

THIS INDENTURE made in duplicate this _____ day of _____ A.D., 200

Between:

THE COUNTY OF ST. PAUL NO. 19
St. Paul, Alberta
(hereinafter called the "Lessor")

- and -

(hereinafter called the "Lessee")

THE LESSOR, pursuant to, by virtue of, and subject to the provision of the Municipal Government Act, being Chapter M-26, of the Revised Statutes of Alberta, 2000, and amendments thereto, HEREBY LEASES to the Lessee the following lands, namely:

containing ___ acres, more or less, Reserving unto her Majesty, all mines and minerals (the "Lands"), for the space of _____ year(s) commencing the first day of _____, at the yearly rental of _____ Dollars, payable in advance.

THE LESSEE covenants and agrees with the Lessor as follows:

1. That the Lessee will not without written consent or approval of the Lessor assign or sublet any part of the Lands or premises.
2. That the Lessee agrees to utilize the Lands for agricultural purposes only: ___ Grazing Lease for _____ (livestock); ___ Cultivation Lease; ___ Other (Specify) - _____ (Select One)
3. Subject to the Right of First Refusal contained in paragraph 11, that this Lease is granted subject to the right of sale of the Lands by the Lessor or cancellation of the Lease by the Lessor at any time during the term hereby granted, provided:
 - a) if such a sale or cancellation is made before April 1st, notice thereof shall be forthwith given to the Lessee in writing and thereupon this Lease shall be cancelled and be at an end, and the Lessee agrees to surrender this Lease for cancellation and forthwith give up the quiet and peaceful possession of the said Lands to the Lessor or its agents.
 - b) if the Lands are sold or this Lease is cancelled, after April 1st, during the currency of the Lease, and notice thereof be given as aforesaid, then the Lessee agrees to give up the quiet and peaceful possession of the said Lands subject to the right of the Lessee to sow, harvest, thresh, and remove the crop on all seeded land.

- c) that all compensation and payment paid by an oil or gas or exploration or utility company whatever, or similar company, for compensation or payment of or for right of way rights, usage rights, easement rights, damage claims, damages in lieu of crop damage or any other or other similar compensation for payment for claim whatever small belong to the County of St. Paul No. 19 absolutely without recourse or indemnity by the County to the Lessee herein. The Lessor further reserves the right to reduce the number of acres being rented herein to accommodate or complete any agreements with any of the said companies for the above purposes without reduction of the rental herein.
 - d) that the Lessee will indemnify and save harmless the Lessor from and against all actions and claims for damage arising from use of the Lands under this Lease and from any improvements made by him on the Lands.
 - e) shall maintain the Lands in good condition and repair and shall be responsible to control weeds on and control excessive dust from the Lands.
 - f) shall at all times during the continuance of the Term hereby demised, keep, and at the expiry or termination thereof, yield the Lands, in a good and clean condition.
 - g) shall use the Lands for the permitted use and for no other use whatsoever.
 - h) shall construct boundary fences to County standards on the boundaries of the Lands, such standards being 4 1/2 " x 6 foot treated posts, set approximately 14 feet apart with 4 strands of barbed wire, corner posts and braces of 4 1/4" x 7 foot posts, and gate openers. The required fencing shall be completed to the County's satisfaction within 1 year of the commencement date of the lease.
4. The Lessee shall have the right from time to time at its own expense to make such changes, additions and improvements (including brushing) to the Lands as the Lessee may think necessary, subject to the following conditions:
- a) The Lessee shall submit to the Lessor a plan for the change, addition or improvement and must receive the Lessor's written consent to carry out the desired work. The consent of the Lessor does not relieve the Lessee of the requirement to obtain the necessary development permit nor does the Lessor, in approving the plan, guarantee or represent that the necessary development permit will be granted; and
 - b) The Lessee shall submit a development application if required under the County of St. Paul No. 19 Land Use Bylaw and must receive the necessary development permit prior to making the change, addition or improvement.
5. The Lessee shall have the right to post the Lands to prohibit trespassing from May 1 to October 31st, however, should an extension be required, prior approval is required from County Council.
6. The Lessee shall, at its own expense, provide and maintain in force during the Term hereof comprehensive general public liability insurance (the "Liability Insurance") covering

personal and bodily injury, death, and property damage on an occurrence basis with respect to the activities of the Lessee or its employees, invitees, or patrons carried on, in or from the Lands of not less than \$2 MILLION (\$2,000,000.00) or for such greater amount as the Lessor may reasonably require. The Lessee shall, within 30 days of the date of such request, provide to the Lessor a certified copy of the required insurance policy.

7. The Liability Insurance shall:
 - a) name the Lessor as an insured;
 - b) be in a form satisfactory to the Lessor; and
 - c) waive any right to make claims against the Lessor to recover any amounts paid by the insurer.

8. The Lessee shall immediately advise the Lessor, and promptly thereafter by written notice confirm such advice to the Lessor, of any accident to or defect of or any damage or injury which has occurred to or on the Lands, or any part thereof, or howsoever caused, provided that nothing herein shall be construed so as to require repairs to be made to the Lands by the Lessor, except as expressly provided in this Lease.

9. The Lessee does hereby accept this Lease of the Lands, to be held by him as tenant and subject to the conditions, restrictions and covenants implied and set forth above.

10. And the Lessor covenants and agrees with the Lessee as follows:
 - d) The Lessee, so long as not in default under this Lease, shall have quiet enjoyment of the said Lands and premises; and

 - e) The Lessee may, if not in default hereunder, remove all fences, and improvements made or placed by him on the Lands at any time within one (1) month after the expiry, sale or cancellation of the lease as aforesaid. The Lessee shall in such removal do no damage to the Lands or shall promptly make good any damage which may be caused by the removal and restore them to their condition prior to such removal.

11. Provided the Lessee is at all times during the term in good standing under the terms of the Lease, the Lessor grants to the Lessee a first right of refusal to buy (the "ROFR") as follows:
 - (a) The ROFR will only apply during the term hereof.

 - (b) If, during the term of the lease the Lessor receives an acceptable written offer from a third party to purchase the Lands, then the Lessor will notify the Lessee in writing, of the terms of such acceptable written offer to purchase. The Lessee shall have seven (7) days from receipt of such written notice to exercise its ROFR, in writing, delivered to the Lessor, to purchase the Lands on the same terms and conditions as are contained in the acceptable written offer to purchase. Should the Lessee not exercise its ROFR within the said seven (7) day period as aforesaid, then the Lessor may proceed with acceptance and closing of the third

party offer to purchase. If the third party does not complete the purchase, the Lessee's ROFR shall remain in full force and effect.

- (c) If the Lessee does not exercise its ROFR and the Lessor proceeds with the closing of the offer accepted, the Lessee's ROFR shall thereafter be void.

12. The addresses to which notice may be given by one party to another as required or provided for in this lease are:

- (a) The Lesser at: 5015 – 49 Avenue, St. Paul, AB T0A 3A4
- (b) The Lessee at:

THE LEASE and all the covenants herein contained shall enure to the benefit of and be binding upon the parties thereto, their heirs, executors, administrators, and assigns, respectively.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals the day and year thereon first above written.

SIGNED, SEALED AND DELIVERED

COUNTY OF ST. PAUL NO. 19

in the presence of:

Reeve

County Administrator

Witness

Lessee

Witness

Lessee