

APN: \_\_\_\_\_  
When Recorded mail to:  
City of Fernley  
595 Silver Lace Blvd.  
Fernley, NV 89408

**ASSIGNMENT OF BENEFICIAL INTEREST IN WATER RIGHTS BANKING AND  
DEDICATION AGREEMENT TO WILL SERVE COMMITMENT**

This Assignment of Beneficial Interest in Water Rights to Will Serve Commitments is executed this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_ (hereinafter "Assignor").

1. Assignor is the holder of the beneficial interest in that certain Water Rights Dedication and Banking Agreement (hereinafter the "Banking Agreement") by and between \_\_\_\_\_ and the City of Fernley executed on the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.
2. Assignor desires to assign a portion of its beneficial interest in and to \_\_\_ acre-feet of water dedicated pursuant to the Banking Agreement to the City of Fernley in exchange for \_\_\_ Equivalent Residential Credits (hereinafter "ERC's") of water utility will-serve commitments for the development of the \_\_\_\_\_ project located at \_\_\_\_\_ (hereinafter the "Project").
3. Assignor acknowledges and agrees that the assignment of the beneficial interest transferred herein is for the benefit of the Project. Assignor also acknowledges and agrees that the will-serve commitments issued pursuant to this Agreement shall be an appurtenance to the parcel(s), lot(s), or portion of the Project that will receive water service under said will-serve commitment. In the event that said parcel(s), lot(s), or portion of the project is encumbered by a mortgage, deed of trust, or other similar encumbrance, Assignor agrees that said mortgage, deed of trust, or other similar encumbrance shall also encumber the will-serve commitments issued pursuant to this Agreement in the same manner and to the same extent as it encumbers the parcel(s), lot(s), or portion of the project.
4. Assignor acknowledges and agrees that by assigning its beneficial interest in the water rights under this Agreement in exchange for the will-serves commitments described in Section 2 herein, that Assignor is forever relinquishing all of its right, title, and interest in and to the beneficial interest assigned herein and that the terms of this Agreement shall, to the extent applicable, replace and supersede the terms of the Banking Agreement identified in Section 1 herein, as well as any amendments or assignments of said Banking Agreement, with respect to the assigned water rights. Assignor further acknowledges and agrees that upon execution of this Agreement it shall have no further claim, right, title, or interest in or to the beneficial interest assigned herein.

5. Assignor agrees to indemnify and hold harmless the City of Fernley from any with respect to any claims, damages, or losses (including, without limitation, attorney's fees and costs), whether known or unknown, disclosed or undisclosed arising from, by reason of, or in connection with any part or portion of this Agreement.
6. Assignor hereby represents and warrants it has not sold, assigned, transferred, conveyed, hypothecated, pledged, or otherwise disposed of or encumbered the beneficial interest transferred herein, or the water right underlying said beneficial interest, except as provided in this Agreement, the Banking Agreement, or any amendments or assignments of the Banking Agreement. Assignee acknowledges and agrees that the City makes no representation or warranty as to the title of the water rights underlying the beneficial interest transferred herein, and that in the event that any claim or dispute relating to said title renders such water rights unusable within, or unavailable to, the City's water delivery system, the City may, at its sole discretion and in addition to any other remedies provided for by law, rescind the Banking Agreement and withhold the will-serve commitments provided for therein. In the event that such will-serve commitments have already been issued, the City, in addition to any other remedies provided by law, may require Assignor to immediately acquire and dedicate to the City the same quantity and quality of water rights as the water rights rendered unusable within, or unavailable to, the City's water delivery system and/or the City may assign any other banked or reserved water rights in which Assignor has a beneficial interest, and that remain uncommitted to will-serve commitments, to the will-serve commitments already issued pursuant to this Agreement or the Banking Agreement.
7. This Agreement shall be governed, interpreted and construed by, through and under the laws of the State of Nevada in the district courts of Lyon County, Nevada.
8. All costs incurred by the City of Fernley in enforcing this Agreement including, without limitation, reasonable attorneys' fees through any court proceedings shall be paid by Assignee.
9. This Agreement shall inure to the benefit of and be binding upon the parties hereto as well as their successors and assigns, heirs and personal representatives.

[Signature pages follow]

ASSIGNOR.

Company Name

\_\_\_\_\_  
Signatory Name and Title

Date: \_\_\_\_\_, 2015

STATE OF \_\_\_\_\_)

) ss.

COUNTY OF \_\_\_\_\_)

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC