

FARM LEASE AND OPERATING AGREEMENT
[RHODEN TRUST FARMS]

THIS AGREEMENT made and entered into this ____ day of _____, 20____, between Rodney D. Rhoden, as Trustee of the Rodney D. Rhoden Trust Dated December 23, 2011, whose mailing address is 4111 South 144th Street, Omaha, Nebraska 68137, hereinafter referred to as "LANDLORD" and _____ whose mailing address is _____ hereinafter referred to as "TENANT".

WITNESSETH: That the Landlord and Tenant hereby agree that Tenant shall farm the following described land, hereinafter referred to as "the property", to-wit:

See Attached Exhibit "A"

in the County of _____, State of Iowa [RHODEN TRUST], and containing _____ United States Department of Agriculture ("USDA") Farm Service Agency ("FSA") crops acres beginning March 1, 20____, and ending on any portion of the property when the 2017 crops are harvested but, in any case, not later than March 1, 20____.

RENT TO LANDLORD

1. Tenant, in consideration of this Agreement as set forth, covenants and agrees with the Landlord to pay to the Landlord rent in the total amount of \$_____ per crop year, due and payable on March 1 of each and every crop year this Farm Lease and Operating Agreement remains in effect. There shall be no prepayment of the rent in advance of the crop year the actual rent is due. In the event Tenant does not pay the amount due on the due dates as stated above, all unpaid rent will become immediately due and payable, without any notice to or demand upon the Tenant and further agrees to pay the Landlord interest on all unpaid sums at the rate of twelve percent (12%) per annum, compounded annually, until all amounts are paid in full. In addition, Tenant shall incur a late payment charge in an amount equal to ten percent (10%) of the amount due for any sums not received by Landlord by the tenth (10th) day after the due date. Tenant's liabilities and obligations as stated herein shall be joint and several.

2. This Agreement shall automatically renew for one year upon expiration from year to year, upon the same terms and conditions and at the last stated annual rental rate unless either party gives due and timely written notice to the other of an election not to renew this Agreement. If renewed, the tenancy shall terminate on March 1 of the year following provided that the tenancy shall not continue because of an absence of notice in the event there is a default in the performance of this Agreement. All notices of termination of this Agreement shall be as provided by law.

Initial

Tenant Landlord

COVENANTS

3. Tenant agrees to cultivate the land in accordance with best farming practices and in a workmanlike manner, to farm on the contour if required by Landlord and to harvest all crops in proper season. If a Conservation Plan pertaining to the property has been developed and is in effect at the controlling United States Department of Agriculture (USDA) Consolidated Farm Service Agency (CFSA) office, Tenant shall farm in accordance with all requirements of said plan unless directed otherwise, in writing, by Landlord. No chemicals are to be used which may have residual or carry-over effects beyond the term of this Agreement. Cropping programs and chemical usage and application for each year shall be decided upon in advance with Tenant consulting Landlord. Refusal or failure of Tenant to follow such decision shall be considered a material breach of this Agreement. No meadows or hayland are to be used for pasture without consultation with and written consent of the Landlord. Tenant agrees not to hire out any part of the property without written consent of the Landlord.

Upon request from the Landlord, Tenant shall by September 1 of each lease year provide to the Landlord a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quality of such items applied on the lease premises during such year.

Tenant shall maintain accurate yield records for the real estate, and upon request, during or after lease term, shall disclose to Landlord, all yield base information required for participation in government programs.

4. All brush, burrs, and noxious weeds shall be cut, sprayed or otherwise destroyed by Tenant. Weeds, brush and sprouts in fence rows, road ditches and waterways are to be cut or sprayed by Tenant with the proper chemical for a complete kill. All field boundaries, adjacent roadsides, ditches, field entrances and lanes shall be kept mowed and free and clear of weeds by Tenant so as to keep the property in an orderly, desirable and well maintained condition. No dumping is to occur or be allowed by Tenant and Tenant shall be responsible for the clean up and removal of all items dumped on the property during the term of this Agreement. Tenant agrees to carry out all approved practices for control and eradication of Corn Borer, Root Worm and all other crop pests. Tenant shall keep all tile and tile inlets located on the property free of debris and vegetative growth and all tile discharge and outlet areas open and free of all woody plant growth. If, in Landlord's sole opinion, Tenant has failed to comply with the requirements of this paragraph as of August 1, of each year, landlord may, by agent or hire and without any prior notice to tenant, have any or all of said requirements completed. Tenant hereby expressly agrees to pay Landlord, upon receipt of invoice from Landlord, all of the costs thereby expended by Landlord as additional rent.

5. Compliance with the provisions of any program offered by the USDA such as Crop Production Control, Feed Grain Program, Soil Conservation or Range Improvement, shall be determined by consultation between Landlord and Tenant. Tenant agrees to

Initial

Tenant Landlord

promptly inform Landlord of the application for or the receipt of any sums received from any type of government program including but not limited to crop disaster payment, planting prevention payment and crop conservation payment. Except for the portion of the USDA Feed and Grain Program payments designed or identified as "advance" payments, Tenant agrees that any such payment shall be first paid to the Landlord to apply against the amount due the Landlord. Tenant hereby specifically agrees to assign to Landlord all government payments except such payments received as advance payments and agrees to execute any documents necessary to effect this assignment as requested by Landlord. The total of all payments to be assigned to Landlord shall not exceed the total amount due Landlord as set out in this Agreement. To the extent permitted by law, Landlord shall have a lien on any such payments prior to the claims of any other creditor of the Tenant. In addition, Tenant agrees to consult with and assist Landlord in making application for any such payments of participation in such programs as are contemplated by this paragraph.

6. Tenant agrees to do no field work and/or fertilizing on any of the property after completion of harvest on the final year of this agreement without written consent from Landlord.

7. No expense is to be incurred by Tenant for or on account of Landlord without written order from Landlord.

8. This Agreement shall not be sold, assigned, or in any manner transferred or encumbered by Tenant without written consent from the Landlord.

9. Tenant further covenants and agrees not to receive the sale proceeds from any of the grain raised on the property each year during the term of this Agreement until the rent due each year and all other amounts then due to Landlord are fully paid or a part thereof is released by Landlord.

10. If Tenant fails to timely pay any of the rent due Landlord as set out in Paragraph 1 above this Agreement may be terminated by Landlord upon three (3) days' written notice to Tenant and any sums which have been paid by Tenant to Landlord under the terms and conditions of paragraph 1 above shall be forfeited in favor of Landlord and this Agreement terminated. Additionally, Landlord shall have all remedies available at law or in equity. If Tenant fails to perform the practices set out in Paragraph 3 and 4 above or fails to do ground preparation, plant, cultivate or harvest the crops, or cut, spray or otherwise destroy noxious weeds or to do any other act required of Tenant for the proper handling of the property at the time and in the proper manner (the Landlord is to be consulted as to the proper time and manner thereof) and continues to fail to do said acts or fails to complete any of them for a period of ten (10) days after receipt of written notice from the Landlord, the Landlord at its option may (1) declare this Agreement terminated and take immediate possession of the property, and/or (2) enter upon the property in person or by agent or employee and do all necessary ground preparation, planting, cultivating, harvesting, treatment of noxious weeds or other matters which the Tenant should have done, and all expenses incurred by the Landlord in connections herewith shall be due Landlord in

Initial

_____/_____
Tenant Landlord

addition to all other amounts due and shall be charged against Tenant as additional rent due. In addition, with regard to compliance with a Conservation Plan, any action or inaction of Tenant that the controlling CFSA determines to be non-compliant with a Conservation Plan thereby resulting in loss of farm program benefits on any farm of Landlord's, shall result in said loss of benefits being charged to Tenant by Landlord as additional rent, collectable as rent. The Tenant expressly grants to Landlord, his agents, and employees, the right to enter upon the property for the above purposes.

11. It is understood and agreed between the parties to this Agreement that all building, fences and improvements of every kind and nature that may be erected on the property during the term of this Agreement by the Tenant shall be deemed as rent and shall inure to the property and become the property of the Landlord unless permission to erect and remove same shall be obtained in writing and made a part of this Agreement.

RESERVATIONS BY AND RIGHTS OF LANDLORD

12. All grain storage bins which may be located on the property on the date of this Agreement may be utilized by Tenant. In the event Tenant shall utilize said grain storage bin(s), Tenant agrees to hold harmless and indemnify Landlord from any and all claims, demands, causes of action, or damages which may be incurred either as a direct or indirect result by Tenant's use of said grain storage bins. Any use of the grain storage bins shall terminate automatically with the termination of this Agreement. No subletting of the grain storage bins shall be allowed. Landlord reserves the right to terminate Tenant's use of the grain storage bins with thirty (30) days' written notice to Tenant. Landlord makes no representations, warranties, or promises concerning the fitness of the grain storage bins for any particular purpose. Tenant takes use of the bins in "as is" condition. Tenant shall be responsible for any necessary maintenance, upkeep, and costs incurred to utilize the bins. Tenant shall be responsible and liable for any and all necessary electrical hookup costs and monthly charges. Any other storage sheds, outbuildings, barns, residential structures located on the property are excluded from this Agreement and shall not be utilized by Tenant without Landlord's prior written consent or agreement.

13. The Landlord, its agents, or assigns, shall have the right to go upon the property at any time to inspect the same or to make repairs or improvements thereon or for any other purposes incidental to the management of the property. The Landlord reserves the right to take possession of any of the land immediately following the harvest of any portion of the crops in the final year of this agreement and the Tenant herein specifically grants said right to Landlord.

14. It is agreed by both parties that the property referred to herein is being operated by the parties for farming purposes. Landlord reserves the right to control ingress and egress of all persons other than Tenant and those who perform acts of farming for Tenant. Landlord reserves the right to access to all non-agricultural lands. Landlord reserves for himself and his agents all hunting, fishing, and recreational rights, and any revenue that might be derived from leasing of these rights.

Initial

Tenant Landlord

PRESERVATION OF PROPERTY

15. Tenant shall keep improvements and the property, including tiling, in proper repair and make no charge for hauling of material or work on repair of improvements Landlord may consider needful during the term of this Agreement, and shall make all ordinary repair to buildings, ditches and tiling, without charge for labor or hauling of material. The repairs referred to herein are those that are due to ordinary wear and tear.

16. If damage or destruction of any kind had occurred to any buildings or crops on the property, Tenant is to immediately notify Landlord in writing advising Landlord of the extent, cause and other data pertinent to said damage or destruction. Tenant shall be responsible for any damage to grain storage bins while said bins are utilized by or in the control of Tenant.

DISCLAIMER

17. Landlord shall not be responsible nor liable for any damage caused by Tenant, his agents, employees, invitees, licensees, or to Tenant's equipment, employees, agents or representatives resulting from a dangerous condition or defect of the property or improvements thereon, whether it be obvious or latent and Tenant agrees to hold Landlord harmless for any damage caused by any dangerous condition of the property and improvements thereon. Tenant shall be responsible for discovering, making known and either repairing or protecting against any dangerous condition defect presently existing or subsequently arising on the property and improvements thereon any shall be liable for any damage caused by failing to fulfill such responsibility, either to Landlord, Landlord's property, or to third parties and their property. In any action brought by third parties, whether it be legal or equitable, against the Landlord for damages caused by a dangerous condition of the property or improvements thereon the Tenant agrees to defend and hold Landlord harmless from any and all liability including court costs and attorney's fees. If Landlord is required to pay any compensation for such damages, whether it be by court order or by settlement out of court, Tenant will indemnify Landlord for the entire amount, including attorney's fees and costs.

LIABILITY INSURANCE

18. Tenant agrees to carry general liability insurance in an amount no less than \$1,000,000.00 to cover the property, with the Landlord named as an additional insured. Tenant shall furnish to Landlord evidence of premium payment and a copy of said policy or endorsement by March 1 of each year during the term of this agreement. In the event Tenant fails to meet this requirement, Landlord shall have the option of purchasing the required insurance and charging Tenant one dollar per acre for said insurance each year as additional rent due.

Initial

Tenant /
Landlord

POSSESSION-RENEW-SALE

19. Tenant covenants with the Landlord that at the expiration of the term of this Agreement he will yield up the possession of the property to the Landlord, without further demand or notice, in as good order and condition as when the same was entered upon by Tenant, loss by fire or inevitable accidents or ordinary wear excepted. Tenant also specifically affirms that all terraces, if any, are in good condition and that all drainage ditches and related parts of the drainage system on the property are in good working order and that Tenant will, at the termination of this agreement, return same to Landlord in as good order as when received. The landlord shall be the sole judge as to the condition and acceptability of the drainage system and terraces at the time of termination. And failing thus to deliver up the property, the Tenant agrees to pay to Landlord \$2.00 per acre per day for all the times he may continue in possession of the property after the expiration of this Agreement. Tenant shall claim no compensation from Landlord for seeding or for work done on acres to comply with a USDA program on which a USDA payment is earned.

20. Tenant acknowledges that this Agreement is subject to sale, by Landlord, of all or a part of the property herein described on or before March 1st of any year. In event of a sale of the property, or a part of, prior to said date, Tenant hereby agrees to surrender possession of the property sold and to the termination of this Agreement as to the property sold on or before the sale closing date and after the prior year's crop is harvested by no later than the February 28th following the sale. In the event of a sale of the property or a part of Landlord agrees to pay Tenant fair and reasonable compensation for any fall field work and/or fertilizing completed that year for the benefit of the succeeding year's crop on the property sold. Compensation for fall field work will be paid based on the current year's Iowa State University Custom Rate Survey average per acre rate for the type(s) of fall field work done for each acre on which the work was performed. Fall fertilization will be reimbursed to Tenant and shall be equal to the amount expended by Tenant for material and its applications. Tenant shall submit to Landlord paid invoices to verify the amounts expended by Tenant.

21. The Tenant agrees that the Landlord shall not be liable for damages for its failure to deliver possession of the property for any cause beyond its control.

22. Both parties agree that no act of either party or both parties hereunto shall be construed as a change in the terms of this Agreement unless the same is reduced to writing and signed by both parties.

23. Any failure by the Landlord to insist upon the strict performances by the Tenant of any of the terms and provisions of this Agreement shall not be deemed to be a waiver of any of the terms and provision hereof and the Landlord notwithstanding any such failure, shall have the right after consultation with Tenant thereafter to insist upon the strict performance by the Tenant of any and all of the terms and provisions of this Agreement to be performed by the Tenant. In all cases calling for Tenant to consult with landlord, if

Initial

Tenant Landlord

there is a disagreement, Landlord's decision shall stand. Landlord's decision shall be based on commonly accepted agricultural practices in the area.

24. In addition to the other rights and remedies of Landlord under this Agreement, Tenant agrees that if Tenant fails to observe or perform any of the conditions or covenants on Tenant's part to be observed or performed and such default continues for ten (10) days after receipt of written notice from Landlord, Landlord shall have the right to declare this Agreement terminated and upon so declaring Landlord shall have the right forthwith to reenter and repossess the property using force as may be necessary with or without process of law, and all damages growing out of the failure to perform any of the covenants of this Agreement shall be added to or become a part of the rent, recoverable as rent.

25. Tenant agrees that Tenant will not, in any manner, cause any leasing commissions, brokerage fees or agent fees/commissions to be owing on any extension or renewal of this Agreement. Any such obligation caused by Tenant shall be promptly paid by Tenant.

CONDITIONS FOR RENEWAL

26. Landlord hereby gives notice to Tenant that the care given by Tenant to the property described in this Agreement is of utmost importance to Landlord. All provisions in this Agreement pertaining to the care and maintenance of the property will be strictly enforced. Any non-performance by Tenant in this regard shall be grounds for early termination or non-renewal or extension of this Agreement.

OTHER PROVISIONS

27. This Agreement is subject to any mineral, oil or gas lease heretofore or hereafter executed that encompasses the property. The Tenant agrees to allow exploring companies to come upon the property and make such exploration and drilling as may be proper at any time upon agreement by the exploring companies to pay for all damages.

28. Each year, after the crops are harvested from the Property, but no later than December 1, Tenant agrees to submit to Landlord, in writing, an annual report of the Property. Said report shall include but not be limited to acres of each crop raised, crop yields harvested, chemicals and fertilizer applied, farm fertility levels, manure applied, tillage operations, any problems experienced, any wet areas, farm perimeter, waterway and non crop acres maintenance and general farm appearance. A plat or aerial photo of the Property is to also be included with the report showing the location of the crops and any problem areas.

29. Personal Guaranty. In the event Tenant is not an individual and/or this Agreement is not personally signed by an individual, this Agreement shall be personally guaranteed. If a personal guaranty is necessary, a personal guaranty form must be signed and attached hereto and thereby made a part of this Agreement.

Initial

_____/_____
Tenant Landlord

30. In the event that any rents due under this Lease are not paid and received by landlord within three (3) days of their respective due dates, Landlord at Landlord's sole option, with notice to Tenant, can declare this Lease immediately cancelled/terminated. Further, upon said cancellation notice, Landlord can, without any restrictions, immediately relet the Property and allow another Tenant to take full and uncontested possession of the Property. Tenant specifically agrees to and affirms Landlord's right of cancellation under this paragraph. In addition, upon said cancellation, in the event Tenant has caused any field work to be done on the Property or crop inputs applied to the Property these, if any, and Tenant agrees, shall be forfeited to Landlord as liquidated damages.

31. Any provisions of this Agreement that are contrary to and therefore void under Iowa law shall not act to void or nullify any other provisions. Tenant hereby agrees that any legal action that may be necessary to enforce any provisions of this Agreement may be brought in the State of Iowa.

32. **NO AGENCY.** Tenant is not an agent of the Landlord.

33. **POSSESSION AND CONDITION AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Landlord. At the time of delivery of the Real Estate to Landlord, Tenant shall assure that the Real Estate is in good order and condition, and substantially the same as it was when received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

34. **ADDITIONAL PROVISIONS:**

Whenever this document requires that notice or demand be given or served by either party, such notice or demand shall be given or served in writing and forwarded by registered mail, postage prepaid, addressed as follows: _____

To the Landlord:

To the Tenant:

Rodney D. Rhoden, Trustee
c/o Farm Representative
Jim Hughes Real Estate/Allan Hughes
410 South Locust, P.O. Box 111
Glenwood, Iowa 51534

or elsewhere, as the respective parties may, from time to time, designate in writing.

Initial

Tenant Landlord

This Agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of both Landlord and Tenant.

IN WITNESSETH WHEREOF, we have hereunto set our hands and seals the day and year first above written.

LANDLORD

TENANT

By: _____
Rodney D. Rhoden, as Trustee of
Rodney D. Rhoden Trust
Dated December 23, 2011

By: _____

STATE OF IOWA)
) ss:
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 20____, by Rodney D. Rhoden.

Notary Public

STATE OF IOWA)
) ss:
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 20____, by _____.

Notary Public

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Tenant Landlord