

Joint Base Andrews – Department of Defense Umbrella Mitigation Bank Instrument Prospectus

I. Introduction

GreenTrust Alliance(GTA) as Bank Sponsor on behalf of the U.S. Air Force at Joint Base Andrews (JBA) and the Department of Defense (DoD), proposes to prepare and submit an Umbrella Mitigation Banking Instrument (UMBI) in accordance with 33 CFR 332, Compensatory Mitigation for Losses of Aquatic Resources (“Mitigation Rule”). The purpose of this prospectus is to outline the development of an UMBI, which will govern the establishment, use, operation, maintenance and closure of the umbrella bank by establishing guidelines and responsibilities for use by JBA and where appropriate other DoD facilities within the approved service area of the UMBI.

The Bank Sponsor proposes to use a combination of restoration, creation, enhancement and preservation of a wide variety of aquatic resources and uplands for the purpose of generating compensatory mitigation credits under the proposed UMBI. The Bank Sponsor proposes to manage the development, release, and use of mitigation credits under the proposed UMBI with approval by the Interagency Review Team (IRT). Mitigation credits generated and approved by the IRT, on a site-specific basis, may be used for future JBA (or other DoD) projects requiring compensatory mitigation within the mitigation site-specific service area. Mitigation site-specific details including service area, mitigation type, release schedule, etc. for each site under the proposed UMBI will be provided in Site-Specific Mitigation Plans included as addenda to the Final UMBI. The Mattawoman Creek Mitigation Site (MCMS) is the first mitigation site identified for inclusion in the proposed UMBI and the MCMS Mitigation Plan is proposed as the first addendum to the proposed UMBI (Addendum 1). Additional addenda for newly proposed mitigation bank sites will be prepared, as new proposed mitigation bank sites are identified, for review and approval by the IRT.

The UMBI will set the framework by which future individual mitigation sites will be added as addenda to the UMBI as they are identified. The roles and responsibilities of the IRT will be outlined, including responsibilities related to review of future site specific mitigation plans within the UMBI. The intent of the UMBI will be to establish a framework and eliminate future redundancy in administration and focus review and resources on technical issues related to the development, implementation, and success of future site-specific mitigation plans as individual bank sites are identified.

II. Goals/Objectives of the UMBI

The goal of the UMBI is to establish the framework for restoring, enhancing, creating and/or preserving tidal and non-tidal wetlands, riparian systems, streams, and contiguous buffer corridors, as well as uplands and/or other aquatic resources as may be approved by the IRT, and their functions and values to compensate for unavoidable and permitted wetland and stream impacts, or other purposes as may be approved by the IRT, for proposed JBA and other DoD facility capital improvement projects. The Bank Sponsor’s goals in establishing the UMBI include:

- Streamline Section 404/401 and Section 10 permit evaluation processes by providing a means of compensating in advance for unavoidable wetland, stream, etc., impacts resulting from JBA and other DoD facility capital improvement projects.
- Provide high function and value, advanced compensatory mitigation based on a watershed approach.
- Restore and preserve resources based on environmental priorities and relative probability of successfully achieving self-maintaining ecological uplift.

- Support mitigation priorities established in the US Army Corps of Engineers (Corps) /Environmental Protection Agency (EPA) Mitigation Rule (33 CFR Part 332 and 40 CFR Part 230), the Maryland Department of Environment and the Maryland Department of Natural Resources.
- Achieve efficiencies for JBA, the DoD and the entire IRT review process by eliminating repetitive practices and redundant review processes thereby reducing costs and addressing permitting priorities in a more expedient time frame.

Compensatory mitigation for capital improvement projects at JBA and other DoD facilities has previously been provided under a typical permittee-responsible mitigation (PRM) framework causing delays in securing regulatory approvals or lags in implementing required mitigation preventing achievement of military mission objectives. Future planned capital improvement projects will continue to require compensatory wetland and stream mitigation. A dearth of suitable mitigation sites of scale exist, particularly within the Middle Potomac and Patuxent Watersheds, and those that are identified are difficult to secure. Establishment of mitigation banks under an UMBI will provide a means of developing advanced mitigation for those unavoidable impacts thus enabling JBA and potentially other DoD bases to more expediently and effectively meet their respective military mission objectives, some of which impact national security. Potential, future mitigation bank needs will be identified based on projects that are listed in applicable capital improvement plans and programs to target and prioritize watersheds where impacts are most anticipated.

III. Establishment and Operation of the Umbrella Mitigation Bank Instrument

The UMBI will be developed by the Bank Sponsor in coordination with the Corps, MDE and the IRT, and will contain detailed information governing the establishment, use, operation, and maintenance of the umbrella mitigation bank. The umbrella mitigation bank will include all mitigation sites that fall (or will fall) under the UMBI, including the MCMS and future, proposed bank sites. The UMBI and the development and operation of individual bank sites documented in future UMBI addenda will be in accordance with the Mitigation Rule requirements.

The Bank Sponsor will develop wetland and stream mitigation projects throughout the State of Maryland, on behalf of JBA and other DoD facilities, to comply with Section 404/401 and Section 10 permit requirements and related state laws and regulations. Mitigation sites/projects that will be included as part of the UMBI will be referred to as “bank sites.” Bank sites may be comprised of one or more land parcels, and may include one or more mitigation types (wetland or stream and either restoration, creation, enhancement or preservation, for example) and a variety of mitigation functions/values. Each bank site will be subject to the terms of the UMBI as well as site-specific final mitigation plans.

Once mitigation credits are available through ratification of the UMBI, approval of the MCMS and/or future mitigation sites in accordance with this UMBI and the Mitigation Rule, compensatory mitigation can be accomplished through the withdrawal of credits. Credit withdrawals require final approval from the Corps and MDE, in consultation with the IRT.

A. Establishment of the Umbrella Bank and Bank Sites

- 1. Establishment of the Umbrella Bank:** The Bank Sponsor will obtain all appropriate environmental documentation, permits, or other authorizations needed to establish and maintain the umbrella bank. The UMBI will not fulfill or substitute for such authorization, but would rather fulfill authorization for establishment, use, operation, and maintenance of an umbrella bank to be administered by the Bank Sponsor.

2. **Establishment of Future Individual Bank Sites and UMBI Addenda:** The Bank Sponsor will obtain all appropriate environmental documentation, permits, or other authorizations needed to establish and maintain future individual bank sites. The UMBI would not fulfill or substitute for such authorizations. The UMBI and site-specific addenda or mitigation plans would fulfill authorization for the establishment, use, operation and maintenance of bank sites to be administered via the UMBI.
3. **Perpetual Protection/Real Estate Provisions:** Property subject to the UMBI and authorized by the Corps and MDE as a mitigation bank site will be perpetually protected and preserved through management agreements, plat and restrictive covenants with third party enforcement or conservation easements and or Declaration of Restrictive Covenants on a project by project basis, unless otherwise approved by the Corps and MDE. These provisions will conform to the Mitigation Rule with the language modified on a case-by-case basis to allow for existing elements such as road easements, road/bridge crossings, hike/bike trails and other activities that are pertinent to each site proposed for bank use.
4. **Financial Assurances:** As a source of mitigation for a military facility, such as JBA, which is supported with Federal funding, financial assurances for the development, establishment, monitoring, and maintenance of the primary bank site by the IRT may not be required. Financial assurances can thereafter be addressed during the review of each addendum covering any new site and project proposed under this UMBI. If required, financial assurances will then be addressed during bank site-specific review, permitting and approvals.

B. Operation of Umbrella Bank and Bank Sites

1. **Umbrella Bank Geographic Service Area:** The Geographical Service Area (GSA) is the designated area wherein a bank can reasonably be expected to provide appropriate compensation for impacts to streams and wetlands. The GSA for this UMBI will be statewide, in Maryland. The Bank Sponsor will establish separate geo-political GSA's for each individual bank site as they are identified. Bank sites will be identified as needed to compensate for future JBA and other DoD facilities capital improvement projects planned within the various Hydrologic Unit Codes (HUC), or as otherwise defined by the IRT. Each bank site will have a primary service area, and may also have a larger secondary service area as proposed and approved by the IRT. Primary and secondary service areas will be based on USGS 8-Digit HUCs, but may also consider physiographic regions, EPA ecoregions or other relevant considerations in defining primary and secondary service areas (*Figure 1, Figure 2 & Figure 3 Respectively*). For individual bank sites, the GSA will be presented to the Corps, MDE, in coordination with the IRT, for final approval. Use of a bank site to compensate for impacts beyond the geographic service area may be considered by the Corps and MDE, in coordination with the IRT, on a case-by-case basis.
2. **Preliminary Draft Prospectus:** A Preliminary Draft Prospectus will be developed by the Bank Sponsor and submitted to the IRT for each bank site. The purpose of the Preliminary Draft Prospectus is to provide basic site information and solicit preliminary approval from the IRT for each new bank site, pending acceptance of the Site Specific Mitigation Plan/UMBI Addendum (described in B.3). The Preliminary Draft Prospectus will contain information such as:
 - Location of the site including maps, physiographic province, river basin, watershed, hydrologic unit, ecoregion.
 - Site condition including present/recent land use and adjacent area land use.
 - Ownership of the bank site and status of land exchange/control by the Bank Sponsor; encumbrances, utility easements, etc. on the land.

- Preliminary Site Plan and functional goals.
 - Available Monitoring Reports (for previously approved consolidated mitigation sites).
3. **Site Specific Mitigation Plans/UMBI Addenda:** Site Specific Mitigation Plans/UMBI Technical Addenda will be developed by the Bank Sponsor and submitted to the Corps and MDE, for the Corps' distribution to the IRT, for each proposed bank site. The UMBI Addenda will include the following detailed information on each bank site as per CFR 332.4(c)(2)-(14):
- a) **Objectives:** A description of the resource type(s) and amount(s) that will be provided, the site-specific service area, the method of compensation (i.e., restoration, establishment, enhancement, and/or preservation), and the way in which the resource functions of the compensatory mitigation project will address the needs of the watershed, ecoregion, physiographic province, or other geographic area of interest.
 - b) **Site selection factors considered:** A description of the factors considered during the site selection process, including consideration of watershed needs, on-site alternatives where applicable, and the practicality of accomplishing ecologically self-sustaining aquatic resource restoration, establishment, enhancement, and/or preservation at the compensatory mitigation project site.
 - c) **Site protection instrument** (conservation easement, declaration of restrictive covenants, title transfer, etc.): A description of the legal arrangements and instrument, including site ownership that will be used to ensure the long-term protection of the compensatory mitigation project site.
 - d) **Baseline information:** A description of ecological characteristics of the proposed mitigation bank site, including descriptions of historic and existing plant communities, and mitigation site(s) or the geographic coordinates for those site(s), and other site characteristics appropriate to the type of resource proposed as compensation. The baseline information will also include a delineation of Waters of the United States on the proposed bank site.
 - e) **Determination of credits:** Description of the number of credits to be provided, including a brief explanation of the rationale for this determination.
 - f) **Mitigation work plan:** A detailed written specification and work descriptions for the mitigation bank site, including, but not limited to, the geographic boundaries of the project; construction methods, timing, and sequence; source(s) of water, including connections to existing waters and uplands; methods for establishing the desired plant community; plans to control invasive plant species; the proposed grading plan, including elevations and slopes of the substrate; soil management; and erosion control measures. For stream compensatory mitigation projects, the mitigation work plan may also include other relevant information, such as planform geometry, channel form (e.g., typical channel cross-sections), watershed size, design discharge, and riparian area plantings.
 - g) **Maintenance plan:** A description and schedule of maintenance requirements to ensure the continued viability of the resource once initial construction is completed.

- h) **Performance Standards:** Ecologically-based, measurable and repeatable standards used to determine whether the project is achieving its objectives as established or approved by the IRT.
- i) **Monitoring & Reporting requirements:** A description of the parameters to be monitored in order to determine if the compensatory mitigation project is on track to meet performance standards and if adaptive management is needed. A schedule for monitoring and reporting on monitoring results must be included.
- j) **Long-term management plan:** A description of mitigation site management after meeting all performance standards to ensure long-term sustainability of the site, including long-term financing mechanisms if appropriate and the party responsible for long-term management.
- k) **Adaptive management plan:** A management strategy to address unforeseen changes in site conditions or other components of the mitigation project, including the party or parties responsible for implementing adaptive management measures. The plan will guide decisions for revising compensatory mitigation plans and implementing measures to address both foreseeable and unforeseeable circumstances that adversely affect compensatory mitigation success.
- l) **Financial assurances:** A description of financial assurances, if any, that will be provided and how they are sufficient to ensure a high level of confidence that the mitigation project will be completed in accordance with its performance standards.
- m) **Credit release schedule:** The credit release schedule should reserve a share of total credits for release only after full achievement of ecological performance standards. All credit releases must be approved by the Corps and MDE, in consultation with the IRT, based on a determination that required milestones have been achieved.
- n) **Bank Closure:** Bank closure provisions will be clearly spelled out in the UMBI.

4. Mitigation Ratios and Establishment and Use of Credits: The UMBI will outline mitigation ratio agreements between the Bank Sponsor and the IRT. The UMBI will outline compensation ratios based on anticipated ecological uplift for specific wetland classifications and stream uses. This will be based on coordination and approval by the Corps and MDE, in consultation with the IRT.

The UMBI will also outline the Bank Sponsor's responsibility for accounting of credits and debits in the UMBI. A ledger will be developed for each mitigation site and will be coordinated through the IRT. Accounting procedures for the site will be in accordance with the Federal Mitigation Rule. Each credit for mitigation will be comprised of an appropriate accounting metric determined in consultation with the IRT consistent with the terms of the UMBI and/or site specific addenda.

Use of credits from the umbrella bank to offset wetland and stream impacts authorized by Corps and MDE wetland/waterway permits must be in compliance with the Federal and State regulations, including:

- Sections 401 and 404 of the Clean Water Act (33 U.S.C 1344)
- Sections 9 and 10 of the Rivers and Harbors Act of 1899 (33 U.S.C 401 and 403)
- MD Nontidal Wetlands Protection Act, Environmental Article, Section 5-901, et Seq.

- MD Waterway Construction Law, Environmental Article, Sec. 5-503
 - MD Tidal Wetlands Law, Environmental Article, Section 16-101
 - National Environmental Policy Act (NEPA) and all other applicable Federal and State legislation, rules and regulations.
- a) **Credit Determination:** Credits for all proposed wetland mitigation bank sites will be determined based on mitigation type employed (creation of wetlands from uplands, restoration of wetlands, enhancement, preservation, etc.), and enumerated by acres (or fractions thereof) by mitigation type of wetlands created (open water, emergent, scrub-shrub, forested, etc.). The measure of aquatic functions will be based on resources restored, established/created, enhanced or preserved. The Bank Sponsor proposes 1:1 ratios for both wetland restoration (re-establishment) and wetland creation (establishment), with anticipated higher ratios for enhancement (re-habilitation) and preservation both to be determined on a case by case basis. Additionally, the Bank Sponsor may also propose wetland mitigation credits for terrestrial resources that provide important support functions to the aquatic mitigation habitat elements and/or the watershed as a whole (e.g., buffers, preservation or enhancement). The number of stream mitigation credits created by development of mitigation banks will be determined by anticipated functional uplift, by linear feet of each activity and/or on the basis of an IRT-approved method of calculating functional uplift, and corresponding credit ratios for those activities, such as the Function-Based Framework for Stream Assessment and Restoration Projects (Harman & Starr, 2012)
- b) **Credit Release Schedule:** The Bank Sponsor will recommend withdrawal of credits for permitted impacts within the defined GSA of a specific bank site based on agreed-upon bank site-specific credit release schedules. Final approval from the permitting agencies, Corps and MDE, will be required regarding use and withdrawal of mitigation credit from the UMBI.

For bank sites under the UMBI, the Bank Sponsor proposes the following credit release schedule as a guideline schedule for all mitigation bank sites established under the UMBI, unless otherwise approved as part of a Final Mitigation Plan:

Wetland Mitigation Bank Site Milestones	Credits Released	Credits Released (Cumulative)
Final Mitigation Plan approval by Corps and MDE	15%	15%
Successful Post-Construction submittal (implementation of physical & biological improvements per approved plans)	25%	40%
First annual monitoring report	20%	60%
Second annual monitoring report	10%	70%
Third annual monitoring report	10%	80%*
Fourth annual monitoring report	10%	90%*
Fifth annual monitoring report, or two consecutive years of successful results	5%	95%*
Seventh annual monitoring report or two consecutive years of successful results	5%	100%

**Note: All remaining credits (100% cumulative) are proposed for release upon meeting all performance standards for two consecutive monitoring years.*

The following credit release schedule is proposed for stream sites where restoration or enhancement has been performed:

Stream Mitigation Bank Site Milestones	Credits Released	Credits Released (Cumulative)
Final Mitigation Plan approval by Corps and MDE	15%	15%
Successful Post-Construction submittal (implementation of physical & biological improvements per approved plans)	25%	40%
After year 1 and success criteria met	20%	60%
After year 2 and success criteria met	10%	70%
After year 3 and success criteria met	15%	85%*
After year 4 and success criteria met	10%	95%*
After year 5 and success criteria met	5%	100%*

**Note: All remaining credits (100% cumulative) are proposed for release upon meeting all performance standards for two consecutive successful monitoring years.*

- 5. Annual Report:** The Bank Sponsor will prepare an annual report on each anniversary of the date of execution of the Umbrella Mitigation Bank Instrument, and will describe the condition of the Umbrella Mitigation Bank as a whole. The UMBI will outline annual reporting requirements related to documentation of all credits used and balance of credits remaining until all credits have been utilized or the UMBI agreement is terminated. The report will summarize the credits withdrawn by bank site(s), the corresponding withdrawn percentage, and the remaining credits by type. The actual credit withdrawal summary will reference consistency or inconsistency with the established credit release schedule in relation to the success criteria. If inconsistencies are identified during the annual reporting period, the Bank Sponsor will coordinate with the Corps, MDE and the IRT to remedy the situation. Annual reports on the umbrella bank will be submitted each year until termination of the UMBI.

IV. Maintenance/Monitoring of Bank Sites

The Bank Sponsor agrees to establish and maintain the mitigation sites and ownership until the banking activity is terminated or a third party organization adopts the long-term site management/maintenance responsibilities. The Bank Sponsor will propose future, ecologically sustainable mitigation bank sites, and will avoid establishing banks that require regular or intensive maintenance. The Bank Sponsor accepts full responsibility for any required maintenance activities that may be necessary related to achievement of performance standards, such as addressing invasive species control or tree/vegetation replacement. Any required maintenance activities proposed by the Bank Sponsor will be coordinated through Corps and MDE, in consultation with the IRT, prior to execution.

The Bank Sponsor understands that banking activity can only be terminated through coordination and approval by the Corps and MDE, in consultation with the IRT. As part of the Bank Sponsor's required maintenance, the Bank Sponsor will monitor all bank sites over a 7 year period, and recommend maintenance activities related to performance standards, or other possible maintenance activities such as repairing broken fences, cleaning up trash or vandalized areas, among others. The Bank Sponsor will continue to submit regular Mitigation Monitoring Reports to the Corps, MDE and the IRT describing site conditions in relation to the performance standards outlined in the UMBI and/or Site Specific Final Mitigation Plans. Additionally, the Bank Sponsor will be responsible for developing an adaptive management plan, in coordination with the IRT, if the site fails to achieve the goals and objectives laid out in the Final Mitigation Plan.

The UMBI will define site “close-out” procedures, sponsor/Corps/MDE/IRT responsibilities related to close-out, and will define a timeline for acceptable termination of maintenance activities.

- A. Monitoring:** The UMBI will outline the Bank Sponsor’s requirements for performing all necessary work to monitor the bank sites and to demonstrate compliance with the established success criteria. JBA or DoD have no obligation related to the completion of bank site-specific monitoring requirements. Success criteria will be based on Corps and MDE guidance, IRT input and those outlined in the Site Specific Mitigation Plans. Monitoring goals and schedules will be developed and submitted for each bank site as documented in site specific final mitigation plans. Monitoring procedures, duration and reporting criteria, and scope will also be outlined in the UMBI.

It is anticipated that any restoration, enhancement, or creation sites incorporated into the umbrella mitigation bank will be monitored per the *2016 Mitigation Monitoring Protocols for Non-Tidal Wetland Mitigation Sites* or other suitable monitoring protocols for 7 years following construction completion or until performance standards have been met whichever is longer, with a final assessment in the last year of monitoring. At that time, the Bank Sponsor will either recommend remedial measures, continue monitoring, or will deem the site successful and recommend site closure and commencement of long-term management. Monitoring reports will be prepared by the Bank Sponsor (for the required monitoring years) summarizing findings and will be made available to the IRT electronically or by hard copy as requested.

- B. Long-term Management:** The UMBI will outline the Bank Sponsor’s commitment to implementing long-term management measures towards maintaining the ecological integrity of their mitigation bank sites, and managing and maintaining these sites in perpetuity as functioning wetlands or other aquatic systems after meeting all performance standards. On completion of all phases of mitigation construction, the Bank Sponsor will either continue to ensure long-term sustainability or may transfer the conservation easement to a third party approved by the IRT (e.g., nonprofit entity, state conservation agency or a land trust), who would be responsible for the long-term conservation goals and managing the lands in perpetuity. In either case, JBA or DoD have no obligations related to the long-term management of a bank site.

The Bank Sponsor anticipates typical long term management provisions for bank sites may include invasive species control, upkeep of physical barriers such as fences and gates, collection/removal of excessive trash, repair of vandalized structures and rectification of trespass impacts, for example. Fence and gate maintenance and repair frequency will be dependent on trespass and access control issues, as well as whether grazing is utilized as a vegetation management technique and to what extent. Grazing may also be discouraged by use of fencing based on its incompatibility with the goal of achieving mitigation objectives. Case-by-case long-term management opportunities will be determined through coordination with the Corps and MDE, in consultation with the IRT.

The Bank Sponsor’s approach to the long-term management of the bank site(s) will be to conduct periodic site examinations after the seven-year monitoring period and achievement of performance standards to determine stability and ongoing trends of the created, restored, enhanced or preserved resources. The Bank Sponsor, or as may be assigned to the Long Term Steward, will observe/assess the bank’s condition, degree of erosion, invasion of exotic species, fire hazard, and/or other aspects that may warrant management actions. The objective of the long-term management plan will be to conduct periodic site investigations to identify any issues that arise, and implement adaptive

management strategies to determine what actions will be most appropriate for individual bank sites, if required.

- C. Assurance of Success:** The UMBI will outline the Bank Sponsor's responsibility for assuring the success of the restoration, creation, enhancement and preservation activities at the bank sites, and for the overall operation, maintenance and management of the umbrella bank. If a bank site is assigned to a third party, that third party will be required to assure the success of the bank site per the UMBI agreement with the mechanism of assurance to be determined by the Corps and MDE, in consultation with the IRT.
- D. Accounting Procedures:** The UMBI will outline all mitigation tracking requirements /responsibilities of the Bank Sponsor. The monitoring section of the UMBI will outline requirements related to tracking debits related to permitted projects and any mitigation accrued when success criteria are met as specified in the UMBI. The cumulative total area of impacts to wetlands permitted to use credits from the mitigation bank shall not exceed the total area of wetlands created by the mitigation bank. If the mitigation bank is constructed in phases, the accounting credits shall duly reflect this phasing of work. A ledger for tracking debits, available credits, and permitted projects will be submitted to the Corps, MDE and the IRT. The Bank Sponsor will submit the ledger annually.
- E. Default, Contingency/Adaptive Management/Remedial Action Plan:** The Bank Sponsor will develop necessary contingency/adaptive management plans and implement appropriate remedial actions in coordination with the Corps and MDE if the site is not on a trajectory to meet performance criteria or permit requirements. A general contingency/remedial action plan will be developed for the UMBI, and if necessary, for individual bank sites addressing site specific existing or proposed conditions. The adaptive management plan will establish the framework by which the Bank Sponsor will proceed to correct deficiencies identified on a given bank site. Before considering any adaptive management changes, the Bank Sponsor, in coordination with the IRT, will consider whether such actions will help ensure the continued viability of bank's biological resources. In that remedial actions, cannot be fully determined at this time or at the time of the preparation of the site-specific mitigation plan, the Bank Sponsor retains the right to adaptively manage required amendments to the remedial action plans, as appropriate, upon identification of remedial needs in the future, and with approval from the IRT.

If the Bank Sponsor or the IRT determines that the bank site is operating at a deficit, or has failed to meet the success criteria, the Corps and MDE, in consultation with the IRT and the Bank Sponsor, will determine what remedial actions are necessary to correct the situation. In the event the Bank Sponsor fails to implement necessary remedial actions within one growing season (by November 1 of the following year) after notification by the Corps and/or MDE of necessary remedial action to address any failure in meeting the success criteria, the IRT will notify the Bank Sponsor and the appropriate authorizing agencies and direct appropriate remedial actions. As determined by the Corps and/or MDE, in coordination with the IRT and the Bank Sponsor, if conditions at the bank site do not improve or continue to deteriorate within one growing season from the date that the need for remedial action was first identified in writing to the Bank Sponsor by the Corps or MDE, the IRT may suspend credit transactions until the deficiencies are corrected.

Following implementation of remedial measures and at the written request of the Bank Sponsor, the IRT will perform a compliance visit to determine whether identified remedial actions have been implemented successfully and, if necessary, lift the suspension on credit transactions.

V. Responsibility of the IRT

The IRT will be co-chaired by a representative of the U.S. Army Corps of Engineers, Baltimore District and the Maryland Department of the Environment. The IRT shall facilitate establishment of the UMBI and facilitate reaching consensus on future individual bank sites. It is anticipated that members of this Umbrella Bank's IRT team will include participants from:

- Army Corps of Engineers, Baltimore District
- US Environmental Protection Agency
- US Fish and Wildlife Service
- Maryland Department of the Environment
- Critical Area Commission
- National Marine Fisheries Service
- Maryland Department of Natural Resources

In coordination with the Corps and MDE, the IRT will be responsible for providing appropriate oversight in carrying out the provisions of the UMBI. The IRT agency representatives agree to use their best efforts to review and provide comments on the UMBI, and subsequent site specific mitigation prospectuses, draft and final mitigation plans/UMBI addendum, monitoring reports, success criteria, credit review reports, accounting ledgers and remedial action plans for individual bank sites. The Corps and MDE retain final authority for approval of the UMBI and site specific mitigation bank instruments. The IRT will also be responsible for adhering to time frames defined in the Mitigation Rule.

The UMBI will outline and define the Corps and MDE roles, as co-chairs of the IRT, regarding their responsibility for initiating IRT conflict resolution regarding UMBI development or use of a mitigation bank for purposes of Section 404, Section 10 and other related state permit compliance when consensus cannot be reached. The UMBI will also establish timeframes for IRT comment periods and Corps and MDE final decisions.

VI. Sponsor Qualifications

GreenTrust Alliance, and its team of consultants, engineers and contractors possess decades of experience sponsoring, designing, developing, administering and operating, monitoring and maintaining dozens of mitigation banks, permittee responsible mitigation and voluntary restoration projects. GTA's proposed bank operator, GreenVest, has obtained MBI approval for five wetland mitigation banks, including four under the 2008 Regulations. Additionally, GTA, and its team, have developed numerous permittee responsible mitigation sites and voluntary restoration projects throughout Maryland and have an established working relationship with the IRT from past projects. GTA understands the importance of delivering successful, ecologically productive and self-maintaining cost-effective mitigation programs and is accountable for the functional replacement of unavoidable wetland impacts served by this mitigation bank. GTA, and its team, are dedicated to providing the most up-to-date methodologies and cutting edge technology in setting the standards for wetland and stream compensation.

Miscellaneous

The UMBI will address other administrative or technical elements related to the umbrella mitigation bank establishment, use, operation and maintenance through coordination with the IRT. Other potential elements that will be addressed in the UMBI that are not part of this prospectus may include, but is not limited to:

- Effective Date of UMBI and amendment/modification process/approval requirements

- Dispute resolution process
- Authorities
- Process for IRT participation termination
- Delays/Defaults
- Force Majeure
- Catastrophic Events
- Eminent Domain
- Notice
- Counterparts
- Binding nature of agreement
- Third Party Beneficiaries
- Governing Laws
- UMBI Amendments
- IRT Contacts
- Responsibility for Compensatory Mitigation