

Submitted by staff
at 4/1/13
Board Meeting
Item 2X

Fulbright & Jaworski LLP – Draft 3/29/13

SALE AND TRANSFER AGREEMENT

THIS SALE AND TRANSFER AGREEMENT, dated as of April 1, 2013 (this “Agreement”), is made by and between the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (the “District”), a special district duly organized and validly existing under the laws of the State of California, including the Monterey Peninsula Water Management District Act, Statutes of 1977, Chapter 527 (the “Act”) and the [CORPORATION], a _____ corporation duly organized and validly existing under and by virtue of the laws of the State of California (the “Corporation”).

RECITALS:

WHEREAS, the District and the Corporation desire to (i) retire a Bank of America, N.A. line of credit, (ii) fund reserves for the District, (iii) finance and refinance certain capital improvements for the District, (iv) fund a debt service reserve, and (v) pay certain costs of execution and delivery of the Installment Purchase Agreement and related documents (collectively, the “Project”), to be repaid by installment purchase payments to be made by the District, as purchaser of the property described in Exhibit A (the “Property”), to the Corporation, as seller, pursuant to the Installment Purchase Agreement, dated as of April 1, 2013 (the “Installment Purchase Agreement”).

NOW, THEREFORE, in consideration of receipt of the amount of \$_____ by the District as the purchase price of the Property, and of the foregoing and the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. The District hereby sells, conveys and transfers to the Corporation all of its right, title and interest in and to the Property, but only to the extent the Property may be legally transferred by the District, and the Corporation hereby purchases, acquires and accepts from the District all of the District’s right, title and interest in and to the Property, subject to the obligation of the Corporation to resell the Property to the District pursuant to the Installment Purchase Agreement.

Section 2. The District hereby agrees to cooperate and provide further assurances to the Corporation to accomplish the purposes of this Agreement. The District hereby agrees to indemnify and hold the Corporation harmless against any and all claims, losses, costs or damages as a result of the District’s conveyance of the Property to the Corporation as provided herein, or the acquisition of the Property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their officers as of the date first above written.

**MONTEREY PENINSULA WATER
MANAGEMENT DISTRICT**

By: _____

[CORPORATION]

By: _____

Name: _____

Title: _____

EXHIBIT A
DESCRIPTION OF PROPERTY