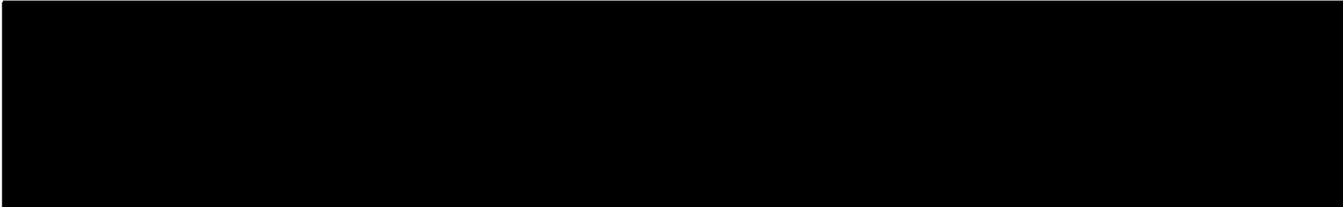


**Syndicated Conservation Easement (Non-Docketed)
Resolution Terms and Election**

Below are the terms of the 2024 Syndicated Conservation Easement (Non-Docketed) Resolution. The Internal Revenue Service (IRS) will not entertain counteroffers to these terms.



This resolution is being offered to the entity listed above and is not available to partners on an individual basis. The terms of the resolution are outlined below.

A. Election to Participate

1. The election to participate must be received by the IRS within **30 calendar days** of the date of the offer letter.
2. To elect into the resolution:
 - a. An Authorized Signer² must initial each page and sign the last page of this form in the spaces provided.
 - b. Partnership must provide its Form 1065 or, if applicable, the Form 1065 of the entity in which individual investors purchased their interest and from whom the individual investors received a Schedule K-1 (investment-tier partnership) reflecting the claimed charitable contribution deduction.
 - c. A Partnership with less than one year remaining on the statute of limitation must sign a consent to extend the statute for no less than one year. A statute extension is enclosed with this letter, if needed, and must be signed and returned within 30 calendar days of this letter to participate in the settlement resolution.

¹ A Notice of Proposed Rulemaking (NPRM) was issued on December 8, 2022, providing that certain syndicated conservation easement transactions are listed transactions.

² For cases governed by Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982, the Authorized Signer is the Tax Matters Partners (TMP). For cases governed by the Bipartisan Budget Act of 2015 (BBA), the Authorized Signer is the Partnership Representative (PR) (or the Designated Individual of the PR, if the PR is an entity). For Non-TEFRA and BBA elect-out cases, the Authorized Signer is all partners. All partners must sign the supplemental signature page of the form to signal all partners wish to participate. They do not have to initial each page.

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3. The items listed in A.2.a. through c. must be timely returned to the IRS by email³ to sce.settlement@irs.gov or faxed to (855) 579-6647. A courtesy copy must be sent to the contact person listed on the offer letter.
4. Please refer any questions regarding the settlement to the contact person listed on the offer letter. Questions or other communications sent to the mailbox will not be addressed.
5. Failure to satisfy any portion of paragraphs A.1 through 3 will be treated as an invalid election.
6. The Authorized Signer's signature will be treated as a non-binding consent to participate in this resolution. Formal agreement will be memorialized as described in paragraph B.17.

B. Resolution Terms

Deduction, Tax, and Penalties

1. Charitable Contribution Deduction: The Partnership is not entitled to a charitable contribution deduction claimed for a conservation easement, donation of a fee simple interest in real property, or other noncash charitable contributions.
2. Allowable Deduction (estimated out-of-pocket costs): The Partnership is entitled to a deduction for estimated out-of-pocket costs (i.e., the estimated amount the investors paid to either the Partnership or an investment-tier entity for an interest in the SCE transaction) allocable to the SCE transaction being settled. The IRS will calculate this amount. In general, the allowable deduction will be the amount reported on the Partnership's (or investment-tier partnership's) Schedule M-2, Capital Contributed (Cash).
3. Tax Rate: The IRS will calculate the tax due at the partnership level using a tax rate of 21%.
4. Penalties: An accuracy-related penalty for a gross valuation misstatement under section 6662(h) applies at a rate of 5%.
5. Amount Due: Once an election to participate is received, the IRS will provide the Authorized Signer with the necessary computational information, including the

³ Communication by unencrypted email is not secure. Therefore, taxpayers, TMPs, and PRs electing via email should transmit any potentially sensitive information, including personally identifiable information (PII), only via encrypted, password-protected attachments. See IRS User Guide at irs.gov/usingemail for more information on signing and sending documents electronically.

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disallowed charitable contribution deduction, the estimated out-of-pocket costs allowed and the tax, penalties, and interest that will be aggregated into the Settlement Payment (as defined in section B.9.).

Interest

6. Deficiency interest will be calculated as required by law.
7. IRS will compute interest ending 30 calendar days after the date IRS sends the Form 906, Closing Agreement on Final Determination Covering Specific Matters (Closing Agreement). If Partnership fails to sign the Closing Agreement and pay the Settlement Payment within 30 calendar days of the date the IRS sends the Closing Agreement, additional interest will accrue.
8. Interest suspension under section 6404(g) is not permitted.

Payment

9. The Partnership must make one payment (Settlement Payment) for all tax, penalties, and interest due as determined under this settlement agreement.
10. If a partner has made a section 6603 deposit, they can request a refund by following Revenue Procedure 2005-18.
11. A Partnership subject to the centralized partnership audit regime enacted by BBA must agree to be liable for an imputed underpayment equal to the Settlement Payment determined under paragraph B.9. For purposes of this resolution, the term Settlement Payment includes the imputed underpayment described in this paragraph. The Partnership cannot elect modification or push-out.

General

12. The Partnership and partners must fully cooperate with the IRS, including meeting stringent deadlines, or face removal from the resolution.
13. In the case of an entity governed by TEFRA, all partners must participate in the resolution.
14. The Partnership and partners agree to fully cooperate with the IRS during the resolution, which includes, but is not limited to, providing additional information if requested by the IRS.
15. If the Partnership or partners take steps inconsistent with facilitating the resolution, the IRS reserves the right to remove the Partnership from the resolution. The removal determination is final.
16. The Partnership and partners agree that they are responsible for their own costs and fees associated with participation in this resolution and section 7430 does not apply.
17. To finalize the settlement:

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- a. In the case of an entity governed by TEFRA, Non-TEFRA, and BBA Elect-Outs, the Partnership, and all direct partners, including spouses if married filing joint, will be required to execute a Closing Agreement, consistent with terms and conditions outlined herein. Among other terms, the Closing Agreement will provide that the amount paid will not be refundable or deductible for Federal income tax purposes under any circumstance.
 - b. In the case of an entity governed by BBA, the Partnership will be required to execute a Closing Agreement, consistent with terms and conditions outlined in this term sheet. The Closing Agreement must be signed by the PR for the taxable year at issue as well as an individual with authority under state law to bind the partnership. Among other terms, the Closing Agreement will also provide that the Settlement Payment will not be refundable or deductible for Federal income tax purposes under any circumstance.
18. Neither this resolution, nor any settlement executed therefrom, will have any effect, limitation or prohibition against the IRS asserting promoter, appraiser, or return preparer penalties or pursuing discipline under Circular 230.
19. The deduction allowed under paragraph B.2. cannot be inferred to represent a value of the property and/or the value of the conservation easement.
20. Nothing in this resolution precludes the IRS from investigating any associated criminal conduct or recommending prosecution of any individual or entity that participated in or assisted or advised others in participating in an SCE transaction for violation of any criminal statute.
21. The terms contained herein do not constitute an interpretation of the law as it applies to SCE transactions.
22. The parties agree that this settlement is limited to this specific case and may not be used in any court proceeding involving the United States and/or the Commissioner of the Internal Revenue Service as a party.
23. Permission to participate in this resolution in no manner indicates, nor should be interpreted as, an opinion as to whether there is fraud with respect to the Partnership's SCE transaction.

Print Name and Title

Signature

Date

Initials _____