

LICENSE AGREEMENT

This License Agreement (“Agreement”) is executed as of the 6th day of JULY, 2007, by and between THE BOARD OF COUNTY SUPERVISORS OF PRINCE WILLIAM COUNTY, a body corporate and politic (“Licensor”), and RAINBOW CENTER 4-H THERAPEUTIC EQUESTRIAN PROGRAM, INCORPORATED, a Virginia non-stock corporation (“Licensee”).

RECITALS

R-1: Licensor is the owner of that property known as Parcel A and Parcel B, Silver Lake, in Prince William County, Virginia (the “Property”), as said Property is shown on Exhibit A attached hereto and incorporated herein by reference.

R-2: The Property was conveyed to Licensor pursuant to the proffered development conditions accepted by Licensor in conjunction with Prince William County Rezoning Case #REZ 2005-00197 (the “Proffers”).

R-3: Paragraph 99.b. of the Proffers provides that a portion of the Property is to be used for a therapeutic riding program and/or associated equestrian and other appropriate related or supporting uses to be operated by Licensee.

R-4: The Licensor believes it to be in the public interest that a therapeutic riding program, operated within the parameters and guidelines established by Licensee, be undertaken on a 45-acre portion of the Property depicted on Exhibit B (hereinafter referred to as “License Area”), and that Licensee is a fit and appropriate entity to operate this program on behalf of the Licensor, and is the sole source to provide and operate the program desired by the Licensor;

R-5: Licensor and Licensee desire to enter into this Agreement to permit Licensee to operate a therapeutic riding program and/or associated equestrian and other appropriate related or supporting uses on the License Area, as set forth in Paragraph 99.b. of the Proffers, subject to the terms and conditions hereof.

NOW, THEREFORE, in consideration of mutual agreements and covenants hereinafter contained, the parties hereby agree as follows:

1. Grant of License. Licensor hereby grants to Licensee, and to Licensee’s employees, contractors and invitees, an exclusive right, privilege and permission to enter in and onto the License Area and to use the License Area for the purpose of operating on the License Area a therapeutic riding program and/or associated equestrian and other appropriate related or

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supporting uses (the “Permitted Use”). Examples of appropriate related or supporting uses which are included as part of the Permitted Use shall include, but not be limited to, office and administrative operations of Licensee, educational programs operated by or through Licensee, a caretaker’s residence and income-producing uses in support of the therapeutic riding program. The Parties agree that the Zoning Administrator will decide, on behalf of the County, whether a use not listed is an “appropriate related or supporting use,” with his determination subject to review by the Board of County Supervisors. By executing this License, Licensor confirms that the Permitted Use, which is being operated by the Licensee on behalf of the Licensor, is permitted on the Property as a “by-right” use under its existing zoning classification, without the need for a Special Use Permit.

2. Term of License. The term of this Agreement, and the license granted hereunder, shall commence immediately upon execution of this Agreement by both parties and shall continue for a period of thirty-five (35) years thereafter. During the term of this Agreement, this license will only be terminated by the Board (i) in the event Licensee ceases to use the License Area for the Permitted Use for a period of two (2) consecutive years, or (ii) upon written notice from Licensor following a material breach by Licensee of its obligations hereunder which is not cured in accordance with the provisions of Paragraph 8 below.

3. Improvements to Property. Licensee shall have the right to construct improvements upon the License Area, which improvements may include, but shall not be limited to, fencing, paddocks, barns, run-in sheds, an outdoor riding ring, equipment sheds, and an indoor facility containing an indoor riding ring, observation area, office suite for Licensee’s administrative offices, multipurpose room for educational activities, and a caretaker’s residence/apartment (collectively, the “Improvements”). Following construction thereof, Licensee shall have the right to maintain, alter, renovate, add to and/or remove such Improvements, in Licensee’s discretion. Licensee shall have the right to construct such Improvements in phases as determined by Licensee during the term of this Agreement. Licensee’s right to construct Improvements to the License Area shall be subject to the following conditions:

- a. All such Improvements shall be constructed at Licensee’s sole cost and expense. Licensee shall have the right to fund the construction and operation of the Improvements from its own funds, from the proceeds of financing and/or from grant monies received from third parties, including Licensor.
- b. All such Improvements shall be constructed in a good and workmanlike manner, in accordance with all applicable governmental laws, ordinances and regulations, pursuant to approved site plans and building plans

therefore (if applicable ordinances and regulations require the approval of such plans), and after Licensor obtains all required permits therefor. No improvement shall be permitted under this License which does not contribute to the Permitted Use, or which is to be put to any use other than the Permitted Use.

- c. During the term of this Agreement, all Improvements shall be the exclusive property of Licensee. Upon termination of the term of this Agreement, all Improvements then located on the License Area shall become the property of Licensor, and Licensee shall execute any instruments of assignment reasonably requested by Licensor to evidence such transfer of ownership of the Improvements.

4. No Monetary Consideration. Licensor and Licensee agree that no monetary consideration is to be paid to Licensor by Licensee for the rights conveyed to Licensee hereby.

5. Utilities.

- a. The License Area and the Improvements will be served by public sewer and water service. Licensor and Licensee acknowledge that public sewer and water service are to be extended to the boundary of the Property by the developer of the Dominion Valley Country Club subdivision, pursuant to the Proffers. Extensions of public sewer and water lines within the Property to serve the License Area and the Improvements shall be the responsibility of Licensee, at its sole cost and expense. The Licensor hereby grants to Licensee a right of entry across the portion of Parcel B not within the License Area for the purpose of installing public water and sewer service from the Property boundary to the License Area. As part of the installation of the utility lines, the Licensee shall restore Parcel B, to the extent permitted by utility easements required by Prince William County Service Authority, to its pre-installation condition. Licensee shall be responsible for the payment of all applicable tap fees relating to the provision of public water and sewer service to the Property. Licensor agrees that no Prince William County governmental approvals (other than a site plan, if required) are required to permit the extension of public water and sewer line to serve the Property, as the Permitted Use will be conducted on behalf of the Licensor to benefit the public. The extension of public water to the License Area shall not preclude Licensee from installing an on-site water well for agricultural purposes.

- b. Licensee shall extend to and within the License Area all other utilities needed for the operation of the Permitted Use, including electric, telephone, cable television and other utilities desired by Licensee, at Licensee's sole cost and expense.

6. Insurance. As a condition of occupying the License Area, and throughout Licensee's occupation of the License Area, Licensee shall assume all risks of occupation of the property and operation of the Permitted Use, and shall acquire and maintain adequate insurance against such risks. Licensee shall add Licensor as an additional named insured to all insurance policies Licensee obtains in order to comply with this provision. Licensee agrees to require its Insurers to provide thirty (30) days written notice to the Licensor of any material change to insurance contracts or provisions that apply to this property and/or this operation.

7. Access Road. Licensee acknowledges the existence of an existing gravel access road bisecting the Property (the "Access Road") which provides access from Antioch Road to the parcel of land owned by Licensor and located to the northeast of the Property (the "Adjacent Land"). Licensee shall have the right to use the Access Road for access to the Property, and Licensor shall have the right to use the Access Road, all subject to the following:

a. No connection of the Access Road to the Dominion Valley Country Club property shall be made, nor shall the Access Road be connected to the proposed middle school site to be located on the Adjacent Land, it being the intent of both Licensor and Licensee that the Access Road will not be a through road, but will instead provide access only to the Property.

b. Licensee shall be responsible for maintaining that portion of the Access Road used by Licensee, at its cost, to the standard desired by Licensee. Licensee shall have no obligation to maintain any portion of the Access Road not used for access by Licensee.

c. Upon commencement of use of the Access Road by Licensor (or any successor to or other licensee of Licensor), Licensor (or such successor or other licensee) shall be responsible, at its cost, for maintaining the Access Road to the standard desired by Licensor.

d. Licensee shall have the right to impose reasonable traffic calming measures, including but not limited to speed limits, upon that portion of the Access Road which borders the License Area.

e. In the event Licensor desires to use or permit the use of any portion of the Property which will be served by the Access Road for uses other than passive recreation and/or equestrian trails, Licensor shall so notify Licensee and Licensor and Licensee shall thereafter meet and discuss in good faith measures to be taken to eliminate or mitigate adverse impacts to Licensee's use of the License Area for the Permitted Use resulting from such other use of the Access Road.

8. Assignment. Unless otherwise consented to by Licensor in writing, Licensee shall have the right to assign its rights and obligations under this Agreement only to another entity qualified under Section 501(c)(3) of the Internal Revenue Code which is either (i) an affiliate of Licensee formed for the purpose of holding Licensee's assets, or (ii) engaged in providing therapeutic riding programs which are the same as or similar to those provided by Licensee.

9. Notice and Cure Period for Breaches. Neither party shall exercise any remedies for breach by the other hereunder unless and until the non-breaching party has given written notice of the existence of such breach to the breaching party and the breaching party has failed to cure such breach within sixty (60) days following the date of such notice; provided, however, that in the event any such breach cannot reasonably be cured within such 60-day period, then so long as the breaching party has commenced the cure of such breach within such 60-day period, the non-breaching party shall not exercise any remedies for such breach while the breaching party is diligently pursuing the cure of such breach.

10. Notices. Whenever written notice is required to be given hereunder, such notice shall be sent by hand delivery, national overnight courier or U.S. certified mail, return receipt requested, to the parties at the following addresses:

If to Licensor: Board of County Supervisors of Prince William County
One County Complex Court
Prince William, VA 22192
Attn: County Executive

With copy to: Prince William County Board of Supervisors
One County Complex Court
Prince William, VA 22192
Attn: County Attorney

If to Licensee: Rainbow Center 4-H Therapeutic Equestrian
Program, Incorporated
8033 Ashton Avenue
Suite 105
Manassas, VA 20109

With copy to: Walsh, Colucci, Lubeley, Emrich & Walsh, P.C.
4310 Prince William Parkway
Suite 300

Woodbridge, VA 22192
Attn: Michael D. Lubeley, Esq.

11. Condemnation. In the event of any condemnation or eminent domain action affecting the License Area (including condemnation of the fee interest or any lesser interest in the License Area, such as easements), all proceeds of such condemnation which are applicable to the value of the land taken shall be the property of Licensor, and all proceeds of such condemnation which are applicable to the value of any structures constructed on the License Area by Licensee, and any award relating to relocation expenses, shall be the property of Licensee. Each of Licensor and Licensee shall have the right and authority to negotiate with the condemning authority or entity with respect to the portions of the condemnation award to which each is entitled, as set forth above.

12. Binding Effect. This Agreement and all of the terms, conditions and obligations hereunder shall inure to the benefit or obligation, as the case may be, and shall be binding upon the parties and their respective personal representatives, heirs, successors and assigns.

13. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holdings shall not invalidate or render unenforceable any other provision hereof.

14. Applicable Law. This Agreement and all questions of construction of the provisions hereof and of the rights and liabilities of the parties hereunder shall be construed and determined in accordance with the applicable laws of the Commonwealth of Virginia.

15. Counterparts. This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

16. Amendments. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, shall replace and supersede all prior agreements between the parties, whether written or oral, and may be amended only by a written agreement signed by all of the parties.

17. Headings. The headings of the several paragraphs in this Agreement have been prepared for convenience or reference only and shall not control or affect the meaning or be taken as an interpretation of any provision of this Agreement.

SIGNATURES FOLLOW ON NEXT TWO PAGES

IN WITNESS WHEREOF, each party to this License Agreement has caused it to be executed as of the date first written above.

LICENSOR:

BOARD OF COUNTY SUPERVISORS OF
PRINCE WILLIAM COUNTY

May 15, 2007
DATE

By: [Signature]
Chairman

May 15, 2007
DATE

And By: [Signature]
Clerk to the Board

COMMONWEALTH OF VIRGINIA,
COUNTY OF PRINCE WILLIAM, to-wit:

I, ANNE K. DEMASI, a Notary Public of and for the jurisdiction aforesaid, do hereby certify that COREY A. STEWART and PHILLIP J. CAMPBELL, Chairman and Clerk, respectively, of the Prince William County Board of Supervisors, whose names are signed to the foregoing Agreement, have this date acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand and seal this 15th day of May, 2007.

My commission expires: 6/30/09.

Anne K. DeMasi
Notary Public

FORM APPROVED:

5/14/2007
DATE

[Signature]
Deputy County Attorney

LICENSEE:

RAINBOW CENTER 4-H THERAPEUTIC
EQUESTRIAN PROGRAM, INCORPORATED

07/06/07
DATE

By: [Signature]
Name: DON SEDO
Title: VICE-PRESIDENT

COMMONWEALTH OF VIRGINIA,
COUNTY OF ~~PRINCE WILLIAM~~, to-wit:
Fairfax

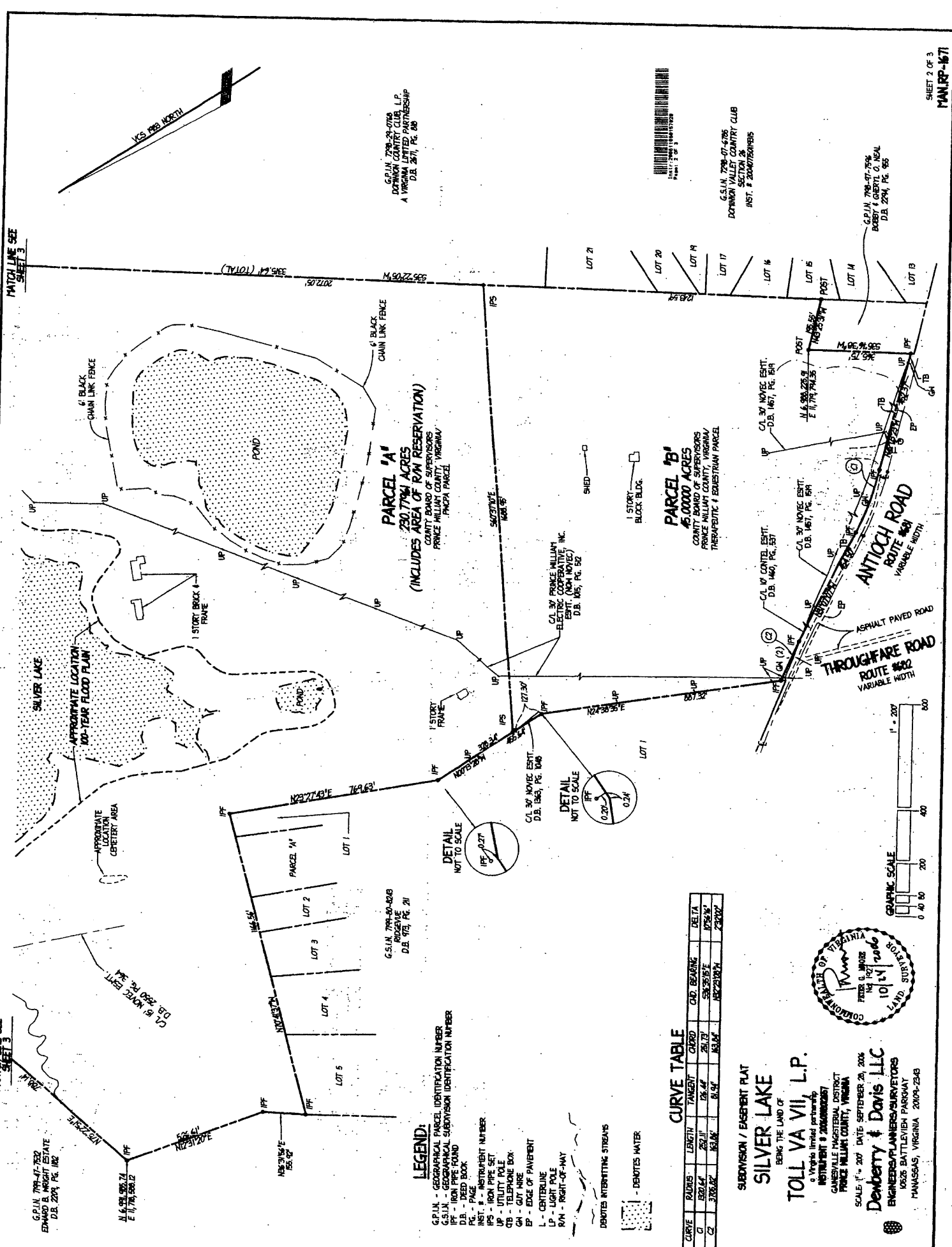
I, Claudia Duenas-Macias, a Notary Public of and for the jurisdiction aforesaid, do hereby certify that Don Sedo, of Rainbow Center 4-H Therapeutic Equestrian Program, Incorporated, whose name is signed to the foregoing Agreement, has this date acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand and seal this 6th day of July, 2007.

My commission expires: April 30, 2010.

[Signature]
Notary Public

Notary Registration # 7032867



MATCH LINE SEE SHEET 3

MATCH LINE SEE SHEET 3

G.P.L.N. 798-28-078A
DOWMAN COUNTRY CLUB, L.P.
A VIRGINIA LIMITED PARTNERSHIP
D.B. 2671, PG. 88

G.S.I.N. 798-07-5785
DOWMAN VALLEY COUNTRY CLUB
SECTION 28
INST. # 2004078585

G.P.L.N. 798-07-754
BOBBY & GERTIE O. NEAL
D.B. 2274, PG. 95

G.S.I.N. 798-40-808
ROZEMWE
D.B. 973, PG. 20

G.P.L.N. 798-17-730
EDWARD B. WRIGHT ESTATE
D.B. 2294, PG. 182

H.A. 998-995-21
E.H. 778-880-12

H.S. 915-915-1
F.S. 07

CA. 30' NOVEL ESTT.
D.B. 1863, PG. 1046

CA. 30' PRINCE WILLIAM
ELECTRIC COOPERATIVE, INC.
ESTT. (NON NOVEL)
D.B. 1045, PG. 502

CA. 30' NAVES ESTT.
D.B. 1467, PG. 164

CA. 30' NOVEL ESTT.
D.B. 1451, PG. 194

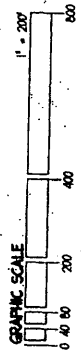
CA. 10' CONTEL ESTT.
D.B. 1460, PG. 337

J.A. 988-228-9
E.H. 778-794-35

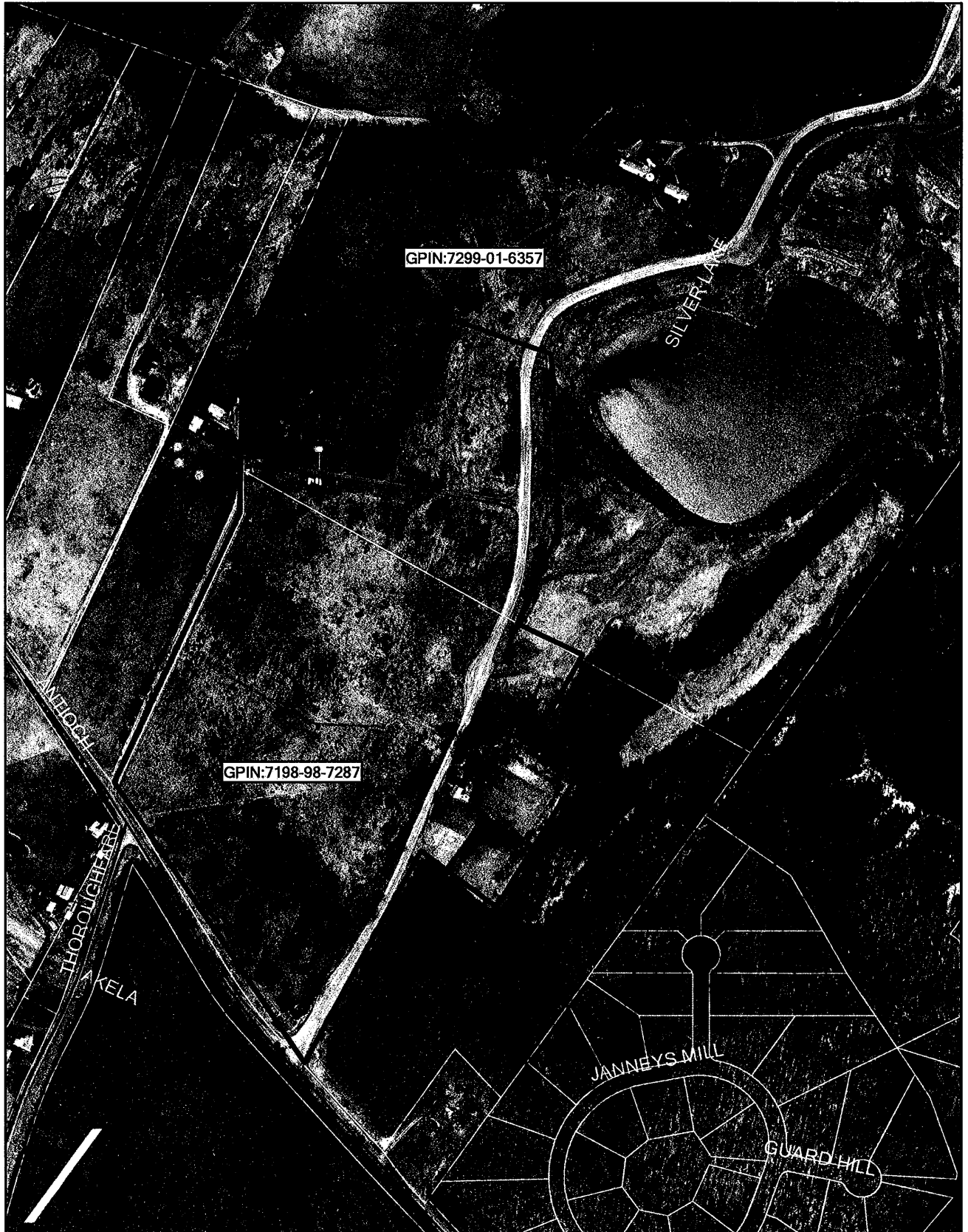
M.R.C. 98-985
D.B. 2274, PG. 95

DETAIL
NOT TO SCALE
IPF 0.27'

DETAIL
NOT TO SCALE
IPF 0.24'



Rainbow Therapeutic Riding Center at Silver Lake License Area (Combined)



0 250 500 1,000 Feet
Creation Date: 4/3/07

Created by Craig Daniels
Office of Information Technology
Geographic Information Systems Division
5 County Complex Court, Suite 140
Woodbridge, Virginia 22193
703-792-6840

