

Memorandum of Understanding Mark IV and the City of Fernley

This Memorandum of Understanding is established between M4 NEW FERNLEY, LLC, a Nevada limited liability company, and M4 NEW FERNLEY QOZB, LLC, a Nevada limited liability company (collectively, "Mark IV Capital"), and the CITY OF FERNLEY (the "City of Fernley"), as of February ____ 2021.

Whereas Mark IV Capital has purchased more than 4300 acres of industrial-zoned land in the City of Fernley and established the Victory Logistics District with the intention to develop it into the largest economic development engine in the region.

Whereas Mark IV Capital has committed a significant and continuing investment to shift the logistics hub in northern Nevada to Fernley and generate economic opportunities for thousands of Nevadans over the next few decades.

Whereas Mark IV Capital is investing in infrastructure improvements to include a new rail line and transload facility that will marry the advantages of shipping by both truck and rail, and allow for one-day shipping from Fernley as far south as San Diego, CA, as far north as Seattle, WA, and east of Salt Lake City, UT.

Whereas the completion of Nevada Pacific Parkway, connecting I-80 to Highway 50, is critical to the success of the Victory Logistics District and will redirect truck traffic away from the city center.

Whereas the City of Fernley, Lyon County and the State of Nevada will benefit substantially from the increased tax revenue generated from the Victory Logistics District build out.

Whereas the City of Fernley is supportive of the economic development opportunities presented by the Victory Logistics District and desires for safety and traffic control reasons to have Nevada Pacific Parkway completed.

Whereas the City of Fernley does not have within its budget the capability to contribute to the funding for the completion of Nevada Pacific Parkway.

The City of Fernley and Mark IV Capital intend for this Memorandum of Understanding to provide the foundation for any anticipated binding agreement related to the recitals stated above. However, this Memorandum of Understanding does not create a binding agreement between the City of Fernley and Mark IV Capital, but rather an understanding between the City of Fernley and Mark IV Capital to work together collaboratively to establish and complete the objectives and commitments as follows:

The City of Fernley and Mark IV Capital shall work collaboratively to submit a grant application (or applications) to the US Department of Transportation ("NDOT") soliciting federal funding for the completion of Nevada Pacific Parkway. The first such grant applications available for federal funding are the Infrastructure for Rebuilding America (INFRA), and the Better Utilizing Investments to Leverage Development (BUILD) (collectively herein referred to as the "Federal Grants").

Mark IV Capital shall undertake or to cause to undertake any and all work to the extent permissible in connection with drafting and submitting any applications for any Federal Grants, including without limitation, retaining the necessary consultants to generate the appropriate third-party reports as may be advisable in drafting these applications, which may include studies on environmental assessments, traffic, cost-benefit analysis, rail plans, engineering, regional air quality and vehicular safety, responding and following up with any representative's inquiries or requests, and paying for any expenses, fees and costs related to the foregoing. The City of Fernley shall sign on the applications and to complete any portions of the application that cannot be completed by Mark IV Capital; The City of Fernley shall fully support Mark IV Capital's efforts as the administrator of the construction process, including the funding and payment obligations related thereto, which precede the ultimate reimbursement to Mark IV Capital of such funds from any of these Federal Grants or any other source of government funding.

The City of Fernley shall: (a) provide staff support; (b) provide access to studies that may be needed in any grant submission; (c) expedite necessary approvals and permits in support of Nevada Pacific Parkway's extension; (d) work closely with both Lyon County and NDOT in support of these requests; (e) provide updates to Mark IV Capital concerning potential city actions that may impact Nevada Pacific Parkway's completion and be a public supporter and partner of Nevada Pacific Parkway's completion; provided, however, all of the foregoing subsections (a) through (e) shall be at the reasonable discretion of the City of Fernley.

Given that the City of Fernley does not have the sources of capital to fund the endeavors contemplated by the immediately preceding two (2) paragraphs (collectively, the "Support"), upon award and acceptance of any of the Federal Grants, Mark IV Capital (i) shall establish a trust account to be administered by a third party trustee upon which the City of Fernley may withdraw commercially reasonable costs and expenses incurred by the City of Fernley solely in connection with the Support; and (ii) reimburse the City of Fernley for any commercially reasonable costs incurred by the City of Fernley in connection with the Support.

It is understood by Mark IV Capital and the City of Fernley that Mark IV Capital (and not the City of Fernley) shall execute and take full responsibility for any letter of financial commitment or similar document in connection with the Federal Grant applications, thereby preventing the City of Fernley from undertaking any potential financial liability with respect to any Federal Grants.

It is understood by Mark IV Capital and the City of Fernley that upon award and acceptance of any of the Federal Grants, Mark IV Capital shall hire and pay for an independent contractor who has specific industry knowledge of administration and project management in connection with federal grants (the "Independent Contractor"). The Independent Contractor's scope of work shall expressly stipulate the directive that the Independent Contractor's top priority shall be to provide the City of Fernley with any assistance and support that the City of Fernley requires in its ongoing Support for Mark IV Capital. It is understood by Mark IV Capital and the City of Fernley that the parties' intent is for Mark IV Capital to undertake any and all responsibilities, obligations, financial liabilities, work and expenses with respect to the application and administration of any Federal Grants to the

extent permissible. It is understood by Mark IV Capital and the City of Fernley that the parties' intent is for the City of Fernley's obligations be limited to signing on to any Federal Grant applications as Mark IV's municipal partner, cooperating with Mark IV Capital in connection with these applications and administration at the reasonable discretion of the City of Fernley, and completing any work related thereto that can only be undertaken and completed by the City of Fernley.

MARK IV CAPITAL:

M4 NEW FERNLEY, LLC,
a Nevada limited liability company

By: Mark IV Capital Properties, Inc.,
a California corporation,
its Manager

By: _____
Name: _____
Its: _____

M4 NEW FERNLEY QOZB, LLC,
a Nevada limited liability company

By: Mark IV Capital Properties, Inc.,
a California corporation,
its Manager

By: _____
Name: _____
Its: _____

CITY OF FERNLEY:

CITY OF FERNLEY

By: _____
Name: _____
Its: _____