC has cash or other assets in excess of its required capital, operational needs, and liabilities, the LLC shall consider increasing its investment in loss prevention and risk management for the

benefit of the Members and/or consider (subject to financial prudence and all applicable regulatory requirements) retaining or covering more risk, reducing its premiums, or otherwise reinvesting in the operations of the LLC. Notwithstanding the prohibition of this Section 8.1, an insured (who is also a Member) may receive a transfer of the LLC's cash or other assets if such transfer constitutes a return or refund of premium paid, a premium discount, or payment of an insured claim.

Section 8.2 Liquidating Distributions. The LLC shall only make a Liquidating Distribution in the circumstances and on the terms set forth in Article 18.

Section 8.3 Prohibition Against Distributions to Members That Cease to Be Organizations Described in I.R.C. § 501(c)(3). The LLC shall make no Distribution of any type to any Member, or former Member, that has ceased to be an organization described in I.R.C. § 501(c)(3).

Section 8.4 Distributions—Other Rules.

(a) Manager Control. Whether the LLC shall make any Distribution and the amount and timing of any such Distribution shall be determined by the Manager, subject to the requirements of law, regulations and this Agreement.

(b) Distributions to All Members. The LLC shall make no Distribution to any Member unless it makes a Distribution to all Members.

(c) Proportionality. Amounts distributed to each Member in any Distribution shall be in proportion to each Member's Membership Interest and, as a result, shall be in equal amounts. For this purpose each Member hereby agrees that for purpose of any determination of distributional interests pursuant to the Act the "agreed value" of the contributions made by each Member shall be equal and shall be \$100.

(d) Distributions to Manager Prohibited. The Manager shall not be eligible to receive any Distribution (but shall be entitled to receive the compensation contemplated by Section 10.4).

(e) Commissioner. The Company shall make no distribution which requires the prior approval of the Commissioner unless it shall have received a written approval therefor from the Commissioner.

Section 8.5 Status of Members as Unsecured Creditors of LLC with Respect to Distributions. Each Member shall have the status of an unsecured creditor with respect to Distributions to which the Member has become entitled under the Agreement, but which have not yet been paid.

ARTICLE 9

Transfers

Section 9.1 Transfers Prohibited.

(a) General Prohibition. A Member may not transfer its Membership Interest, distributional interest, membership rights, or any rights under this Agreement, and any such attempt shall be null and void and of no force and effect whatsoever; *provided*, however, that a Member shall have the right to transfer its Membership Interest to another entity that is its legal successor pursuant to merger or consolidation and which the Manager has confirmed in writing meets all of the Membership Qualifications.

(b) Specific Prohibition of Transfers to Non-Insureds. The transfer of Membership Interest to entities that are not insured by the LLC is strictly prohibited, and any proposed transfer to such an entity shall be null and void and of no force and effect whatsoever.

(c) Specific Prohibition of Transfers to Organizations Not Described in I.R.C. § 501(c)(3). The transfer of membership rights to entities that are not described in I.R.C. § 501(c)(3) is strictly prohibited.

ARTICLE 10

The Manager

Section 10.1 Management of the LLC. Except as otherwise expressly provided in this Agreement with respect to matters reserved to the Members, the Members Committee or the Claims Committee, the Manager shall have full, complete and exclusive discretion to manage, conduct and control the business of the LLC for the purposes herein stated, and shall make all decisions affecting the business and assets of the LLC and operate the business of the LLC in accordance with the requirements of this Agreement. Subject to the restrictions specifically contained in this Agreement, the powers of the Manager shall include, without limitation, the authority to take all actions on behalf of the LLC that the Manager deems necessary or appropriate for the formation, continuation and conduct of the business and affairs of the LLC.

Section 10.2 Authority of Manager.

(a) The Manager may exercise any of the powers granted to it under law and this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through a Captive Management Service Provider or other agents. Subject to applicable regulatory approvals, the Manager may appoint, employ, contract or otherwise deal with any person for the transaction of the business of the LLC and to perform any acts or services for the LLC as the Manager may approve.

(b) Without limiting the foregoing, the Manager is specifically authorized to execute on behalf of the LLC, as the Manager deems appropriate:

- (1) policies of insurance with the Members,
- (2) the contract with the Captive Management Service Provider,
- (3) applications, certificates, reports and other instruments to be delivered from time to time the Commissioner or the Department or the applicable regulatory authorities in the states where the LLC is registered to do business as a risk retention group,
- (4) any surplus notes or other promissory notes, loan agreements or other evidence of indebtedness, and
- (5) any other deeds, documents, leases, agreements, contracts, applications, notices or other instruments.

Section 10.3 Liability of the Manager.

(a) Notwithstanding anything to the contrary set forth in this Agreement, the Manager shall not be liable for monetary damages to the LLC or any Member for losses sustained or liabilities incurred as a result of its actions or omissions on behalf of the LLC under this Agreement, subject only to the standard to which a manager of a manager-managed Vermont limited liability company is held under § 3059(h)(2) of the Act. Consistent with this standard, the Manager shall not be in breach of any duty that the Manager may owe to the Members or the LLC or any other persons under this Agreement, or of any duty stated or implied at law or in equity, *provided* that the Manager, acting in good faith, abides by the terms of this Agreement. Also consistent with the foregoing standard:

- (1) The Manager shall not be responsible for any misconduct or negligence on the part of the Captive Management Service Provider, the Claims Committee, the Members' Committee, other committees approved by the Members Committee, any attorney, or any other agent appointed or employed by it in good faith to act on behalf of the LLC; and
- (2) Notwithstanding any other provisions of this Agreement or the Act, any action of the Manager on behalf of the LLC or any decision of the Manager to refrain from acting on behalf of the LLC, undertaken in the good faith belief that such action or omission is necessary or advisable in order to
 - (A) maintain the status of the LLC as a risk retention group under the FLRRA, as a charitable risk pool as described in I.R.C. § 501(n) or as an organization described in I.R.C. § 501(c)(3), or
 - (B) comply with the legal, regulatory and other requirements applicable to the LLC under Vermont law or pursuant to requests or orders of the Commissioner or the Department,

is expressly authorized and is deemed approved by all of the Members.

(b) Notwithstanding any other provisions of this Agreement or the Act, the Manager shall not be liable for any incidental, indirect, special, exemplary, punitive or consequential damages, including lost revenues or profits, even if such damages are deemed to result from the failure or inadequacy of any exclusive or other remedy.

(c) Notwithstanding any other provisions of this Agreement or the Act, the Manager shall not be responsible for and shall have no liability for any taxes assessed to or owed by the LLC or any Member.

(d) Except as otherwise provided herein, to the extent the duties of the Manager under the Agreement require expenditures of funds to be paid to third parties on behalf of the LLC, the Manager shall not have any obligations hereunder except to the extent that LLC funds are reasonably available to it for the performance of such duties, and nothing herein contained shall be deemed to authorize or require the Manager, to expend its own funds for payment to third parties or of insurance claims against the LLC, or to undertake any individual liability or obligation on behalf of the LLC.

Section 10.4 Manager's Compensation and Expenses. The Manager shall be entitled to be fully compensated and reimbursed for all its cost and expenses incurred in performing its services to the LLC in accordance with budgets approved as contemplated by Article 16. Such costs and expenses may include a reasonable allocation for overhead and management support provided to the Manager by its affiliates. Although the Manager shall perform services in accordance with such approved budgets, it shall in any case be entitled to be reimbursed for actual costs and expenses incurred in good faith in performing those services to the LLC required or contemplated by this Agreement, even if the reimbursement of such costs and expenses in any period would be in excess of approved budgets for such period.

Section 10.5 Appointment, Withdrawal, Removal, Bankruptcy, or Liquidation of the Manager.

(a) The Members hereby appoint and designate Alliance Risk Management Services LLC, a limited liability company organized under the Act, as the Manager of the LLC.

(b) The Manager shall not withdraw as Manager upon less than 180 days' prior written notice to the Members (unless by vote or action by two-thirds in number of Members agree to an earlier withdrawal).

(c) The Manager may not be removed by the Members Committee with or without cause.

(d) Upon the occurrence of an Event of Bankruptcy as to the Manager, the Manager shall be deemed to be removed automatically upon designation of a substitute Manager under Section 10.6 hereof.

(e) The merger of the Manager with or into any entity that is designated as a substitute or successor Manager pursuant to Section 10.6 hereof shall not be deemed to be the withdrawal, removal, or liquidation of the Manager.

Section 10.6 Designation of a Substitute Manager. A Person shall be designated as a substitute Manager of the LLC upon an affirmative vote or action of at least two-thirds in number of the Members, and satisfaction of the following terms and conditions:

(a) the entity to be designated as a substitute Manager shall (i) be an entity domiciled in, or organized under the laws of, Vermont, (ii) not be a Member, and (iii) have accepted and agreed to be bound by this Agreement by executing a counterpart thereof and such other documents or instruments as may be required or appropriate in order to effect the designation of such entity as a Manager, and all other actions required herein in connection with such designation shall have been performed; and

(b) the entity shall have provided the LLC with evidence satisfactory to the Members Committee on the advice of the counsel for the LLC of such entity's qualifications and authority to become a Manager and to be bound by this Agreement.

Section 10.7 Indemnification and Exculpation of Indemnitees.

(a) For purpose of this Section, "Indemnitee" means each of the Manager and its manager, member or other affiliates, including each officer, director, employee or agent of any of them; each member of the Members Committee; and each member of the Claims Committee.

(b) The LLC shall release, indemnify, and hold harmless each Indemnitee from and against any and all damages, losses, liabilities, obligations, claims, demands, suits, proceedings, recoveries, judgments, fines, settlements, costs and expenses, court costs, attorneys' fees, and all other obligations asserted against or suffered by such Indemnitee, to the extent resulting from, arising out of or related to the formation, operations or termination of the LLC, provided that the Indemnitee is not finally found, through a final and non-appealable order, to have acted in other than good faith or to have engaged in fraud or willful misconduct.

(c) Reasonable costs and expenses that are subject to the indemnification set forth in Section 10.7(a) may, at the request of the Indemnitee, be advanced by the LLC to such person prior to the final resolution of the matter, so long as the Indemnitee agrees in writing to reimburse the LLC for the amount advanced if it is ultimately determined that there was no entitlement to indemnification under Section 10.7(a).

(d) The LLC shall not indemnify an Indemnitee under this Section 10.7 in connection with a proceeding by the LLC in which the Indemnitee is finally adjudged liable to the LLC.

(e) The LLC may purchase and maintain insurance, on behalf of the Indemnitees and such other persons as the Manager shall determine, against any liability that may be asserted against or expenses that may be incurred by such person in connection with the LLC's activities, regardless of whether the LLC would have the power to indemnify such person against such liability under the provisions of this Agreement.

(f) The foregoing indemnity is intended to indemnify and hold harmless the Indemnitees to the full extent permitted under § 3062 of the Act, and shall be interpreted in accordance with such intention.

(g) The indemnification rights contained in this Section 10.7 shall be cumulative of, and in addition to, any and all rights, remedies and recourse to which the Manager shall be entitled, whether pursuant to the provisions of this Agreement, at law or in equity. Indemnifications shall be made solely and entirely from assets of the LLC, and no Member shall be personally liable to the Indemnitees under this Section 10.7.

(h) The rights and obligations hereunder with respect to indemnification shall survive an event of the resignation or discharge of the Manager or the dissolution, termination and liquidation of the LLC.

Section 10.8 Annual Certification as to Conflicts. Not less than once per year the Manager shall deliver to the Members Committee a certification as to its relationships (and those of any member, manager, director, officer or employee or their immediate family members) with the LLC, the Captive Management Service Provider or any other entity that has a business, vendor, consulting or service relationship with the LLC.

ARTICLE 11

Member Meetings and Voting

Section 11.1 Meetings of Members. Members need not hold an annual meeting or otherwise meet on a periodic basis or ever. Given the number and geographic spread of the Members, regular meetings of Members are not anticipated. Nonetheless, a meeting of the Members may be called for any purpose or purposes at any time by the Manager or by written demand by a majority of Members.

Section 11.2 Notice of Meetings of Members. Those parties calling a meeting of the Members must give notice to the Members specifying the purposes of the meeting and setting a date, time, and place of the meeting; such meeting must occur at least thirty (30) days after, but no more than sixty (60) days after, all Members receive a notice under this Section. If such meeting does not occur within such time period, a new notice is required. The business transacted at a meeting of Members is limited to the purposes stated in the notice of the meeting, unless a majority of the Members at the meeting agree otherwise. Member meetings may be held within or without the State of Vermont, as specified in the notice. A Member may waive notice of the date, time, place, and purpose or purposes of a meeting of Members. A waiver may be made before, at, or after the meeting, in writing, orally, or by attendance. Attendance by a Member at a meeting is a waiver of notice of that meeting, unless the Member objects at the beginning of the meeting to the transaction of business because the meeting is not properly called or convened, or objects before a vote on an item of business because the item may not properly be considered at that meeting and does not participate in the consideration of the item at that meeting.

Section 11.3 Conduct of the Meetings of Members.

- (a) The Manager shall chair any meeting of the Members.
- (b) Any meeting of the Members may be adjourned from time to time to another date and time and to another place. If at the time of adjournment, the Manager announces the date, time, and place at which the meeting will be reconvened, it is not necessary to give any further Notice of the reconvening.
- (c) A majority in number of the Members shall constitute a quorum for the transaction of business at any meeting of the Members.
- (d) Any or all Members may participate in a meeting by, or conduct the meeting through the use of, any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in a meeting by this means is deemed to be present in person at the meeting.

Section 11.4 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting by action by the number of Members required for such action pursuant to Section 11.7. Such action is effective when taken by Members with the required votes. When action is taken by less than all Members, the Manager shall immediately send a notice to all Members notifying them of the action. Failure to provide such notice does not invalidate the written action.

Section 11.5 Method of Voting Outside of a Meeting.

- (a) Secure Online Voting. Any voting by Members outside of a meeting (including election of members of the Members Committee) is to be performed via a secure online voting system administered by the Captive Management Service Provider.
- (b) Affirmation of Authority. The online voting system shall require that system users affirm that they have the authority to vote on behalf of the Member.

Section 11.6 Voting Period. Where a vote is required to decide a Member matter and a meeting of Members is not being held, there shall be a continuous period of ten (10) days wherein the Member may cast its vote. The Manager shall make reasonable efforts to notify all Members of the voting period prior to the beginning of the voting period. Dispatch of notice by electronic-mail to the e-mail address for the Member most recently provided to the Manager shall constitute reasonable efforts to notify. In no event shall the LLC or Manager be obligated to provide notice of voting on such matters by hand delivery or U.S. mail.

Section 11.7 Member Matters. Only the actions set forth in clauses (a) to (c) below shall require a vote, approval, consent or other act of the Members. The act of a majority in number of Members shall be the act of the Members, unless another provision of this Agreement requires a greater percentage. Each Member shall have one vote. Unless specifically otherwise provided for in this Agreement, the unanimous consent or affirmative unanimous vote of all of the Members shall not be required with respect to those matters enumerated in Section 3054(c) of the Act.

(a) The following shall require a unanimous act of the Members:

- (1) the amendment of the Articles;
- (2) the compromise, as among Members, of an obligation of a Member to make a contribution or return money or other property paid or distributed in violation of the Act or this Agreement (the obligated member shall not be entitled to participate in such vote);
- (3) the waiver of the right to have the LLC's business wound up and the LLC terminated under § 3102(b) of the Act;
- (4) the merger of the LLC, regardless of whether the LLC is the surviving entity; and
- (5) the sale, lease, exchange, or other disposal of all, or substantially all, of the LLC's property in one transaction or a related series of related transactions.

Notwithstanding § 3054(c)(7) of the Act, the admission of a new Member does not require any act of the Members, the Members having set out in Article 5 of this Agreement the Membership Qualifications and procedures for the admission of new Members.

(b) The following shall require an act of two-thirds in number of the Members:

- (1) the removal and substitution of the Manager as provided in Section 10.5 and Section 10.6;
- (2) the amendment of this Agreement; and
- (3) the dissolution of the LLC pursuant to Article 18.

(c) The following shall require an act of a majority in number of the Members (or (i) if taken by vote at a meeting, then approval by a majority in number of Members present and voting; or (ii) if the election of the members of the Members Committee, the majority of Members actually voting during the period prescribed by Section 11.6):

- (1) the election of members of the Member's Committee as prescribed by Article 12; and
- (2) Any action specified or reserved to the Members and not listed in clause (a) or (b) above.

ARTICLE 12

Members Committee

Section 12.1 Classified Committee. The Members Committee shall be divided into the following nine classes (with the precise states constituting each specified region to be determined by the Manager in its reasonable discretion from time-to-time):

- (a) Class 1: This class will be elected by Members located in the Pacific Coast region.
- (b) Class 2: This class will be elected by Members located in the Mountains & Plains region.
- (c) Class 3: This class will be elected by Members located in the Great Lakes region.
- (d) Class 4: This class will be elected by Members located in the Atlantic Coast region.
- (e) Class 5: This class will be elected by Members located in the New England region.
- (f) Class 6: This class will be elected by Members located in the Southeast region.
- (g) Class 7: This class will be elected by the Members in the Western at Large region.
- (h) Class 8: This class will be elected by the Members in the Northern New England region.
- (i) Class 9: This class will be appointed by the other members of the Members Committee. The representative of this class shall be a Vermont resident.

Section 12.2 Qualifications for Members Committee Members. With the exception of Class 9, each member of the Members Committee must be a member of the senior staff, board of trustees, or board of directors of a Member located in the relevant region.

Section 12.3 Nominations. The Members Committee shall nominate candidates for the Members Committee. The Members Committee may, but shall not be required to, nominate more than one candidate for each position. The Members Committee shall use reasonable efforts to make nominations so that the Members Committee includes, at all times,

- (a) representatives of a mix of national, regional (state) and local land trusts,
- (b) representatives of both accredited land trusts and non-accredited land trusts,

- (c) representatives of both staffed and volunteer land trusts, and
- (d) representatives which include over time those from a reasonable mix of the states constituting the relevant region.

Section 12.4 Term. The term of a member of the Members Committee shall be three (3) years. With the exception of Member Class 9 no person shall be elected to the Members Committee within one (1) year of the expiration of a prior term.

Section 12.5 Staggered Elections. Elections for Classes 1–8 will be staggered on a basis determined by the Members Committee. Voting for nominees to the Members Committee in a class shall be conducted as provided in Section 11.5, and the candidate receiving a majority of votes cast by Members in the relevant region shall be elected.

Section 12.6 Removal. Any member of the Members Committee can be removed (with or without cause) by majority vote of the Members Committee upon the recommendation of the Manager.

Section 12.7 Vacancies. If a person vacates or is removed from his or her position as Member Representative prior to the expiration of the term for that position, the vacant position shall be filled by appointment of the Members Committee.

Section 12.8 Compensation. All members of the Members Committee shall be volunteers serving without compensation, but shall have the option to be reimbursed by the LLC for reasonable and documented out-of-pocket expenses incurred and approved by the Manager in fulfilling his or her duties (which normally shall not exceed the out-of-pocket costs of attending the annual meeting of the Members Committee in Vermont).

Section 12.9 Independence Requirement. No Members Committee members shall be affiliated (directly or through immediate family) with the Captive Management Service Provider or any other entity (other than a Member land trust) that has a business, consulting or service relationship with the LLC or the Manager. Each member of the Members Committee is required to certify on an annual basis that it has no such affiliation.

Section 12.10 Initial Class Representatives. The initial members of the Members Committee shall be appointed by the Manager prior to Commencement of Operations.

Section 12.11 Rights and Responsibilities. The Members Committee shall have only the functions, rights and responsibilities specifically enumerated in this Agreement. The Members Committee shall:

- (a) Approve (i) amendments and supplements to the initial budget, and (ii) LLC budgets subsequent to initial budget, all as provided in Article 16;
- (b) Approve all renewals of or new service contracts, including the Captive Management Service Provider contract;

- (c) Approve new members of the Claims Committee and approve other committees recommended by the Manager and the members of such committees;
- (d) Approve replacements of the National Coordinating Attorney;
- (e) Nominate new members of the Members Committee;
- (f) Perform an annual review of the LLC's financial statements and audit, which shall include a private meeting (without the Manager, the Captive Management Service Provider, or their respective representatives present) with the LLC's auditors and make available copies of the annual audit report to all Members within a reasonable period of time after such audit report is filed with the Department;
- (g) Perform oversight with respect to the performance of the LLC's investments;
- (h) Receive reports at least annually from the Manager and National Coordinating Attorney regarding the performance of the LLC;
- (i) Perform, in tandem with the Manager, an annual review of the LCC's operations, approve material changes to the LLC's plan of operations as filed with the Department, and report to Members thereon at least once per year;
- (j) Advise the Manager as to all matters of policy and strategy;
- (k) Approve annual conflict of interest statements filed by the Manager, the members of the Members Committee and any other persons required to file such statements pursuant to this Agreement or the laws or regulations of the State of Vermont; and
- (l) Approve as part of the budget process outlined in Article 16 of this Agreement the compensation paid to the Manager (other than compensation provided in the initial budget referred to therein, which has been approved by the Members).

Section 12.12 Meetings of Members Committee.

- (a) Meetings of the Members Committee are to be held as required at the discretion of the Manager, but not less than three times a year.
- (b) Meetings of the Members Committee may (and normally shall) be held by telephone or web conference, but not less than once a year a physical meeting shall be held in Vermont. Any action required or permitted to be taken by the Members Committee may be taken at telephone and web conference meetings. Oral and electronic notice of meetings shall be sufficient if provided at least 2 business days prior to the meeting, and any member's participation in a meeting or action shall act as a waiver of any deficiency in the notice or convening of such meeting.

(c) The Manager shall be responsible for convening and chairing all meetings, and preparing and circulating agendas and minutes.

(d) A representative of the Captive Management Service Provider and the LLC's principal lawyer shall make reasonable efforts to attend all meetings of the Members Committee.

(e) At least one-half of the incumbent members of the Members Committee shall constitute a quorum for meetings. The vote of a majority of the members of the Members Committee present and voting shall constitute an act by the Members Committee. Any act may be taken by electronic voting or by written action in lieu of a meeting.

(f) The Members Committee may in its discretion designate one or more sub-committees.

ARTICLE 13

Claims Committee

Section 13.1 Composition of Committee. The Claims Committee shall consist of the National Coordinating Attorney, *ex officio*, and at least five (5) but not more than eight (8) persons with expertise in either the insurance industry, or conservation defense or such other appropriate expertise or experience as may be deemed necessary or desirable.

Section 13.2 Qualifications. Members of the Members Committee are ineligible to serve on the Claims Committee. Persons occupying a position on the Claims Committee may, but are not required to be, affiliated with a Member.

Section 13.3 Nominations. The Manager shall nominate candidates for a position on the Claims Committee.

Section 13.4 Approval. The Members Committee shall consider the Claims Committee candidates nominated by the Manager and approve or not approve such candidate. If the Members Committee withholds approval, the Manager shall promptly submit a new candidate for consideration

Section 13.5 Term. The term for a position on the Claims Committee shall be five (5) years.

Section 13.6 Removal. Any member of the Claims Committee can be removed (with or without cause) by the Manager or by vote of the Members Committee.

Section 13.7 Vacancies. If a person vacates or is removed from his or her position on the Claims Committee prior to the expiration of the term for that position, the vacant position shall be filled by a person nominated by the Manager and approved by the Members Committee.

Section 13.8 Compensation. All persons serving on the Claims Committee shall be volunteers serving without compensation.

Section 13.9 Independence Requirement. No member of the Claims Committee shall be affiliated (directly or through immediate family) with the Captive Management Service Provider or any other entity (other than the Manager or its affiliates or any Member land trust) that has a business, consulting or service relationship with the LLC or the Manager. Each member of the Claims Committee is required to certify on an annual basis that it has no such affiliation. Should a member of the Claims Committee have an interest in any particular claim, that member is required to recuse himself or herself from the proceedings addressing the particular claim.

Section 13.10 Initial Members of the Claims Committee. The initial members of the Claims Committee shall be appointed by the Manager prior to Commencement of Operations and shall not require Members Committee approval.

Section 13.11 Rights and Responsibilities. The Claims Committee shall have the right and responsibility to determine the disposition of all insurance claims and to approve all settlements related to such insurance claims. After an initial period, the Claims Committee may develop criteria whereby the disposition of any claim meeting the criteria would be determined by the National Coordinating Attorney, provided that each member of the Claims Committee shall always be notified of any proposed disposition and given an opportunity to demand that the Claims Committee be convened to determine the disposition of the claim. If for any reason the Claims Committee cannot be convened or declines to act by such time as the LLC is required to respond to a claim, the Manager may decide the disposition of the claim and shall report such disposition promptly to the Claims Committee. The National Coordinating Attorney shall convene and chair meetings of the Claims Committee and shall propose (subject to the Claims Committee's approval) the rules and procedures for its activities.

Section 13.12 Other Committees. The Manager and/or the Members Committee (with the approval of the Manager) may appoint such other committees as they may deem necessary or desirable.

ARTICLE 14

National Coordinating Attorney

Section 14.1 Rights and Responsibilities. The Manager shall engage and make available to the LLC a National Coordinating Attorney, who shall have the responsibility to:

- (a) Oversee case management;
- (b) Supervise counsel on cases where insurance coverage is accepted;
- (c) Report to the Manager, the Claims Committee and the Members Committee concerning the disposition of claims and any other matter requested by the Manager; and

- (d) Coordinate the loss prevention and risk management efforts for the LLC.

The Manager may, in its discretion, from time to time, engage and make available more than one person to fulfill such responsibilities and shall notify the Members Committee which of such persons shall have each of the various rights, roles and responsibilities contemplated herein for the National Coordinating Attorney.

Section 14.2 Qualifications. The person or persons serving as the National Coordinating Attorney shall be attorney(s) in good standing with national-level conservation defense expertise. The members of the Members Committee are not eligible to serve as the National Coordinating Attorney.

Section 14.3 Selection. The initial National Coordinating Attorney shall be the incumbent Conservation Defense Director of The Land Trust Alliance at Commencement of Operations or such other person(s) as may be designated by the Manager. The Manager shall nominate for approval by the Members Committee a candidate for any replacement of the National Coordinating Attorney. The Members Committee shall consider the candidate nominated by the Manager and approve or not approve such candidate. If the Members Committee withholds approval, the Manager shall promptly submit a new candidate for consideration.

Section 14.4 Term. The National Coordinating Attorney serves at the pleasure of the Manager, and may be removed by the Manager, with or without cause, without any prior notice to, or approval by, the Members Committee or the Claims Committee. The National Coordinating Attorney may also be removed, with or without cause, by vote of the Members Committee.

Section 14.5 Compensation. The compensation paid by the Manager to the National Coordinating Attorney shall be an expense of the Manager reimbursable by the LLC.

Section 14.6 Independence Requirement. The National Coordinating Attorney shall not be affiliated (directly or through immediate family) with the Captive Management Service Provider or any other entity (other than the Manager, its affiliates, and/or any Member land trust) that has a business, consulting or service relationship with the LLC or the Manager. The National Coordinating Attorney is required to certify on an annual basis that he or she has no such affiliation. Should the National Coordinating Attorney have a conflicting interest in any particular claim, he or she shall recuse himself or herself from the disposition of the claim.

ARTICLE 15

Captive Management Service Provider

Section 15.1 Manager Responsible. The Manager shall make all reasonable efforts to ensure that the LLC is at all times a party to a contract with a Captive Management Service Provider that complies with this Article 15 and is approved by the Department.

Section 15.2 Services Performed. The contract shall require a qualified and experienced third-party service provider (the “*Captive Management Service Provider*”) to

provide the services customarily provided under such contracts. Such contract should reasonably require the Captive Management Service Provider to provide at least the following services:

- (a) Processing of annual renewals, policy issuance, premium due notice, and premium collection;
- (b) Processing of claims documentation;
- (c) Processing of claims payments (at the direction of the Claims Committee);
- (d) Compliance with insurance regulations, including the making of periodic filings and required reports;
- (e) Maintenance of the LLC's financial control and accounting systems, and the preparation of financial statements;
- (f) Engaging and interfacing with the independent auditor to perform all audit functions with respect to the LLC and an independent actuary to perform the actuarial certification and other actuarial services with respect to the LLC;
- (g) Compliance with corporate and tax regulations, including the making of related filings and reports; and
- (h) Providing reports on investment performance and other support required in relation to investments.

Section 15.3 Conflicts. The Captive Management Service Provider shall not have any employee, officer or director that is serving as a member of the Members Committee or the Claims Committee, or any other position of responsibility at the LLC or the Manager.

ARTICLE 16

Budgets

Section 16.1 Initial Budget. For the five full fiscal years following the Commencement of Operations, the LLC shall be operated in accordance with the five-year budget in effect as of Commencement of Operations (which shall for all purposes be deemed to have been approved by the Members Committee and the Members), with such amendments or supplements thereto as may be proposed by the Manager and approved by the Members Committee.

Section 16.2 Subsequent Budgets. For all periods subsequent to the initial five-year period, budgets shall be proposed by the Manager and approved by the Members Committee on an annual basis. In the event a budget is not so approved by the first day of a new fiscal year, the prior budget shall be deemed to be in effect for the new fiscal year, with all line items escalated by the Consumer Price Index published by the U.S. Department of Labor, Bureau of Labor Statistics, for the prior year, and the Manager shall operate the LLC pursuant to such budget until a new budget is approved by the Members Committee. All budgets shall include, and clearly distinguish between, items of direct liability of the LLC (such as payments owing to the Captive

Management Services Provider), and planned payments and reimbursements to the Manager for the services provided by it to the LLC and the Members. All budgets referred to herein are operating budgets.

ARTICLE 17

Information Rights and LLC Record Keeping

Section 17.1 Member Information Rights. Members and former members shall have the rights with respect to LLC records and information as provided in the Act.

Section 17.2 LLC's Duty to Compile and Maintain Records and Information in Compliance with the LLC Act. The LLC shall compile and maintain at its principal place of business all records and information that the Act requires it to compile and maintain, and such other books of account and other records that are necessary or appropriate for the sound management of the LLC's business and internal affairs.

ARTICLE 18

LLC Dissolution, Winding-Up and Liquidation

Section 18.1 Events of Dissolution. The LLC shall be dissolved only in the following situations:

(a) Vote of the Members. Upon the affirmative vote or act of not less than two-thirds in number of the Members.

(b) Government Order. By order of dissolution by a court of competent jurisdiction or by the Secretary of State or the Commissioner.

(c) Failure to Commence Operations. Should Commencement of Operations not occur by 31 December 2014.

(d) Unlawful Business. Upon an event that makes it unlawful for the business of the LLC to be continued in accordance with §3104(4) of the Act.

The LLC shall not be dissolved upon the dissociation of a Member. The Members hereby waive any event of dissolution specified in the Act that is not set forth in clauses (a)-(d) above.

Section 18.2 Effective Date of LLC's Dissolution. The dissolution of the LLC by vote of the Members shall be effective on the date specified in that vote or, if the vote does not specify a date, then on the date of completion of the vote. The dissolution of the LLC by order of a court or other governmental authority of competent jurisdiction shall be effective on the date specified by the authority in question.

Section 18.3 LLC Assets Shall Continue to be Devoted to Charitable Purposes. Upon dissolution, all assets remaining after the payment of all liabilities (including any insurance claim and payments due on any surplus note) shall be distributed in equal proportions exclusively to

the Members which, on the date of the Liquidating Distribution, are organizations described in I.R.C. § 501(c)(3) and exempt from federal income tax under I.R.C. § 501(a). If there are no Members on the date of the Liquidating Distributions, then payment shall be made to former Members which are organizations described in I.R.C. § 501(c)(3) and exempt from tax under I.R.C. § 501(a) on the date of the Liquidating Distribution and which were Members on the date of the completion of the vote by the Members to dissolve, or to those former Members specified in a court or other governmental order for the dissolution.

Section 18.4 LLC's Compliance with State Requirements Concerning Liquidating Distributions. The LLC shall make no distribution to Members or others in connection with its liquidation until it has complied with all applicable laws and regulations of all relevant jurisdictions (including tax laws and regulations) relating to its dissolution and liquidation.

Section 18.5 LLC's Winding-up. After the LLC is dissolved, the Manager shall as expeditiously as reasonably possible and on terms as favorable as reasonably possible to the LLC wind up its business and internal affairs, and cause its liquidation. During the wind-up period, the LLC shall accept no new business. Following completion of winding-up and liquidation, the LLC shall cease to exist upon the filing of articles of termination with the Vermont Secretary of State.

Section 18.6 Manager's Duty to Dispose of and Bar Known and Unknown Claims against LLC. In connection with the LLC's liquidation, the Manager shall take all reasonable measures under the laws of each relevant state to dispose of and to bar known and unknown claims against the LLC.

ARTICLE 19

LLC Commencement of Operations

Section 19.1 Limited Activities Prior to Commencement of Operations. Notwithstanding anything else herein, the LLC is not authorized to, and shall not, commence insurance operations or any other business or operations other than Pre-Commencement Activities until and unless the Manager shall have executed and delivered to the LLC the Commencement of Operations Certificate substantially in the form set forth in Exhibit D. "*Pre-Commencement Activities*" means those activities reasonably necessary in connection with raising capital, obtaining regulatory and tax determinations, permits, licenses and approvals, and otherwise preparing for Commencement of Operations provided that execution of any contract or instrument that could result in liability to the LLC (other than loss of filing or application fees or the like) shall expressly provide that it shall not become effective until Commencement of Operations.

ARTICLE 20

Merger; Transfer of Assets to Non-Members

Section 20.1 Conversion into For-Profit Entity. The LLC is prohibited from merging with, or converting into, a for-profit entity.

Section 20.2 Transfer of Assets to Non-Members for Fair Market Value. The LLC is prohibited from transferring its assets (whether directly or indirectly) to any non-Member, other than an organization described in § 501(c)(3) or governmental unit or instrumentality, unless in exchange for fair market value.

ARTICLE 21

Term and Termination of this Agreement

Section 21.1 Term and Termination of Agreement. Subject to Section 21.2 and Section 21.3, the term of this Agreement shall begin on the date hereof (the “*Effective Date*”) and shall terminate as follows:

(a) Termination in Event LLC Does Not Commence Operations. The Agreement will terminate and the LLC will be dissolved if Commencement of Operations has not occurred by 31 December 2014.

(b) Termination by Member Vote in Connection with Dissolution. The Agreement shall terminate if the Members vote to dissolve the LLC. Unless the parties agree otherwise at the time of dissolution, the effective date of termination of the Agreement under this Section 21.1(b) shall be the date of termination of the legal existence of the LLC.

(c) Termination by Judicial Authority, Etc. The Agreement shall terminate if the LLC is dissolved by decree of a duly authorized court or other governmental authority or by an arbitrator. The date of a termination of the Agreement under this Section 21.1(c) shall be as determined by the authority in question.

Section 21.2 Survival of Accrued Rights, Etc. Any rights, responsibilities, duties and liabilities accrued by the parties under this Agreement before its termination shall continue in effect after its termination as reason and fairness may require.

Section 21.3 Right of Parties after Termination of Agreement to Dispute Resolution in Certain Matters Relating to LLC’s Winding-up, Etc. Notwithstanding the termination of this Agreement, any party may, after that termination, invoke the dispute resolution provisions of Article 22 to determine and enforce rights, responsibilities and duties of the party relating to:

- (a) LLC matters, if any, arising before and during the LLC’s winding-up but not resolved by the members before termination;
- (b) the LLC’s liquidation; and
- (c) LLC matters arising after the termination of the LLC’s legal existence.

ARTICLE 22

Dispute Resolution

Section 22.1 Mandatory Mediation. If any dispute arises under or relating to this Agreement or relating to the LLC's business or internal affairs that the Members or the Manager cannot resolve voluntarily among themselves, they shall seek to resolve the dispute by mediation. Except as otherwise agreed in writing by the parties at the time, any mediation under this Article 22 shall be governed by the Commercial Mediation Procedures of the American Arbitration Association (the "AAA") as in effect on the date of commencement of the mediation.

Section 22.2 Confidentiality. Except as the parties may otherwise unanimously agree in writing at the time of the mediation, the parties shall maintain in confidence:

- (a) the fact that they are engaging or have engaged in mediation under this Article 22;
- (b) all confidential information disclosed by each Member to the others and to the mediator during the mediation; and
- (c) any settlement or award resulting from the mediation.

ARTICLE 23

General Provisions

Section 23.1 Entire Agreement. This Agreement contains the entire agreement among the parties concerning its subject matter, and it replaces all prior agreements among them, whether written or oral, concerning this subject matter.

Section 23.2 Amendment of Agreement and Articles.

(a) Amendments of Agreement. No amendment of this Agreement, including an amendment consistent with Section 10.6 to replace the Manager, shall be valid unless it is approved by the Members in accordance with Section 11.7 of this Agreement.

(b) Amendments of Articles. Except as otherwise provided in the Act, no amendment of the Articles shall be valid unless it is approved by the Members and is filed in compliance with the Act.

(c) Consistency with I.R.C. § 501(c)(3). No amendment to the Agreement or to the Articles shall be valid unless it is consistent with I.R.C. § 501(c)(3) or § 501(n).

Section 23.3 Incorporation of Exhibits. All Exhibits identified in this Agreement as Exhibits to the Agreement are hereby incorporated into the Agreement and made integral parts of it.

Section 23.4 Resolution of Conflicts Between Agreement and Articles. If there is any conflict between this Agreement and the Articles, then, in any dispute between a Member and the LLC hereto, this Agreement shall prevail.

Section 23.5 Member's Duty to Enforce All Rights and Remedies Under This Agreement. The Members will expeditiously and vigorously enforce all of their rights in the LLC and will pursue all legal and equitable remedies to protect their interests in the LLC.

Section 23.6 Compliance with the Act. All provisions of this Agreement and the Articles are consistent with the Act, and are enforceable at law and in equity. No part of this Agreement should be interpreted so as to conflict with non-waivable provisions of the Act, as provided in VT. STAT. ANN. tit. 11, § 3003. Except as otherwise provided in this Agreement, the business and internal affairs of the LLC shall be governed by the Act.

Section 23.7 Notices. All notices required by this Agreement shall be delivered electronically at the party's email address most recently provided to the Manager, or via a secure online messaging system administered by the Captive Management Service Provider. The online messaging system shall require that system users affirm that they have the authority to access the system on behalf of the Member. A party may change their email address upon reasonable notice to the Manager.

Section 23.8 Delays and Omissions in Exercising Rights, Etc.; Waivers of Rights, Etc.

(a) Delays and Omissions. No delay or omission by a party in the exercise of any right, power or remedy accruing to the party as a result of any breach or default by another party under this Agreement:

(1) shall impair any such right, power or remedy; or

(2) shall be construed as a waiver of or acquiescence by the party in
(i) any such breach or default or (ii) any similar breach or default occurring later.

(b) Waivers. No waiver by a party of any single breach or default under this Agreement shall be construed as a waiver by the party of any other breach or default occurring before or after that waiver.

Section 23.9 Severability of Provisions. Each provision of this Agreement shall be deemed severable. If (i) any provision or (ii) the application of any provision to any person or circumstance shall be held invalid or unenforceable by a court of any jurisdiction:

(a) Affected Jurisdiction. The provision shall be ineffective only in that jurisdiction.

(b) Scope of Ineffectiveness. The provision shall be ineffective only to the extent that it has been expressly held to be invalid or unenforceable in that jurisdiction.

(c) Effect on Other Provisions and on Applicability of Provision Itself. The ineffectiveness of the provision shall not invalidate any other provision of the Agreement

or the application of the provision itself to persons or circumstances other than those with respect to which it was held invalid or unenforceable in the jurisdiction in question.

Section 23.10 Permissibility and Validity of Counterparts. This Agreement may be executed in any number of counterparts and by different parties to this Agreement in separate counterparts. Each of these counterparts when so executed shall be deemed to be an original of the Agreement and all such counterparts taken together shall constitute one and the same Agreement.

Section 23.11 Validity of Facsimile Signatures. Facsimile copies of parties' signatures shall be held valid for all purposes under this Agreement.

Section 23.12 No Third Party Beneficiaries. The parties intend this Agreement to benefit only themselves and any persons that become their successors and assignees in accordance with the Agreement. The Agreement is expressly not intended for the benefit of any creditor of the LLC or of any creditor of a Member or the Manager or for the benefit of any other person who is not a party to the Agreement.

[THIS PAGE ENDS HERE. THE PARTIES' SIGNATURES ARE ON THE NEXT PAGE.]

SIGNATURES AND DATES

In witness of their acceptance of the terms and conditions of this LLC operating agreement, the parties, by themselves or by their duly authorized representatives, have duly signed and dated this Agreement as follows:

GREENSBORO LAND TRUST (signing as a Member)

November 9, 2012

By: Clive S. Gray
Clive Gray
Chair of Board of Trustees

ALLIANCE RISK MANAGEMENT SERVICES LLC
(signing only as the Manager and not as a Member)

November 8, 2012

By: Randolph N. Wentworth
Randolph N. Wentworth
President

**LIMITED LIABILITY COMPANY ARTICLES OF ORGANIZATION FOR
TERRAFIRMA RISK RETENTION GROUP LLC**

ARTICLE I

Name

The name of the limited liability company shall be Terrafirma Risk Retention Group LLC (the “LLC”).

ARTICLE II

Designated Office, Process Agent and Principal Office

2.1 The initial designated office of the LLC shall be 44 Deerfield Drive, Montpelier, Vermont 05602. The name and street address of the initial agent for service of process of the LLC shall be Leslie Ratley-Beach and 44 Deerfield Drive, Montpelier, Vermont 05602.

2.2 The initial principal office of the LLC is located at 44 Deerfield Drive, Montpelier, Vermont 05602.

ARTICLE III

General Organization

The LLC is a Vermont Limited Liability Company, formed pursuant to VT. STAT. ANN. tit. 11, ch. 21, for the exclusive purpose to operate as a qualified charitable risk pool pursuant to I.R.C. § 501(n), organized and operated to pool and insure the insurable risks of its Members and to provide information to its Members with respect to loss control and risk management. The LLC shall obtain a license as a captive insurance company risk retention group under VT. STAT. ANN. tit. 8, ch. 141 and 142, and shall obtain authorization to engage in the business of insurance from the Commissioner of the Department of Banking, Insurance, Securities and Health Administration of the State of Vermont (the “Commissioner”) pursuant to such laws and the Federal Liability Risk Retention Act, 15 U.S.C. §§ 3901–06. It has all of the powers and privileges provided by law and may use those powers to pursue its exclusive purpose.

ARTICLE IV

Limited Liability Company Existence

4.1 The LLC is not a term limited liability company.

4.2 The LLC is not an L3C.

ARTICLE V

Fiscal Year

The fiscal year ends December 31.

ARTICLE VI

Management by Managers; Liability

6.1 The LLC, which is hereby designated as a “manager-managed limited liability company” shall be managed by its Manager as further provided in the LLC’s Limited Liability Company Operating Agreement. The initial Manager is Alliance Risk Management Services LLC (“ARMS”) with the address as follows: 44 Deerfield Drive, Montpelier, Vermont 05602.

6.2 To the full extent permitted by law, any non-member manager is released from liability for damages and other monetary relief on account of any act, omission, or conduct in his, her, or its managerial capacity, except as otherwise provided in the LLC’s Limited Liability Company Operating Agreement. No amendment or repeal of this Section shall affect any liability or alleged liability of any non-member manager for any acts, omissions, or conduct that occurred prior to the amendment or repeal.

6.3 The Members and Manager shall not be personally liable for the debts, obligations, and liabilities of the LLC under VT. STAT. ANN. tit. 11, § 3043(b).

ARTICLE VII

Relationship of Articles of Organization to Operating Agreement

If a provision of these Articles of Organization differs from a provision of the LLC’s Limited Liability Company Operating Agreement, then, to the extent allowed by law, the Limited Liability Company Operating Agreement will govern.

ARTICLE VIII

Indemnification

8.1 To the extent allowed by VT. STAT. ANN. tit. 11, § 3062, Members and the Manager shall be indemnified and held harmless, absolutely, unconditionally, and irrevocably, by the LLC from and against any and all claims, demands, liabilities, costs, damages, and causes of action, of any nature whatsoever, arising out of or incidental to the actions of the Member or Manager as a Member or Manager of the LLC, except where the claim at issue is based upon (i) fraud or willful misconduct of a member or manager, (ii) the material breach by a member or manager of any material provision of the LLC’s Limited Liability Company Operating Agreement, or (iii) liability imposed by VT. STAT. ANN. tit. 11, § 3057 (Liability for Unlawful Distributions).

8.2 The indemnification authorized by this Article shall include, but not be limited to, payment of (i) a judgment, settlement, penalty, fine or reasonable expense (including reasonable attorneys' fees), and (ii) the removal of any liens affecting any property of the indemnitee.

8.3 The indemnification rights contained in this Article shall be cumulative of, and in addition to, any and all rights, remedies and recourse to which a Member or Manager shall be entitled, whether pursuant to the provisions of the LLC's Limited Liability Company Operating Agreement, at law or in equity. Indemnifications shall be made solely and entirely from assets of the LLC, and no Member or Manager shall be personally liable to the indemnitee under this Article.

8.4 The rights and obligations hereunder with respect to indemnification shall survive an event of withdrawal of any Member, the resignation or discharge of any Manager or the dissolution, termination and liquidation of the LLC.

ARTICLE IX


Organizers

The names and addresses of the organizers of the LLC are as follows:

Randolph N. Wentworth	1912 Harwood Road, Annapolis, MD 21401
Leslie Ratley-Beach	44 Deerfield Drive, Montpelier, VT 05602
William D. Riley	31 Fairmount Street, Burlington, VT 05401

[THIS PAGE ENDS HERE. THE ORGANIZERS' SIGNATURES ARE ON THE NEXT PAGE.]

Executed by the undersigned organizers as of this ___ day of April 2011



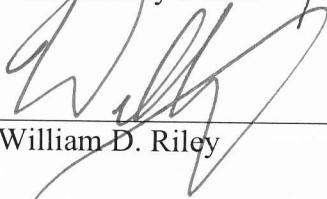
Randolph N. Wentworth

April ~~12~~, 2011



Leslie Ratley-Beach

April ~~12~~, 2011



William D. Riley

April ~~12~~, 2011

VERMONT
SECRETARY OF STATE
2011 APR 18 AM 11:59

INSTRUMENT OF ACCESSION TO MEMBERSHIP

<INSURED> submitted to TerraFirma an application for insurance. We understand that TerraFirma is a risk retention group the purpose of which is to pool and insure certain risks of its not-for-profit land trust Members and, accordingly, that <INSURED> must become a Member of TerraFirma in order to become insured by it, and <INSURED> must be insured by TerraFirma to remain a Member.

We hereby represent that we have received and currently maintain an unrevoked determination from the Internal Revenue Service that <INSURED> is an organization described in Section 501(c)(3) of the Internal Revenue Code, which we acknowledge and agree will be electronically verified by Marsh Management Services Inc., and that the federal tax identification number of <INSURED> is provided in our application.

We also hereby represent that either (a) <INSURED> has been and currently are accredited by The Land Trust Accreditation Commission or (b) <INSURED> meets each of the operating standards required to be a member of TerraFirma.

We have read and reviewed the [Second Amended and Restated Limited Liability Company Operating Agreement](#) for TerraFirma Risk Retention Group LLC, amended and restated as of November 9, 2012 (the "Agreement").

By executing this instrument, <INSURED> hereby (i) becomes a party to the Agreement as a Member, (ii) acknowledges, accepts and agrees to each of the agreements, covenants, or undertakings made by a Member thereunder, and (iii) agrees to be bound thereby.

We acknowledge and agree that <INSURED> shall not become, or acquire any of the rights of, a Member of TerraFirma, until and unless this Instrument of Accession has been accepted and executed by the Manager and returned to us, and our application for insurance has been accepted and a policy of insurance has been issued to us by TerraFirma. Our membership in TerraFirma shall become effective as of the date of inception of our insurance coverage.

Our application for insurance, including our becoming a Member of TerraFirma by our execution and delivery of this Instrument of Accession, has been authorized by the board of directors or trustees for <INSURED>.

We read the above Instrument of Accession and the additional disclosures to policyholders and agreed to the terms of both documents and electronically signed the Instrument of Accession attached to our application.

TERRAFIRMA RISK RETENTION GROUP LLC ACCEPTED AND EXECUTED THIS INSTRUMENT OF ACCESSION AS OF THE DATE OF THE INSURED'S POLICY.

By: _____
Leslie Ratley-Beach, Secretary of
Alliance Risk Management Services LLC
Manager of Terrafirma Risk Retention Group LLC

EXHIBIT C

LIST OF MEMBERS

(to be annotated by Manager from time to time)

Access Fund	Bluegrass Conservancy, Inc.
Acton Conservation Trust, Inc.	Bodega Land Trust
Agricultural Stewardship Association, Inc.	Boothbay Region Land Trust
Alabama Forest Resources Center, Inc.	Brentwood Agricultural Land Trust
Alachua Conservation Trust, Inc.	Broad River Watershed Association, Inc.
Allegheny Land Trust	Brunswick-Topsham Land Trust
American Chestnut Land Trust, Inc.	BTA/BOLT, Inc.
Ammonoosuc Conservation Trust	Bur Oak Land Trust
Androscoggin Land Trust, Inc.	Buzzards Bay Coalition, Inc.
Antelope Valley Conservancy	Cacapon and Lost Rivers Land Trust, Inc.
Aquidneck Land Trust (RI)	Cadillac Area Land Conservancy
Archaeology Southwest	Caledonia Conservancy, LTD
Arizona Land and Water Trust, Inc.	California Rangeland Trust
Ashburnham Conservation Trust	Capital Region Land Conservancy
ASPEN VALLEY LAND TRUST	Capitol Land Trust (WA)
Association for the Preservation of the Eno River Valley, Inc.	Carolina Mountain Land Conservancy
Athens Conservancy	Catawba Land Conservancy
Athens Land Trust, Inc.	Cayucos Land Conservancy
Atlantic Coast Conservancy, Inc.	Cazenovia Preservation Foundation
Avalonia Land Conservancy, Inc.	Center for Natural Lands Management
Bainbridge Island Land Trust	Central Arizona Land Trust
Baraboo Range Preservation Association, Inc. (WI)	Central Indiana Land Trust Incorporated
Bayfield Regional Conservancy, Inc.	Central Savannah River Land Trust, Inc.
Bayou Land Conservancy	Central Valley Farmland Trust, Inc.
Bear River Land Conservancy	Centre County Farmland Trust
Bear Yuba Land Trust	champaign land preservation
Beaver Creek Wetlands Association, Inc.	Champlain Area Trails, Inc.
Bedford Land Trust (NH)	Charlotte Land Trust
Bedminster Regional Land Conservancy	Chattahoochee Valley Land Trust (GA)
Belgrade Regional Conservation Alliance, Inc.	Chebeague & Cumberland Land Trust (ME)
Belmont Land Trust, Inc.	Chehalis River Basin Land Trust
Berks County Conservancy	Chelan-Douglas Land Trust
Bexar Land Trust, Inc.	Chestnut Hill Historical Society
Bitter Root Land Trust, Inc.	Chikaming Open Lands
Block Island Conservancy	Chippewa Watershed Conservancy, Inc.
Blue Hill Heritage Trust Inc.	Citizens' Land Conservancy of Hamilton County, OH, Inc.
Blue Mountain Land Trust	Clinton County Open Lands, Inc.
Blue Ridge Conservancy	Coastal Mountains Land Trust
Blue Ridge Land Conservancy	Coastside Land Trust

Colchester Land Trust	Five Rivers Conservation Trust
Colorado Cattlemen's Agricultural Land Trust	Five Valleys Land Trust
Colorado Headwaters Land Trust	Flathead Land Trust
Colorado Open Lands	Foothills Conservancy of North Carolina, Inc.
Columbia Land Conservancy, Inc.	Forest Society of Maine
Columbia Land Trust	Forest Trust
Congaree Land Trust	Forterra NW
Connecticut Farmland Trust LLC	Fracestown Land Trust, Inc.
Connemara Conservancy Foundation	Francis Small Heritage Trust, Inc.
Conservancy for Charles County, Inc.	French Creek Valley Conservancy
Conservation Foundation of the Gulf Coast Inc.	Frenchman Bay Conservancy
Conservation Trust for Florida, Inc.	Freshwater Land Trust
Conservation Trust for North Carolina	Friends of Hopewell Valley Open Space
Conserve Lake County (formerly Liberty Prairie Conservancy)	Friends of Lower Muskingum River
Continental Divide Land Trust (CO)	Friends of the Fiscalini Ranch Preserve
Countryside Conservancy	Fund for Roosevelt, Inc.
Cragsmoor Conservancy, Inc.	Gallatin Valley Land Trust
Crested Butte Land Trust	Galveston Bay Foundation, Inc.
D&R Greenway Land Trust Inc.	Gates Mills Land Conservancy
Dartmouth Natural Resources Trust	Genesee Land Trust, Inc.
Davidson Lands Conservancy, Inc.	Genesee Valley Conservancy, Inc.
Delaware Highlands Conservancy	Georges River Land Trust
Delaware Nature Society	Glacial Lakes Conservancy, Inc.
Deschutes Land Trust	Golden State Land Conservancy
Desert Foothills Land Trust	Grand Prairie Friends
Door County Land Trust, Inc.	Great Land Trust
Douglas Land Conservancy	Great Meadows Conservation Trust, Inc.
Downeast Lakes Land Trust	Great Peninsula Conservancy
Driftless Area Land Conservancy, Inc.	Great Works Regional Land Trust
DUNSTABLE RURAL LAND TRUST	Green Lake Conservancy, Inc.
Dutchess Land Conservancy, Inc.	Green Mountain Conservation Group
Duxbury Land Trust, Inc.	Green River Valley Land Trust
Eagle Valley Land Trust	Greenbelt Land Trust of Mid-Missouri
East Cooper Land Trust	Greenbelt Land Trust, Inc.
East Quabbin Land Trust, Inc.	Greensboro Land Trust
Eastern Sierra Land Trust	Guadalupe-Blanco River Trust
Edisto Island Open Land Trust, Inc.	Hamden Land Conservation Trust, Inc.
Elkhorn Slough Foundation	Harding Land Trust
Estes Valley Land Trust	Harford Land Trust, Inc.
Fairfield Land Preservation Association	Harpwell Heritage Land Trust
Fallbrook Land Conservancy	Harris Center for Conservation Education (NH)
Feather River Land Trust	Hawaiian Islands Land Trust
Finger Lakes Land Trust Inc.	Heritage Conservancy

Highlands-Cashiers Land Trust, Inc.	Land Trust of the Upper Arkansas
Hill Country Conservancy, Inc.	Landmark Heritage Trust
Hill Country Land Trust, Inc.	Leelanau Conservancy
Hudson Highlands Land Trust, Inc.	Legacy Land Conservancy
Hunterdon Land Trust	Legacy Land Trust
Independence Land Conservancy d/b/a North Oakland Headwaters Land Trust	Lehigh Regional Land Trust
Conservancy	Livingston Land Conservancy
Indian River Lakes Conservancy, Inc	London Britain Township Land Trust
Indian River Land Trust, Inc.	Loon Echo Land Trust, Inc.
Inland Northwest Land Trust	Lower Merion Conservancy
Interior Alaska Land Trust, Inc.	Lummi Island Heritage Trust
Iowa Natural Heritage Foundation	Lyme Land Conservation Trust, Inc.
Island Heritage Trust	Madison Audubon Society, Inc.
Islesboro Islands Trust	Mahoosuc Land Trust, Inc.
Jackson Hole Land Trust	Maine Coast Heritage Trust
Jefferson Land Trust	Maine Farmland Trust
Jo Daviess Conservation Foundation	Maine Wilderness Watershed Trust, Inc.
Joshua's Tract Conservation and Historic Trust, Inc.	Malpai Borderlands Group
Kachemak Heritage Land Trust Inc.	Manada Conservancy
Kaniksu Land Trust, Inc.	Marin Agricultural Land Trust
Kansas Land Trust, Inc.	McKenzie River Trust
Katawba Valley Land trust	McKinleyville Land Trust
Katy Prairie Conservancy	Medomak Valley Land Trust
Keep Conservation Foundation	Mendocino Land Trust, Inc.
Kennebec Estuary Land Trust	MESA COUNTY LAND CONSERVANCY INC dba MESA LAND TRUST
Kennebunk Land Trust	Methow Conservancy
Kentucky Natural Lands Trust	Mianus River Gorge, Inc.
Kestrel Land Trust	Michigan Nature Association
Kettle Moraine Land Trust	Mississippi Valley Conservancy, Inc.
Kinnickinnic River Land Trust, Inc.	Mohawk Hudson Land Conservancy, Inc
La Plata Open Space Conservancy	Mohonk Preserve
Lake Champlain Land Trust	Monmouth Conservation Foundation
Lake Forest Open Lands Association	Montezuma Land Conservancy
Lake George Land Conservancy, Inc.	Moose Mountains Regional Greenways (NH)
Lancaster Farmland Trust	Mother Lode Land Trust
Land Conservancy of Ridgefield, Inc.	Mount Grace Land Conservation Trust, Inc.
Land Conservancy of West Michigan	Mountain Area Land Trust
Land Conservancy of Will County	Mountain Conservation Trust of Georgia
Land Trust for Louisiana	Muir Heritage Land Trust
Land Trust for the Mississippi Coastal Plain	Nanticoke River Watershed Conservancy, Inc.
Land Trust of Danbury	Napa County Land Trust
Land Trust of Santa Cruz County	Naromi Land Trust
Land Trust of the Eastern Panhandle	National Committee for the New River DBA New River Conservancy

Native Prairies Association of Texas	Owl Creek Conservancy
Natural Heritage Land Trust, Inc.	Ozark Regional Land Trust, Inc.
Natural Land Institute	Pacolet Area Conservancy
Natural Lands Trust, Inc. and Montgomery County Land Trust	Pecos Valley Peninsula Land Conservancy
NeighborSpace of Baltimore County, Inc.	Palouse Land Trust, Inc.
Nevada Land Trust	Parklands Foundation
New England Forestry Foundation, Inc.	Patuxent Tidewater Land Trust, Inc.
New Jersey Conservation Foundation	PCC Farmland Trust
New Mexico Land Conservancy	Peconic Land Trust Incorporated
New River Land Trust	Pee Dee Land Trust
Newfound Lake Region Association	Peninsula Open Space Trust
Newton County Land Trust Alliance, Inc.	Piedmont Environmental Council
Newtown Forest Association (CT)	Piedmont Land Conservancy
Norfolk Land Trust Inc.	Pines and Prairies Land Trust
North Branch Land Trust	Piscataquog Land Conservancy
North Carolina Coastal Land Trust	Placer Land Trust
North Central Conservancy Trust	Platte County Land Trust
North Coast Land Conservancy	Prairie Land Conservancy (IL)
North Florida Land Trust	Presumpscot Regional Land Trust (ME)
North Olympic Land Trust	Prickly Pear Land Trust
North Salem Open Land Foundation, Inc	Prudence Conservancy
North Shore Land Alliance	Radnor Conservancy
Northcentral Pennsylvania Conservancy	Ranchland Trust of Kansas
Northcoast Regional Land Trust	Raritan Headwaters Association
Northeast Wilderness Trust Corporation	Redwood Coast Land Conservancy
Northeast Wisconsin Land Trust, Inc.	Rensselaer Land Trust, Inc.
Northern California Regional Land Trust	Richmond Land Trust, Inc.
Northern Neck Land Conservancy	Ridge and Valley Conservancy
Northern Prairies Land Trust	Rio Grande Headwaters Land Trust
Northern Rivers Land Trust	River Fields, Inc
Northwest Land Conservation Trust	RiverLink, Inc. (NC)
Northwoods Land Trust, Inc.	Riverside Land Conservancy
Oconee River Land Trust, Inc.	Rockburn Land Trust, Inc.
Ogden Valley Land Trust (UT)	Rondout-Esopus Land Conservancy, Inc.
Ojai Valley Land Conservancy	Sacramento Valley Conservancy
Okanogan Land Trust	Sagebrush Steppe Land Trust
Old Dominion Land Conservancy, Inc	Saginaw Basin Land Conservancy
Ontario Bays Initiative, Inc.	Sakonnet Preservation Association
Open Land Conservancy of Chester County	Salem Land Trust
Open Space Institute Land Trust, Inc.	Salisbury Association Land Trust
Openlands	Saluda Community Land Trust, Inc.
Orange County Land Trust, Inc.	San Diego Habitat Conservancy
Otsego Land Trust, Inc.	San Isabel Land Protection Trust

San Joaquin River Parkway and Conservation Trust, Inc.	Stowe Land Trust (VT)
San Juan Preservation Trust	Summit Land Conservancy
San Miguel Conservation Foundation	SUTTER BUTTES REGIONAL LAND TRUST IN CA
Sanctuary Forest, Inc.	Sycamore Land Trust, Incorporated
Sandhills Area Land Trust, Inc	Tall Pines Conservancy, Inc.
Sangamon Conservancy Trust	Tall Timbers Research Station and Land Conservancy
Santa Fe Conservation Trust	Taos Land Trust
Save the Redwoods League, Inc.	Tar River Land Conservancy, Inc.
Schiff Natural Lands Trust Inc.	Tennessee Parks and Greenways Foundation
Schoharie Land Trust, Inc.	Teton Regional Land Trust, Inc.
Sebasticook Regional Land Trust	Tewksbury Land Trust inc.
SEQUOIA RIVERLANDS TRUST	Texas Agricultural Land Trust
Serpentine Art and Nature Commons, Inc.	Texas Land Conservancy
Shasta Land Trust	The Ausbon Sargent Land Preservation Trust
Sheepscot Valley Conservation Association, Inc.	The Big Sur Land Trust
Sheridan Community Land Trust	The Black Swamp Conservancy
Sheriff's Meadow Foundation	The ClearWater Conservancy of Central Pennsylvania, Inc.
Shirley Heinze Land Trust Inc.	The Escondido Creek Conservancy
Sierra Foothill Conservancy	The Frontera Land Alliance
Silicon Valley Land Conservancy	The Garden Conservancy
Sippican Lands Trust, Inc.	The Great Pond Mountain Conservation Trust
Siskiyou Land Trust	The Greenwich Land Trust
Skagit Land Trust	The Humane Society Wildlife Land Trust
Small Woodland Owners Association of Maine	The Kennebec Land Trust
Solano Land Trust	the Kongsicut LandTrust,inc.
Somers Land Trust	The Land Conservancy for Southern Chester County
Sonoma Land Trust	The Land Conservancy of McHenry County
South Jersey Land & Water Trust	The Land Conservancy of New Jersey
South Kingstown Land Trust	The Land Conservancy of San Luis Obispo County
South Metro Land Conservancy	The Land Trust for Santa Barbara County
Southeast Alaska Land Trust (AK)	The Land Trust for Tennessee
Southeast Land Trust of New Hampshire	The Land Trust for the Little Tennessee
Southeast Michigan Land Conservancy	The Land Trust of the Treasure Valley, Inc.
Southeast Regional Land Conservancy Inc	The Land Trust of Virginia, Inc.
Southern Appalachian Highlands Conservancy	The LandTrust for Central North Carolina, Inc.
Southern Idaho Land Trust,Inc.	The Little Forks Conservancy, Inc
Southern Madison Heritage Trust, Inc.	The Monadnock Conservancy
Southern Oregon Land Conservancy, Inc.	The Nebraska Land Trust, Inc.
Southwest Michigan Land Conservancy	The New Hartford Land Trust, Inc.
Spartanburg Area Conservancy	The Ozaukee Washington Land Trust, Inc.
Squam Lakes Conservation Society	The Pacific Forest Trust, Inc.
St. Lawrence Land Trust Inc.	The Potomac Conservancy, Inc.
St.Simons Land Trust	The Prairie Enthusiast, Inc.

The Scenic Hudson Land Trust, Inc.	William J Palmer Parks Foundation, Inc. d.b.a. Palmer Land Trust
The Sheffield Land Trust, Inc	Williamsburg Land Conservancy
The Trustees of Reservations	Willistown Conservation Trust, Inc.
The Valley Land Fund, Inc.	Winding River Land Conservancy, Inc.
The Vital Ground Foundation, Inc.	Winnakee Land Trust
The Watershed Agricultural Council for the New York City Watershed Land Trust Company	Wood-Land-Lakes Resource Conservation and Development, Inc.
The West Virginia Land Trust, Inc.	Woods and Waters Land Trust (KY)
The Wetlands Conservancy	Woodstock Land Conservancy, Inc.
Thousand Islands Land Trust, Inc.	Wyoming Stock Growers Agricultural Land Trust
Three Rivers Land Trust	Yampa Valley Land Trust (CO)
Three Valley Conservation Trust	Yolo Land Trust
Tinicum Conservancy	
Tiverton Land Trust	
Transition Habitat Conservancy	
Triangle Land Conservancy	
Tri-Valley Conservancy	
Truckee Donner Land Trust	
Tug Hill Tomorrow Land Trust	
Upper Hudson Northern Catskil Natural Resource Trust dba Greene Land Trust	
Upper Peninsula Land Conservancy	
Upper Saco Valley Land Trust	
Upper Savannah Land Trust	
Upstate Forever	
Valley Land Conservancy dba Black Canyon Regional Land Trust	
Ventura Hillsides Conservancy	
Vinalhaven Land Trust Inc.	
Virginia Eastern Shore Land Trust, Inc.	
Wallkill Valley Land Trust, Inc.	
Walloon Lake Trust and Conservancy	
Wallowa Land Trust	
Wareham Land Trust Inc.	
Weantinoge Heritage Land Trust, Inc.	
Weeks Bay Foundation, Inc.	
Western Foothills Land Trust	
Western New York Land Conservancy	
Western Reserve Land Conservancy	
Western Wildlife Corridor	
Westmoreland Conservancy	
Whatcom Land Trust	
Whidbey Camano Land Trust	
White Oak Land Conservation Society	
Wildlands Conservancy (PA)	
Wildlife Heritage Foundation	

EXHIBIT D
COMMENCEMENT OF OPERATIONS CERTIFICATE



COMMENCEMENT OF OPERATIONS CERTIFICATE

Alliance Risk Management Services LLC, in its capacity as Manager of Terrafirma Risk Retention Group LLC ("Terrafirma"), hereby certifies as follows:

- (1) The paid-in capital of Terrafirma as of the date hereof is not less than US \$4,000,000.
- (2) Members meeting the Member Qualifications have submitted applications for accession to Membership and applications for insurance (accompanied by signed Instruments of Accession, and payments of initial premium), together representing not less than 16,000 properties under insurance.
- (3) The Vermont Department of Financial Regulation has issued a License (#965) dated July 11, 2012 for Terrafirma to operate as a risk retention group captive insurance company, and
- (4) The Internal Revenue Service has issued to the LLC a determination dated May 16, 2012 that it is an organization described in I.R.C. § 501(n) and I.R.C. § 501(c)(3) and exempt under I.R.C. § 501(a).

Defined terms are used with the definitions set out in the Terrafirma's Limited Liability Company Operating Agreement. I set my hand and affirm the accuracy of the forging statements this 28th day of February, 2013.

ALLIANCE RISK MANAGEMENT
SERVICES LLC
As Manager of Terrafirma Risk Retention
Group LLC

By: _____

Name: Randolph N. Wentworth
Title: President