

**STATE OF FLORIDA
FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES**

**LEASE AND MANAGEMENT OF STATE-OWNED PROPERTY
INVITATION TO NEGOTIATE
Bidder Acknowledgment Form**

ITN NUMBER: ITN/FFS-15/16-85

Agency Mailing Date: April 11, 2016

Page 1 of 66 Pages

SUBMIT PROPOSALS TO:

Division of Administration

407 S. Calhoun Street

Room SB-8, Mayo Building

Tallahassee, Florida 32399-0800

Attn: Vianka Colin, Purchasing Director

Telephone: (850) 617-7181

<p>Reason for No Bid (See General Condition #2)</p>
--

TITLE: **LEASE AND MANAGEMENT OF BABCOCK RANCH PRESERVE**

PROPOSALS WILL BE OPENED: **JUNE 28, 2016 @ 2:00 P.M.** and may not be withdrawn within 90 days after such date and time.

POSTING OF TABULATIONS: Tabulations with recommended award(s) will be posted on or about the date indicated herein for review by interested parties on the Florida Bid System at <http://myflorida.com>, click on Business, Doing Business with the State of Florida, Everything for Vendors and Customers, Vendor Bid System, Search Advertisements. Tabulations will remain posted for a period of seventy-two (72) hours. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes. Failure to file the proper bond at the time of filing the formal protest will result in denial of the protest. Posting will be on or about **JULY 19, 2016.**

=====

I certify that this Lease and Management of State-Owned Property Invitation to Negotiate (ITN) is made without prior understanding, agreement or connection with any corporation, firm or person submitting a proposal for the property, and is in all respects, fair and without collusion or fraud. I agree to abide by all conditions of this document and certify that I am authorized to sign this ITN for the Lessee, and that the Lessee is in compliance with all requirements of the ITN including but not limited to, certification requirements.

BIDDER NAME: _____

MAILING ADDRESS: _____

TELEPHONE NUMBER: _____

AUTHORIZED SIGNATURE (TYPED): _____ DATE _____

AUTHORIZED SIGNATURE (MANUAL): _____ TITLE _____

GENERAL CONDITIONS

SEALED BIDS: All bid sheets and this form must be executed and submitted in a sealed envelope. DO NOT INCLUDE MORE THAN ONE BID PER ENVELOPE. The face of the envelope shall contain, in addition to the above address, the date and time of the bid opening and the bid number. Bids not submitted on the attached bid form shall be rejected. Any changes to the bid, whether additions or deletions, will cause the bid to become ineligible for consideration. All bids are subject to the conditions specified herein. Those that do not comply with these conditions are subject to rejection.

1. EXECUTION OF BID: Bid must contain a manual signature of authorized representative in the space provided above. Bid must be typed or printed in ink. Use of erasable ink is not permitted. All corrections made by bidder to his bid price must be initialed. The company name and F.E.I.D. number must also appear on each page of the bid as required.
2. NO BID: If not submitting a bid, respond by returning only this bidder acknowledgment form, marking it "NO BID" and explain the reason in the space provided above. Failure to respond to this bid solicitation without giving justifiable reasons for such failure shall be cause for removal of the bidder's name from the bid mailing list without further notice. NOTE: To qualify as a respondent, bidder must submit a "NO BID", and it must be received no later than the stated bid opening date and hour.
3. BID OPENING: Bid opening shall be public and on the date, location and time specified on the bid form. It is the bidder's responsibility to assure that his bid is delivered at the proper time and place of the bid opening. Bids that for any reasons are not so delivered will not be considered. Offers by telegram or telephone are not acceptable. A bid may not be altered after opening of the bids.
4. PRICES, TERMS AND PAYMENT: Firm prices shall be bid.
5. MISTAKES: Bidders are expected to examine the specifications and all instructions pertaining to the bid. Failure to do so will be at the bidder's risk. In case of mistake in extension, the unit price will govern.
6. INTERPRETATIONS/DISPUTES: Any questions concerning conditions and specifications shall be directed in writing to this office for receipt no later than ten (10) days prior to the bid opening. Inquiries must reference the date of bid opening and bid number. No interpretation shall be considered binding unless provided in writing by the state of Florida in response to requests in full compliance with this provision. Any person who is adversely affected by the agency's decision or intended decision concerning a bid award and who wants to protest such decision or intended decision shall file a protest in compliance with Chapter 28-110, Florida Administrative Code. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.
7. CONFLICT OF INTEREST: The award hereunder is subject to the provisions of Chapter 112, Florida Statutes. Bidders must disclose with their bid the name of any officer, director or agent who is also an employee of the state of Florida or any of its agencies. Further, all bidders must disclose the name of any state employee who owns, directly or indirectly, an interest of five percent (5%) or more in the bidder's firm or any of its branches in accordance with Chapter 287, Florida Statutes. All awards made as a result of this bid shall conform to applicable Florida Statutes.
8. AWARDS: As the best interest of the state may require, the right is reserved to reject any and all bids or waive any minor irregularity or technicality in bids received. Bidders are cautioned to make no assumptions unless their bid has been evaluated as being responsive.
9. DEFAULT: Failure to perform according to this bid and/or resulting contract shall be cause for your firm to be found in default.
10. LEGAL REQUIREMENTS: Applicable provision of all federal, state, county and local laws, and of all ordinances, rules and regulations shall govern development, submittal and evaluation of all bids received in response hereto and shall govern any and all claims and disputes, which may arise between person(s) submitting a bid response hereto and the state of Florida, by and through its officers, employees and authorized representatives, or any other person, natural or otherwise; and lack of knowledge by any bidder shall not constitute a cognizable defense against the legal effect thereof.
11. ADVERTISING: In submitting a bid, bidder agrees not to use the results therefrom as a part of any commercial advertising.
12. ASSIGNMENT: Any contract entered into pursuant to this bid invitation is not assignable by the buyer without the Department's written permission.
13. LIABILITY: The buyer shall hold and save the state of Florida, its officers, agents and employees harmless against claims by third parties resulting from the breach of this contract or the buyer's negligence. This requirement does not apply to contracts between governmental agencies.
14. CANCELLATION: The state shall have the right of unilateral cancellation for refusal by the buyer to allow public access to all documents, papers, letters or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the buyer in conjunction with the contract.
15. PUBLIC RECORDS: Any material submitted in response to this Sale of Property Invitation to Bid will become a public document pursuant to Section 119.07, Florida Statutes. This includes materials that the responding bidder might consider to be confidential or a trade secret. Any claim of confidentiality is waived upon submission, effective after opening pursuant to Section 119.07, Florida Statutes.

DISCLAIMER: In no event will the Florida Department of Agriculture and Consumer Services or the Board of Trustees of the Internal Improvement Trust Fund be liable for any loss or damages, whether direct, indirect, general, consequential, incidental, exemplary or special, arising from your use of the information provided in this solicitation. Interested parties are advised to seek professional assistance or advice prior to entering into a sales contract or lease.

NOTE: ANY AND ALL SPECIAL CONDITIONS AND SPECIFICATIONS ATTACHED HERETO THAT VARY FROM THESE GENERAL CONDITIONS SHALL HAVE PRECEDENCE.

FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
FLORIDA FOREST SERVICE

LEASE AND MANAGEMENT OF STATE-OWNED PROPERTY
INVITATION TO NEGOTIATE

PURPOSE AND SCOPE

The Florida Department of Agriculture and Consumer Services (FDACS) seeks to contract with a highly-qualified Lessee with demonstrated ranch management expertise for the lease and management of real property commonly known as the Babcock Ranch Preserve (BRP) in Charlotte County, Florida, in accordance with all specifications, terms and conditions provided in this Invitation to Negotiate (ITN). The ITN, and any subsequent Lease resulting from this ITN, requires the Lessee to operate, manage and maintain the BRP, consistent with and in cooperation with the mission and directives of the Florida Forest Service (FFS) and cooperatively with the Florida Fish and Wildlife Conservation Commission (FWC). At the conclusion of this ITN process and in the event of the successful negotiation and execution of a Lease, the BRP shall be operated, managed and maintained by the Lessee as a revenue-producing working ranch that also allows for prescribed public recreational access. It is anticipated that the Lease will commence on August 1, 2016, or as soon thereafter as is practical.

The Lease resulting from this ITN shall provide for collaborative decisions regarding the operations, management and maintenance of the BRP between the Lessee and FDACS. Potential and interested Lessees are strongly encouraged to be fully engaged in this solicitation process, to fully read and understand the information provided and consider all of the complex aspects of the many activities occurring on the BRP.

The Lessee shall provide at all times a ranch manager and/or an agribusiness operations manager, one of which shall be on-site during normal business hours for day-to-day operations and available 24/7, 365 days per year for emergency purposes. Activities of the working ranch on the BRP shall include, but may not be limited to, cattle grazing, farming, timbering and an eco-tourism operation. The Lessee shall provide prescribed annual Lease payments to FDACS. All wildlife management, hunting and fishing activities on the BRP shall be managed, maintained and permitted by FWC. All revenue from the hunting and fishing activities on the BRP shall be retained by FWC.

The Lease shall require public recreational access in prescribed areas of the BRP. Public recreational opportunities in prescribed areas of the BRP shall include hiking, wildlife viewing, eco-tourism, bicycling, primitive camping and horseback riding. There shall be no public or recreational off-highway vehicle (OHV) or all-terrain vehicle activities allowed on the BRP. Public access concerns have been expressed on the availability and levels of accessibility, along with the continuation of eco-tourism activities at the BRP. The Lessee shall be required to conduct community outreach activities, which will require Lessee to provide at all times a community liaison, who shall establish relationships and collaborate and communicate effectively with community leaders and public interest groups and individuals. The outreach activities shall be conducted in conjunction and coordination with FFS and in cooperation with FWC.

Environmental stewardship is of critical and prime importance to ranch operations, as well as the management and maintenance of the BRP. The Lessee shall manage the BRP in accordance with the Ten-Year Land Management Plan for the Babcock Ranch Preserve (BRP Management Plan) (**APPENDIX I, BRP MANAGEMENT PLAN**) prepared and currently being revised by FFS, in consultation with the Babcock Ranch Advisory Group and approved by the Board of Trustees, Acquisition Restoration Council, and which is hereby incorporated by reference. The addition of any agribusiness or agri-tourism activities or changes to the management or maintenance of ranch operations on the BRP requires prior written approval from FDACS, and are subject to limitations contained in the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), as amended.

The Lease shall require conservation protection activities and practices to be implemented and performed by the Lessee to ensure sustainability of the BRP. The Lessee shall operate, manage and maintain the BRP by utilizing, to the extent possible, Best Management Practices (BMPs) for the Florida Cow/Calf, Florida Vegetable and Agronomic Crops, Florida Sod, Florida Imperiled Species, Florida Nurseries and Silviculture. The Lessee shall adhere to all standards and conditions of the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**) for silvicultural operations, wildfire prevention, fire/prescribed fire strategies, non-native invasive and nuisance plant species control and water conservation and management and any other agricultural BMPs deemed pertinent to operations. All environmental stewardship, sustainability and conservation protection activities shall be in conjunction and coordination with the FFS and cooperation with FWC.

At the commencement of each Lease year, the Lessee shall submit an updated operational and management plan (OMP) to FDACS for review and approval, detailing all planned operational, management and maintenance activities. Within thirty (30) days after the conclusion of each Lease year, the Lessee shall submit an annual operational and management report detailing all operational, management and maintenance activities. The Lessee shall also submit quarterly water consumption reports to FDACS.

BACKGROUND

The BRP owned by the state of Florida approximately 67,619 acres in southeast Charlotte County; approximately 17.5 miles east of Punta Gorda and 34 miles west of Lake Okeechobee. The state of Florida's purchase of the BRP in 2006 represents one of the single largest purchases of conservation land in state of Florida history. The BRP protects regionally important water resources, diverse natural habitats, scenic landscapes and historic and cultural resources in the southwest Florida corridor. The Babcock Ranch Preserve Act enacted by the Florida Legislature in 2006 made it the first Florida preserve responsible for generating its own funding under a public-private management partnership that includes the FDACS and FWC. In 2013, the Florida Legislature transferred management responsibility to FDACS, with the cooperation of FWC.

Prior to its purchase by the state of Florida in 2006, the BRP was part of the approximately 91,361 acre working ranch known as Crescent B Ranch. Since 1914, the Crescent B Ranch produced timber, cattle, row crops and sod and provided recreational opportunities such as hunting and eco-tourism. During the sale of the BRP in 2006, a portion of the original Crescent B Ranch acreage was reserved for private residential development (Babcock Ranch Community). The remainder of the property, approximately 67,619 acres was then sold to the state of Florida.

Since 2006, the BRP has been managed by Babcock Ranch Management LLC, a subsidiary of Kitson & Partners. The management by Babcock Ranch Management LLC, ends on July 31, 2016. On August 1, 2016, in accordance with Section 259.1052, Florida Statutes, the FDACS will begin management and oversight responsibilities in cooperation with FWC.

MANDATORY PRE-NEGOTIATION CONFERENCE/SITE VISITS

A mandatory pre-negotiation conference/site visit (conference) for all Lessees will be held for multiple days commencing at 9:00 a.m. (Eastern Standard Time) on Monday, May 9, 2016, and ending on Friday, May 13, 2016, or sooner if deemed appropriate, beginning at the Cypress Lodge, Babcock Ranch Preserve located at 8000 FL-31, Punta Gorda, Florida 33982. Since the BRP is current a working ranch, there shall be NO access to BRP prior to or after the conference date.

The conference shall include ranch site visits and roundtable meetings each day to review the ITN, provide information, review and plan site visit activities and answer questions. All roundtable meetings shall be recorded. Lessees are required to attend each day and all site visits and meetings of the conference. Attendees of the conference will sign-in each day. At the completion of the conference, a Certification of Site Visitation form (ATTACHMENT E, CERTIFICATION OF SITE VISITATION) will be provided to each Lessee who has attended each day of the conference. Any proposal received from a Lessee who did not fully attend all days and all meetings of the conference shall be disqualified and not be considered.

It is the duty and responsibility of any Lessee to be present, participate and to inspect and consider all site conditions. This conference shall be the only opportunity for Lessees to visit the site prior to submitting proposals. Additional site visits will only be scheduled during the negotiations phase with any Lessees.

The site visit portions of this conference will entail driving on forest and ranch roads with some walking at stops throughout the BRP. It is strongly recommended that attendees arrive with vehicles capable traversing rough terrain use. These would include, but not be limited to, 4-wheel drive trucks, SUVs or other heavy-duty trucks. Attendees should also consider appropriate footwear/attire/rain-gear. Attendees should come prepared with coolers containing provisions for hydration/lunch. No vehicles or transportation will be provided by FFS for the conference, and no off-highway or all-terrain vehicles will be allowed.

All questions related to the terms, conditions, plans or specifications contained in this ITN will be answered in writing. Any material changes to the ITN, terms, conditions, plans or specifications shall and must be stated in writing in the form of an Addendum issued through FDACS's procurement and contract administration office.

The cut-off date for questions to be submitted will be May 23, 2016.

CALENDAR OF EVENTS

<u>Date/Time</u>	<u>Activity</u>
April 11, 2016	ITN issued
May 9 through May 13, 2016	9:00 a.m., Mandatory Pre-Negotiation Conference Cypress Lodge, Babcock Ranch Preserve 8000 FL-31, Punta Gorda, Florida 33982
May 23, 2016	Written questions are due to the Department by 12:00 p.m. on this date. Questions can be emailed to Vianka.Colin@FreshFromFlorida.com or faxed to (850) 617-7190. No questions will be received or answered after this date.
May 31, 2016	The Department's written response to any questions received will be returned to all interested Lessees through an Addendum to the ITN.
June 28, 2016 @ 2:00 p.m.	Submissions must be received by the Department and will be opened at the Department's Purchasing Office, SB-8, Mayo Building, 407 South Calhoun Street, Tallahassee, Florida, 32399-0800.
July 19, 2016 (On or about)	Expected date for Lease award notification.
August 1, 2016	Anticipated Lease start date

PERTINENT DOCUMENTS

ATTACHMENT A, PERTINENT DOCUMENTS, contains a list of all pertinent documentation pertaining to this ITN and to the BRP. The documents can be located and obtained at the following link:

www.freshfromflorida.com/babcock-itn

BRP PROPERTY

FDACS, on behalf of the state of Florida, hereby claims and retains ownership of any and all archaeological remnants, artifacts, relics, fossils, historical items or treasures, antiques, artwork, pictures, paintings, papers, publications, magazines, books, reference materials, maps, furniture or equipment that are physically located on the grounds or in any and all structures on the BRP at the commencement of the Lease. The FFS shall identify and inventory the items. The FFS shall conduct an annual inventory.

Legal Description

ATTACHMENT B, LEGAL DESCRIPTION, provides the full legal description of the property, which is hereby incorporated by reference.

2006 Boundary Survey

ATTACHMENT C, BOUNDARY SURVEY, provides the boundary survey completed in 2006 by Johnson Engineering, which is hereby incorporated by reference.

300-foot Wide Parcel on Western Boundary of BRP

There is a 300-foot wide parcel of property owned by Babcock Property Holdings LLC (Babcock), located in the area immediately east of and adjacent to the State Road 31 right-of-way and immediately west of and adjacent to the BRP. The parcel is bounded on the north by the State Road 74 right-of-way and on the south by the Hercules Grade Road. This parcel includes farm fields, pastures and natural areas currently included in the leases between Babcock and existing tenants on the adjacent BRP property. Lessee shall not encroach on this 300-foot wide parcel.

Mitigation Area

The mitigation area (mitigation area) is referenced in **APPENDIX II, MAPS**. Some or all uses of all property described may not be allowed due to future mitigation activities. The Army Corps of Engineers, permit # SAJ-2006-6656 (IP-MJD) (**APPENDIX III, ARMY CORPS OF ENGINEERS PERMIT OTHER MITIGATION TELEGRAPH SWAMP**), allows certain activities, notwithstanding the future mitigation activities. The Lessee should familiarize themselves with permitted and prohibited activities contained in the Army Corps of Engineers permit. The limitation and/or inability to engage in certain activities shall not serve to alter the obligation of the Lessee to make payments under the Lease.

Maps of BRP

All maps referenced in **APPENDIX II, MAPS** are hereby incorporated by reference.

Easements on BRP

All easements are included and referenced in **APPENDIX IV, EASEMENTS**, and are hereby incorporated by reference.

Permits

All permits are included and referenced in **APPENDIX V, PERMITS**, and are hereby incorporated by reference.

Environmental Assessments

An environmental site assessment (**APPENDIX VI, ENVIRONMENTAL ASSESSMENT**) on BRP was completed in 2006 by Golder Associates, Inc. Prior to the effective date of the Lease, FDACS will have a memorandum of agreement in place with the Florida Department of Environmental Protection (FDEP), to initiate a site assessment of BRP to identify environmental areas of interest that may currently exist on the BRP. Once completed, FDEP will work with FDACS to remediate the environmental areas of concern identified during the site investigation.

The Lessee shall be responsible for any areas not identified by the site assessment and which are subsequently identified and which are caused directly or indirectly by Lessee, its agents, contractors, subcontractors, licensees or invitees. The Lessee shall be expected to ensure that no future remediation efforts will be necessary as strict adherence to all applicable laws, rules, regulations and BMPs required as part of environmental stewardship activities.

Access

FDACS/FWC – With reasonable notice, FDACS and FWC, along with their agents, officers or assigns, shall have 24/7, 365 days per year access to all areas of the entire BRP as identified in **ATTACHMENT B, LEGAL DESCRIPTION**, and **ATTACHMENT C, BOUNDARY SURVEY**. The Lessee shall in no way hinder or interfere with FDACS or FWC activities.

LEESEE – The Lessee shall have the right to quiet enjoyment of the BRP and shall have 24/7, 365 days per year, access to all areas of the entire BRP as identified in **ATTACHMENT B, LEGAL DESCRIPTION**, and **ATTACHMENT C, BOUNDARY SURVEY**, except those areas specifically excluded herein. FDACS or FWC will not hinder or restrict access of the Lessee or sublessees, without prior notification or in the event of an emergency. The Lessee shall designate and control access privileges to the agricultural operations sublessees and other sublessees on the BRP, unless otherwise prescribed.

PUBLIC - The public access shall be dictated and prescribed by the activities on the designated public recreational areas. The Lessee shall agree to allow public access to the greatest extent safe and practicable, and to the extent reasonably consistent with prescribed public recreational use of the BRP. FFS and FWC shall work in coordination and conjunction with the Lessee on the accessibility of the recreational areas. The public shall not have access to the agricultural operations and activities, except as they may relate to the eco-tour operation.

FFS Headquarters (HQ)

The ranch headquarters is a two-story building located on the BRP. The FFS HQ office space, to be shared with FWC staff, shall be located on the first floor in the ranch headquarters located on the BRP. FFS requires 1,000 square feet of secured office space, with access to common area meeting space and restrooms. The office space shall include electricity, cable and telephone access, which shall be provided by and paid for by the Lessee. The FFS HQ office space

shall be provided at no charge to FDACS.

INFRASTRUCTURE

Cypress Lodge

The Cypress Lodge is part of the distinctive character of BRP. This former home sits on the edge of the upper reach of the Telegraph Swamp, surrounded by a wetland moat. The wood frame building has private and shared bathrooms, kitchen facilities, great room with fireplace and spacious screened porch overlooking the swamp. In its current condition, the Cypress Lodge is only available for meeting space or other activities approved by FDACS. No commercial activity shall be allowed. With the approval of FDACS, the Lessee may undertake repairs and improvements at its own expense and shall be in accordance with local and state building code requirements.

FDACS Equipment

FDACS will have the following equipment available for purchase by the Lessee after August 1, 2016. If the Lessee desires to purchase the individual pieces of equipment, then Lessee shall first right of refusal to purchase the equipment at an agreed upon price between FDACS and Lessee. The Lessee shall have the opportunity to inspect the equipment prior to purchase. If the Lessee does not want to purchase the equipment, the FFS will retain and relocate the equipment or list the equipment for sale at the online auction site, GovDeals. The equipment will not be considered as part of the ITN evaluation process.

Description

- 2002 Dodge Caravan
- 2012 Ford F150 Super Cab 4X4
- 3 pt. Fertilizer/Seed Spreader
- Champion 7.5 Air Compressor
- Dixie Chopper 30HP Mower
- Green Roller
- Hyster Forklift P50
- John Deere 310SG Front End Loader & Backhoe
- John Deere Road Grader 670CH /130-139hp/DSL
- Kubota L3450 Tractor
- Kubota 4WS Tractor 135HP (M135X)
- Kubota Tractor MX126
- Pressure Washer
- Roller Chopper

Water Wells

There are approximately 160 permitted wells on BRP, which includes irrigation, non-potable and potable water wells. The attached spreadsheet (**APPENDIX VII, WATER WELLS**) and associated documentation provides information on the individual wells and types, including but not limited to permits, depth, type and use, aquifer source, location. All water wells currently on BRP, or any new water wells, shall be operated, permitted and maintained in compliance with all federal, state and local requirements. The Lessee shall monitor water consumption and report the water consumption to FDACS quarterly. The Lessee shall pay any and all costs for permit renewals or any new permits.

Leased Residences

There are ten (10) residences on the BRP. FDACS intends to lease six (6) of the residences, which are located at 8010, 8040, 8060, 8080, 8082 and 8090 State Road 31 to Babcock Ranch Management LLC, commencing on August 1, 2016, for a term of five (5) years. Total Lease payments for the six (6) residences will be \$900 per month. The Lease payments will be pro-rated at the execution of the BRP Lease. This lease will be assigned to the Lessee without recourse at the

Lease execution. At the expiration of the five (5) year Lease term, the Lessee will be entitled to lease the property to third parties without restriction subject to all laws, rules and regulations.

If any of the current residents of the six (6) residences leased to Babcock Ranch Management LLC, leaves prior to the expiration of the five-year lease, that residence reverts back to the Lessee.

If the Lessee does not utilize any of the ten (10) residences during the term of the Lease, then FDACS reserves the right to utilize those unoccupied residences at no charge to FDACS.

Bermont Road Residential Lease (Author)

FDACS intends to enter into a Lease for the residential property located at 45501 Bermont Road, commencing on August 1, 2016, for a term of eleven (11) months, with a one (1) year option to renew, exercisable by the current tenant. Total Lease payments for the first year is \$19,000 and shall be paid in two (2) installments. The first installment in the amount of \$4,750 shall be due and payment made on August 1, 2016, to FDACS. The second installment in the amount of \$14,250 shall be due and payable on February 1, 2017, to the Lessee. In the event the option to renew is exercised by the current tenant, rent for the renewal term shall be due and payable on or before July 1, 2017, in the amount of \$19,000. The Leases will be assigned to the Lessee without recourse at the BRP Lease execution.

CURRENT AGRICULTURAL SUBLEASES ON THE BRP

The following ranch and agricultural activities are performed under existing subleases. The current ranch manager, Babcock Ranch Management LLC, is the sublessor until July 31, 2016. FDACS has executed subleases for the current sublessees effective August 1, 2016. The FDACS subleases are effective August 1, 2016, for eleven (11) month term. The subleases allow for a one (1) year renewal, exercisable at the option of the sublessee. The subleases will be collaterally assigned without recourse at the BRP Lease execution. Rent for all subleases is payable in advance on a quarterly basis. FDACS will collect and retain the first quarterly rent payment due under each sublease. The Lessee shall be entitled to collect all quarterly payments thereafter.

Tenant Farming

C & L Packing Inc., leased 457 acres at \$79,975 annually.
Bayshore Farms, leased 210 acres at \$36,750 annually.

Anticipated, pending execution:

Sill Farms, leased 141 acres at \$31,725 annually.
Sill Farms, leased 190 acres at \$42,750 annually.
Lady Moon Farms, leased 330 acres at \$74,250 annually.
Bermont Farms, leased 249 acres at \$43,575 annually.

Cattle Grazing

3-Way Cattle Company LLC, leased 13,000 acres at \$40,000 annually, which represents 400 herd of cattle. The term for this sublease is five (5) years, eleven (11) months, expiring June 30, 2022.

Alligator Harvesting/Eggs

Sublessee, Gene McMillian. Alligator harvesting, 40% of sale proceeds. Alligator eggs, \$5 per juvenile egg, \$13 per fertile egg collected.

Palmetto Drupes/Berries

Sublessee, Gene McMillian. Saw palmetto berries, 15% of sale proceeds. Harvest of the palmetto drupes/berries shall be subject to annual approval by FDACS.

Apiaries

Wonderful Bees LLC. \$900 annually and one-hundred (100) cases of twelve (12) one-pound jars of honey. The rent and cases of honey are payable in advance on a quarterly basis. FDACS will collect and retain the first quarter rent and

twenty-five (25) cases of honey as payment due under the sublease. The Lessee shall be entitled to collect all quarterly payments and cases of honey thereafter.

OTHER AGRICULTURAL COMMODITIES

Other agricultural commodities have historically been harvested and sold. These other agricultural commodities may be harvested and sold in accordance with the Operations and Management Plan (OMP) submitted by Lessee and approved by FDACS. The other agricultural commodities that may be harvested and sold include: fuel wood, palm trees, pine stumps, wiregrass, hay, sod and timber. Sales of any other agricultural commodities not enumerated in the preceding sentence shall be approved in writing by FDACS prior commencement of harvest and sale and shall be in accordance with the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), as amended from time to time.

All timber sales shall be conducted and managed in accordance with the forestry and silviculture plan set forth in the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), as amended from time to time, in accordance with all applicable BMPs.

LESSEE ECO-TOURISM OPERATION

The BRP has a fully operational eco-tour which shall be operated, managed and maintained by the Lessee or alternatively, subcontracted by the Lessee to operate, manage and maintain the eco-tour operation. Lessee shall remain responsible for the operation of the eco-tour in the event Lessee subcontracts for such operation. The operation, management and maintenance of the eco-tour shall be in accordance with all local and state regulatory requirements, licenses or permits.

The eco-tour operation is important to the local community as an access point for the public and for area tourism activities. The eco-tourism operation at BRP is licensed to do business by Babcock Ranch Management LLC, until July 31, 2016, and is currently doing business as Babcock Wilderness Adventures. The Babcock Wilderness Adventures Tour in its current form, is a 90-minute guided and narrated tour traveling on converted “swamp buggy” buses through a specified portion of the ranch, viewing Florida ecosystems and native wildlife. The in-season months for the eco-tour are typically October through April, with the summer months of May through September running a lighter schedule because of the heat and humidity.

The building inventory for this operation includes a restaurant, gift shop, reception building, museum, restrooms, artifact display building and animal compound. The restaurant includes seating and is currently licensed by the Department of Business and Professional Regulation, Division of Hotels and Restaurants. The equipment inventory includes two (2) buses, three (3) converted “swamp buggy” buses and restaurant equipment, which includes a drink cooler and commercial refrigerator. FDACS shall transfer the equipment ownership to Lessee. All buildings and equipment are thought to be in good operational condition but are leased as-is. The current eco-tour operation has been operating with one (1) full-time staff member.

The Lessee shall work in cooperation with FDACS to rename and rebrand the eco-tour operation. The Lessee shall control the operational structure, while FDACS shall retain ownership of the name and brand of the eco-tour operation.

The following website links to videos of the BRP, and the eco-tour are posted online and at www.VisitFlorida.com. FDACS makes no warranties about the authenticity of any representations or information contained in the videos and are provided for informational purposes only.

- <http://www.babcockwilderness.com/>
- <https://www.youtube.com/watch?v=SKxBvyDW8MI>
- https://www.youtube.com/watch?v=1pYNCa_ArIQ
- <https://www.youtube.com/watch?v=86SytpCY04A>

FFS/FWC RECREATIONAL AREAS AND ACTIVITIES

FDACS Public Recreation Areas

The FFS shall designate and establish public recreation areas for activities within the native property portions of Telegraph Swamp, Jack’s Branch and Bermont Crossing areas (**APPENDIX II, MAPS**). The planned public recreational access and activities may include trails for walking/hiking, wildlife viewing, bicycling, primitive camping and horseback riding. The FFS shall work in coordination with Lessee to identify native portions of the specific areas to designate for

public recreational activities, so as not to impede ranch operations. The FFS shall be responsible for operation, management and maintenance of the designated public recreation areas. Lessee shall not modify or hinder public access to designated recreation areas without prior approval from FDACS.

Operation Outdoor Freedom (OOF) Activities

FDACS participates and coordinates with military and veterans groups to provide outdoor recreational activities to wounded warriors and veterans, free of charge, known as Operation Outdoor Freedom. These activities may include hiking, wildlife viewing, eco-tourism, bicycling, primitive camping and horseback riding. These activities will occur within the prescribed FFS recreational areas or with the Lessee eco-tourism operation. Additionally, in cooperation with FWC, there may be some OOF hunting and fishing activities on the FWC Tier I and Tier II recreation areas. These events will be coordinated with Lessee.

FWC Hunting – Tier I and II Areas

Tier I and II hunting activities on recreational areas will be controlled by FWC. For details concerning the Tier I and II hunting activities on the recreational areas, Lessee should contact FWC directly at, Attn: Division of Hunting and Game, Contract Manager, 620 S. Meridian Street, Tallahassee, Florida 32399-1600.

FFS and FWC will be working cooperatively to coordinate all activities on the BRP, including ranch management, hunting opportunities, public recreation and youth outdoor programs, while maintaining a healthy, functioning eco-system.

FOUR (4) BRP AREAS EXCLUDED FROM LEASE

The Lessee shall in no way hinder or interfere with these excluded areas. The Lessee shall not access the excluded areas without prior approval of FDACS.

FFS Tower Site

The FFS has a tower site, ranger housing and field office of FFS District 15, located at 42371A Bermont Road, Punta, Gorda, Florida. The tower site is shown on **APPENDIX II, MAPS**.

School Board of Charlotte County – AMI/Kids

The School Board of Charlotte County (SBCC) has a License Agreement with the Board of Trustees of the Internal Improvement Trust Fund to operate a youth program through AMI Kids Crossroads Inc. (AMI/Kids), known as CrossRoads Wilderness Institute. This program is for residential and non-residential youth programs. The License Agreement is valid through November 15, 2019. The AMI/Kids facility is shown on **APPENDIX II, MAPS**

SBCC – School Bus Turnaround

The SBCC has a Non-Exclusive Grant of License for Ingress, Egress and School Bus Turnaround from the Board of Trustee of the Internal Improvement Trust Fund issued by FDACS, which expires June 30, 2021. The SBCC school bus turnaround is shown on **APPENDIX II, MAPS**.

Communications Tower Lease

The Board of Trustees of the Internal Improvement Trust Fund has a Standard E911 Wireless Communication Facility Lease Agreement for a ten (10) acre parcel of property with Crown Castle GT Company LLC. The tower is located at 42501 Bermont Road, Punta Gorda, Florida. The Lease was signed on September 11, 2011, and is effective for 25 years. The communications tower is shown on **APPENDIX II, MAPS**.

SALE OF CATTLE ON BRP

The Lessee shall be required to purchase all of the FDACS cattle herd (herd) currently on the BRP. The herd of approximately 4,060 cattle is comprised of commercial grade brangus, angus, charolais and Florida cracker cattle.

As part of this ITN, the Lessee shall provide pricing for the total estimated commercial herd. The Lessee agrees to pay for the BRP cattle herd in two (2) installments. The first installment payment shall be made concurrently with the execution of the Lease, payable without demand. The first installment payment due is equal to half of the total sum of Lessee's bid for

the BRP cattle herd. The second installment payment shall be due six-months after commencement of the Lease. No later than 90-days after the commencement of the Lease and at least 30-days prior to the second installment payment due date, the FDACS shall conduct and submit the results of a “true-up”, which shall determine the exact quantity and type of cattle present on the BRP and include a pregnancy check of the cattle. The “true-up” will be conducted by FDACS, the Lessee and a third-party veterinarian, to be agreed upon by Lessee and FDACS, and paid by the Lessee. The second installment payment due shall be calculated by deducting from or adding to half of the sum of Lessee’s bid for the BRP cattle herd the market price of the respective shortage or overage of cattle according to the table on **ATTACHMENT D, PRICE SHEET.**

Stocking rates for cattle grazing is set at 2,700 for the first year of the Lease. Four-hundred head of cattle currently grazing the BRP under a separate lease and calves are not counted toward the stocking rate. The stocking rates will be reviewed and may be adjusted each year prior to the Lease payments being made. Future determination of stocking rates or any changes to stocking rates will be made in consultation between the FDACS, the Lessee and one of the following, Natural Resources Conservation Service (NRCS), a range consultant or the University of Florida, Institute of Food and Agricultural Sciences (IFAS). The Lessee shall not allow hogs, sheep, horses or goats to graze or range on the BRP.

MINIMUM MAINTENANCE, REPAIR STANDARDS AND SPECIFICATIONS

Roads

The Lessee shall be responsible for all road maintenance and repairs on the BRP, as specified below. All repairs and maintenance shall be completed immediately upon identification of need, so as not to impede ranch operations.

Class I Ranch Roads may provide public ingress and egress at times; these roads are primarily critical for ranch operations. These roads shall be maintained to provide traffic access for most two-wheel drive vehicles, log and farm trucks, campers and emergency vehicles in most weather conditions. Lessee shall be solely responsible for the repair and maintenance of Class I Ranch Roads.

Class II Ranch Roads provide limited public access, primarily during hunting dates in Jack's Branch Recreation Area. These roads shall be maintained by the Lessee to provide traffic access for most two-wheel drive vehicles and emergency vehicles in most weather conditions. FFS and/or FWC may, at its discretion, provide funding assistance for the materials associated with the maintenance of Class II Ranch Roads.

Service roads not classified as Class I or Class II Ranch Roads shall be maintained as service roads. These roads are used for ranch management purposes and are generally closed to public vehicular access. Service roads shall be maintained to provide four-wheel drive traffic access, weather permitting. Lessee shall be solely responsible for the maintenance of service roads.

Ditches and Culverts

The Lessee shall maintain the ditches and culverts on all roads in the BRP. Ditches shall be repaired and maintained in a manner that ensures the integrity of the service, Class I and Class II Ranch Roads, as defined herein. Repairs or replacement of any culverts shall be of the same size and quality. All ditch and culvert maintenance and repair shall be completed immediately upon identification of need, so as to keep all roads open at all times and not impede ranch or fire management operations.

Cattle Gaps and Gates

The Lessee shall maintain the gates and cattle gaps utilized for agricultural farming and cattle management operations on the BRP. Repairs or replacement of any gates or cattle gaps shall be of the same size and quality. All gate or cattle gap maintenance and repair shall be completed promptly upon identification of need, so as to not impede ranch or fire management operations.

The Lessee shall maintain the gates allowing for ingress and egress. Maintenance and repair shall be completed immediately upon identification of need, so as to allow public access and maintain security on the BRP.

Fencing

The Lessee shall maintain the fencing utilized for agricultural farming and cattle management operations on the BRP at a

minimum shall:

- Provide fencing consisting of at least four (4) strands of barbed wire stapled, nailed or otherwise properly attached to posts placed 16 feet or less apart;
- Corner posts and brace posts should be pressure treated and no smaller than 5 inches in diameter. Line posts should be pressure treated and no smaller than 3 inches in diameter. Horizontal brace rails should be pressure treated and no smaller than 4 inches in diameter;
- No metal posts shall be installed. No fencing shall be nailed to any tree or stump regardless of species and
- Repairs to the fencing shall be completed immediately upon identification of need to ensure unimpeded ranch operations.

Residences, Buildings or Other Structures

The Lessee accepts the residences, buildings and all other structures in the current **“as is” condition, with no warranties**. The Lessee shall provide for interior and exterior maintenance and repairs in accordance with local and state building code requirements. This includes interior and exterior repairs and maintenance so as to maintain the residences in a wind and water tight condition. This includes, without limitation, structural components, windows, roof, floors, joists, electrical system, plumbing, HVAC systems and repairs of equipment as needed due to normal use. Lessee shall maintain the interior and exterior of the facilities so as to conform to all applicable health and safety laws, ordinance and codes, which are presently in effect or may be enacted during the term of this Lease and any renewal periods.

In the event that the entirety or majority of any of the facilities are destroyed by fire, lightning, storm or other casualty, the Lessee may repair the damage or replace the facility at its own cost and expense. In the event that less than 25% of the building is damaged or destroyed, by fire, lightning or other casualty, the Lessee shall repair or replace the damage or destruction at Lessee’s sole cost and expense, whether or not insurance proceeds are sufficient to effectuate said repairs or replacement by contribution of Lessee. In the event that more than 25% of the building is damaged or destroyed, by fire, lightning or other casualty, FDACS in its sole discretion may require the Lessee to repair or replace, may demand and receive from Lessee an assignment of insurance proceeds payable on account of such damage or destruction. The Lessee shall cooperate fully with FDACS in determining both the extent of damage or destruction and the manner of applying any insurance proceeds.

There shall be no construction, placing, demolition or removal of buildings, infrastructure, roads, fences, signs, billboards or other advertising, working pens, utilities or other structures on, under or above the ground without prior written approval by FDACS during the term of the Lease.

LESSEE PRESCRIBED FIRE RESPONSIBILITIES

The Lessee shall be responsible for all prescribed fire activities in accordance with the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), as amended from time to time, in consultation with FFS. The Lessee and FFS shall mutually agree on the timing and scheduling of prescribed fire activities based upon weather and terrain conditions.

LESSEE NON-NATIVE INVASIVE VEGETATION CONTROL RESPONSIBILITIES

The Lessee shall be responsible for all non-native invasive vegetation control in accordance with the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), as amended from time to time, in consultation with the FFS and FWC. Non-native invasive vegetation shall include those species in the Noxious Weed List in Rule 5B-57.007, F.A.C., and species listed in the FNAI Non-Native Invasive Species Inventory in the BRP Management Plan (**APPENDIX I, BRP MANAGEMENT PLAN**), both as amended from time to time.

SUBLEASING, SUBCONTRACTING OR ASSIGNMENTS

The Lessee may subcontract in writing, as necessary, to perform the services contemplated in the Lease and the OMP submitted by Lessee and approved by FDACS. The term subcontract, as used in this Lease, includes any written agreement, license or other arrangement in writing in which any another entity undertakes to perform any of the services authorized or required to be performed by the Lessee under the Lease or the OMP.

The term subcontractor, includes any person or entity offering goods and/or services to or on behalf of the Lessee by written agreement, license or other arrangement in writing with the Lessee. The Lessee agrees to hold FDACS harmless with respect to any claim, causes of action or damages arising from or in connection with any subcontract. Lessee is

solely and primarily liable to any subcontractor for all expenses and liabilities incurred under a subcontract, and the Lessee is solely and primarily responsible for the subcontractor's performance under the subcontract.

The Lessee shall include a provision in its subcontracts that requires the subcontractor to comply with the terms of the Lease and the OMP. Failure by any subcontractor to perform or to pay the Lessee shall not be grounds for excusing the Lessee's obligations to FDACS. By execution of a written subcontract between the Lessee and subcontractor, each agree to be bound by the terms of the Lease, the OMP and all applicable provisions of Chapter 119, Florida Statutes; applicable audit and minimum accounting requirements. The Lessee shall also include a provision in its written subcontract that, in the event a subcontractor refuses to comply with the terms and conditions of the Lease and the OMP, such refusal shall constitute an event of default and operate to automatically terminate the subcontract.

Any attempt to subcontract orally shall be void and of no force and effect and shall constitute a default under the Lease. The Lessee is prohibited from assigning its rights and obligations under the Lease in whole or in part to any third parties. Any purported assignment shall be void and of no force and effect and shall constitute a default under the Lease.

LEASE PERIOD

The initial Lease term shall be upon execution of the Lease and will continue for a period of ten (10) consecutive years.

RENEWAL

Absent an uncured default by Lessee, the Lessee shall have an option to renew the Lease (the "Renewal") for an additional five (5) years upon acceptable terms and conditions to both FDACS and the Lessee.

FDACS LEASE MONITORING

FDACS shall designate an operations manager who shall be on-site during normal business hours for day-to-day operations and available 24/7, 365 days per year for emergency purposes. The FDACS operations manager shall be headquartered in the ranch headquarters on the BRP. The FFS shall maintain ranger and FFS support personnel presence on the BRP with the field office of FFS District 15, which is adjacent to the FFS fire tower.

At the commencement of each Lease year, the Lessee shall submit an updated OMP to FDACS for review and approval, detailing all planned operational, management and maintenance activities. Within thirty (30) days after the conclusion of each Lease year, the Lessee shall submit an annual operational and management report detailing all operational, management and maintenance activities. The Lessee shall also submit quarterly water consumption reports to FDACS.

MODEL LEASE

Terms and conditions included with the Model Lease (**ATTACHMENT F, MODEL LEASE**), associated proposal document and attachments shall apply. The final Lease will be negotiated with the selected Lessee.

FEE AGREEMENT

The first annual Lease payment shall be due at the time of Lease execution, with payments continuing on the same date annually thereafter, payable without demand. Annual Lease payments shall be payable to FDACS.

MINIMUM BID

The minimum acceptable bid is a base Lease payment of \$350,000 per year. Bids in excess of the minimum are encouraged and shall determine the maximum evaluation points for the bid price component. FDACS shall reject any and all proposals not at the minimum acceptable bid.

BID GUARANTEE

Each proposal shall be accompanied by a bid guarantee payable to FDACS in the amount of \$50,000.00. The form of the bid guarantee shall be a cashier's check, certified check or bid bond. The unsuccessful Lessee's bid guarantee shall be returned within ten (10) consecutive calendar days after the posting of agency's intent to award. The successful Lessee's bid guarantee shall be returned upon execution of the Lease and furnishing the performance bond as specified herein. If the successful Lessee fails to deliver the performance bond as specified herein, the bid guarantee shall be claimed by FDACS.

PERFORMANCE BOND

No later than twenty (20) calendar days prior to the effective date of the commencement of the Lease term, the successful Lessee shall provide the FDACS purchasing office with a performance bond from a reliable surety company authorized to do business in the state of Florida and acceptable to FDACS for equal to one (1) full-year of Lease payments to FDACS. The term of the bond shall be concurrent with the term(s) of the Lease. Such a performance bond shall be accompanied by a duly authenticated power of attorney evidencing that the person executing the performance bond on behalf of the surety had the authority to do so on the date of the performance bond. In the event of non-payment of Lease payments owed to the FDACS or any other breach of the lease, the Lessee or the Lessee's surety shall provide the monies from the performance bond as compensation for any such loss to FDACS. If FDACS determines that the Lessee is not in compliance with any of the terms and conditions of the proposal, the Lessee shall be found in default. Allowances shall be made if non-compliance arises out of causes beyond the control and without the fault or negligence of the Lessee (acts of God, the public enemy, fires, floods, strikes, etc.). In the event the Lessee should be found in default, the amount recoverable under the bond shall be the amount equal to any losses that FDACS has sustained plus the cost of reprourement where applicable.

To be acceptable to FDACS as surety for performance bonds, a surety company shall comply with the following provisions:

- A. The surety company must be admitted to do business in the state of Florida.
- B. The surety company shall have been in business and have a record of successful continuous operations for at least five (5) years.
- C. The surety company shall have a minimum Best's Policy Holder Rating of A and Required Financial Rating of VIII from Best's Key Rating Guide.

PERMITS AND LICENSES

The successful Lessee agrees to obtain all required permits and licenses and agrees to comply with all laws governing the responsibility of an employer with respect to persons employed by the successful Lessee. All required permits and licenses must be obtained prior to commencement of any operation by the successful Lessee.

INSPECTION AUDIT AND MAINTENANCE OF REPORTS

FDACS, the Chief Financial Officer of the state of Florida or the Auditor General of the state of Florida, or their duly authorized representatives, shall have access, for purposes of examinations, to any books, documents, papers and records of the Lessee as they may relate to this Lease. FDACS reserves the right to rescind this Lease for refusal by the Lessee to provide access for these purposes.

INSURANCE REQUIREMENTS

The Lessee shall not commence any work in connection with the project until he has obtained all of the following types of insurance, and the owner has been approved by FDACS. Nor shall the Lessee allow any independent/subcontractor to commence work on his subcontract until all similar insurance required of the independent/subcontractor has been so obtained and approved. All insurance policies shall be with insurers qualified to do business in Florida through an authorized licensed Florida Agent.

CERTIFICATE OF INSURANCE

The Lessee shall furnish proof of insurance coverage within ten (10) calendar days after notification of award and prior to starting the Lease.

The Lessee shall furnish a Certificate of Insurance for all insurance required by this Lease and shall include the state of Florida, FDACS, as additional insured. This form(s) shall be completed and signed by the authorized licensed Florida Agent and returned to FDACS, Purchasing Office, 407 South Calhoun St., Room SB-8, Mayo Building, Tallahassee, Florida 32399-0800. Certificate(s) shall be dated and show:

1. Name of the insured Lessee, specific job by name, name of the insurer, number of the policy, its effective date and its termination date.
2. Statement that the insured will mail notice to the FDACS, at least thirty (30) calendar days, prior to any material changes in provisions or cancellation of the policy.

LESSEE'S COMMERCIAL GENERAL LIABILITY INSURANCE

The Lessee shall take out and maintain during the life of the Lease:

Minimum Limits of Liability	\$ 3,000,000 each occurrence
	\$ 5,000,000 aggregate

Including Bodily Injury, Property Damage and products and completed operations.

LESSEE'S AUTOMOBILE LIABILITY INSURANCE

The Lessee shall take out and maintain during the life of this Lease Automobile Liability insurance for all claims that may arise from all operations performed under this Lease:

Minimum Limits of Liability	\$1,000,000 any automobile
-----------------------------	----------------------------

WORKER'S COMPENSATION INSURANCE

The Lessee shall obtain and maintain during the life of this Lease Worker's Compensation Insurance in accordance with Chapter 440, Florida Statutes, for all employees connected with the work of this project, and in case any work is sublet, the Lessee shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection of the Lessee. Such insurance shall comply fully with the Florida Worker's Compensation Law.

HOLD HARMLESS AND INDEMNIFY

The Lessee shall hold harmless and indemnify to the fullest extent permitted by law, the state of Florida, FDACS and FDACS employees from and against any and all claims, damages, losses and expenses of any nature whatsoever, including but not limited to, attorneys' fees arising out of or resulting from Lessee's use or occupancy during the term of the Lease. This indemnity shall survive the expiration or early termination of the Lease.

INSURANCE, LOSS DEDUCTIBLE CLAUSE

The state of Florida shall be exempt from, and in no way liable for, any sums of money, which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Lessee providing such insurance.

INSURANCE, INDEPENDENT/SUBCONTRACTOR'S COMMERCIAL GENERAL LIABILITY

The Lessee shall require each of his independent or subcontractors to secure and maintain during the life of the subcontract, insurance of the type specified above or insure the activities of his independents/sublessees in his policy, as specified above, including a separate Owners, Lessees Protective Liability Policy.

INDEPENDENT CAPACITY OF LESSEE

The Lessee, its officers, agents and employees, in performance of this Lease, shall act in the capacity of an independent contractor and not as an officer, employee or agent of the state.

DRUG-FREE WORKPLACE

Preference shall be given to proposals certifying a drug-free workplace has been implemented in accordance with Section 287.087, Florida Statutes. Whenever two or more equal proposals are received by the state or by any political subdivision for the procurement of commodities or contractual services, the proposal received from a business that certifies it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for

processing tie proposals will be followed if none of the tied vendors have a drug-free workplace program (**ATTACHMENT G, DRUG-FREE WORKPLACE PROGRAM - BIDDER CERTIFICATION**). If applicable, please sign and return with your response.

AWARD OF IDENTICAL (TIE) PROPOSALS AND SCORES

In the event that identical proposals and/or scores are received, preference shall be given to the proposal certifying a drug-free workplace has been implemented in accordance with Section 287.087, Florida Statutes. Award shall be determined by using the number of valid vendor complaints on file or by lot; except that the bid/proposal, which relates to commodities manufactured within this state, shall be given preference. The proposal of any foreign manufacturer, with a factory in the state employing over 200 employees working in the state, shall have preference over the proposal of any other foreign manufacturer.

PUBLIC ENTITY CRIMES

A person or affiliate, who has been placed on the convicted vendor list following a conviction for a public entity crime; may not submit a proposal on a Lease to provide any goods or services to a public entity; may not submit a proposal on a Lease with a public entity for the construction or repair of a public building or public work; may not submit proposals on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a Lease with any public entity and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for category two, for a period of 36 months from the date of being placed on the convicted vendor list.

EMPLOYMENT OF UNAUTHORIZED ALIENS

Pursuant to Executive Order 96-236, effective October 1, 1996, the following standard provision shall apply to any Lease awarded as a result of this ITN:

The employment of unauthorized aliens by any Lessee is considered a violation of section 274A(e) of the Immigration and Nationality Act. If the Lessee knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of the Lease.

DISCRIMINATION

An entity or affiliate, who has been placed on the discriminatory vendor list, may not submit a proposal on a Lease to provide goods or services to a public entity; may not submit a proposal on a Lease with a public entity for the construction or repair of a public building or public work; may not submit proposals on leases of real property to a public entity; may not award or perform work as a Lessee, supplier, subcontractor or consultant under Lease with any public entity and may not transact any business with any public entity.

DISQUALIFICATION OF LESSEES

More than one proposal from an individual, firm, partnership, corporation or association, under the same or different names, will not be considered. Reasonable grounds for believing that a Lessee is interested in more than one proposal for the same work will cause the rejection of all proposals in which such Lessees are believed to be interested.

If there is reason to believe that collusion exists among the Lessees, any or all proposals will be rejected. No participants in such collusion will be considered in future proposals for the same work. Falsifications of any entry made on the Lessee's offer will be deemed a material irregularity and will be grounds for rejection.

REJECTION OF PROPOSALS

FDACS reserves the right to reject any and all proposals, when such rejection is in the interest of the state of Florida, and to reject the proposal of a Lessee who FDACS determines is not in a position to perform the Lease.

LATE PROPOSALS

Proposals received by FDACS after the proposal opening time and date will be rejected as untimely and will not be opened. A late proposal notice will be sent to the Lessee upon the posting of award notice with instructions for its return. Unclaimed late proposals will be destroyed after 45 days. Offers from vendors listed on FDACS's posted award notice are

the only offers received timely in accordance with FDACS's proposal opening time and date.

PROPOSAL INSTRUCTIONS

It is important that proposers thoroughly read and follow all instructions contained herein, so that proposals may be equally reviewed and equitably evaluated. By affixing a manual signature to ATTACHMENT D, PRICE SHEET, contained herein, the Lessee states that he/she has read all the provisions of the proposal package and agrees to the terms, conditions and specifications contained therein. NO OTHER TYPE OF "BID/PROPOSAL" WILL BE ACCEPTED AS A VALID RESPONSE.

Submit one (1) original and five (5) duplicate copies of the ITN proposal to the purchasing office in accordance with the proposal deadlines specified herein. The original must contain an original signature of an official of the proposer who is authorized to bind the entity to the proposal (in blue ink).

Proposals must be submitted in a sealed envelope to the address listed on the proposal form (**FORM FDACS-01024**) by the time and date listed on the form. In addition to the address, the face of the envelope shall be marked with the date and time of the proposal opening and the proposal number.

NOTE: Proposals received by FDACS after the proposal opening time and date shall be rejected as untimely and shall not be opened. A late proposal notice shall be sent to the proposing firm upon posting of award notice with instructions for its return. Unclaimed late proposals shall be destroyed after forty-five (45) days. Offers from Lessees listed on FDACS's posted award notice are the only offers received in accordance with FDACS's proposal opening time and date.

PART I Bidder Acknowledgment Form (Page 1 of this document)

This form shall be completed with all information and signature of an official of proposer who is legally authorized to contract for the entity. The signed original of this form must be included as Part I.

PART II Price Sheet (110 points maximum)

Provide a completed price sheet (**ATTACHMENT D, PRICE SHEET**). The 110 points shall be allocated as follows:

- *Annual Lease Payment to FDACS – 50 points maximum;
- *Cattle Sale Total Price - 50 points maximum;
- **Florida Principal Place of Business – 10 points maximum.**

**The highest guaranteed total amount shall be given the maximum evaluation points allowed for this section, and each other prospective Lessee will be given a percentage of the total points based on the percentage difference of their price versus the next highest guaranteed total proposal price.*

PART III Qualifications (75 points maximum)

All Lessees shall provide a three-part comprehensive written narrative that provides the following information at a minimum:

- A. Identify the qualifications of the proposer's principal organization and history, which shall include: 1) the principal organization's ability to operate, manage and maintain the BRP consistent with the requirements of this ITN; 2) identify the principals of the organization, including the officers, directors, managing partners and general partners and 3) the principal organization's experience and demonstrable knowledge of ranch, agribusiness and similar operations. (25 points maximum)
- B. Identify proposed key operational personnel, including the ranch manager, the manager of agribusiness operations and all other key personnel, including all partners and/or subcontractors, involved with the operation, management and maintenance of BRP operations. Include each key personnel's education, history, training and experience with ranch, agribusiness and similar operations. (25 points maximum)
- C. For each member of key personnel, a detailed summary of each individual's history, experience, knowledge and ability to implement environmental stewardship practices including FDACS BMPs, as well as any recognitions or awards for such activities. Include a detailed summary of how the entity intends to ensure and implement environmental stewardship practices, including BMPs. (25 points maximum)

PART IV Operations and Management Plan (60 points maximum)

All Lessees shall provide a three-part comprehensive written narrative that provides the following information at a minimum:

- A. Proposed operational and management plan that shall address, at a minimum, each area of responsibility listed below, in the following order. Indicate whether the response to each item is conceptual or to be implemented based on previous practice and experience with ranch and agribusiness operations: (25 points maximum)
 - 1) Mobilization plan to commence operations at the BRP on the Lease execution date, including timelines and schedules. If any of the current operations will not be immediately commenced, include timelines of when those operations will be commenced and continue thereafter.
 - 2) On-going operational schedules for each activity, dates and times.
 - 3) Safety and emergency response for each aspect of ranch operations.
 - 4) Lessee equipment inventory to be used on-site in BRP operations, management and maintenance.
 - 5) Facility, fencing, gates and road maintenance.
 - 6) Coordination of farming and agribusiness activities, e.g., hunting leases and grazing leases.
 - 7) Farming operations, including tenant farming, current or potential future subleases.
 - 8) Cattle and grazing operations, including current or potential future subleases.
 - 9) Management of sales of BRP agricultural commodities, as specified herein.
 - 10) Designate a proposed ranch manager who shall be on-site for day-to-day operations and available 24/7, 365 days per year for emergency purposes. Include their role, responsibilities and designated level(s) of authority for decision-making purposes. Include their previous experience as a ranch manager, resume, position description and work schedule.
 - 11) Staffing plan for all BRP activities, employees, including roles, responsibilities and work schedules.
 - 12) Subcontractors for BRP activities, including roles, responsibilities and work schedules.
 - 13) Designate a proposed community liaison, who is available for meetings and/or events with the community, in coordination with FDACS, concerning public recreational access and activities, as specified herein. Include their previous experience as a community liaison, resume, roles, responsibilities and designated level(s) of authority for decision-making purposes.

- B. Provide a proposed operational and management plan to implement and manage BMPs and conservation and environmental stewardship activities for the following: (25 points maximum)
 - 1) cattle and grazing operations;
 - 2) control burn/prescribed fire activities;
 - 3) silviculture management;
 - 4) non-native invasive species control and
 - 5) water quality.

- C. Provide a proposed operational and management plan to fully operate, manage and maintain the eco-tour operation for the term of the entire lease. Include any current or conceptual business models or ideas to market or expand the current eco-tour operation. Include any proposed subcontractor(s) or conceptual plans to acquire a subcontractor(s). (10 points maximum)

EVALUATION PROCEDURE

<u>RANGE OF POINTS</u>	<u>CRITERIA</u>
1-110 (Part II)	Price Sheet
1-75 (Part III)	Qualifications
1-60 (Tab IV)	Operations and Management Plan
<u>245</u>	<u>Maximum Points</u>

**The highest guaranteed total amount shall be given the maximum evaluation points allowed for this section, and each other prospective Lessee will be given a percentage of the total points based on the percentage difference of their price versus the next highest guaranteed total proposal price.*

PROPOSAL CHECKLIST

1. Bid Guarantee (cashier's check, certified check or bid bond).
2. Part I - Lease of State-Owned Property Invitation to Negotiate Cover Sheet (**FDACS-01024, BIDDER ACKNOWLEDGEMENT FORM**).
3. Part II - Price Sheet (**ATTACHMENT D, PRICE SHEET**).
4. Part III – Qualifications narrative as specified herein.
5. Part IV – Operations and Management Plan, as specified herein.
6. Certification of Site Visitation (**ATTACHMENT E, CERTIFICATION OF SITE VISITATION**).

PROPOSAL EVALUATION AND AWARD

Proposals will first be reviewed to see if they conform to all mandatory requirements specified herein. Proposals that do not conform to the requirements, or contain material deviations from the specifications, will be rejected as non-responsive and not further reviewed. An appointed evaluation committee will utilize a point system to create a list of responses in ranked order. The maximum available points are 245 points.

As the best interest of the state may require, FDACS reserves the right to reject any and all responses or waive any minor irregularity or technicality in responses received. Lessees are cautioned to make no assumptions unless their response has been evaluated as being responsive. Any further clarification, if necessary, will be by written addendum.

FDACS is not liable for any costs incurred by a Lessee in preparing a proposal, site visits or attending any meetings.

FDACS reserves the right to conduct negotiations independently or concurrently. Negotiations shall commence upon completion of award posting. Prior to final Lease execution, FDACS reserves the right to negotiate a Best and Final Offer (BAFO) from the Lessee scoring the highest cumulative points. The negotiation of the BAFO may include price, scope of operations and management, and any additional terms and conditions deemed necessary. If a negotiation impasse is reached with the highest-ranked Lessee, then FDACS reserves the right to seek BAFOs from one or more of the next highest-ranked Lessee(s).

INTERPRETATIONS/DISPUTES

Any questions concerning conditions and specifications shall be directed in writing to the purchasing office for receipt no later than 10 days prior to the proposal opening. No interpretation shall be considered binding unless provided in writing by FDACS's purchasing director in response to requests in full compliance with this provision. Any person, who is adversely affected by the agency's decision or intended decision, shall file with the agency a Notice of Protest in writing within 72 hours after the posting of the notice of decision or intended decision. With respect to a protest of the terms, conditions and specifications contained in a solicitation, including any provision governing the methods for ranking bids, proposals or replies, awarding leases, reserving rights or further negotiation or modifying or amending any lease, the Notice of Protest shall be filed in writing within 72 hours after the posting of the solicitation. The formal written protest shall state with particularity the facts and law upon which the protest is filed.

POSTING OF TABULATIONS

Tabulations with recommended award(s) will be posted for review by interested parties on the Florida Vendor Bid System located at <http://myflorida.com>, click on Business, Doing Business with the State of Florida, Everything for Vendors and Customers, Vendor Bid System, Search Advertisements. Tabulations will remain posted for a period of seventy two (72) hours. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes. Failure to file the proper bond at the time of filing the formal protest will result in denial of the protest.

QUESTIONS

Questions may be directed to:

Vianka Colin, Purchasing Director
Florida Department of Agriculture and Consumer Services - Purchasing Office
407 South Calhoun Street, SB-8 Mayo Building
Tallahassee, Florida 32399-0800
Telephone: (850) 617-7181
Email: Vianka.Colin@FreshFromFlorida.com

No negotiations, decisions or actions shall be initiated or executed by the Lessee as a result of any discussions with any purchaser or departmental employee. Only those communications, which are in writing from FDACS's purchasing office, may be considered as a duly authorized expression on behalf of the purchaser. Also, only communications from the Lessees, which are in writing and signed, will be recognized by the purchaser as duly authorized expressions on behalf of the Lessee.

Any questions, correspondence or contact with FDACS initiated by the Lessee after the proposal opening date and prior to posting of intended award must be directed to the purchasing office, attention purchasing director. FDACS personnel will not discuss proposals or proposed contract activities with Lessees during the proposal evaluation period. FDACS will not accept any revisions or additions to any proposal after the proposal opening date.

ATTACHMENT A

Pertinent Documents

PERTINENT DOCUMENTS
<u>Management Agreement BRM-State et al (Preserve Land) - FDACS 11765</u>
<u>Babcock 2016 Operational Plan</u>
<u>BRM Financial Report 123114</u>
<u>2014 Operational Report - Audited Final</u>
<u>Babcock Ranch Preserve Transition March 27 2014</u>
<u>List of leases with dollar amount</u>
<u>School Bus Turnaround Agreement</u>
<u>Cell Tower Agreement</u>
<u>AMI Agreement</u>
<u>3-Way Cattle Co. Lease</u>
<u>Babcock Ranch TM License Agreement Term Sheet (Wilderness Adventures proposed license agreement)</u>
<u>FFS Policy and Procedure 500.100 for roads, culverts, bridges, etc</u>
<u>Chapter 10 Final - State Forest Handbook (Roads Section)</u>
<u>BMP-Rules-Manuals-and-Other-Documents (Internet Link)</u>
<u>Bmp FloridaCowCalf2008.pdf (link)</u>
<u>BMP Florida Vegetable and Agronomic Crops.pdf (link)</u>
<u>BMP Florida Sod.pdf (link)</u>
<u>BMP State Imperiled Species.pdf (link)</u>
<u>Babcock Ranch - Inspection Overview Report</u>
<u>Babcock Ranch Homes - Inspection Report</u>
<u>Babcock Ranch Homes - Maintenance Report Recommendations</u>
<u>Babcock Headquarter Compound Structures - Inspection Report</u>
<u>Babcock Headquarter Compound Structures - Maintenance Report Recommendations</u>
<u>Babcock Cypress Lodge Inspection Report</u>
<u>Eco Tour Inspection Report</u>
<u>Florida Natural Areas Inventory - Rare Plants on BRP</u>
<u>Florida Natural Areas Inventory - Rare Animals on BRP</u>

ATTACHMENT B

Legal Description

That part of Sections 31 and 32, Township 40 South, Range 26 East, Charlotte County, Florida, lying South of the South right-of-way line of County Road No. 74.

That part of Government Lots 3 and 4, Section 35, Township 40 South, Range 26 East, Charlotte County, Florida, lying South of the South right-of-way line of County Road No. 74.

All of Sections 1 through 36, Township 41 South, Range 26 East, Charlotte County, Florida, LESS right-of-way for County Road No. 74. LESS the West 350.00 feet thereof.

All of Sections 19 through 36, Township 41 South, Range 27 East, Charlotte County, Florida.

All of Sections 1 through 36, Township 42 South, Range 26 East, Charlotte County, Florida, LESS the West 350.00 feet thereof.

All of Sections 1 through 11; The West one-half of Section 12; All of Sections 13 through 36, all being in Township 42 South, Range 27 East, Charlotte County, Florida.

LESS,

CHARLOTTE COUNTY PARCEL:

A parcel of land lying within Sections 28, 29, 31 through 33, Township 41 South, Range 26 East, AND, Sections 4 through 10, Sections 15 through 17 and Sections 19 through 36, Township 42 South, Range 26 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the Southwest corner of Section 31, Township 42 South, Range 26 East and run S89°41'45"E, along the South line of said Section 31, a distance of 350.01 feet to the Point of Beginning of the parcel of land herein described;

Thence along a line 300.00 feet East of, and parallel with, the East right-of-way line for State Road No. 31, the following courses and distances: N00°36'46"E a distance of 5336.09 feet, N00°26'10"E a distance of 5282.78 feet and N00°31'45"E a distance of 4197.65 feet; Thence S77°54'41"E a distance of 707.35 feet; Thence N81°38'00"E a distance of 5168.06 feet; Thence N82°12'01"E a distance of 711.51 feet; Thence N62°45'03"E a distance of 4638.50 feet; Thence N28°10'55"W a distance of 1272.65 feet; Thence N69°50'23"E a distance of 1104.32 feet; Thence S45°00'57"E a distance of 266.61 feet; Thence N71°59'01"E a distance of 448.55 feet; Thence N12°51'59"W a distance of 1862.42 feet; Thence N13°56'09"E a distance of 1953.99 feet; Thence N50°03'22"W a distance of 2565.68 feet; Thence S63°01'21"W a distance of 1215.04

feet; Thence N70°04'12"W a distance of 1843.56 feet; Thence N57°46'34"W a distance of 530.23 feet; Thence N24°01'11"W a distance of 975.16 feet; Thence N86°25'58"W a distance of 385.81 feet; Thence N38°10'48"W a distance of 551.49 feet; Thence S59°20'29"W a distance of 577.78 feet; Thence N73°15'18"W a distance of 661.18 feet; Thence N09°11'59"E a distance of 1325.91 feet; Thence N16°46'15"W a distance of 1740.31 feet; Thence N00°01'22"W a distance of 2084.14 feet; Thence N89°25'59"W a distance of 3804.51 feet to a point lying 300.00 feet East of the East right-of-way line for State Road No. 31; Thence along a line 300.00 feet East of, and parallel with, the East right-of-way line for State Road No. 31, the following courses and distances: N00°34'01"E a distance of 789.90 feet and N00°48'43"W a distance of 2979.88 feet; Thence N89°11'17"E a distance of 5661.25 feet; Thence N00°00'03"W a distance of 2799.47 feet; Thence N89°59'57"E a distance of 4295.48 feet; Thence S28°04'21"E a distance of 2408.38 feet; Thence S00°00'00"W a distance of 1967.31 feet; Thence S89°59'52"E a distance of 688.23 feet; Thence S00°00'29"E a distance of 324.64 feet; Thence S39°50'11"E a distance of 190.87 feet; Thence S00°00'03"E a distance of 1218.43 feet; Thence S89°51'42"E a distance of 67.91 feet; Thence S01°26'06"E a distance of 897.46 feet; Thence S74°19'19"E a distance of 1689.13 feet; Thence N79°06'55"E a distance of 475.22 feet; Thence S26°13'22"E a distance of 802.17 feet; Thence S19°47'08"E a distance of 527.22 feet; Thence S05°04'15"E a distance of 1832.85 feet; Thence S32°40'01"E a distance of 186.12 feet; Thence S13°05'30"W a distance of 201.97 feet; Thence S07°19'37"E a distance of 171.40 feet; Thence S42°54'55"E a distance of 643.22 feet; Thence S25°12'33"E a distance of 261.14 feet; Thence S00°28'20"W a distance of 674.54 feet; Thence S03°43'40"W a distance of 687.25 feet; Thence S08°01'21"E a distance of 493.34 feet; Thence S19°48'25"E a distance of 366.26 feet; Thence N78°50'16"E a distance of 687.98 feet; Thence S13°36'57"E a distance of 2507.44 feet; Thence S52°37'55"W a distance of 867.79 feet; Thence S21°59'06"E a distance of 1739.24 feet; Thence S55°42'26"W a distance of 195.73 feet; Thence S22°47'49"W a distance of 5491.07 feet; Thence S05°03'05"W a distance of 533.38 feet; Thence S20°54'51"E a distance of 336.88 feet; Thence S80°06'18"E a distance of 334.86 feet; Thence N89°59'33"E a distance of 307.21 feet; Thence N62°56'46"E a distance of 516.44 feet; Thence N52°01'16"E a distance of 818.38 feet; Thence S42°01'35"E a distance of 1162.99 feet; Thence S39°20'59"E a distance of 1779.24 feet; Thence S04°14'12"W a distance of 1329.65 feet; Thence S51°39'36"E a distance of 782.57 feet; Thence N89°45'02"E a distance of 4154.67 feet; Thence N00°18'50"W a distance of 1309.98 feet; Thence S74°38'25"W a distance of 1635.76 feet; Thence N20°29'11"W a distance of 1376.98 feet; Thence N21°08'17"E a distance of 865.48 feet; Thence N69°00'57"E a distance of 1518.26 feet; Thence S49°18'31"E a distance of 2362.36 feet; Thence N72°42'44"E a distance of 1430.88 feet; Thence S70°02'41"E a distance of 1332.47 feet; Thence S30°17'33"E a distance of 1686.70 feet; Thence N83°12'47"E a distance of 1373.39 feet; Thence S66°40'38"E a distance of 200.63 feet; Thence S05°46'23"W a distance of 1058.61 feet; Thence S00°00'40"E a distance of 10185.99 feet to a point on the South line of Section 36,

Township 42 South, Range 26 East; Thence N89°35'44"W a distance of 3430.81 feet to the Southwest corner of said Section 36; Thence N89°35'44"W a distance of 5294.84 feet to the Southeast corner of Section 34, Township 42 South, Range 26 East; Thence N89°35'44"W a distance of 5294.83 feet to the Southwest corner of said Section 34; Thence N89°37'16"W a distance of 5289.35 feet to the Southeast corner of Section 32, Township 42 South, Range 26 East; Thence N89°41'45"W a distance of 5306.31 feet to the Southwest corner of said Section 32; Thence N89°41'45"W, along the South line of Section 31, Township 42 South, Range 26 East, a distance of 4889.98 feet to the Point of Beginning.

Containing 13,521.6 acres, more or less.

Bearings hereinabove mentioned are based on the South line of Section 31, Township 42 South, Range 26 East to bear S89°41'45"E.

ATTACHMENT D

PRICE SHEET

DESCRIPTION

TOTAL

Annual Lease Payment to FDACS (Minimum bid \$350,000)

\$ _____

Cattle

Category	Estimated Inventory	Value
Yearling (Bred)	183	\$1,800
Yearling (Open)	79	\$700
2-4 Year Olds (Bred)	482	\$1,600
2-4 Year Olds (Open)	207	\$750
5-12 Year Olds (Bred)	956	\$1,400
5-12 Year Olds (Open)	409	\$1,000
Crackers	45	\$700
Bulls	99	\$1,500
Calves (Heifers)	800	\$667
Calves (Steers)	800	\$770
Total	4060	

Cattle Sale Price (Minimum Bid \$4,265,450)

\$ _____

Principal place of business in Florida

_____ yes _____ no

The highest guaranteed total amount shall be given the maximum evaluation points allowed for this section, and each other Lessee will be given a percentage of the total points based on the percentage difference of their price versus the next highest guaranteed total proposal price.

CERTIFICATION

I hereby certify that this proposal is made without prior understanding, agreement or connection with any corporation, firm or person submitting a proposal for Lease of this property and is in all respects fair and without collusion or fraud. I agree to abide by all terms and conditions of this document, associated attachments and certify that I am authorized to sign this Price Sheet for the Lessee. I further certify that I have read and understand all the proposal terms and conditions, which pertain to the Lease of the specified property.

LESSEE NAME

AUTHORIZED SIGNATURE-MANUAL

LESSEE MAILING ADDRESS

AUTHORIZED SIGNATURE-TYPED

CITY / STATE / ZIP CODE

TITLE

AREA CODE / TELEPHONE NUMBER

ATTACHMENT E

CERTIFICATION OF SITE VISITATION

FOR: ITN NUMBER: ITN/FFS-15/16-85

TITLE: LEASE AND MANAGEMENT OF BABCOCK RANCH PRESERVE

LOCATION: Cypress Lodge, Babcock Ranch Preserve
8000 FL-31, Punta Gorda, Florida 33982

OPENING DATE: June 28, 2016 @ 2:00 P.M.

This certifies that _____
(NAME)

representing _____
(COMPANY NAME)

has visited property site on _____
(DATE)

In order for a bid to be considered, this **CERTIFICATION** must be completed and included in your bid package.

Florida Department of Agriculture and Consumer Services

Department Representative: _____
(SIGNATURE)

(TITLE)

ATTENDED ALL DAYS AND ALL MEETINGS _____

ATTACHMENT F

MODEL LEASE

TABLE OF CONTENTS

ARTICLE 1 RECITALS, DEFINITIONS AND USAGE

- Section 1.1 Recitals
- Section 1.2 Defined Terms
- Section 1.3 Number and Gender; Captions; References

ARTICLE 2 GRANT OF ESTATE, INTEREST AND RIGHTS

- Section 2.1 Lease Area
- Section 2.2 Habendum
- Section 2.3 Encumbrance of Fee Estate
- Section 2.4 Condition of BRP

ARTICLE 3 TERM OF LEASE

- Section 3.1 Initial Term
- Section 3.2 Renewal Options

ARTICLE 4 FEES, PAYMENTS AND IMPOSITIONS

- Section 4.1 Annual Rental Payments
- Section 4.2 Payment for Cattle
- Section 4.3 Payment for Equipment
- Section 4.4 Monetary Obligations Payable to FDACS
- Section 4.5 Payment of Impositions
- Section 4.6 Tax Contests
- Section 4.7 FDACS's Right to Perform LESSEE's Obligations
- Section 4.8 Accounting Books and Records
- Section 4.9 Late Payments

ARTICLE 5 IMPOSITION OF USE RESTRICTIONS ON BRP

- Section 5.1 Use Restrictions
- Section 5.2 Enforceability of Restrictions

ARTICLE 6 INSURANCE AND INDEMNITY

- Section 6.1 BRP Insurance
- Section 6.2 Builder's Risk Insurance
- Section 6.3 Liability Insurance
- Section 6.4 Workers' Compensation Insurance
- Section 6.5 Concessionaire's Insurance
- Section 6.6 Automotive Insurance
- Section 6.7 Other Insurance as Needed
- Section 6.8 Services Cannot Begin without Insurance and Filing Requirements
- Section 6.9 Indemnity
- Section 6.10 Notice of Action
- Section 6.11 Defenses; Settlement
- Section 6.12 Insurance Proceeds

ARTICLE 7 FDACS'S REPRESENTATIONS, WARRANTIES AND COVENANTS

- Section 7.1 Quiet Enjoyment
- Section 7.2 Organization

Section 7.3	Binding Obligation
Section 7.4	Hazardous Substances
Section 7.5	Personal Property and Historical Resources
Section 7.6	Public Recreational Areas and Activities
Section 7.7	Operation Outdoor Freedom Activities
Section 7.8	Eminent Domain
Section 7.9	Future Contracts
Section 7.10	Survival

ARTICLE 8 LESSEE 'S REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 8.1	Organization
Section 8.2	Binding Obligation
Section 8.3	Services Provided
Section 8.4	Best Management Practices and Other Standards
Section 8.5	Allowed Revenue Producing Activities
Section 8.6	Operations and Management Plan
Section 8.7	Assignment of Existing Leases
Section 8.8	Cattle Stocking Rates and Grazing
Section 8.9	Hazardous Substances
Section 8.10	Water Use
Section 8.11	Waste
Section 8.12	Improvements
Section 8.13	Maintenance and Repair of Improvements
Section 8.14	Construction
Section 8.15	Non-native Invasive Vegetation
Section 8.16	Road Improvement and Maintenance
Section 8.17	Fencing
Section 8.18	Ditches and Culverts
Section 8.19	Cattle Gaps and Gates
Section 8.20	Operation of Eco-Tour
Section 8.21	Mitigation Area
Section 8.22	Residences
Section 8.23	FFS Headquarters (HQ)
Section 8.24	Cypress Lodge
Section 8.25	Historical and Archaeological Resources
Section 8.26	Compliance with Laws
Section 8.27	Authority
Section 8.28	Absence of Litigation and Administrative Proceedings
Section 8.29	Absence of Undisclosed Liabilities
Section 8.30	Indemnification
Section 8.31	Survival

ARTICLE 9 DEFAULT AND REMEDIES

Section 9.1	Event of LESSEE Default
Section 9.2	FDACS Remedies
Section 9.3	Additional Provisions
Section 9.4	Remedies in Event of Bankruptcy or Other Proceeding
Section 9.5	Event of FDACS Default
Section 9.6	LESSEE's Remedies

ARTICLE 10 CASUALTY AND CONDEMNATION

Section 10.1	Casualty and Reconstruction
--------------	-----------------------------

ARTICLE 11 MISCELLANEOUS

Section 11.1	No Assignment by LESSEE
--------------	-------------------------

Section 11.2	Notices
Section 11.3	Operations Manager (FDACS)
Section 11.4	Ranch Manager
Section 11.5	Modifications and Non-Waiver
Section 11.6	Florida Law
Section 11.7	Public Records
Section 11.8	Convicted Vendor List
Section 11.9	Non-discrimination
Section 11.10	Compliance with Americans with Disabilities Act
Section 11.11	Unauthorized Aliens
Section 11.12	Sexual Predator and Offender Check
Section 11.13	Discriminatory Vendor List
Section 11.14	Force Majeure
Section 11.15	Severability
Section 11.16	Surrender of BRP; Holding Over
Section 11.17	Equipment and Other Tangible BRP
Section 11.18	Relation of Parties
Section 11.19	Entireties
Section 11.20	Successors and Assigns
Section 11.21	Subcontractors
Section 11.22	Brokerage Representation and Indemnity
Section 11.23	Liability of LESSEE
Section 11.24	Public Announcements
Section 11.25	Counterparts
Section 11.26	Time of the Essence
Section 11.27	Monetary Obligations
Section 11.28	Third Party Beneficiaries
Section 11.29	Venue
Section 11.30	Good Faith
Section 11.31	Radon Gas
Section 11.32	Further Assurances
Section 11.33	Construction of Agreement
Section 11.34	Exhibits
Section 11.35	Waiver of Jury Trial
Section 11.36	Fiduciary Duty
Section 11.37	Attorney Fees
Section 11.38	Binding Effect

LEASE

**STATE OF FLORIDA
FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
LEASE FOR BABCOCK RANCH PRESERVE**

This BRP Lease ("Lease") is made and entered into this ____ day of _____, 2016 by and between the Florida Department of Agriculture and Consumer Services ("FDACS"), whose address is 3125 Conner Boulevard, Tallahassee, Florida 32399, and (Name & Address) (hereinafter referred to as the "LESSEE").

Recitals

A. The Board of Trustees of the Internal Improvement Trust Fund of the State of Florida (Board of Trustees) is the owner of certain real property situated in Charlotte County, Florida, more particularly described on Exhibit "A" attached hereto, together with easements, rights and appurtenances thereto (hereinafter "BRP").

B. Pursuant to Section 259.1053(5), Florida Statutes, FDACS, with the cooperation of the Florida Fish and Wildlife Conservation Commission (FWC), is the lead managing agency responsible for the management of the BRP.

C. On April __, 2016, FDACS issued an ITN for the lease of the BRP. LESSEE was selected as the first ranked proposal. FDACS wishes to lease to LESSEE and LESSEE wishes to lease from FDACS the BRP.

NOW, THEREFORE, for Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby covenant and agree as follows:

ARTICLE I

RECITALS, DEFINITIONS AND USAGE

Section 1.1 Recitals. The recitals set forth hereinabove are incorporated into this Lease.

Section 1.2 Defined Terms.

(a) As used in this Lease, the following terms shall have the respective meanings indicated:

(1) "Agricultural commodities" shall mean any and all aquacultural, agricultural, apicultural, horticultural (including floricultural), viticultural, and vegetable products produced in the state of Florida or any class, variety, or utilization thereof, either in their natural state or as processed by a producer for the purpose of marketing such product, or by a processor, and shall include, but not be limited to, any one, any combination thereof, or all of the agricultural products, livestock and livestock products, poultry and poultry products, timber and timber products, fish and seafood, and the products of the farms, waters, and forests of the state of Florida.

(2) "Annual Operational and Management Report" shall mean the written report submitted by the LESSEE to FDACS for each year of the Lease, detailing all operational, management, and maintenance activities for the past year.

- (3) “Asserted Liability” shall mean with respect to the indemnity provisions of Sections 6.10 and 6.11, notice of any demand, claim or circumstance which would or might give rise to a claim or the commencement (or threatened commencement) of any action, proceeding or investigation that may result in a Loss.
- (4) “Best Management Practices” or “BMPs” shall mean practices, procedures, and guidelines promulgated by a Government Authority having jurisdiction over the BRP, advising producers how to manage the water, nutrients, and pesticides they use in order to minimize agriculture's impact on the state's natural resources.
- (5) “Calendar Year” shall mean the twelve (12) month period beginning August 1 and ending July 31.
- (6) “Defaulting Party” shall mean a party to this Lease who has committed an Event of Default in accordance with Article 9 hereof.
- (7) “Employee” shall mean, (a) when used in conjunction with the BRP, any and all executive personnel of LESSEE, and all employees, agents, affiliates, contractors, subcontractors, vendors, concessionaires, and all other employees and personnel under the direction of LESSEE, its contractors or concessionaires who perform duties or services related to the development, construction, use, management, operation or maintenance of the BRP, and (b) when used in conjunction with the BRP operations, any and all FDACS personnel and all employees, agents, contractors, subcontractors, vendors, concessionaires and all other employees and personnel under the direction of FDACS, FDACS contractors or FDACS concessionaires who perform duties or services related to the use, management, operation or maintenance of the BRP operations.
- (8) “Encumbrances” shall have the meaning ascribed to it pursuant to Section 2.3 hereof.
- (9) “Environmental Laws” means any and all Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication, noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.
- (10) “Event of Default” shall mean the happening or occurrence of any event or circumstance described in Section 9.1 or 9.5 respectively, hereof.
- (11) “Excluded Area” shall mean a specific area of the BRP which is excluded from this Lease and is not being demised to the LESSEE.
- (12) “Execution Date” shall mean the date on which the last one of FDACS or LESSEE has executed this Lease.
- (13) “Force Majeure” shall mean strikes, lockouts, sit-downs, material and/or labor restrictions or shortages, unusual transportation delays, riots, floods, washouts, explosions, earthquakes, hurricanes, tropical storms, tornadoes, fire, storms, unusual weather conditions which prevent or materially impede construction, acts of a public enemy, wars, insurrections, terrorists threats or acts, Legal Requirements imposed, enforced, applied or coming into existence only after the Execution Date, delays caused, directly or indirectly, by Governmental Authorities, third party initiated litigation or administrative proceedings, other circumstances

considered "acts of God," and any other cause not reasonably within the control of the affected party, and which by the exercise of due diligence, the affected party is unable, wholly or in part, to prevent or overcome. An event of Force Majeure shall not be deemed to have occurred unless the party claiming that it occurred gives notice to the other party within thirty (30) days after the occurrence thereof that an event of Force Majeure occurred and the duration thereof, except in the case of an event of Force Majeure so obvious, catastrophic or widespread that the failure to timely give notice shall not constitute a waiver hereunder.

(14) "Governmental Authority" shall mean any and all applicable courts, boards, agencies, commissions, special districts, legislative bodies, offices or authorities of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

(15) "Hazardous Substances" shall mean and include any hazardous wastes, toxic substance or contaminated material including, without limitation, flammables, explosives, radioactive materials, polychlorinated biphenyls (PCB5), asbestos, asbestos containing material, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, oil and petroleum products, lead, and those substances declared to be hazardous or toxic within the scope of Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, or any Federal, state or local statute regulating the use, treatment, storage, release, transportation or other disposition of toxic or hazardous material, as from time to time in effect.

(16) "Impositions" shall mean any and all taxes and assessments (including, without limitation, ad valorem taxes, non-ad valorem assessments and special assessments), use and occupancy taxes, sales and use taxes, intangible personal property taxes, possessory interest taxes, water and sewer charges, rates and rents, charges for public utilities, excises, levies, license and permit fees, stormwater management fees, user fees, and other applicable charges, assessments and fees by any public authority or Governmental Authority, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, specifically related to this Lease, and all other rights, interests, privileges and appurtenances with respect thereto, together with any interest and penalties thereon; provided, however, Impositions shall not include any Impositions imposed against FDACS or BRP prior to the Execution Date; but Impositions does include any of the foregoing that would not have been payable by FDACS had this Lease not been entered into.

(17) "Improvement" or "Improvements" shall mean any building, structure, construction, demolition, excavation, landscaping, fixture, equipment or any part thereof existing or to be built, erected, placed, installed, made, or done by LESSEE on the BRP pursuant to the rights granted in this Lease, or affixed thereto, or any portion thereof, for LESSEE's benefit including, without limitation, detention ponds, drainage and stormwater facilities, utility installations, paving, retaining walls, fencing, lighting, walkways, concession buildings, bathrooms, office facilities, storage sheds, roofing, berm and landscaping.

(18) "Industry Standards" shall mean and refer to the common and general practices, policies, standards and procedures used or followed at ranch operations and managed lands that are similar in size, purpose and class to the BRP, as same may be amended from time to time.

(19) "Initial Term" shall have the meaning ascribed to such term as set forth in Section 3.1 hereof.

(20) "Insolvent" or "Insolvency" shall mean the occurrence or happening of any one or more of the following events:

- (a) The sale of LESSEE's interest in the BRP, under attachment, execution or similar legal process, or if LESSEE is adjudicated as bankrupt or insolvent under any state bankruptcy or insolvency law, or an order for relief is entered against LESSEE under the Federal Bankruptcy Code.
- (b) The commencement of a case under any chapter of the Federal Bankruptcy Code by or against LESSEE, or the filing of a voluntary or involuntary petition proposing the adjudication of LESSEE as bankrupt or insolvent, or the reorganization of the LESSEE or an arrangement by the LESSEE with its creditors.
- (c) The expressed written admission by LESSEE, of its inability to pay its debts when due.
- (d) The appointment of a receiver or trustee for the business or property of LESSEE.

Provided, however, that this definition shall not include an adjudication, determination, declaration, appointment, assignment, petition or execution, if it is not either initiated or consented to by the debtor, and is set aside, vacated, discharged or bonded within sixty (60) days after the issuance thereof.

- (21) "ITN" shall mean the Invitation to Negotiate document prepared by FDACS and released on _____, seeking responses from any prospective LESSEES interested in the BRP and including their respective response thereto.
- (22) "Lease" shall mean this document, including any written amendments or modifications hereto, and any and all Exhibits attached hereto or otherwise incorporated by reference.
- (23) "Legal Requirements" shall mean (a) any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates, codes or ordinances of any Governmental Authority applicable to the BRP and the construction, use, occupancy, possession, operation, maintenance, alteration, repair, reconstruction or replacement of a portion thereof, including, without limitation, restrictions imposed by law on vendors, contractors, suppliers, subcontractors or consultants to a public entity, and restrictions on the employment of unauthorized aliens, and (b) any and all terms, provisions, agreements or restrictions, agreed to and accepted in writing by LESSEE, or deemed to have been agreed to and accepted by the passage of time, created or imposed pursuant to any agreement, contract, instrument or restrictive covenants, or other documents, applicable to and enforceable against the BRP or LESSEE, its employees, agents, invitees, contractors, or subcontractors.
- (24) "Loss" shall mean with respect to the indemnifications provided, any loss, claim, suit, proceedings, liability, property damage, injury or death to persons, cost, fee and/or expense, including, without limitation, attorneys' fees and costs (including those incurred in establishing liability under the indemnification and those incurred in any appeals) after giving effect to the receipt of any insurance proceeds which would be available under the policies required to be maintained under this Lease.
- (25) "Monetary Obligation" shall mean all amounts required to be paid by LESSEE to FDACS under the terms of this Lease or any Supplemental Agreement, however the case or context so requires.
- (26) "Non-Monetary Event of Default" shall mean any Event of LESSEE Default or Event of FDACS Default other than as a result of, or due to, a failure to pay a Monetary Obligation, as more fully set forth in Article 9 hereof.

(27) "Non-Monetary Obligations" shall mean any and all of the covenants, warranties, representations and other obligations (other than to pay the Monetary Obligations) made or undertaken by LESSEE, pursuant to the provisions of this Lease or any Supplemental Agreement.

(28) "Operations and Management Plan" or "OMP" - shall mean the document submitted by the LESSEE to FDACS annually, detailing all planned operational, management and maintenance activities for the upcoming year.

(29) "Permitted Rate" shall mean the lesser of (a) eighteen percent (18%) per annum, or (b) the maximum non-usurious interest rate permitted by Legal Requirements from time to time in effect.

(30) "Person" shall mean any individual, corporation (whether for profit or not-for-profit), partnership, limited liability company, limited liability partnership, estate, trust, governmental agency, Governmental Authority or other legal entity.

(31) "Plans and Specifications" shall mean the plans and specifications, and any modifications to be used during construction of any improvements.

(32) "Post Termination Obligations" shall mean all Monetary Obligations or other amounts payable by LESSEE hereunder or under any Supplemental Agreement, that have accrued or will accrue up to, but not beyond, the effective date of termination of this Lease, but are not then payable, including, but not limited to, Impositions.

(33) "Public Recreational Areas" shall mean areas of the BRP designated by FFS for the use by the public at large as public recreational areas.

(34) "Renewal Term" shall have the meaning ascribed to it pursuant to the provisions of Section 3.2 hereof.

(35) "Required Permits" shall mean all permits and authorizations which are required to be obtained pursuant to any applicable Legal Requirements, for proper authorization to construct and subsequently use, operate, repair and maintain the BRP and Improvements, including, without limitation, all required building permits, grading permits, concurrency reservations, water management permits, health permits, sign permits, indirect source permits, special use permits, zoning or variance orders and agreements from Governmental Authorities.

(36) "Restrictions" shall mean the use restrictions imposed on the LESSEE, against the BRP, and on other occupants and users thereof, pursuant to the provisions of Article 5 hereof.

(37) "Supplemental Agreement" shall mean any agreement entered into from time to time between FDACS and LESSEE with respect to or in connection with the BRP or this Lease.

(38) "Term" shall mean the period of time covered by the Initial Term of ten (10) years and, if exercised, the Renewal Term of five (5) years, as more fully set forth in Sections 3.1 and 3.2 hereof.

(39) "Utility" or "Utilities" shall mean water, electricity, gas, telephone, wastewater (sewer), cable television, computer network and internet connections, or similar services.

Section 1.3 Number and Gender; Captions; References. Pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character, and the singular shall include the plural wherever and as often as may be appropriate. Article and section headings in this Lease are for convenience of reference and shall not affect the construction or interpretation of this Lease. Whenever the terms "hereof", "whereby", "herein" or words of similar import are used in this Lease, they shall be construed as referring to this Lease in its entirety rather than to a particular section or provision, unless the context specifically indicates to the contrary. Any reference to a particular "Article" or "Section" shall be construed as referring to the indicated article or section of this Lease. All financial or accounting terms used in this Agreement, which are not otherwise defined herein, such as "net profit," "revenues," "depreciation" and "amortization," shall have the meanings given to them pursuant to generally accepted accounting principles (GAAP).

ARTICLE 2

GRANT OF ESTATE, INTEREST AND RIGHTS

Section 2.1 Lease Area. On and subject to the terms, provisions and conditions contained in this Lease, FDACS hereby leases unto LESSEE, the following described property situate and located in Charlotte County, Florida:

See legal description of the BRP attached hereto and made a part hereof as Exhibit "X"

TOGETHER WITH all appurtenances thereto, presently existing or hereafter arising; and all vertical rights, presently existing or hereafter arising, appurtenant to the BRP, and any Improvements thereon, and any rights appurtenant to the non-exclusive easements provided in this Lease;

LESS the following areas of the BRP (Excluded Areas):

- a) FFS Tower Site with ranger housing and filed office located at 42371A Bermont Road, Punta Gorda, Florida, shown on Exhibit X;
- b) School Board of Charlotte County - AMI Kids Crossroads, Inc. (known as the CrossRoads Wilderness Institute), shown on Exhibit X;
- c) School Board of Charlotte County School Bus Turnaround, shown on Exhibit X; and
- d) Wireless Communications Tower on ten-acre parcel located at 42501 Bermont Road, Punta Gorda, Florida, shown on Exhibit X.

Section 2.2 Habendum. TO HAVE AND TO HOLD, subject to the terms and provisions of this Lease, the BRP, all the rights, privileges, and appurtenances thereunto attaching or in any way belonging, including the easements, unto LESSEE for the Term; provided, however, that upon expiration of the Term, or earlier termination as provided in this Lease, all of the foregoing rights, interests and privileges shall cease and be of no further effect

Section 2.3 Encumbrance of Fee Estate. Notwithstanding anything contained herein to the contrary, this Lease and the rights and interests conferred hereunder shall not operate or be construed as granting to LESSEE the right, power or privilege to hereafter encumber the fee simple estate of the BRP.

Section 2.4 Condition of BRP. Except as otherwise expressly provided in Section 8.9 hereof regarding Hazardous Substances, FDACS assumes no liability or obligation to LESSEE as to the physical condition of the BRP, and the BRP is leased in **"AS IS" CONDITION, WITH ALL FAULTS AND DEFECTS, AND FDACS ASSUMES NO RESPONSIBILITY FOR THE CONDITION, CARE, REPAIR, MAINTENANCE OR IMPROVEMENT OF THE BRP.** FDACS may at its option and expense remove and/or relocate any improvements existing on the BRP. LESSEE will cooperate with FDACS, at no cost to FDACS, to facilitate the removal of such improvements if FDACS elects to do so.

ARTICLE 3

TERM OF LEASE

Section 3.1 Initial Term. The Initial Term of this Lease shall begin on August 1, 2016, and end on July 31, 2027, or until earlier terminated or subsequently renewed as hereinafter provided.

Section 3.2 Renewal Option. Absent an uncured Monetary or Non-Monetary default by LESSEE, the LESSEE shall have an option to renew the Lease for an additional five (5) years upon acceptable terms and conditions to both FDACS and the LESSEE. To exercise the renewal option, LESSEE must provide written notice of its election to FDACS no later than one-hundred eighty (180) days prior to the expiration of the then effective Term. If LESSEE fails to notify FDACS on or before the date which is one hundred eighty (180) days prior to the expiration of the then effective Term of FDACS's decision to exercise its then applicable option to extend the Term of this Lease, then such failure to do so shall constitute a waiver of LESSEE's right to extend the Term pursuant to the provisions hereof and this Lease shall terminate upon conclusion of the then effective Term, unless the parties shall otherwise agree in writing.

ARTICLE 4

FEES, PAYMENTS AND IMPOSITIONS

Section 4.1 Annual Rental Payments. Annual rent payable by the LESSEE under the Lease is due and payable on the 1st day of each Calendar Year. Rent for the first two (2) Calendar Years shall be _____ per year. Commencing on the first day of the third Calendar Year, the annual rent shall increase by two percent (2%) over the preceding year. Annual rent for each succeeding Calendar Year shall likewise increase by 2% over the preceding Calendar Year. For example, if the annual rent due in Calendar Year 2 is _____, the annual rent for Calendar Year 3 is derived by multiplying the rent for Calendar 2 by 1.02. Annual Rent for Calendar Year 4 is derived by multiplying Calendar Year 3 annual rent by 1.02 and so forth.

Section 4.2 Payment for Cattle. The LESSEE shall be required to purchase the entire FDACS cattle herd (herd) currently on the BRP. The herd of approximately 4,060 cattle is comprised of commercial grade brangus, angus, charolais, and Florida Cracker cattle. LESSEE agrees to pay for the BRP cattle herd in two installments. The first installment payment shall be made concurrently with the execution of the Lease, payable without demand. The first installment payment due is equal to half of the total sum of LESSEE's bid for the BRP cattle herd. The second installment payment shall be not later than six-months after commencement of the Lease. No later than 90-days after the commencement of the Lease and at least 30-days prior to the second installment payment due date, FDACS shall conduct and submit the results of a "true-up", which shall determine the exact quantity and type of cattle present on the BRP and include a pregnancy check of the cattle. The "true-up" will be conducted by FDACS, the LESSEE and a third-party veterinarian, to be agreed upon by LESSEE and FDACS, and paid by the LESSEE. The second installment payment due shall be calculated by deducting from or adding to half of the sum of LESSEE's bid for the BRP cattle herd the market price of the respective shortage or overage of cattle utilizing the values set forth for each herd category according to the table in Exhibit X.

Section 4.3 Payment for Equipment. LESSEE agrees to purchase the following items of equipment listed in Exhibit X at the price mutually agreed upon by LESSEE and FDACS. Payment in full shall be due at a mutually agreed upon time by the LESSEE and FDACS. Any equipment offered to LESSEE is **OFFERED IN AS IS CONDITION AND FDACS DISCLAIMS ALL WARRANTIES OF QUALITY, WHETHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE**. The LESSEE acknowledges that it has not been induced by any statements or representations of any person with respect to the quality or condition of the Equipment and that no such statements or representations have been made. The LESSEE acknowledges that it has relied solely on the investigations, examinations, and inspections as the LESSEE has chosen to make and that FDACS has afforded the LESSEE the opportunity for full and complete

investigations, examinations, and inspections. The delivery location for the purchased equipment is the BRP.

Section 4.4 Monetary Obligations Payable to FDACS. All Monetary Obligations, including annual rent, payable hereunder by LESSEE to or for the account of FDACS (excluding Impositions or insurance premiums which shall be paid to the appropriate Persons) is and shall be payable to the Florida Department of Agriculture and Consumer Services at 407 South Calhoun Street, Tallahassee, Florida 32399-0800, and shall be paid without notice, demand or setoff, except as otherwise provided in this Lease.

Section 4.5 Payment of Impositions. LESSEE will pay, as and when the same shall become due, all Impositions which accrue during, are assessed with respect to, or are payable during the Term. FDACS shall be responsible to pay any special assessments certified or pending as of the Execution Date. Where any Imposition that LESSEE is obligated to pay may be paid pursuant to law in installments, LESSEE may pay such Imposition in installments as and when such installments become due. LESSEE shall furnish to FDACS, promptly upon receipt thereof, copies of all notices of Impositions. Upon the payment by LESSEE of any Impositions, LESSEE shall promptly deliver to FDACS evidence of such payment.

Section 4.6 Tax Contests.

(a) LESSEE shall have the right, at its own expense and in its sole discretion, to contest the amount or validity, in whole or in part, of any Imposition by appropriate proceedings diligently conducted in good faith, but only after payment (including the furnishing of a letter of credit or bond reasonably satisfactory to FDACS) of such Imposition, in any manner allowed by applicable Legal Requirements. Upon the termination of any proceedings, it shall be the obligation of LESSEE to pay the amount of such Imposition or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interests, penalties or other liabilities in connection therewith.

(b) Without endorsing any tax contest, FDACS will, at the request of LESSEE, execute any document, instrument or pleading legally necessary to allow LESSEE to contest any tax and/or assessment as provided for hereinabove. In that regard, FDACS shall execute, within fifteen (15) days after receipt of written request therefore, any and all documents, instruments or pleadings requested by LESSEE which are legally necessary in connection with the foregoing. LESSEE shall reimburse FDACS for all actual out-of-pocket expenses reasonably incurred by FDACS (including reasonable attorney's fees) in performing their obligations under this Section 4.6. Notwithstanding anything contained herein to the contrary, nothing in this Lease shall be construed as requiring FDACS to do anything or execute any document that may, in FDACS's reasonable opinion, cause FDACS or its property or transactions to be subject to an Imposition for which it is not otherwise liable. To the extent reasonably possible, LESSEE shall ensure that it is clear that FDACS has executed the same as a necessary joinder party and not as the "contesting party" per se; it being the intent of the parties to permit LESSEE to contest while using reasonable efforts to promote harmony amongst FDACS and other Governmental Authorities (i.e. the taxing authority).

Section 4.7 FDACS's Right to Perform LESSEE's Obligations. If LESSEE fails to timely pay any Imposition for which it is responsible hereunder, and if LESSEE is not contesting the validity or amount of such Imposition pursuant to the provisions of Section 4.5 hereof, then FDACS may, at its election (but without obligation), pay such Imposition with any interest and penalties due thereon, and the amount so paid shall be repayable by LESSEE, on written demand, together with interest thereon at the Permitted Rate from the date of such payment until repaid. Before FDACS may pay any Imposition on behalf of LESSEE, FDACS shall give LESSEE fifteen (15) days' prior written notice thereof.

Section 4.8 Accounting Books and Records. LESSEE shall keep and maintain complete, true and accurate records, books, and accounts, at the BRP in accordance with good and sound accounting practices, of its transactions and financial matters relating, in whole or in part, to the Monetary Obligations of LESSEE under this Lease. FDACS shall have the right, during regular business hours and upon reasonable advance notice to LESSEE to examine and inspect the books and records of LESSEE, including any tax

reports pertaining directly to the transactions relating to this Lease, for the purpose of investigating and verifying the accuracy of any statement provided by LESSEE to FDACS. LESSEE shall keep, or cause to be kept, all of these records for a minimum of three (3) years. Any inspection conducted by FDACS of the books, records, and accounts of LESSEE, pursuant to this Section 4.8, shall be limited in scope exclusively to the business records of LESSEE relating to or regarding the Monetary Obligations of LESSEE and shall not extend to any other books, records, accounts, or business ventures of LESSEE or its affiliates or partners.

Section 4.9 Late Payments. Notwithstanding any other provisions of this Lease, if LESSEE shall fail to pay any Monetary Obligations that are payable to FDACS on the date they are due and payable, such unpaid amounts shall bear interest at the Permitted Rate from the date the Monetary Obligation is due and payable until payment is received by FDACS to cover FDACS's additional administrative costs resulting from LESSEE's failure. Such late payment charge has been agreed upon by FDACS and LESSEE, as a reasonable estimate of the additional administrative costs and detriment to FDACS's ability to meet its own obligations in a timely manner, the actual cost thereof in each instance being extremely difficult, if not impossible, to determine. Such late payment charge shall constitute liquidated damages to compensate FDACS for its damages resulting from such failure to pay on time and shall be paid to FDACS together with such unpaid amounts; provided, however, that the payment of such charges shall not constitute a waiver of any default by LESSEE hereunder.

ARTICLE 5

IMPOSITION OF USE RESTRICTIONS ON BRP

Section 5.1 Use Restrictions. FDACS does hereby declare, establish and adopt the following use restrictions ("Restrictions") on all of the BRP to be effective during the entirety of the Term of this Lease:

- (a) No portion of the BRP may be used in a manner so as to materially and adversely impact ingress and egress by FFS, FWC, the identified excluded areas, the recorded and established easements or the prescribed public recreation areas, unless otherwise agreed or directed by the FFS;
- (b) LESSEE acknowledges that all hunting and fishing activities shall be managed, maintained, and permitted by FWC. FWC will manage the areas of the BRP designated as Tier I and Tier II hunting areas as shown on Exhibit X. Management of the BRP by LESSEE shall be undertaken in a manner which minimizes disturbance to and interfere with FWC hunt camp activities or operations;
- (c) Dumping of non-biodegradable, toxic or hazardous substances, trash or garbage, wastes, abandoned vehicles, machinery or similar material is prohibited. This prohibition shall not be construed to include reasonable amounts of waste that is generated in accord with allowed uses conducted in accordance with the provisions of this Lease, and that is disposed of in accordance with applicable local, state and federal requirements, and BMPs adopted by the Florida Department of Agriculture and Consumer Services or its successor agency. Any spills, leaks, discharges, burials, disposals or other releases of petroleum products (including fuels), pesticides, herbicides, insecticides fertilizers or other hazardous, toxic, or dangerous substance or material shall be immediately reported to each Federal, State and local governmental agency or authority to whom reports are required to be made as well as FDACS. Any costs for remedial action shall be at the LESSEE's expense;
- (d) Conversion of natural areas/ponds is prohibited;
- (e) No nuisance, non-native invasive vegetation may be planted or encouraged to grow on the BRP. The LESSEE shall, to the extent practical, control and prevent the spread of nuisance and non-native invasive plants on the BRP in accordance with Section 8.15;
- (f) Wetland timber harvesting is prohibited;
- (g) The exploration for and extraction of oil, gas, minerals, dolostone, peat, muck, marl, limestone, limerock, kaolin, fuller's earth, phosphate, common clays, gravel, shell, sand and similar substances is prohibited.;

(h) LESSEE may not use the BRP in a manner that would violate any applicable provision of the overlapping mitigation area as described in the Army Corps of Engineers permit number SAJ-2006-6656 (IP-MJD) attached as Exhibit X;

(i) Any recreational off-highway vehicle (OHV) or all-terrain vehicle activities are prohibited on the BRP, except for activities necessary for and directly associated with the management and operation of the BRP;

(j) Expanding tenant farming beyond the approved portion of the BRP is prohibited;

(k) LESSEE shall not allow cattle grazing activities in areas which do not contain sufficient fencing to confine cattle to the BRP.

(l) LESSEE shall not encroach on the 300-foot wide parcel of property owned by Babcock Property Holdings, LLC located in the area immediately east of and adjacent to the State Road 31 right-of-way and immediately west of and adjacent to the BRP. The parcel is bounded on the north by the State Road 74 right-of-way and on the south by Hercules Grade Road. This parcel includes farm fields, pastures and natural areas currently included in the leases between Babcock Property Holdings, LLC and existing tenants on the adjacent BRP property.

Section 5.2 Enforceability of Restrictions. The Restrictions adopted and established on the BRP by the provisions of this Article 5, (a) shall run with the BRP, (b) shall be binding upon and enforceable against LESSEE and each tenant, subtenant, contractor, subcontractor, licensee, invitee, and grantee of the LESSEE, (c) shall inure to the benefit of and be enforceable by FDACS, (d) shall automatically terminate upon expiration or earlier termination of this Lease, and (e) may terminate in accordance with other provisions of this Lease.

ARTICLE 6

INSURANCE AND INDEMNITY

Section 6.1 BRP Insurance. LESSEE shall, at its sole cost and expense, keep and maintain in force policies of insurance on all the Improvements against loss or damage by fire and against loss or damage by any other risk now and from time to time insured against by "all risk of loss" provisions of policies generally enforced on improvements of similar type in Florida in an amount which LESSEE, in the exercise of FDACS's reasonable judgment and discretion, shall deem appropriate, but not less than replacement cost of the improvements being insured. All such policies shall be issued by companies admitted to do business in the State of Florida with a Best's Financial Strength Rating of "B+" or better, and Best's Debt Rating of "a" or better, and shall be carried in the name of both FDACS and LESSEE, as their respective interests may appear. LESSEE shall furnish FDACS with duplicate originals or copies certified as being true and correct of all such insurance policies, and shall furnish and maintain with FDACS, at all times, a certificate of the insurance carrier certifying that such insurance shall not be canceled without at least thirty (30) days advance written notice to FDACS. If LESSEE fails to maintain such insurance, FDACS, at its election, but without obligation to do so, may procure such insurance as may be necessary to comply with these requirements, and LESSEE agrees to repay the cost of same to FDACS on demand, with interest thereon at the Permitted Rate from the date of written demand for repayment until paid. All insurance described in this Section 6.1 may be obtained by LESSEE by endorsement or equivalent means under any blanket insurance policies maintained by LESSEE, provided that the coverage and other terms of such insurance comply with this Section 6.1.

Section 6.2 Builder's Risk Insurance. During any period of demolition, excavation, construction or other improvement on the BRP, which work cumulatively exceeds One Hundred Thousand Dollars (\$100,000.00), LESSEE shall maintain, or cause to be maintained, Builder's Risk Insurance in an amount not less than the total cost of the insurable improvements being constructed, as approved by FDACS, with responsible insurance companies legally authorized to transact business in Florida and with a Best's Insurance Guide Rating of B+ or better. The FDACS's approval shall not be unreasonably withheld, conditioned or delayed. In addition, the contractor hired by LESSEE to construct the Improvements shall not commence any construction work on the BRP until it has obtained the appropriate type of insurance, with

limits of not less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, and such insurance has been approved by FDACS, which approval shall not be unreasonably withheld, conditioned or delayed. All insurance policies shall be with insurers qualified and doing business in Florida and shall name LESSEE, FDACS, and the Board of Trustees as additional insureds.

Section 6.3 Liability Insurance. Prior to any entry onto the BRP, LESSEE shall secure and maintain in force commercial general liability insurance (including Bodily Injury, Property Damage and products and completed operations) with, subject to commercial availability, limits of not less than Three Million Dollars (\$3,000,000.00) for each occurrence and Five Million Dollars (\$5,000,000.00) aggregate. All insurance maintained in accordance with the provisions of this Section 6.3 shall be issued by companies admitted to do business in the State of Florida with a Best's Financial Strength Rating of "B+" or better, and Best's Debt Rating of "a" or better, shall be carried in the name of both FDACS and LESSEE, as their respective interests may appear. All liability insurance policies shall name FDACS as an additional insured and shall include contractual liability and products and completed operations endorsements. LESSEE shall furnish FDACS with duplicate originals or copies certified as being true and correct of all insurance policies required under this Section 6.3, and shall furnish and maintain with FDACS, at all times, a certificate of the insurance carrier certifying that such insurance shall not be canceled without at least thirty (30) days advance written notice to FDACS. If LESSEE fails to maintain such insurance, FDACS, at its election, but without obligation to do so, may procure such insurance as may be necessary to comply with these requirements, and LESSEE agrees to repay the cost of same to FDACS on demand, with interest thereon at the Permitted Rate from the date of expenditure until paid. All insurance described in this Section 6.3 may be obtained by LESSEE by endorsement or equivalent means under any blanket insurance policies maintained by LESSEE, provided that the coverage and other terms of such insurance comply with this Section 6.3. The limits of insurance coverage provided for herein shall be increased by LESSEE from time to time at the request of FDACS, but no more frequently than once every five (5) years, to such amounts as should be reasonably carried or provided, for the insured perils being covered so long as such increased amount of coverage can be obtained at a commercially reasonable rate.

Section 6.4 Workers' Compensation Insurance. The LESSEE shall obtain and maintain during the life of this Lease Worker's Compensation Insurance in accordance with Chapter 440, Florida Statutes, for all employees involved in the operation of the BRP, and in case any work is contracted or subcontracted, the LESSEE shall require the contractor or subcontractor similarly to provide Worker's Compensation Insurance for all of its employees, unless such employees are covered by the protection of the LESSEE. Such insurance shall comply fully with the Florida Worker's Compensation Law.

Section 6.5 Concessionaire's Insurance. As a condition to the granting of any concession right to vendors or other concessionaires for the sale of food, candy, cigarettes, beverages, merchandise or similar items at the BRP, LESSEE shall require such vendor or other concessionaire to secure and maintain in force, throughout the term of such concession right, commercial general liability and automobile liability policies of insurance consistent with Industry Standards and in a minimum amount of One Million Dollars (\$1,000,000.00) naming LESSEE and FDACS as additional insureds thereunder, and indemnify both LESSEE and FDACS pursuant to a written agreement in a form approved by FDACS. The limits of insurance coverage provided for in this Section 6.5 shall be increased from time to time at the request of FDACS, but no more frequently than once every five (5) years, to such amounts as should be reasonably carried or provided, for the insured perils being covered so long as such increased amount of coverage can be obtained at a commercially reasonable rate.

Section 6.6 Automotive Insurance. The LESSEE shall secure and maintain Commercial Automobile Liability insurance for company-owned vehicles and for hired and non-owned vehicles, which are used to transport equipment, merchandise, food products, customers, employees or otherwise provide operational support or deliver services to the day to day or incidental operations or otherwise used to conduct business in the BRP as allowed under this Lease, at a minimum combined single limit of One Million Dollars (\$1,000,000.00). Commercial automobile liability insurance coverage may be provided either vehicle specific coverage or as a coverage for the business use as a rider on the LESSEE's general liability insurance policy.

Section 6.7 Other Insurance as Needed. Other insurance required under this Lease shall be insurance for the unique or particular type of operations, recreation, or facilities provided. The LESSEE must provide its own insurance for such things as building contents, theft, vehicle comprehensive, and any other applicable insurance. The LESSEE understands that the state's insurance does not cover the LESSEE's personal property or business losses in the BRP. The LESSEE is advised to thoroughly research its insurance needs prior to executing this Lease.

Section 6.8 Services Cannot Begin without Insurance and Filing Requirements. No services under this Lease shall begin prior to compliance with this paragraph. Compliance with the foregoing shall not relieve the LESSEE of its liability under this paragraph or under any other portion of this Lease. All insurance shall include a Hold Harmless Agreement in favor of the Florida Department of Agriculture and Consumer Services and the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. All insurance policies shall name the Florida Department of Agriculture and Consumer Services and the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida as Additional Named Insured for the entire term of the Lease, including all extensions, if any. All insurance policies shall include FDACS Agreement No. _____ on the certificate. Insurance policy certificates shall be submitted to FDACS's Operations Manager. All insurance policies shall be with insurers licensed or eligible to do business in the State of Florida. The LESSEE's current certificate of insurance shall contain a provision that the insurance will not be canceled for any reason except after thirty (30) days written notice to FDACS, except for nonpayment of insurance premium, which shall be handled in accordance with Florida law. The LESSEE shall provide evidence of its current insurance coverage at the time this Lease is executed by the LESSEE. All required insurance policies shall remain in full force and effect throughout the term of this Lease. Evidence of all policy renewals shall be provided to the FDACS at the time of every renewal of such policy and prior to any extension of this Lease. FDACS reserves the right to request copies of insurance policies for examination and copying at any time during the term of this Lease. Any releases required by the LESSEE's insurer to be signed by members of the public may be used in accordance with applicable law. To the extent releases are used, the release shall also release FDACS and the Board of Trustees in addition to the LESSEE.

Section 6.9 Indemnity. FDACS shall not be liable for any damage, loss or injury suffered by any person in or about the BRP (except to the extent same were caused by the acts and omissions of FDACS or FDACS's agents or employees). LESSEE covenants and agrees to indemnify, defend, protect and save harmless FDACS from and against any and all liabilities, penalties, damages, claims, costs, charges and expenses, including, without limitation, court costs and reasonable attorney's fees, which may be imposed upon, incurred by or asserted against FDACS or FDACS's interest in the BRP, or any other portion of the BRP, from any cause or in any manner whatsoever (except to the extent those liabilities, penalties, damages, claims, costs, charges or expenses (a) were caused by acts or omissions of FDACS or FDACS's agents or employees, or (b) arose out of or relating to the presence of any Hazardous Substances on, under or at the BRP which were present prior to the Execution Date, or placed by FDACS thereafter) relating to or arising out of LESSEE's operation, possession, use or management of the BRP, or the business or operations of LESSEE or its affiliates (notwithstanding the fact that FDACS agreed to be bound by the provisions of this Lease). The provisions of this Section 6.9 and of any other indemnity provisions elsewhere contained in this Lease, and the provisions of Article 6 shall survive the expiration or earlier termination of this Lease with respect to acts, occurrences or omissions occurring prior to the expiration or earlier termination of this Lease.

Section 6.10 Notice of Action. Promptly after receipt by any indemnified party of notice of any demand, claim or circumstance which would or might give rise to an Asserted Liability that may result in a Loss, such indemnified party shall give prompt Claims Notice to the LESSEE. The Claims Notice shall describe the Asserted Liability in reasonable detail and shall indicate the amount (estimated, if necessary, and to the extent feasible) of the Loss that has been, or may be, suffered by the indemnified party.

Section 6.11 Defenses; Settlement. The LESSEE shall defend, at its own expense and with its own counsel, any Asserted Liability unless (a) the Asserted Liability seeks an injunction or other equitable or

declaratory relief against any indemnified party, (b) any indemnified party shall have reasonably concluded that there is a conflict of interest between such indemnified party and the LESSEE in the conduct of such defense, or (c) any indemnified party shall have reasonably concluded that the Asserted Liability may adversely affect, or result in an adverse effect upon, the business, operations or prospects of such indemnified party. The indemnified party or parties shall cooperate, at the expense of the LESSEE, in the defense of such Asserted Liability. If the LESSEE is not permitted to defend the Asserted Liability by reason of the first sentence of this Section 6.11, the indemnified party or parties may pay, compromise or defend such Asserted Liability at the sole cost and expense of the LESSEE; provided, however, the LESSEE shall pay the legal fees and cost promptly as they become due. Notwithstanding the foregoing, neither party may settle or compromise any claim over the reasonable written objection of the other, provided that any indemnified party may settle or compromise any claim as to which the LESSEE has failed to notify such indemnified party of its election under this section, as to which the LESSEE is contesting its indemnification obligations hereunder, or involving an Asserted Liability of the type described in clause (c) of the first sentence of this section. In any event, each party may participate, at its own expense, in the defense of any Asserted Liability. If the LESSEE is defending an Asserted Liability, each indemnified party shall make available to the LESSEE any books, records or other documents within its control that are necessary or appropriate for such defense. Any Loss of any indemnified party for which indemnification is available hereunder shall be paid within thirty (30) days following written demand therefor.

Section 6.12 Insurance Proceeds. Each indemnified party acknowledges and agrees that Loss shall be determined after giving effect to the receipt by such indemnified party of any insurance proceeds that would be available under the insurance policies in existence, or required to be maintained under this Lease, covering all or any portion of any Loss and that such party irrevocably waives any indemnification rights it might otherwise have under this Article in respect of any portion of any Loss to the extent of such insurance proceeds. No person or entity (including, without limitation, any insurance carrier) shall have any rights (including by way of subrogation) to receive any payment from the LESSEE in respect of the portion of any Loss covered by such insurance proceeds. Nothing contained in the provisions of Article 6 shall be deemed a waiver of any indemnified party's rights or protections, including without limitation, sovereign immunity.

ARTICLE 7

FDACS'S REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.1 Quiet Enjoyment. Subject to the terms and conditions of this Lease, FDACS covenants and warrants that LESSEE shall and may peaceably and quietly have, hold, occupy, use and enjoy, and shall have the use and enjoyment of, all of the BRP, and facilities listed on Exhibit X, during the entire Term.

Section 7.2 Organization. FDACS hereby represents and warrants to LESSEE that it has full power and authority to enter into this Lease and to engage in the transaction contemplated hereby, and that the joinder, consent, or approval of any other Person is not required to properly consummate the transactions herein contemplated.

Section 7.3 Binding Obligation. FDACS hereby represents and warrants that this Lease is a valid obligation of FDACS and is binding upon FDACS, its successors, assigns, tenants, subtenants, and licensees, or any Person claiming by, through, from and under FDACS, in accordance with the terms hereof.

Section 7.4 Hazardous Substances. FDACS hereby represents, warrants and covenants unto LESSEE, to the best of its knowledge, as follows:

(a) FDACS has a memorandum of agreement in place with the Florida Department of Environmental Protection (FDEP), to initiate a site assessment of BRP to identify environmental areas of interest that may currently exist on the BRP.

(b) The LESSEE shall be responsible for any areas not identified by the site assessment and which are subsequently identified and which are caused directly or indirectly by LESSEE, its agents, contractors, subcontractors, licensees or invitees. The LESSEE shall ensure that no future

remediation efforts will be necessary as strict adherence to all applicable laws, rules, regulations and BMPs required as part of environmental stewardship activities.

(c) FDACS shall not cause or permit, subsequent to the execution of this Lease, any Hazardous Substance to be disposed of, or otherwise released on, to, over or under the BRP.

(d) LESSEE shall not use any portion of the BRP as a landfill, dump, and site for injection wells or cemetery, and FDACS shall not use or permit any portion of the BRP to be used for any such purpose subsequent to the execution of this Lease.

Section 7.5 Personal Property and Historical Resources. Any and all archaeological remnants, artifacts, relics, fossils, historical items or treasures, antiques, artwork, pictures, paintings, papers, publications, magazines, books, reference materials, maps, furniture or equipment that are physically located on the grounds or in any and all structures on the BRP at the commencement of the Lease are the property of the Board of Trustees.

Section 7.6 Public Recreational Areas and Activities. The FFS shall designate and establish public recreation areas for activities within the native property portions of Telegraph Swamp, Jack’s Branch and Bermont Crossing areas (see Exhibit X). The planned public recreational access and activities include trails for walking/hiking, wildlife viewing, bicycling, primitive camping and horseback riding. The FFS shall work in coordination with LESSEE to identify native portions of the specific areas to designate for public recreational activities, so as not to impede ranch operations. The FFS shall be responsible for operation, management and maintenance of the designated public recreation areas. The public shall not have access to the agricultural operations and activities, except as they may relate to the eco-tour operation.

Section 7.7 Operation Outdoor Freedom Activities. FDACS participates and coordinates with military and veterans groups to provide outdoor recreational activities to wounded warriors and veterans, free of charge, known as Operation Outdoor Freedom (OOF). These activities could include hiking, wildlife viewing, eco-tourism, bicycling, primitive camping and horseback riding. These activities will occur within the prescribed FFS recreational areas or as part of the LESSEE eco-tourism operation. Additionally, in cooperation with FWC, there may be some OOF hunting and fishing activities on the FWC Tier I and Tier II recreation areas. These events will be coordinated with LESSEE.

Section 7.8 Eminent Domain. The FDACS represents and warrants that to the best of its knowledge there are no eminent domain proceedings pending or contemplated against the BRP, or any part thereof, and FDACS has not received any notice from any Governmental Authority, or from any Person, with respect to any actual or threatened taking of the BRP, or any portion thereof, for any public or quasi-public purpose by the exercise of the right and power of eminent domain.

Section 7.9 Future Contracts. The FDACS represents, warrants and covenants that any future contracts providing exclusive rights and privileges to third parties shall not be binding on LESSEE.

Section 7.10 Survival. FDACS’s representations, warranties and indemnity obligations set forth in this Lease or in any Supplemental Agreement, and FDACS’s liability for its Monetary Obligations and Non-Monetary Obligations that accrued during or arose with respect to the Term of this Lease or any Supplemental Lease, shall survive the expiration or earlier termination of this Lease and such Supplemental Agreement.

ARTICLE 8

LESSEE’S REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 8.1 Organization. LESSEE hereby represents and warrants to FDACS that it is duly organized under the laws of the State of Florida, and that the joinder, consent or approval of any other Person is not required to properly consummate the transactions herein contemplated.

Section 8.2 Binding Obligation. LESSEE hereby represents and warrants that this Lease is a valid obligation of LESSEE and is binding upon LESSEE and its successors, assigns, tenants, subtenants, licensees and concessionaires in accordance with the terms hereof.

Section 8.3 Services provided. The LESSEE is hereby authorized to conduct, and does hereby agree to operate the following to provide the following services subject to all terms, conditions and provisions of this Lease:

- (a) LESSEE shall operate, manage and maintain parts of the BRP as a working cattle ranch.
- (b) LESSEE shall operate, manage, and maintain an ecotourism attraction. LESSEE's shall also operate, manage, and maintain the following included facilities as part of the ecotourism attraction:
 - (1) Restaurant;
 - (2) Gift Shop;
 - (3) Reception Building;
 - (4) Museum;
 - (5) Restrooms;
 - (6) Artifact Display Building; and
 - (7) Animal Compound.
- (c) LESSEE shall manage the BRP in accordance with the Ten-Year Land Management Plan for the BRP Management Plan (Exhibit X) prepared by FFS, in consultation with the Babcock Ranch Advisory Group and approved by the Board of Trustees, Acquisition Restoration Council.
- (d) LESSEE will undertake land management activities which preserve and promote the natural, scenic, aesthetic, ecological and hydrological character of the BRP. Accordingly, all parties hereby acknowledge the public-private partnership in the continuing duty of care to each other imposed by this Lease to carry out the intent and purpose of this Lease in regard to the operation, management, maintenance and environmental integrity of the BRP.
- (e) LESSEE shall implement and perform conservation protection activities and environmental stewardship practices that ensure agricultural and environmental sustainability of the BRP.
- (f) LESSEE will maintain and repair as necessary the water supply systems serving any part of the BRP.
- (g) LESSEE shall be responsible for all prescribed fire activities in accordance with the BRP Management Plan, as amended from time to time, in consultation with FFS. The LESSEE and FFS shall mutually agree on the timing and scheduling of prescribed fire activities based upon weather and terrain conditions. LESSEE shall obtain the necessary burn authorizations for each burn.
- (h) The LESSEE shall be required to conduct community outreach activities, which will require LESSEE to at all times provide a Community Liaison who shall establish relationships and collaborate and communicate effectively with community leaders and public interest groups and individuals.

Section 8.4 Best Management Practices and Other Standards. The LESSEE shall operate, manage, and maintain the BRP by utilizing, to the extent possible, current Best Management Practices adopted by rule in the Florida Administrative Code and as updated periodically. The applicable Best Management Practices include, but are not limited to "Water Quality Best Management Practices for Florida Cow/Calf Operations", "Water Quality/Quantity Best Management Practices for Florida Vegetable and Agronomic Crops", "Water Quality/Quantity Best Management Practices for Florida Nurseries", "Water Quality/Quantity Best Management Practices for Florida Sod", "Agriculture Wildlife Best Management Practices for State Imperiled Species", "Florida Forest Service Silviculture Best Management Practices", and "Florida Forestry Wildlife Best Management Practices for State Imperiled Species. The LESSEE shall adhere to all standards and conditions of the BRP Management Plan for silvicultural operations, wildlife prevention, fire/prescribed fire strategies, non-native invasive and nuisance species control, and water conservation and management. The LESSEE shall also operate the working ranch in accordance with industry recognized and sound

Florida agribusiness standards. All environmental stewardship, sustainability, and conservation protection activities shall be in conjunction with the FFS and cooperation with FWC.

Section 8.5 Allowed Revenue Producing Activities. The following activities are allowed on the BRP:

- (a) Tenant farming (only in areas currently approved for tenant farming -see Exhibit X);
- (b) Cattle ranching;
- (c) Timbering;
- (d) Honey production;
- (e) Palmetto drupe harvesting;
- (f) Alligator egg collection;
- (g) Alligator harvesting;
- (h) Nuisance animal harvesting;
- (i) Sale of wiregrass and other native seeds;
- (j) Sale of pine straw;
- (k) Haying;
- (l) Sod harvesting;
- (m) Native plant nursery;
- (n) Agritourism;
- (o) Eco-tourism;
- (p) Hosting events.

Other activities or sale of agricultural commodities are only allowed with the prior, written approval of FDACS, which approval may be withheld in the sole discretion of FDACS.

Section 8.6 Operations and Management Plan. LESSEE shall submit a comprehensive Operations and Management Plan (OMP) annually to FDACS for review and approval. The OMP shall detail all planned operational, management and maintenance activities. The first plan will be submitted not later than thirty (30) days after executing this Lease and shall be submitted on the first of August each year thereafter.

LESSEE shall submit an Annual Operations and Management Report for the preceding Calendar Year detailing all of the past Calendar Year's operational, management, and maintenance activities, including completed, partially completed and uncompleted goals, progress to date, and when existing and future goals will be met. The Annual Operations and Management Report shall address at minimum the activities undertaken in the past Calendar Year relating to each area of responsibility required to be addressed in the OMP as listed in this Section 8.6 below. The Annual Operations and Management Report shall be submitted to FDACS at the time LESSEE submits the OMP for the current Calendar Year for review by FDACS.

The OMP shall address, at a minimum, each area of responsibility listed below.

- (a) Timelines of when operations will be commenced and continue thereafter.
- (b) On-going operational schedules for each activity, dates and times.
- (c) Safety and emergency response for each aspect of ranch operations.
- (d) LESSEE equipment inventory to be used on-site in BRP operations, management and maintenance.
- (e) Facility, fencing, gates and road maintenance.
- (f) Coordination of farming and agribusiness activities, e.g., hunting leases and grazing leases.
- (g) Farming operations, including tenant farming, current or potential future subleases.
- (h) Cattle and grazing operations, including current or potential future subleases.
- (i) Management of sales of BRP agricultural commodities, as specified herein.

(j) The designated ranch manager who shall be on-site for day-to-day operations and available 24/7, 365 days per year for emergency purposes. Include their role, responsibilities and designated level(s) of authority for decision-making purposes.

(k) Staffing plan for all BRP activities, employees, including roles, responsibilities and work schedules.

(l) Subcontractors for BRP activities, including roles, responsibilities and work schedules.

(m) The designated Community Liaison, who is available for meetings and/or events with the community, in coordination with FDACS, concerning public recreational access and activities, as specified herein.

(n) The operational and management plan to implement and manage BMPs and conservation and environmental stewardship activities for cattle and grazing operations; control burn/prescribed fire activities; silviculture management; non-native invasive species control; and water quality.

(o) The operational and management plan to fully operate, manage, and maintain the eco-tour operation for the term of the entire Lease, including any current or conceptual business models or ideas to market or expand the current eco-tour operation and any proposed subcontractors.

Section 8.7 Assignment of Existing Leases. At the commencement of this Lease existing leases and licenses on the BRP (Exhibit X) shall be collaterally assigned to the LESSEE without recourse. It is understood by the LESSEE that the LESSEE is solely liable to the sublessee for all expenses and liabilities incurred under the existing leases once assigned and that the LESSEE is solely responsible for the sublessee's performance under the subcontract.

Section 8.8 Cattle Stocking Rates and Grazing. The LESSEE shall not exceed the maximum animal unit stocking rates which shall be established annually. The stocking rate for cattle grazing is set at 2,700 for the first year of the Lease. Four-hundred head of cattle currently grazing the BRP under a separate lease (see Exhibit X) and calves are not counted toward the stocking rate. Future determinations of stocking rates or any changes to stocking rates will be made in consultation between the FDACS, the LESSEE and one of the following, Natural Resources Conservation Service, a range consultant, or the University of Florida, Institute of Food and Agricultural Sciences. The LESSEE shall not allow hogs, sheep, horses or goats to graze or range on the BRP.

Section 8.9 Hazardous Substances. LESSEE hereby covenants that it shall not cause or permit, at any time during the Term of this Lease, any Hazardous Substances to be disposed of or otherwise released on, to, over or under the BRP. The LESSEE shall be responsible for any areas for remediation not disclosed by the environmental assessment, and which are caused directly or indirectly by LESSEE, its agents, contractors, subcontractors, licensees or invitees, pursuant to Section 7.4 herein.

Section 8.11 Water Use.

(a) Limited Use. Nothing contained in this Lease shall be interpreted or construed to entitle LESSEE to draw or use any water from or out of the area beneath the surface of the BRP or any appurtenances thereto for supplying areas outside the BRP.

(b) Use of Water. LESSEE shall use the Water Sources and the water therefrom under this Lease only for the purposes in connection with LESSEE's operation as authorized under this Lease, strictly in accordance with, and subject to the conditions of, any water consumption permits issued by South Florida Water Management District or any Governmental Authority having jurisdiction. This Lease shall be non-exclusive in common with FDACS and its agents, employees, other lessees and invitees. LESSEE shall furnish to FDACS on a quarterly basis each year during the term of this Lease accurate estimates of total water used during each month. Should governmental authorities regulating water consumption require metering and reporting of water withdrawals, LESSEE agrees to promptly comply with such requirements at

its sole expense.

(c) Permits. If LESSEE needs to amend any existing water consumptive use permit or if additional consumptive use permits are needed to accommodate water needs on the BRP, LESSEE shall be responsible for compiling all necessary information for the permit and shall do so at LESSEE's sole expense. LESSEE shall pay any required permit fees.

Section 8.11 Waste. LESSEE hereby covenants that it shall not commit or permit waste of the BRP and must, subject to the provisions relating to casualty in the Lease, return it to FDACS upon expiration of the Term in the same condition as it was in at the time of execution of this Lease, ordinary wear and tear excepted.

Section 8.12 Improvements. FDACS shall not be required to make any improvements on the BRP during the term of this Lease. In connection with its use and occupancy of the BRP, LESSEE shall have the right, at LESSEE's sole cost and expense, to improve the BRP; however, LESSEE shall be required to obtain the written approval from FDACS prior to the placement, installation, alteration or construction, which shall be done in accordance with Section 8.14, of the following:

- (a) Cowpens;
- (b) Watering holes for the cattle;
- (c) Culverts;
- (d) Gates;
- (e) Cattle gaps;
- (f) Fencing;
- (g) Any and all structures;
- (h) Installation of new water wells or septic systems;

Any improvements made shall be maintained in good condition at the LESSEE's expense. All improvements shall be considered permanent fixtures to the land.

Section 8.13. Maintenance and Repair of Improvements. The maintenance and repair of all improvements existing on the BRP, unless specifically excluded by FDACS, shall be the responsibility of the LESSEE. All maintenance and repairs shall be done in a good and workmanlike manner by a person who has the knowledge, training, or experience necessary for the work being performed. LESSEE shall undertake all maintenance and repairs at LESSEE's sole expense. LESSEE shall NOT be responsible for the maintenance or repairs of the following:

- (a) Residences listed on Exhibit X, except for water supply
- (b) Recreational Areas designated on Exhibit X
- (c) Tier I public hunting areas
- (d) Tier II hunt camps

Section 8.14 Construction. The LESSEE shall obtain FDACS's advance approval in writing for any construction of new facilities, for all alterations or additions to existing facilities and space, and shall bear the full cost for such construction, alterations, or additions, which shall become state-owned assets upon completion. The LESSEE is responsible for applying for and paying all costs associated with required permits. The LESSEE shall submit sealed architectural specifications and plans for all construction projects, which shall include details on plumbing, electrical, mechanical and other required utility systems, including floor plan, elevations, and material specifications, all of which must be pre-approved in writing by FDACS, in its sole discretion, prior to commencement of any construction or alterations. Upon FDACS's approval of such plans and specifications, they shall be included as an Exhibit to this Lease. The LESSEE shall be required to provide all of the specifics of all projects that involve construction within the BRP, including such items as timelines, critical paths, methods of construction, approval of plans, amenities, signage, color schemes, advertising, subcontractors, amortization period for the improvements, and other information deemed relevant by FDACS. No construction may commence, until it is reduced to writing, approved by FDACS, in its sole discretion, and a fully executed amendment incorporating it is attached hereto.

Section 8.15 Non-native Invasive Vegetation. The LESSEE shall be responsible for all non-native invasive vegetation control in accordance with the BRP Management Plan (Exhibit X) as amended from time to time, in consultation with the FFS and FWC. Non-native invasive vegetation shall include those species in the Noxious Weed List in Rule 5B-57.007, F.A.C., and species listed in the FNAI Non-Native Invasive Species Inventory in the BRP Management Plan, both as amended from time to time.

(a) Special Provisions for Control of Non-native Invasive Vegetation in Pasture Areas. The LESSEE agrees after execution of this Lease to pasture any new cattle, to be added to the existing herd already on the BRP, on a quarantine field for seven days prior to their movement onto the BRP. The entire quarantine field must be closely inspected for the presence of Tropical Soda Apple (*Solanum viarum*) plants. The inspection will be done by FDACS. If FDACS is unable to perform the inspection, FDACS will immediately notify the LESSEE, after which the LESSEE must provide FDACS with a current, valid FDACS/DPI Noxious Weed Compliance Agreement (DACS-08387) certifying the quarantine field as free of Tropical Soda Apple. A copy of this agreement is available at the following site: <http://forms.freshfromflorida.com/08387.pdf>. The LESSEE will be responsible for the cost of the certifying inspection associated with the Compliance Agreement. The quarantine field will not be acceptable if it has been mowed less than 30 days prior to the inspection. If no certifiable quarantine field is available, then the cattle will not be permitted to move onto the BRP.

(1) Upon execution of the agreement, the LESSEE assumes responsibility for monitoring for and treating any Tropical Soda Apple plants or other non-native plants of concern found to occur within the BRP using methods approved by FDACS. Treatments will occur at a minimum of two (2) times annually with a goal of preventing fruit production and continued spread of the plants.

(2) If Tropical Soda Apple or other non-native invasive plants of concern are found to occur or to be spreading within the lands covered by this Lease at any time during the term of this Lease, FDACS reserves the right to terminate this Lease as hereinafter provided.

(3) Other invasive plants specific to this Lease include the following species: Caesar's Weed (*Urena lobata*), Cogon Grass (*Imperata cylindrical*), Para Grass (*Urochloa mutica*), Torpedo Grass (*Panicum repens*), West Indian Marsh Grass (*Hymenachne amplexicaulis*), Rosary Pea (*Abrus precatorius*), Brazilian Pepper (*Schinus terebinthifolia*), Air Potato (*Dioscorea bulbifera*), Lantana (*Lantana camara*), Peruvian Primrose Willow (*Ludwigia peruviana*), Melaleuca (*Melaleuca quinquenervia*), Natal Grass (*Melinis repens*), Wright's Nutrush (*Scleria lacustris*), Japanese Climbing Fern (*Lygodium japonicum*), and Old World Climbing Fern (*Lygodium microphyllum*).

(4) To minimize the possibility of transporting and spreading exotic plant species, all equipment used by LESSEE must be cleaned of all dirt and plant material prior to moving onto the BRP, and again prior to departing the BRP. The LESSEE will be required to provide species, location and acreages for non-native invasive plant treatment. Copies of product labels and manufacturers MSDS sheets will need to be given to FDACS prior to treatment applications.

Section 8.16 Road Improvement and Maintenance. The LESSEE shall be responsible for all road maintenance and repairs on the BRP. LESSEE at its sole cost shall repair, upgrade or replace roads, including but not limited to any bridges or culverts; provided, however, that any improvements made, including but not limited to any bridges and culverts installed, shall immediately become the property of the Board of Trustees. All repairs and maintenance shall be completed immediately upon identification of need, so as not to impede ranch operations. The following roads shall be maintained for the purposes described.

(a) Class I Ranch Roads may provide public ingress and egress at times; these roads are primarily critical for ranch operations. These roads shall be maintained to provide traffic access for most two-wheel drive vehicles, log and farm trucks, campers and emergency vehicles in most weather conditions. LESSEE shall be solely responsible for the repair and maintenance

of Class I Ranch Roads.

(b) Class II Ranch Roads provide limited public access, primarily during hunting dates in Jack's Branch Recreation Area. These roads shall be maintained by the LESSEE to provide traffic access for most two-wheel drive vehicles and emergency vehicles in most weather conditions. FFS and/or FWC may, at its discretion, provide funding assistance for the materials associated with the maintenance of Class II Ranch Roads.

(c) Service roads not classified as Class I or Class II Ranch Roads shall be maintained as service roads. These roads are used for ranch management purposes and are generally closed to public vehicular access. Service roads shall be maintained to provide four-wheel drive traffic access, weather permitting. LESSEE shall be solely responsible for the maintenance of service roads.

Section 8.17 Fencing. LESSEE shall be responsible for ensuring all cattle remain on the BRP.

Fencing must at minimum:

(a) Consist of at least four strands of barbed wire stapled, nailed or otherwise properly attached to posts placed 16 feet or less apart;

(b) Corner posts and brace posts should be pressure treated and no smaller than 5 inches in diameter. Line posts should be pressure treated and no smaller than 3 inches in diameter. Horizontal brace rails should be pressure treated and no smaller than 4 inches in diameter;

(c) No metal posts shall be installed. No fencing shall be nailed to any tree or stump regardless of species; and

(d) Repairs to the fencing shall be completed immediately upon identification of need to ensure unimpeded ranch operations.

Any existing fencing located on the perimeter of the BRP is not guaranteed to prevent LESSEE's cattle from leaving the BRP and FDACS shall not be responsible for any damages or losses due to LESSEE's cattle leaving the BRP;

Section 8.18 Ditches and Culverts. The LESSEE shall maintain the ditches and culverts on all roads in the BRP. Ditches shall be repaired and maintained in a manner that ensures the integrity of the Service, Class I and Class II ranch roads, pursuant to Section 8.16. Replacement of any culverts shall be of the same size and quality. All maintenance and repairs shall be done in a good and workmanlike manner by a person who has the knowledge, training, or experience necessary for the work being performed. All ditch and culvert maintenance and repair shall be completed immediately upon identification of need, so as to keep all roads open at all times and not impede ranch or fire management operations.

Section 8.19 Cattle Gaps and Gates. The LESSEE shall maintain the gates and cattle gaps utilized for agricultural farming and cattle management operations on the BRP. Replacement of any gates or cattle gaps shall be of the same size and quality. All maintenance and repairs shall be done in a good and workmanlike manner by a person who has the knowledge, training, or experience necessary for the work being performed. All gate or cattle gap maintenance and repair shall be completed immediately upon identification of need, so as to not impede ranch or fire management operations. The LESSEE shall maintain the gates allowing for ingress and egress. Maintenance and repair shall be completed immediately upon identification of need, so as to allow public access and maintain security on the BRP.

Section 8.20 Operation of Eco-Tour. LESSEE hereby covenants that it shall continue to operate the eco-tour (formerly known as the Babcock Wilderness Adventure) for the entire Term of the Lease and in accordance with the following provisions:

(a) Name and Branding. The LESSEE shall work in cooperation with FDACS to name and rebrand the eco-tour. The LESSEE understands that rights to and control of the name and branding associated with the eco-tour belong solely to FDACS at all times and beyond the expiration of this Lease. The LESSEE shall submit to FDACS for prior approval all proposed advertising, brochures, and signs. The FDACS shall have the right to require

removal of all or part of any advertising that FDACS deems inappropriate or reflects badly on FDACS.

(b) Closings. The FDACS shall pre-approve, in writing, any closings of the eco-tour operations, which shall include any and all holidays. The LESSEE shall provide FDACS with an annual calendar of open and closed dates in the OMP. Business hours shall be posted near the main entrance of the business.

(c) Use of Facilities and Space. The FDACS hereby provides to the LESSEE the facilities and space for the eco-tour shown on Exhibit X, and including the attached list of equipment (Exhibit X). The LESSEE accepts the previously identified physical facilities and space **“AS IS” AND WITH NO WARRANTIES OF SUITABILITY** for LESSEE’S intended use. In addition to the foregoing, the LESSEE shall: perform visitor service sign maintenance and repair; provide fire equipment certification, including but not limited to annual hood inspections, as required by State Fire Marshal; and provide interior modifications, maintenance and repairs, including repairing entrance doors, windows and screens, as needed, all at the LESSEE’s sole cost and expense. All routine maintenance and repairs shall be performed to standards acceptable to FDACS. All cleaning, maintenance and repair supplies (chemicals and compounds) and all insecticides, rodenticides and herbicides shall be approved by FDACS prior to use by the LESSEE. The LESSEE shall perform daily removal of litter within fifty (50) feet of all eco-tour facilities. All construction or alterations of facilities, and all new equipment such as tour vehicles, buildings, and other similar facilities or vehicles shall comply with all applicable federal, state, county, and local laws.

(d) Alcoholic beverage licenses. In the event alcoholic beverages are served, the LESSEE shall be required to acquire an alcoholic beverage license from the Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco; be responsible for complying with Chapters 561, 562, 563 and 564, Florida Statutes and Rule 61A-3, Florida Administrative Code; the Division’s Operations Manual; and, Charlotte County Ordinances that regulates the alcoholic beverage license. Prior to implementation of the serving of alcoholic beverages, a plan of action including hours of service and control methods shall be submitted to FDACS’s Operations Manager for approval.

(e) Gift Shop. The gift shop will sell gifts and souvenirs including clothing, post cards, and other items. The FDACS may disapprove the sale of any items.

(f) Utilities. The LESSEE shall pay for garbage disposal, telephone services, and electricity and for all other utilities used in connection with or otherwise necessary or proper for its operations of the eco-tour under this Lease. The LESSEE shall be responsible for regularly maintaining and repairing as needed the septic system, potable water well, and all associated plumbing that services the eco-tour and at the LESSEE’s sole expense.

(g) Construction. The LESSEE shall follow the provisions of Section 8.14.

(h) Expansion of Operations. The FDACS may, by formal amendment hereto, authorize the LESSEE to expand or change the operations provided, if, in its sole discretion, FDACS determines that such expansion or change would be beneficial to the BRP, BRP visitors, or FDACS.

(i) Eco-tour employee standards. The LESSEE shall provide continuing training and evaluation of all employees assigned to the eco-tour business operations under this Lease to ensure an appropriate level of proficiency, a public service attitude, and a good understanding and use of the principles of hospitality. The LESSEE shall replace any employee at the request of FDACS for good cause. No FDACS employee or close relative of an employee of FDACS shall be employed by the LESSEE without prior written approval of FDACS.

Section 8.21 Mitigation Area. LESSEE hereby acknowledges that certain or all uses of the BRP within the Mitigation Area described in the Department of the Army Permit number SAJ-2006-6656 (IP-MJD) attached as Exhibit X may become impractical or impossible depending on future mitigation activities. LESSEE accepts these conditions and recognizes that there shall be no alterations to the lease payment owed to FDACS under this Lease and no recourse against FDACS for loss of use of the mitigation area.

Section 8.22 Residences. There are ten (10) residences on the BRP. FDACS intends to lease six (6) of the residences, which are located at 8010, 8040, 8060, 8080, 8082 and 8090 State Road 31 to Babcock Ranch Management LLC, commencing on August 1, 2016, for a term of five (5) years. The Leases will be assigned to the LESSEE without recourse with the Execution of this Lease. At the expiration of the five (5) year lease term, the LESSEE will be entitled to lease the property to third parties without restriction subject to all laws, rules and regulations. If any of the current residents of the six (6) residences leased to Babcock Ranch Management LLC, leaves prior to the expiration of the five-year lease, that residence may be utilized or leased to a third party by the LESSEE.

The other four (4) residences are located at 8086, 8042, 8110 State Road 31 and 42381 Bermont Road. LESSEE leases the residences on the identified list (Exhibit X) out of the four (4) remaining residences in the current "**AS IS**" **CONDITION, WITH NO WARRANTIES**. The LESSEE shall provide for interior and exterior maintenance and repairs in accordance with local and state building code requirements. This includes interior and exterior repairs and maintenance so as to maintain the residences in a wind and water tight condition. This includes without limitation, structural components, windows, roof, floors, joists, electrical system, plumbing, HVAC systems, and repairs of equipment as needed due to normal use. LESSEE shall maintain the interior and exterior of the facilities so as to conform to all applicable health and safety laws, ordinance and codes, which are presently in effect or may be enacted during the term of this Lease and any renewal periods.

If the LESSEE does not utilize any of the ten (10) residences during the term of the Lease, then FDACS reserves the right to utilize those unoccupied residences at no charge to FDACS.

In the event that the entirety or majority of the facilities is destroyed by fire, lightning, storm or other casualty, the LESSEE shall replace or repair the facilities or assign the proceeds to FDACS in accordance with Article 10 of this Lease.

Section 8.23 FFS Headquarters (HQ). The ranch headquarters is a two-story building located on the BRP. The FFS HQ office space, to be shared with FWC staff, shall be located on the first floor in the ranch headquarters located on the BRP. FFS requires 1,000 square feet of secured office space, with access to common area meeting space and restrooms. The office space shall include electricity, cable and telephone access, which shall be provided by and paid for by the LESSEE. The FFS HQ office space shall be provided at no charge to FDACS.

Section 8.24 Cypress Lodge. In its current condition, the Cypress Lodge is only available for meeting space or other activities approved by FDACS. No commercial activity shall be allowed. With the approval of FDACS, the LESSEE may undertake repairs and improvements at its own expense, in accordance with Section 8.13 and shall be in accordance with local and state building code requirements.

Section 8.25 Historical and Archaeological Resources. Any historical or archaeological resources newly found on the BRP will be reported immediately to FDACS's Operations Manager and any earth moving activities will be stopped until a site assessment can be completed by FDACS.

Section 8.26 Compliance with Laws. LESSEE hereby covenants that it shall promptly obey and comply with all present and future laws, ordinances, rules, regulations, statutes, orders and other Legal Requirements, including but not limited to all present and future Environmental Laws, ordinances, rules, regulations, statutes, orders and other Legal Requirements, subject to the right to terminate under this Lease. This includes, without limitation, compliance with minimum health, building, safety, civil rights, antitrust, environmental and nuisance codes and standards, and includes a representation that all applicable laws, rules, regulations, ordinances, codes and other Legal Requirements were followed by LESSEE in the ITN process. Upon request from time to time, LESSEE shall provide FDACS with evidence reasonably satisfactory to FDACS that LESSEE is complying with all such Legal Requirements.

Section 8.27 Authority. LESSEE hereby represents and warrants that the parties executing this Lease on behalf of LESSEE have full right, title, and authority to so execute this Lease and to deliver any

and all documents required to consummate the transactions contemplated under this Lease; no consent, approval, or authorization of any third party or Governmental Authority is required in connection with the execution of this Lease, or the consummation of the transactions contemplated by this Lease; and the execution and delivery of this Lease, and the consummation of the transactions contemplated hereby, will not violate, result in a breach of, or constitute a default under, the Articles of Incorporation or Bylaws of LESSEE, or of any order, judgment, arbitration award, note, mortgage, deed of trust, indenture, or any other agreement or instrument whatsoever to which LESSEE is a party, or is or may be bound, or of any statute, law, order, ordinance, rule, regulation, writ or injunction of any Governmental Authority having jurisdiction over LESSEE.

Section 8.28 Absence of Litigation and Administrative Proceedings. LESSEE hereby represents and warrants that no litigation or proceeding is pending or threatened against LESSEE, or affecting any part of the BRP, before any court or administrative agency which, if adversely determined, could have an adverse effect on the title to or use, enjoyment or value of the BRP, or any part thereof, or which could interfere with the consummation of this Lease.

Section 8.29 Absence of Undisclosed Liabilities. LESSEE hereby represents and warrants that there are no tax liabilities or other obligations or liabilities of LESSEE, whether contingent, or otherwise, which affect the BRP, or LESSEE's business and operations, or for which, by application of law, this Lease or otherwise, FDACS will become responsible as a result of the acquisition of the estate hereunder.

Section 8.30 Indemnification. LESSEE hereby covenants that it will reimburse, indemnify and hold FDACS harmless from and against:

- (a) Any and all direct, but not consequential or punitive, damages, losses, deficiencies, liabilities, costs and expenses resulting from, relating to, or arising out of any false or misleading representation contained in this Article 8, or the breach of any covenant or obligation of LESSEE contained in this Article 8, or elsewhere in the Lease; and
- (b) Any and all actions, suits, claims, proceedings, investigations, demands, assessments, audits, fines, judgments, costs and other expenses (including, without limitation, reasonable attorneys' fees) incident to any of the indemnified claims referred to in clause (a) above, or to the enforcement of the provisions of this Section 8.29.

Section 8.31 Survival. LESSEE's representations, warranties and indemnity obligations set forth in this Lease or in any Supplemental Agreement, and LESSEE's liability for its Monetary Obligations and Non-Monetary Obligations that accrued during or arose with respect to the term of this Lease or any Supplemental Agreement, shall survive the expiration or earlier termination of this Lease and such Supplemental Agreement.

ARTICLE 9

DEFAULT AND REMEDIES

Section 9.1 Event of LESSEE Default. Any one or more of the following events shall constitute an "Event of LESSEE Default":

- (a) LESSEE becomes Insolvent.
- (b) LESSEE fails to pay any Monetary Obligation and such failure continues for thirty (30) days after FDACS gives LESSEE written notice thereof.
- (c) LESSEE fails to perform or observe any Non-Monetary Obligation, which failure is not cured within thirty (30) days after the giving of notice thereof by FDACS (Non-Monetary Event of Default) to LESSEE, unless such failure is of such nature that it cannot be cured within such thirty (30) day period, in which case no Event of LESSEE Default shall occur so long as LESSEE shall commence the curing of the failure within such thirty (30) day period and shall thereafter diligently prosecute the curing of same.

(d) The dissolution of LESSEE without an approved or pre-approved assignment, or without a suitable credit enhancement reasonably satisfactory to FDACS.

Section 9.2 FDACS Remedies. In the event of the occurrence of any of the events described in Section 9.1 above, FDACS, at its election, at any time at least thirty (30) days after giving LESSEE a notice pursuant to this Section 9.2 that an Event of LESSEE Default has occurred, and provided the same has not been cured, or in the case of a Non-Monetary Event of Default, the cure has not been commenced within thirty (30) days if it is incapable of being cured in thirty (30) days, shall declare this Lease in writing to be terminated, ended and null and void, whereupon all right, title and interest of LESSEE in the BRP shall end, and FDACS may exercise one of the following options:

(a) Reenter and retake possession of the BRP pursuant to applicable legal process only, and, at FDACS's option, relet or attempt to relet the BRP on behalf of LESSEE at such rent and under such terms and conditions as FDACS may deem best under the circumstances for the purpose of reducing LESSEE's liability. LESSEE shall remain liable for all Monetary Obligations and other sums due under this Lease, and if the BRP is relet, LESSEE shall be entitled to a credit for the greater of Lease Fee, or commercially reasonable lease fee minus the commercially reasonable re-letting expense, for the remainder of the Term, against LESSEE's liability hereunder, but in no event shall LESSEE be entitled to be credited or paid any sums in excess of LESSEE's liability.

(b) Reenter upon and take possession of the BRP pursuant to applicable legal process only, accelerate the Monetary Obligations, and LESSEE shall be liable for damages in the amount of all Monetary Obligations that would have come due under this Lease for the balance of the existing Term (not including any Renewal Terms).

(c) In connection with any of its rights under Section 9.2, FDACS may take possession of any and all goods, inventory, equipment, fixtures and all other personal property of LESSEE (excluding the property of LESSEE employees), which is or may be put onto the BRP during the Term, whether exempt or not from sale under execution or attachment (it being agreed that said property shall at all times be bound with a lien in favor of FDACS and shall be chargeable for all Monetary Obligations and for the fulfillment of the other covenants and agreements herein contained), and FDACS may sell all or any part thereof at public or private sale. LESSEE agrees that five days prior notice of any public or private sale shall constitute reasonable notice. The proceeds of any such sale shall be applied, first, to the payment of all costs and expenses of conducting the sale or caring for or storing said property (including reasonable attorneys' fees); second, toward the payment of any indebtedness, including (without limitation) Monetary Obligations, which may be or may become due from LESSEE to FDACS; and third, to pay LESSEE, on demand, any surplus remaining after all indebtedness of LESSEE to FDACS has been fully paid.

Section 9.3 Additional Provisions.

(a) If LESSEE fails to make any payment or do any act herein required to be made or done by LESSEE pursuant to the terms of this Lease, then FDACS may, but shall not be required to, make such payment or do such act, and charge the amount of the expense thereof, if made or done by FDACS, with interest thereon at the Permitted Rate from the date written demand for reimbursement therefor is made by FDACS to the date of payment thereof by LESSEE. Such payment and interest shall constitute additional rent hereunder due and payable within thirty (30) days after written demand; but the making of such payment or the taking of such action by FDACS shall not operate to cure such default or to estop FDACS from the pursuit of any remedy to which FDACS would otherwise be entitled. With respect to Non-Monetary Obligations only, FDACS may seek equitable relief, including injunctive relief or specific performance, alternatively to the remedies described above in Section 9.2.

(b) If the exercise of any remedy provided in Section 9.2(b) shall occur after the expiration of two or more Calendar Years, then, for purposes of computing the Monetary Obligation payable with respect to each Calendar Year following such exercise (including the Calendar Year in which such exercise shall take place) shall be conclusively presumed to be equal to the average

total annual Monetary Obligations payable with respect to each of the complete Calendar Years preceding such exercise after the first Calendar Year.

(c) Nothing contained in this Lease shall limit or prejudice the right of FDACS to prove for and obtain, in proceedings for the termination of this Lease by reason of bankruptcy or insolvency, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

(d) FDACS may, but shall have no obligation to, relet the BRP or any part thereof, for such term or terms (which may be greater or less than the period which otherwise would have constituted the balance of the Term) and on such terms and conditions FDACS, but FDACS shall not be liable for, nor shall LESSEE 's obligations hereunder be diminished by reason of, any failure by FDACS to relet the BRP or any failure by FDACS to collect any rent due upon such reletting, except as otherwise provided above in Section 9.2(a).

(e) The LESSEE agrees that FDACS shall not be liable to any subcontractor for any expenses or liabilities incurred under the subcontract. It is understood by the LESSEE that the LESSEE is solely liable to the subcontractor for all expenses and liabilities incurred under the subcontract and that the LESSEE is solely responsible for the subcontractor's performance under the subcontract.

Section 9.4 Remedies in Event of Bankruptcy or Other Proceeding.

(a) Anything contained herein to the contrary notwithstanding, if termination of this Lease shall be stayed by order of any court having jurisdiction over any insolvency proceeding, or by federal or state statute, then, following the expiration of any such stay, or if LESSEE or LESSEE as debtor-in possession, or the trustee appointed in any such proceeding (being collectively referred to as "LESSEE " only for the purposes of this Section 9.4) shall fail to assume LESSEE 's obligations under this Lease within the period prescribed therefore by law or within fifteen (15) days after entry of the order for relief, or such period of time as may be allowed by the court, or if LESSEE shall fail to provide adequate protection of FDACS's right, title and interest in and to the BRP, or adequate assurance of the complete and continuous future performance of LESSEE 's obligations under this Lease, FDACS, to the extent permitted by law or by leave of the court having jurisdiction over such proceeding, shall have the right, at its election, to terminate this Lease on fifteen (15) days' notice to LESSEE , and upon the expiration of said fifteen (15) day period this Lease shall cease and expire as aforesaid and LESSEE shall immediately quit and surrender the BRP as aforesaid. Upon the termination of this Lease as provided above, FDACS may re-enter and repossess the BRP pursuant to legal process, and may dispossess LESSEE by summary proceedings.

(b) For the purposes of the preceding Section 9.4(a), adequate protection of FDACS's right, title and interest in and to the BRP, and adequate assurance of the complete and continuous future performance of LESSEE's obligations under this Lease, shall include, without limitation, the following requirements:

- (1) that LESSEE comply with all of its Monetary Obligations and Non-Monetary Obligations under this Lease;
- (2) that LESSEE continue to use the BRP in the manner originally required by this Lease;
- (3) that FDACS be permitted to supervise the performance of LESSEE 's obligations under this Lease, without interfering with the operations on the BRP;
- (4) that LESSEE has and will continue to have unencumbered assets after the payment of all secured obligations and administrative expenses to assure FDACS that sufficient funds will be available to fulfill the obligations of LESSEE under this Lease;

Section 9.5 Event of FDACS Default. If FDACS fails to perform, discharge or observe any Non-Monetary Obligations in a timely manner, and the failure, refusal or neglect to perform and discharge such obligation continues for a period of thirty (30) days after FDACS has been given notice thereof, unless such

failure is of such nature that it cannot be cured within such 30 day period, in which case no Event of FDACS Default shall occur so long as FDACS shall commence the curing of the failure within such 30 day period and shall thereafter diligently prosecute the curing of same, then an "Event of FDACS Default" shall be deemed to have occurred for all purposes of this Lease.

Section 9.6 LESSEE's Remedies. If an Event of FDACS Default occurs, then LESSEE, at any time at least thirty (30) days after giving FDACS a notice pursuant to Section 11.2 that an Event of FDACS Default has occurred, and provided the same has not been cured, or in the case of a Non-Monetary Event of Default, the cure has not been commenced within thirty (30) days if it is incapable of being cured in thirty (30) days, shall have the right to exercise one of the following options:

(a) terminate this Lease by providing written notice thereof to FDACS, in which event LESSEE shall surrender possession of the BRP to FDACS, and all of LESSEE 's obligations under this Lease, including the obligation to pay the Monetary Obligations, shall immediately cease and terminate, file such lawsuits against FDACS as may be necessary to recover any unpaid Monetary Obligations of FDACS; and/or

(b) file a lawsuit against FDACS as may be necessary to pursue LESSEE 's rights and remedies provided by law or in equity against FDACS for damages, injunction, specific performance, or mandamus, by reason of the existence of such Event of FDACS Default. It is specifically agreed that prior to attempting to obtain a judgment for damages against FDACS, a court of competent jurisdiction must determine that an Event of FDACS Default has occurred, in which case FDACS consents to the entry of a final judgment granting specific performance or injunctive relief to LESSEE. Upon entry of such order, LESSEE will dismiss all remaining claims and counts with prejudice, it being the intention of the parties that specific performance shall be the sole remedy of LESSEE; provided, however, that if such court enters a nonappealable final order refusing to grant specific performance, LESSEE shall be entitled to seek damages from FDACS; provided further, however, that nothing contained herein shall prevent LESSEE from seeking injunctive relief pending a determination with respect to specific performance or while seeking damages if specific performance is refused as described above; or

(c) perform the obligations of FDACS which gave rise to the existence of such Event of FDACS Default, in which event FDACS shall be obligated to reimburse to LESSEE all reasonable expenses incurred by LESSEE as the result of LESSEE 's performance of the obligations of FDACS, together with interest thereon at the Permitted Rate from the date after written demand for reimbursement therefor. Notwithstanding any of the foregoing to the contrary, LESSEE shall have no right to punitive, consequential or reliance damages, such as lost revenues. Notwithstanding anything contained herein to the contrary, LESSEE shall have the express right to offset against future Monetary Obligations due to FDACS for recovery of any amounts expended by LESSEE pursuant to clause (b) or (c) above.

ARTICLE 10

CASUALTY AND CONDEMNATION

Section 10.1 Casualty and Reconstruction. Should any of the structures or facilities be less than 25 percent destroyed or damaged by fire, lightning, storm or any other casualty, LESSEE shall (and in no event later than fifteen (15) months after the occurrence of such casualty) repair, replace, restore and reconstruct the same, in a reasonably diligent fashion, in substantially the same form in which it existed prior to such casualty, with at least as good workmanship and quality as the improvements being repaired or replaced and at the LESSEE's sole cost and expense, whether or not insurance proceeds are sufficient to effectuate said repairs or replacement by contribution of LESSEE; provided, however, if such casualty occurs during the last three (3) years of the Term, or if the work of repair or replacement shall take more than 365 calendar days from the date of such damage or destruction to repair or replace, in the parties' good faith judgment, LESSEE may terminate this Lease provided it (i) has notified FDACS of its intention to terminate within 60 days after the date of such damage or destruction, (ii) has paid to FDACS all Post Termination Obligations and (iii) demolishes and removes the damaged improvements, materials and debris

and restores the BRP to its original condition at the Execution Date, sodded and landscaped in accordance with law, at LESSEE's sole cost and expense, provided that buildings and other improvements on the BRP on the Execution Date do not have to be rebuilt or restored. Such termination shall be effective upon LESSEE's completion of such demolition, removal, and restoration, and LESSEE shall perform all of its other obligations under this Lease through the effective date of such termination.

In the event that more than 25% of the building is damaged or destroyed, by fire, lightning or other casualty, FDACS in its sole discretion may require the LESSEE to repair or replace, or may demand and receive from LESSEE an assignment of insurance proceeds payable on account of such damage or destruction. The LESSEE shall cooperate fully with FDACS in determining both the extent of damage or destruction and the manner of applying any insurance proceeds.

If this Lease is terminated in accordance with this Section 10.1, then all proceeds from insurance policies shall be distributed to FDACS.

If LESSEE fails to give notice of termination in accordance with the above provisions of this Section 10.1, LESSEE shall have waived any right it may have had to terminate this Lease pursuant to this Section 10.1.

There shall be no construction, placing, demolition or removal of buildings, infrastructure, roads, fences, signs, billboards or other advertising, working pens, utilities or other structures on, under or above the ground without prior written approval by FDACS during the term of the Lease.

ARTICLE 11

MISCELLANEOUS

Section 11.1 No Assignment by LESSEE. The LESSEE is prohibited from assigning its rights and obligations under this Lease in whole or in part to any third parties. Any purported assignment shall be void and of no force and effect and shall constitute a default under the Lease.

Section 11.2 Notices. Any notice provided for or permitted to be given hereunder must be in writing and shall be deemed to have been duly given if delivered personally with receipt acknowledged, or sent by registered or certified mail or equivalent, if available, return receipt requested, or by a nationally recognized overnight courier for next business day delivery, addressed or sent to the parties at the following addresses, or to such other or additional addresses as any party shall hereafter specify by written notice to the other parties:

If to LESSEE :

with simultaneous copy to:

If to FDACS:

FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
Director of Administration

407 South Calhoun Street
Tallahassee, Florida 32399-0800

with a simultaneous copy to:

Myakka River District Office
Florida Forest Service
Attention: Duane Weis
4723 53rd Avenue East
Bradenton, FL 34203

Notices delivered by hand delivery, or by a national recognized overnight courier service, such as FedEx or Airborne Express, shall be effective on the date delivered to the recipient. Notices delivered by certified or registered mail shall be effective upon receipt or date of first refusal. If the last day for giving any notice, or performing any act under this Lease, falls on a Saturday, Sunday, or on a day on which the United States Post Office is closed, the time shall be extended to the next day that is not a Saturday, Sunday, or Post Office holiday.

Section 11.3 Operations Manager (FDACS). FDACS hereby designates the Myakka River District Forestry Center Manager, or his designee, as the Operations Manager. The Operations Manager will serve as FDACS's agent in dealing with matters between FDACS and LESSEE pertaining to this Lease, its terms and conditions.

Section 11.4 Ranch Manager. The LESSEE shall provide at all times a Ranch Manager and/or an Agri-business Operations Manager, one of which shall be on-site during normal business hours for day-to-day operations, and available 24 hours a day, 365 days a year for emergency purposes.

Section 11.5 Modifications and Non-Waiver. No variations, modifications, or changes herein or hereof shall be binding upon any party hereto unless set forth in a writing executed by it, or by a duly authorized officer or agent. No waiver by either party of any breach or default of any term, condition, or provision hereof, including, without limitation, the acceptance by FDACS of any Monetary Obligation at any time or in any manner other than as herein provided, shall be deemed a waiver of any other or subsequent breaches or defaults of any kind, character, or description under any circumstance. No waiver of any breach or default of any term, condition, or provision hereof shall be implied from any action of any party, and any such waiver, to be effective, shall be set out in a written instrument signed by the waiving party.

Section 11.6 Florida Law. The validity, interpretation and legal effect of this Lease shall be governed by, and the rights and liabilities of the parties hereto shall be determined in accordance with, the law of the State of Florida (without regard to conflict of laws principles applied in such State).

Section 11.7 Public Records. The LESSEE must:

(a) Keep and maintain public records that ordinarily and necessarily are required by FDACS in relation to the performance of this Lease.

(b) Provide the public with access to public records on the same terms and conditions that FDACS provides the records and at a cost that does not exceed the cost provided by the law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.

(d) Meet all requirements for retaining public records and transfer, at no cost, to FDACS all public records in possession of the LESSEE upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to FDACS in a format that is compatible with the information technology systems of FDACS.

Section 11.8 Convicted Vendor List. The LESSEE is informed that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid

on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

Section 11.9 Non-discrimination. The LESSEE shall not discriminate on the basis of race, sex, religion, color, national origin age or disability and shall comply with all applicable state and federal laws and regulations related thereto, including without limitation, the Americans with Disabilities Act (42 USC 12101 et. Seq.); Section 504 of the Rehabilitation Act of 1973 (29 USC 795); and the Age Discrimination Act of 1975 (42 USC 6101-6107).

Section 11.10 Compliance with the Americans with Disabilities Act. The LESSEE must comply with the applicable provisions of the Americans with Disabilities Act ("ADA"), and Chapter 760, Part I, Florida Statutes, the "Florida Civil Rights Act".

Section 11.11 Unauthorized Aliens. The LESSEE is informed that the employment of unauthorized aliens by any Contractor is considered a violation of Section 274A(e) of the Immigration and Nationality Act. If the LESSEE knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of the contract.

Section 11.12 Sexual predator and offender check. No person on either the sexual predator or sexual offender list maintained by the Florida Department of Law Enforcement ("FDLE") shall be employed within the BRP. FDACS has the right to conduct criminal background checks and additional sexual predator and sexual offender checks on the LESSEE's Operations Manager, the LESSEE's officers, employees, and subcontractors during the term of this Lease. In addition to the foregoing, the LESSEE shall perform sexual predator and sexual offender checks on all its employees and subcontractors and shall keep a copy of such records in their personnel files that will be available to FDACS during the LESSEE's regular office hours.

Section 11.13 Discriminatory Vendor List. The LESSEE is informed that an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity.

Section 11.14 Force Majeure. Neither party shall be required to perform any covenant or obligation of this Lease, or be considered a Defaulting Party, so long as the performance or non-performance of the covenant or obligation is delayed, caused or prevented by Force Majeure, except as otherwise provided in this Lease. If either party to this Lease shall be delayed or prevented from the performance of any act required by this Lease by reason of Force Majeure, performance of such act shall be excused for the period of such Force Majeure, and the period for the performance of any such act shall be extended for a period equivalent to the period of such Force Majeure. Notwithstanding the foregoing, this provision shall not be construed as to limit a party's remedy in the event of Force Majeure where other remedies may be permitted under this Lease. For example, if LESSEE is unable to obtain the Required Permits due to a delay occasioned by Governmental Authorities, LESSEE may elect to terminate this Lease. No Force Majeure shall excuse the payment of any Monetary Obligation on the dates and as required by this Lease.

Section 11.15 Severability. If any provision of this Lease, or the application thereof to any person or circumstance, shall, at any time or to any extent, be invalid or unenforceable, and the basis of the bargain between the parties hereto is not destroyed or rendered ineffective thereby (i.e. said invalid or unenforceable provision is not material to the Lease), the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

Section 11.16 Surrender of BRP; Holding Over. Upon termination or the expiration of this Lease, LESSEE shall peaceably quit, deliver up, and surrender the BRP to FDACS free of all claims and encumbrances other than the Permitted Encumbrances. Removables may be removed from the BRP at any time up to termination; provided, however, removal of property by LESSEE of other than Removables is prohibited. Upon such termination or expiration, FDACS may, without further notice, enter upon, reenter, possess, and repossess itself of the BRP by force, summary proceedings, ejectment, or otherwise, and may dispossess and remove LESSEE from the BRP and may have, hold, and enjoy the BRP and all rental and other income therefrom, free of any claim by LESSEE with respect thereto. If LESSEE does not surrender possession of the BRP at the end of the Term, such action shall not extend the Term and LESSEE shall be a tenant at sufferance, and during such time of occupancy LESSEE shall pay to FDACS, as damages, an amount equal to one hundred fifty percent (150%) of the average amount of Monetary Obligations that were being paid during the two Agreement Years prior to the end of the Term. FDACS shall not be deemed to have accepted a surrender of the BRP by LESSEE, or to have extended the Term, other than by execution of a written agreement specifically so stating. Nothing contained herein shall prohibit the parties from agreeing to a month-to-month tenancy upon termination or expiration of the Lease.

Section 11.17 Equipment and other tangible property. Upon termination or expiration of this Lease for any reason, neither FDACS nor any of its agents, officers or employees shall be obligated to purchase any of the LESSEE's equipment or remaining inventory, unless otherwise provided herein.

Section 11.18 Relation of Parties. It is understood and agreed by the parties that only a landlord/tenant relationship is established and created under the terms and conditions of this Lease; that the parties are not partners or joint venturers; that Employees of LESSEE are not, nor shall they be deemed to be, Employees of FDACS; that Employees of FDACS are not, nor shall they be deemed to be, Employees of LESSEE; that neither party shall have the power, right or authority to make or create any representations, warranties, promises, obligations, liabilities, commitments or agreements, whether orally or in writing, on behalf of the other party; and, without limiting the foregoing, neither party shall contract, or attempt to contract on behalf of or in the name of the other party, or otherwise seek to bind the other party, or render the other party liable or responsible for the performance of any agreement or other obligation, except as may be otherwise expressly provided for in this Lease. Each party shall pay, as and when due, all of its own obligations and liabilities with respect to the BRP and this Lease.

Section 11.19 Entireties. This Lease constitutes the entire agreement of the parties hereto with respect to its subject matter, and all prior agreements, arrangements, and understandings, whether oral or written, with respect thereto are merged herein.

Section 11.20 Successors and Assigns. This Lease shall constitute a real right and covenant running with the BRP, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. Whenever a reference is made herein to either party, such reference shall include the party's heirs, legal representatives, successors and assigns.

Section 11.21 Subcontractors. FDACS reserves the right to disapprove any proposed subcontract or subcontractor, in its sole discretion. Failure to obtain pre-approval of a subcontract or subcontractor may result in termination of this Lease. The LESSEE may subcontract in writing, as necessary, to perform the services contemplated in the Lease and the Operations and Management Plan (OMP) submitted by LESSEE and approved by FFS. The term subcontract, as used in this Lease, includes any written agreement, license or other arrangement in writing in which any another entity undertakes to perform any of the services on behalf of the LESSEE under the Lease or the OMP.

The term subcontractor includes any person or entity offering goods and/or services to or on behalf of the LESSEE by written agreement, license or other arrangement in writing with the LESSEE. The LESSEE agrees to hold FDACS harmless with respect to any claim, causes of action or damages arising from or in connection with any subcontract. LESSEE is solely and primarily liable to any subcontractor for

all expenses and liabilities incurred under a subcontract, and the LESSEE is solely and primarily responsible for the subcontractor's performance under the subcontract.

The LESSEE shall include a provision in its subcontracts that requires the subcontractor to comply with the terms of the Lease and the OMP. Failure by any subcontractor to perform or to pay the LESSEE shall not be grounds for excusing the LESSEE's obligations to FDACS. By execution of a written subcontract between the LESSEE and subcontractor, each agree to be bound by the terms of the Lease, the OMP and all applicable provisions of Chapter 119, Florida Statutes; applicable audit and minimum accounting requirements. The LESSEE shall also include a provision in its written subcontract that, in the event a subcontractor refuses to comply with the terms and conditions of the Lease and the OMP, such refusal shall constitute an event of default and operate to automatically terminate the subcontract.

Any attempt to subcontract orally shall be void and of no force and effect, and shall constitute a default under the Lease.

Section 11.22 Brokerage Representation and Indemnity. Each party represents and warrants to the other that they have not dealt with any broker, finder or other similar Person, and have not incurred, or caused to be incurred, any liability for real estate brokerage commissions or finder's fees in connection with the execution of this Lease. To the extent permitted by Law, FDACS hereby agrees to indemnify and hold harmless LESSEE, and LESSEE hereby agrees to indemnify and hold harmless FDACS, against and in respect of any claims for brokerage, commission, finder's or other fees relative to this Lease, and the transactions set forth herein based in any way on agreements, arrangements or understandings made by the LESSEE with any other party or parties.

Section 11.23 Liability of LESSEE. Notwithstanding any other provision of this Lease, without regard to the number of Persons or entities which may constitute LESSEE at any time, the obligations of all such Persons or entities are and shall be joint and several.

Section 11.24 Public Announcements. To the extent reasonably practicable, FDACS, or its designee, and LESSEE shall coordinate all news releases relating to this Lease and the BRP.

Section 11.25 Counterparts. This Lease may be executed in Counterparts, and if executed in Counterparts, each such Counterpart shall constitute one and the same instrument. That is, it shall not be necessary that each party's signature appear on each counterpart, but it shall be sufficient that each party's signature appear on one or more of the counterparts. Each of the counterparts shall be considered an original and all of them, together, shall constitute one and the same instrument. Any number of duplicates of this Lease may be executed and delivered, each of which shall be considered an original. Delivery of an executed Lease may be made by mail, overnight delivery service, or hand delivery; provided, however, that each party agrees to subsequently, but promptly, arrange for delivery of fully executed counterparts.

Section 11.26 Time of the Essence. For purposes of this Lease, time shall be deemed to be of the essence.

Section 11.27 Monetary Obligations. Any sums payable by one party to the other pursuant to the provisions of this Lease which are not required to be paid by a time certain shall be due and payable within thirty (30) days after written demand is made by the obligee to the obligor, and shall thereafter accrue interest at the Permitted Rate if not paid by such date.

Section 11.28 Third Party Beneficiaries. The terms, provisions and conditions of this Lease shall not grant, or be construed as granting, any benefit, rights or interest in and to any third party.

Section 11.29 Venue. The venue for any legal proceeding brought in connection with this Lease, or any aspect of the relationship between the parties, shall be in state, not federal, court in Leon County, Florida.

Section 11.30 Good Faith. This Lease imposes on the parties the obligation of good faith, FDACS dealing and reasonable care in the observance and enforcement of its terms, provisions and conditions.

Section 11.31 Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

Section 11.32 Further Assurances. During the Term, FDACS and LESSEE shall execute and deliver such other appropriate agreements, instruments and documents, and take such other action, as shall be necessary or desirable to carry out the intent, and accomplish the purposes, of this Lease.

Section 11.33 Construction of Agreement. Each party has relied upon its own examination of this Lease, the ITN, and the BRP, and the advice of its own counsel and other advisors in connection with this Lease. This Lease, and the terms, provisions and conditions hereof, have been negotiated extensively and at arm's length.

Section 11.34 Exhibits. Any exhibits attached to this Lease shall, by this reference, be incorporated into and made a part of this Lease.

Section 11.35 Waiver of Jury Trial. LESSEE and FDACS each knowingly, willingly, and voluntarily waive their right to trial by jury, and no party, nor any assignee, successor, or legal representative of the parties, shall seek a jury trial in any lawsuit, proceeding, counterclaim, or any other litigation based upon or arising out of this Lease, Supplemental Agreement, or any related agreement or instrument, or any course of action, course of dealing, statements (whether verbal or written), or actions relating to the BRP. The parties also waive any rights to consolidate any action in which a jury trial has not been waived. The provisions of this Section 11.35 have been fully negotiated by the parties, and the parties acknowledge that the inclusion of this provision is a material inducement for entering into this Lease. The waiver contained in this Section is irrevocable, constitutes a knowing and voluntary waiver, and shall be subject to no exceptions.

Section 11.36 Fiduciary Duty. Nothing contained in this Lease, and no course of dealings between the parties, shall be construed as establishing a partnership, joint venture or agency between the parties. The parties to this Lease specifically intend that neither this Lease nor any course of dealings between them shall create fiduciary obligations. The rights, duties and obligations of the parties are to be controlled exclusively by this Lease. Any obligation or covenant of good faith and FDACS dealing is intended to be contractual only. This Lease was negotiated at arms-length. There is no "special relationship" between the parties. Neither party is or has been influenced or dominated by the other. Each party places in the other the trust and confidence that reasonable strangers dealing at arms-length in business relationships would place in one another. Neither party reposes special or extraordinary trust in the other. Each party to this Lease represents that it is an independent, experienced and sophisticated business entity. The frequency, length, or closeness of dealings between the parties shall not create fiduciary obligations. In particular, extended dealing over a lengthy period of time shall not create fiduciary duties. Any advice given by one party to the other is offered unilaterally and accepted indifferently. Neither party undertakes to act for the benefit of the other, and neither accepts any trust unilaterally reposed by the other. Any disclosure obligations contained in or arising from this Lease, or the course of dealing between the parties, are strictly contractual, and do not create fiduciary obligations.

Section 11.37 Attorney Fees. In the event of any action arising out of or relating to this Lease, each party shall bear its own costs and expenses, including reasonable attorneys fees, reasonable appellate attorneys' fees, and all court costs incurred in connection with such action.

Section 11.38 Binding Effect. Neither this Lease nor any discussions, proposals, drafts or negotiations shall be binding upon FDACS until this Lease has been approved, executed, and delivered by FDACS.

[Signatures appear on the next page]

I N WITNESS WHEREOF, the parties hereto have duly executed this Lease, to become effective as of the day and year first above written.

Witnesses:

FDACS

Florida Department of Agriculture and
Consumer Services

Print Name: _____

D. Alan Edwards, Director
Division of Administration

Print Name: _____

Witnesses:

LESSEE

_____ [Company Name]

Print Name: _____

_____ [Name and Title]

Print Name: _____

ATTACHMENT G



Florida Department of Agriculture and Consumer Services
Bureau of General Services
DRUG-FREE WORKPLACE PROGRAM - BIDDER CERTIFICATION

ADAM H. PUTNAM
COMMISSIONER

IDENTICAL TIE BIDS - Preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids, which are equal with respect to price, quality and service, are received by the state or by any political subdivision for the procurement of commodities or contractual services, a bid received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie bids will be followed if none of the tied vendors have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

- 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs and the penalties that may be imposed upon employees for drug abuse violations.
- 3) Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
- 4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
- 5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
- 6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

VENDOR'S SIGNATURE