
Prepared by:

Return to:

() ____ - _____

() ____ - _____

STATE OF MISSISSIPPI
COUNTY OF _____

AGRICULTURE LEASE
16TH SECTION PUBLIC SCHOOL TRUST LAND

THIS 16TH SECTION PUBLIC SCHOOL TRUST LANDS AGRICULTURAL LEASE AGREEMENT, (hereinafter "Lease Agreement"), is made and entered into this the _____ day of _____, 2____ by and between the LESSOR,

() ____ - _____

and LESSEE,

() ____ - _____

INDEXING INSTRUCTIONS:

WITNESSETH:

That, for the term and in consideration of the rentals hereinafter set forth, and the covenants, conditions, and obligations to be observed and performed by LESSEE, and by the authority and under the direction of the LESSOR, as recorded in Minute Book _____, Page _____, LESSOR does hereby lease, let and rent unto LESSEE the following described land (hereinafter the "Leased Premises") to-wit:

Section _____ Township _____ Range _____

MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED BY REFERENCE AS IF COPIED FULLY HEREIN.

1. Term. The term of this Lease Agreement shall be for _____ (_____) years, beginning the _____ day of _____, 2_____, and ending on the 31st day of December, 2_____.

The Anniversary Date of this Lease Agreement shall be January 1 of each year.

2. Annual Rent. LESSEE covenants and agrees to pay as rent to LESSOR the sum of

(\$ _____) per annum, on or before the Anniversary Date of this lease each year; provided, however, that the payment of rent for the first year of this lease shall be due at the time of approval by the LESSOR. The obligation of LESSEE to pay rent under this Lease Agreement is unconditional, and the rent shall not be subject to set off for any reason or cause. LESSOR and LESSEE agree that in the event of termination or cancellation, any rental payment made during the term of this Lease Agreement is not refundable, and LESSEE waives any right or claim it may have to refund of rent paid.

In the event LESSEE is delinquent in the payment of rent, LESSEE shall pay a late charge equal to fifteen percent (15%) of the amount of rent past due for more than 30 days and thereafter shall pay interest on any rent past due at an annual rate (the "Default Rate") equal to the maximum rate then allowed by law or, if there is no maximum rate, then a rate equal to five percent per annum above the discount rate, excluding any surcharge thereon, on ninety-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve district in which LESSOR is located, calculated according to the actuarial method.

3. Taxes. LESSEE covenants and agrees to pay any and all general and special taxes and assessments, including drainage taxes, if ever any there be, applicable to the Leased Premises and LESSEE'S interest therein; further, LESSEE covenants and agrees to pay any and all survey costs and recording fees in connection with this Lease Agreement or any other fees so determined by law. All payments for general and special taxes and assessments, including drainage taxes, shall be made directly to the governmental authority responsible for collecting such taxes and assessments.

During the final year of the lease term, LESSOR or the governmental authority responsible for collecting taxes and assessments may require payment of any such taxes or assessments in advance or require that other security be given to insure that taxes will be paid when due. In

the event it becomes necessary for the County Tax Collector or any other authority responsible for collecting general and special taxes or assessments to retain the services of attorneys to collect any taxes or assessments due from LESSEE under this lease, then LESSEE agrees to pay all costs and expenses of such actions or collections, including a reasonable attorneys' fee for the County Tax Collector or such other authority responsible for collecting said taxes or assessments.

4. Default. Any one of the following events shall constitute ground for immediate DEFAULT of this lease, at LESSOR'S option:

- (i) Failure to pay rent, or any taxes or assessments within 60 days after the due date thereof;
- (ii) Any breach by LESSEE of any covenant or obligation of this lease.

In the event of LESSEE'S breach of any covenant or obligation contained in this lease, excepting the obligation to pay rent, taxes or assessments, LESSEE shall be entitled to notice in writing of the breach and shall have thirty (30) days from the date of the notice to cure or correct such breach. Upon the failure of the LESSEE to correct or cure such breach, LESSOR shall have the option to declare this lease in immediate default. No notice to LESSEE is required prior to declaring this lease in default for the failure to pay any rent, tax, or assessment hereunder. LESSOR'S failure to assert any grounds for default shall not be deemed a waiver of the right to do so at any later time.

5. Remedies. Upon declaring this lease in default, LESSOR shall have the following rights and may exercise any one or more of the following remedies in addition to such other rights, remedies, penalties and liens as may be allowed by other provision of this lease, by law or in equity; (a) LESSOR may declare this lease terminated and may then enter upon and take possession of the Leased Premises; LESSOR shall not be obligated to re-let the premises, but any amount received pursuant to any subsequent lease shall be the exclusive property of LESSOR; (b) LESSOR may declare all rent for the remaining term of the lease to be immediately due and payable and LESSEE shall be liable therefor with interest until paid at the highest rate allowed by law; upon failure to pay the same promptly, LESSOR may declare this lease terminated and may collect the accelerated amount of rentals due without credit to LESSEE for any sums received on re-letting; (c) LESSOR may permit this lease to remain in force and may collect rents in intervals or as the same accrue; (d) LESSOR may require specific performance of LESSEE'S obligations with respect to condition of the premises or may hold LESSEE liable for the cost of performing such obligations.

6. Breach of Lease Agreement. If LESSEE breaches any of the provisions of this instrument and fails to cure the same after thirty (30) days written notice from LESSOR (as to a breach for which notice is applicable), then LESSEE, in addition to any other damages for which it may be responsible, shall pay LESSOR or the Secretary of State, as supervisory trustee, (in the event the Secretary of State institutes legal action) its reasonable costs and expenses in enforcing the instrument, including but not limited to fees charged by attorneys, expert witnesses, surveyors and appraisers.

7. Curing Default. Notwithstanding any provisions of this lease containing a default provision, any present or future holder of a mortgage or deed of trust representing money loaned on the Leased Premises, shall have the right of a sixty day notice of default within which to cure any

default which may be cured by the payment of money. In addition, for any other default for which a forfeiture of said lease may be invoked, such holder of such mortgage or deed of trust shall be entitled to a notice in writing of the claimed default and shall have a reasonable time, which shall not be less than sixty (60) days, to either require the correction of such default, or in lieu thereof, to protect itself through the exercise of a power of sale and thereby acquire a leasehold in said property and correct such default. LESSEE hereby agrees to notify LESSOR of the existence of all such mortgages, deeds of trust or other secured encumbrance and further agrees that, in absence of such notice, LESSOR has no obligation whatsoever to notify any such holder of said encumbrance.

8. Assignment. This lease SHALL NOT BE ASSIGNED OR SUBLEASED. Assignment or sublease of this Lease Agreement or any rights hereunder shall automatically terminate this lease without any further notice or action by LESSOR.

9. Death of LESSEE. The death of LESSEE shall not terminate this contract and same shall be binding on the heirs, executors, administrators, and successors LESSEE.

10. Notices. All notices specified by this instrument shall be in writing and sent by registered or certified mail, postage prepaid to the following addresses, or hand-delivered in person, delivered by facsimile or otherwise to the following persons. By written notice, either party may change the persons or addresses to whom notice shall be given.

To LESSOR:
16th Section Manager

_____, Mississippi _____
() _____ - _____

To LESSEE:

_____, _____
() _____ - _____

11. Indemnification. LESSEE shall protect, indemnify, defend save, and hold harmless LESSOR, the Secretary of State, and the State of Mississippi, its officers, board members, employees and agents, from and against all claims, demands, liabilities, suits, injuries, and any and all losses or damages and cost of every kind and nature whatsoever ("loss"), including but not limited to all court costs and attorneys fees and all personal injury or death and/or damage to any person or entity including, but not limited to, LESSOR and its property or other loss arising out of any alleged noncompliance with laws or caused by LESSEE'S exercise of its rights under this Lease Agreement and/or resulting from the actions or omission of LESSEE in connection with its presence on or any use of the Leased Premises by LESSEE, its officers, agents, subcontractors, employees or invitees. Provided, however, it is understood that the indemnity provided by LESSEE as described in this paragraph shall not extend to intentional or negligent acts of LESSOR, its officers, or agents. In the event the intentional or negligent acts of LESSOR, its officers or agents, are not the direct and sole proximate cause for one hundred percent (100%) of the loss of claim, LESSEE shall be responsible to fulfill its obligations under this paragraph for the percentage of liability not attributable to LESSOR, its officers or agents.

12. Condemnation. If the whole of the Leased Premises, or such portion thereof as will make the Leased Premises unsuitable for LESSEE'S normal business activity, should be condemned for any public use or conveyed under threat of condemnation, then this lease shall terminate on the date possession is acquired by the condemning authority, and rent shall be apportioned as of that date. All compensation awarded or paid upon such total or partial taking of the Leased Premises shall belong to LESSOR without participation by LESSEE except to the extent the award fairly represents the value of improvements which are the property of LESSEE. It is provided, however, that nothing herein shall preclude LESSEE from prosecuting any claim directly against the condemning authority for loss of business, cost of relocation or any other amounts to which a tenant may be entitled provided that no such claim shall diminish or otherwise adversely affect the amount of LESSOR'S award.

13. General Duties of LESSEE. LESSEE expressly covenants and agrees:

(a) That the Leased Premises is Sixteenth Section Public School Trust Land and is classified as AGRICULTURAL LAND, and that any use of the Leased Premises for any purpose not consistent with the Agricultural Land classification as provided by law is strictly prohibited.

(b) To keep and maintain all allotments for cotton, rice, wheat or any other crop for the Leased Premises under federal farm programs, and to take such action as may be reasonably necessary to protect said government allotments for the Leased Premises. LESSEE agrees that it will not transfer such allotments without the written consent of LESSOR and only if said transfer may be made without prejudice to said allotments being transferred to LESSOR upon the expiration of the terms of this lease;

(c) Not to bring or leave litter, trash, rubbish or any toxic or hazardous substance upon the land. Not to commit, cause to be committed or permit any act of waste upon the Leased Premises. Waste shall include, but shall not be limited to acts, or the failure to act, that result in erosion, loss of topsoil, or contamination of soil or surface or ground water;

(d) To keep and maintain all drains and drainage ways clean, open and in good working condition;

(e) To take proper and customary measures to prevent the growth and spread of noxious grasses, weeds or vegetation on the Leased Premises;

(f) To use and apply good and husbandlike practices in the use and farming of the Leased Premises and at the expiration of this lease to return the same to LESSOR in as good condition as same now is, destruction by acts of God excepted;

(g) Not to make any alteration upon the Leased Premises without the express written consent of LESSOR;

(h) Not to use, or permit the use of the Leased Premises for any activity deemed extra-hazardous;

(i) Not to use, or permit to be used, the Leased Premises for any unlawful or immoral purpose;

(j) To maintain the Leased Premises in a neat and orderly manner and to refrain from creating or causing any unsafe or unsightly conditions, attractive nuisances or other nuisances.

(k) To strictly comply with all federal, state and local laws and regulations pertaining to the environment including, but not limited to, laws and regulations relating to air, water, soil and toxic or hazardous substances, and specifically to comply with all federal, state, and local

laws and regulations governing the use and application of chemicals for the control of pests, insects and weeds, or any other agricultural chemicals;

(l) To surrender and deliver full, quiet and peaceful possession of the Leased Premises to LESSOR upon expiration or termination of this lease; and

(m) To apply acceptable soil conservation practices such as contour farming or minimum till farming where necessary to prevent erosion or loss of topsoil.

14. Warranties. This lease is made and accepted (1) without any representation or warranties of any kind on the part of LESSOR as to title or suitability to the purpose for which the same is granted; and (2) expressly subject to any and all existing easements, reservations, rights-of-way, contracts, leases or other encumbrances or servitudes now of record or on the ground affecting the Leased Premises, and to any such agreements that may hereafter be granted from time to time to others by LESSOR.

15. Improvements. All improvements and additions to the Leased Premises shall adhere to the Leased Premises and become the property of LESSOR at the termination or non-renewal of this Lease Agreement. LESSEE agrees that he will, at his own expense, keep all buildings and other improvements on the Leased Premises in a satisfactory state of repair and shall deliver the same at the expiration of this lease in as good a condition as the same now are, ordinary wear and tear and destruction by acts of God excepted. LESSEE shall carry fire and tornado insurance in favor of LESSOR on all insurable buildings in an amount agreeable to the Superintendent of Education with the approval of the Board of Education. Lessee shall furnish the Superintendent of Education a copy of the insurance policy. Further, LESSOR reserves the right of ingress and egress to and upon the Leased Premises for purposes of inspecting said property, improvements and farming operations there and such ingress and egress as may be reasonably necessary there and about.

16. Leased Premises. LESSEE assumes responsibility for the condition of the premises and LESSOR shall not be liable or responsible for any damages or injuries caused by any vices or defects therein to LESSEE or to any occupant or to anyone in or on said premises who derives his right to be thereon from LESSEE.

17. Reservations. LESSOR reserves title to all oil or gas, coal, lignite or other minerals in, on, or under the Leased Premises, together with the right to enter and remove the same, but not in a manner which interferes with LESSEE'S operations on the Leased Premises.

18. Timber. LESSOR reserves and excepts from said lease all timber standing or growing on the Leased Premises, now or during the term of this lease, together with the right of ingress and egress upon the Leased Premises at will to plant, tend, harvest, or sell any part of said timber and to remove same. LESSEE shall not cut or permit the cutting, clearing, pruning or trimming of any timber for any purposes without the prior written approval of the Mississippi State Forestry Commission and LESSOR.

19. Rights-of-Way. LESSOR reserves the right to grant or sell rights-of-way across said lands for roads, highways, railroads, fiber optic cables or any public utility line. Provided that any such roads, highways, railroads, fiber optic cables or public utility lines be constructed in a manner so as not to interfere with LESSEE'S operations. This however is not to prevent LESSEE from collecting from any utility company for any crop damage which may be

sustained by LESSEE in the construction, operation or maintenance of utilities on such right of way or easement.

20. Conservation Reserve Program. LESSOR reserves and excepts for itself full and exclusive right to apply for and enter the Leased Premises into the Conservation Reserve Program and any other conservation programs now existing or created in the future administered by any governmental agency. LESSEE shall have no right to apply for or enter the Leased Premises into such conservation programs; however this exception shall not be construed to prohibit or limit LESSEE'S participation in any farm programs administered by any governmental agency supporting the growing of crops such as cotton, corn, soybeans, rice, oats, wheat or other similar crops planted on the Leased Premises for harvest after a growing season of less than 12 months.

In the event that LESSOR applies for entry of the Leased Premises into any such conservation program, LESSEE agrees and binds himself to execute all transfers and releases in favor of LESSOR that may be required by the governmental agency administering such program. At such time as the Leased Premises is entered in any such conservation program, LESSEE'S rights in the Leased Premises shall be and become limited by the terms and conditions of such conservation program. Upon acceptance and entry of the Leased Premises into any such conservation program, LESSOR shall give notice to LESSEE, and LESSEE shall have the option to cancel this lease by giving written notice to LESSOR. Upon exercise of this option to cancel, LESSEE shall be entitled to a refund of any prepaid rent prorated to the date on which LESSEE notifies LESSOR of the exercise of the option to cancel lease.

21. Hunting Rights. LESSEE acknowledges that this lease is for agricultural purposes. LESSEE may exercise the privilege of a hunting and fishing lessee subject to the following conditions:

- (a) The exercise of any hunting and fishing privileges shall be secondary to the agricultural purposes of this Lease Agreement and the exercise of said rights shall in no way interfere with, or diminish, the value and use of the Leased Premises for agricultural purposes;
- (b) LESSEE agrees not to construct, erect, or place any shooting houses, hunting blinds, tripod stands, or other type of hunting stand within 100 yards of any School Trust Land that is leased, or may be leased for hunting and fishing purposes;
- (c) LESSEE shall not assign, authorize, convey, give, grant, sell, or sublease the hunting and fishing privileges to another; and
- (d) LESSEE expressly covenants and agrees:
 - (i) To use every precaution to protect timber, trees, and forest products from fire or other damage, and to that end, LESSEE will assist and exercise every effort in putting out any fire that may occur on said lands. In the event that any fire shall be willfully or negligently started or allowed to escape on said lands by LESSEE, LESSOR shall have the right immediately to cancel this lease without notice, and any unearned rentals heretofore paid shall be forfeited to LESSOR. In addition, LESSOR shall be entitled to recover from LESSEE any damages which LESSOR sustains as the result of such fire;
 - (ii) Not to damage any tree or tree seedlings in any way, nor to cut or pierce any tree of any kind, dead or alive, and not to attach any stand or blind or other paraphernalia to any tree of any kind except with the prior written permission of the County Forester; and further, to assume responsibility, and to pay for any trees, timber, or other forest products that may be cut, used, damaged and/or removed from said lands by LESSEE;

(iii) To comply with all laws, rules and regulations now existing or hereinafter enacted by any county, state, or federal authority with respect to the hunting and fishing use of the Leased Premises. Bag limits and fishing limits and the length of hunting and fishing seasons shall strictly conform to the effective local, state or federal game laws and regulations;

(iv) Not to construct or install upon the Leased Premises any plantings, food plots, fences, camps, buildings, or other structures, permanent or temporary, without having first obtained in writing the consent of LESSOR thereto; and

(v) Not to hinder, impede or deny access to representatives of LESSOR, the Mississippi Forestry Commission or Game and Fish Commission while carrying out their official responsibilities; instead, LESSEE covenants and agrees to cooperate with these representatives in carrying out their official responsibilities; LESSEE further agrees to furnish his name, address and telephone number to the County Forester and to keep said information current with said Forester.

Any violation of this provision shall constitute a material breach of this lease and shall give LESSOR the right and privilege of canceling this lease, with or without notice, and in such an event any unearned rentals paid hereunder shall be forfeited to LESSOR as liquidated damages for breach of this agreement.

22. Recording. LESSOR will deliver this Lease Agreement to the Chancery Clerk of _____ County for recording, and LESSEE has herewith delivered to LESSOR a check in the sum of _____ (\$ _____) payable to such Chancery Clerk as recording fees.

23. Immunity. No provision of this lease, whether requiring LESSEE to indemnify LESSOR or otherwise, shall be construed as a waiver by LESSOR or the Secretary of State of any provision of law related to governmental immunity.

24. Interpretation. The parties to this Lease Agreement acknowledge that they have freely entered into this Lease Agreement and any ambiguities shall not be construed against a single party.

25. Definition of LESSEE. It is further stipulated and agreed that wherever the word "LESSEE" is used herein, it is intended, and shall be deemed, to include and shall be binding upon LESSEE'S members, agents, servants, employees, contractees, invitees, licensees, and guests.

26. Governing Law. This Lease Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Mississippi. Jurisdiction and venue for any actions arising from this Lease Agreement and any amendments hereto shall rest exclusively in the Chancery Court of _____, Mississippi.

27. Secretary of State. By virtue of the signature below, the Secretary of State of the State of Mississippi has approved this Lease Agreement in accordance with the Secretary's authority for general supervision of 16th Section Public School Trust Land. Approval of this Lease Agreement by the Secretary of State indicates that the LESSOR has exercised the care and

skill of an ordinary prudent person to protect the beneficiaries of the 16th Section Public School Trust Land.

28. Supervisory Right. The Secretary of State, as supervisory trustee, shall have the right to institute any action to enforce the terms of this Lease Agreement in the event LESSOR fails to do in a timely manner. In the event the Secretary institutes legal action to enforce the terms of this Lease Agreement, he shall have all rights as are conferred to LESSOR.

29. Additional Provisions. This Lease Agreement contains an Exhibit "B." Any additional or special provisions to this Lease Agreement are set forth in Exhibit "B" and incorporated by reference as if copied fully herein. If there are no additional or special provisions then, Exhibit "B" shall state "NONE."

30. Entire Agreement. This Lease Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease Agreement shall not be binding upon either party except to the extent incorporated herein. This Lease Agreement contains Exhibits "A" and "B." If Exhibits "A" and "B" are not attached to this Lease Agreement, then this Lease Agreement shall be null and void.

IN WITNESS WHEREOF, this Lease Agreement is executed by LESSOR and pursuant to order entered upon its minutes, is executed by LESSEE this the _____ day of _____, 2_____.

Signed, Sealed and Delivered in the Presence of:

LESSOR

BY: _____
Printed Name: _____
Superintendent of Schools

BY: _____
Printed Name: _____
School Board President

Printed Name: _____
LESSEE

APPROVED
SECRETARY OF STATE
Michael Watson
Secretary of State

ACKNOWLEDGMENTS

School District

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for said county and state, on this _____ day of _____, 2_____, within my jurisdiction, the within named _____, Superintendent of Schools and _____, school board President of the _____ School District Board of Education, who acknowledged that in said representative capacity as Superintendent of Schools and President of the Board of Education of the _____ School District, they executed the above and foregoing instrument for and on behalf of said Board of Education, after first having been duly authorized so to do.

Printed Name: _____
(Notary Public)

My Commission Expires: _____ (Affix official seal, if applicable)



ACKNOWLEDGEMENTS

Lessee - Personal

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for said county and state, on this the ____ day of _____, 2____, within my jurisdiction, the within named _____, who acknowledged that he / she executed the above and foregoing instrument.

Printed Name: _____
(Notary Public)

My Commission Expires: _____ (Affix official seal, if applicable)

Lessee - Corporate

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me the undersigned authority in and for said county and state, on this the ____ day of _____, 2____, within my jurisdiction, the within named _____, who acknowledged to me that he / she is the _____ of _____, and that in said representative capacity he / she executed the above and foregoing instrument, after first having been duly authorized so to do.

Printed Name: _____
(Notary Public)

My Commission Expires: _____ (Affix official seal, if applicable)

EXHIBIT "A": DESCRIPTION OF PROPERTY

EXHIBIT "B": ADDITIONAL PROVISIONS