



STATE OF MISSISSIPPI
COUNTY OF PERRY
I Certify that this instrument was filed for record at 11:55
A.M. on the 5th day of February, 2016
at my office in New Augusta, Mississippi, and was recorded in
Book 182 Page 54 this 5th day
of February, A.D., 2016
By Michelle Walters VICKIE WALTERS, CHANCERY CLERK
D.C.

Prepared by and Return to:

Perry W. Phillips, MSB #9424, Jay Rodgers, MSB #100166, Perry W. Phillips, PLLC
P.O. Box 1978, Purvis, MS 39475, Phone: 601-264-3500

INDEXING INSTRUCTIONS: Index under (1) of the SE1/4 of the NE1/4, the SW1/4 of the NE1/4, the NE1/4 of the SE1/4, the NW1/4 of the SE1/4, and the SE1/4 of the SE1/4 of Section 10, Township 1 North, Range 11 West (2) the SW1/4 of the NW1/4, the NE1/4 of the SW1/4, the NW1/4 of the SW1/4, the SE1/4 of the SW1/4, and the SW1/4 of the SW1/4 of Section 11, Township 1 North, Range 11 West; and (3) Deer Run Lake Subdivision, all in **Perry County, Mississippi**

INDEXING INSTRUCTIONS: Lots 402, 66, and 6 of Deer Run Lake Subdivision, **Perry County, Mississippi**

INDEXING INSTRUCTIONS: SW1/4 of the SE1/4, the SE1/4 of the SW1/4, and the NE1/4 of the SW1/4 of Section 2, and under the NW1/4 of the NE1/4, the SW1/4 of the NE1/4, the NE1/4 of the NW1/4, the SE1/4 of the NW1/4, and the NW1/4 of the NW1/4 of Section 11, all in Township 1 North, Range 11 West. **Perry County, Mississippi.**

INDEXING INSTRUCTIONS: Sec. 27: S1/2 of NE1/4; SE1/4 of NW1/4; SW1/4; NE1/4 of SE1/4
Sec. 28: W1/2 of NE1/4; W1/2; SE1/4
Sec. 29: SE1/4 of SE1/4
Sec. 33: N1/2; NW1/4 of SW; N1/2 of SE1/4
Sec. 34: N1/2 of NW1/4; N1/2 of S1/2 of NW1/4; NW1/4 of SW1/4
All in T2N, R12W, **Forrest County, MS**

INDEXING INSTRUCTIONS: N 1/2 of NW 1/4 and SW 1/4 of NW 1/4, Section 26, T2N, R12W, **Forrest County, MS**

STATE OF MISSISSIPPI
COUNTY OF PERRY
COUNTY OF FORREST

CONSERVATION EASEMENT

GRANTOR

Compatible Lands Institute, an
Oklahoma nonprofit corporation
1305 East 15th Street, Suite 202
Tulsa, OK 74120
(918) 289-9228

GRANTEE

Compatible Lands Foundation, an
Oklahoma nonprofit corporation
1305 East 15th Street, Suite 202
Tulsa, OK 74120
(918) 289-9228

**Inst. 744392
Bk 1221 Pg 0395**

NAME OF GRANTOR:

COMPATIBLE LANDS INSTITUTE, an
Oklahoma nonprofit corporation

NAME OF GRANTEE:

COMPATIBLE LANDS FOUNDATION, an
Oklahoma nonprofit corporation

STATE OF MISSISSIPPI

COUNTY OF FORREST
COUNTY OF PERRY

NOTICE TO CHANCERY CLERK: THIS CONVEYANCE IS A CONSERVATION EASEMENT AND PURSUANT TO MISSISSIPPI CODE ANNOTATED § 89-19-15, YOU ARE REQUIRED TO MAIL A CERTIFIED COPY OF THIS DOCUMENT, TOGETHER WITH NOTICE AS TO THE DATE AND PLACE OF RECORDATION, TO THE ATTORNEY GENERAL OF THE STATE OF MISSISSIPPI AND THE MISSISSIPPI DEPARTMENT OF WILDLIFE FISHERIES AND PARKS.

GRANT OF CONSERVATION EASEMENT

THIS GRANT OF CONSERVATION EASEMENT (this "Grant") dated as of Feb. 4, 2016 (the "Effective Date") is by and between COMPATIBLE LANDS INSTITUTE, an Oklahoma nonprofit public benefit corporation authorized to do business in the State of Mississippi, ("Grantor") and COMPATIBLE LANDS FOUNDATION, an Oklahoma nonprofit corporation qualified in the State of Mississippi, ("Grantee") and CALIFORNIA AIR RESOURCES BOARD (ARB) whose address is P.O. Box 2815, Sacramento, CA 95812 ("Third Party Beneficiaries").

ARB is a third party beneficiary of the conservation easement with the right to enforce all obligations under the easement and all other rights and remedies conveyed to the holder of the easement. These rights include standing as an interested party in any proceeding affecting the easement. Upon termination of the Forest Project or once all legal requirements for monitoring and verification of carbon stocks under the Compliance Offset Protocol (Exhibit "A" attached for reference) have been met the conservation easement shall be amended to exclude ABR as a third party beneficiary and party to this agreement.

WITNESSETH:

WHEREAS, Grantor is the owners in fee simple of a certain tracts of land situated in Forrest & Perry Counties, Mississippi containing significant natural values;

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WHEREAS, the conservation purposes of this Grant, include but are not limited to the protection of a relatively natural habitat of wildlife, plants, and ecosystem including, without limitation the Conservation Objectives listed in Section 1.03 of this Grant; and

WHEREAS, Grantor wishes to maintain the Property in its present state for its present conservation values and for the benefit of future generations; and

WHEREAS, Grantor intends that the conservation values of the Property be preserved and maintained by the continuation of land use patterns, including, without limitation, those relating to traditional forestry and recreational use at the time of this grant, that do not significantly impair or interfere with those values; and

WHEREAS, the legislature of the State of Mississippi has encouraged the limitation of development and use of real property through conservation easements under Mississippi Code Annotated § 89-19-1, *et seq.*, and Grantee is an organization exempt from income taxation under § 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), a "qualified organization" as defined under § 170(h) of the Code.

NOW, THEREFORE, for One Dollar (\$1) and such other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the mutual promises and covenants, Grantor voluntarily grant and convey to Grantee, and Grantee voluntarily accepts, a perpetual conservation easement on the Protected Property as further described in this Grant, which rights granted herein shall run with the land.

ARTICLE I. BACKGROUND

Section 1.01 Protected Property. The undersigned Grantor is the sole owners in fee simple of the certain tracts of real property described in Exhibit "B" which is attached hereto and incorporated herein by reference, consisting principally of 1,056 acres, more or less, (the "**Protected Property**").

Section 1.02 Survey. Attached hereto as Exhibit "C," which is attached hereto and incorporated herein by reference, is a survey of the Protected Property (the "Survey") showing, among other details, a plat of the Protected Property.

Section 1.03 Conservation Objectives. By this Grant, the undersigned Grantor imposes a conservation easement (the "**Conservation Easement**") on the Protected Property so as to achieve the goals and resource protection objectives (collectively, the "**Conservation Objectives**") for the Protected Property set forth below:

(a) Resource Protection Objectives.

(i) Water Resources. To maintain and improve the quality of water resources, both surface and groundwater, within, around and downstream of the Protected Property.

(ii) Forest, Woodland and Other Vegetative Resources. To perpetuate and foster the growth of a healthy and unfragmented forest or woodland; to maintain a continuous canopy of vegetation with multi-tiered understory of trees, shrubs, wildflowers and grasses; to support healthy ecosystem processes; and to trap air pollution particulates for healthier air and sequester carbon in trees and soil in order to mitigate rising atmospheric carbon levels.

(iii) Wildlife Resources. To maintain and improve the quality of wildlife habitat; to protect breeding sites; to promote biodiversity and native species; to preserve large intact

areas of wildlife habitat, connect patches of wildlife habitat and secure migration corridors. Large habitat patches typically support greater biodiversity than small patches; migration corridors enable wildlife to move to meet nutritional and reproductive needs and facilitate the migration of species in response to changes in environmental conditions.

(iv) **Scenic Resources.** To preserve the relationship of scenic resources within the Protected Property to natural and scenic resources in its surrounds and to protect scenic vistas visible from public rights-of-way and other public access points in the vicinity of the Protected Property.

(v) **Sustainable Land Uses.** To ensure that Forestry and other uses, to the extent that they are permitted, are conducted in a manner that will neither diminish the biological integrity of the Protected Property nor deplete natural resources over time nor lead to an irreversible disruption of ecosystems and associated processes. Forestry activities are regulated so as to protect soils of high productivity; to ensure future availability for sustainable uses; and to minimize adverse effects of Forestry uses on water resources described in the Conservation Objectives.

(b) **Goals.** To protect natural resources within the entire area of the Protected Property so as to keep them in an undisturbed state except as required to promote and maintain a diverse community of predominantly native species, and except as otherwise specifically permitted hereunder.

Section 1.04 Baseline Documentation. As of the Effective date, the undersigned Grantor and Grantee have obtained the baseline documentation (the "Baseline Documentation"), to be kept on file at the principal office of Grantee that identifies the conservation resources of the Protected Property described in the Conservation Objectives, with the signature page of acknowledgement of such Baseline Documentation being shown on Exhibit "D" which is attached hereto and incorporated by reference.

ARTICLE II. RESTRICTED USE OF THE PROTECTED PROPERTY

Activities and uses are limited to those permitted below in this Article and provided in any case that the intensity or frequency of the activity or use does not materially and adversely affect maintenance or attainment of Conservation Objectives:

Section 2.01 Use of the Protected Property. The Protected Property shall be used for educational, recreation, limited forestry, wildlife observation, fishing, trapping, hunting, and open space purposes only. No new or future residential, development, commercial industrial, or mining activities shall be permitted under this Grant except as specifically authorized as a permitted use under this Grant. Furthermore, no building, structure, or appurtenant facility or structure shall be constructed, created, installed, erected, or moved onto the Protected Property. Nothing in this Grant shall be construed to grant any right, title or interest in and to the Protected Property to the public at large. Grantor acknowledges the right of the public under the laws of the State of Mississippi to exercise a limited use of the waterways including the scenic visual enjoyment of the open space preserved by this Grant, but the Grant does not expand those rights and does not authorize the public to disturb the bed or shores of any waterways or remove or alter the natural obstructions or barriers present in the waterways or the flow thereof.

Section 2.02 Subsequent Easements. Except as otherwise specifically permitted under this Grant, Grantor shall not voluntarily grant rights-of-ways, easements of ingress or egress, driveways, roads, or utility lines or allow easements to be constructed, developed or maintained into, on, over or across the Protected Property, without the prior written permission of Grantee. Grantee may grant such permission if it determines, in its sole and absolute discretion, that any such improvement would be consistent with the purposes of this

Grant, and not adversely affect the scenic beauty, or the natural conditions of the Protected Property.

Section 2.03 Signage. There shall be no signs, billboards, or outdoor advertising of any kind erected or displayed on the Protected Property; provided, however, that Grantor may erect and maintain reasonable signs indicating the name of the Protected Property, boundary markers, directional signs, signs referring to permitted or restricted activities on the Protected Property, memorial plaques, temporary signs indicating the Protected Property is for sale or lease or being used for a permitted use. Grantee shall be permitted to erect and maintain signs designating the Protected Property as land under the protection of Grantee.

Section 2.04 Refuse. The placement, collection or storage of trash, human waste or any other unsightly or offensive material on the Protected Property shall not be permitted except at such locations, if any, and in such a manner as shall be approved in advance in writing by Grantee.

Section 2.05 Surface Disturbance. Grantor agrees that there shall be no disturbance by the Grantors of the land surface, including but not limited to filling, excavation, removal of topsoil and gravel, rocks or minerals, or change of the topography of Protected Property in any manner, except as may be reasonably necessary to carry out the uses permitted on the Protected Property under the terms of this Grant. In no case shall surface mining by Grantor be permitted on the Protected Property.

Section 2.06 Inconsistent Uses. No use shall be made of the Protected Property, and no activity thereon shall be permitted which, in the reasonable opinion of the Grantee, is inconsistent with the purposes of this Grant and the Conservation Objectives outlined herein.

Section 2.07 Existing Improvements. Subject to the limitations set forth in this Section 2.07, Grantor retains the right to use, maintain, improve, and rebuild the internal forestry road system within the Protected Property as it exists as of the Effective Date, including, without limitation, the relocation of forestry roads if necessary due to erosion or other changes in topography or condition of the Protected Property caused by wind, water, fire or other forces of nature ("**Relocated Forestry Roads**"); provided, however, that such road system consists of certain dirt, sand, and gravel roads which are approximately twenty (20) feet in width and includes certain drainage culverts and bridges. Such use and maintenance of the roadways shall be at Grantors' sole cost and expense and shall not require Grantee's permission; provided, however, that no new or additional roads, culverts or bridges will be constructed other than Relocated Forestry Roads and that the existing roads or Relocated Forestry Roads shall not be paved with any impervious surface coating, covered by any material other than natural dirt, sand, and gravel, or extended to a width exceeding twenty (20) feet unless reasonably necessary on a temporary basis to allow Grantor to avail themselves of a permitted use of the Protected Property authorized by this Grant. Notwithstanding anything herein to the contrary, Grantor shall not construct a Relocated Forest Road within three hundred (300) feet from the edge of any waterway without the prior written permission of Grantee.

ARTICLE III. PERMITTED USES OF THE PROTECTED PROPERTY.

Notwithstanding the foregoing, Grantor shall have the right to make the following uses of the Protected Property for itself, its invitees and licensees and its successors and/or assigns:

Section 3.01 Forest Management. There shall be no commercial harvesting of timber by clear-cutting within the protected except as specifically authorized in this Section 3.01. Grantor has the right to perform commercial or other forest management activities in accordance with the following restrictions:

(a) Notwithstanding anything herein to the contrary, the restrictions of this Section 3.01 shall not apply if the purpose of the management activity is to salvage timber lost as a result of a wind storm, hurricane, fire, insect infestation, or similar event, or to prevent an insect, disease, fire or forest pest

outbreak on the Protected Property or to prevent any such outbreak from spreading to adjacent property.

(b) Any management operation or activity that is deemed necessary or desirable by either party shall be agreed to by both Grantor or Grantee and shall achieve the purpose of assuring the perpetual protection of the Protected Property and reasonable forestry use by Grantor; provided, however, any such management operation or activity shall be conducted in accordance with the Best Management Practice for Forestry in Mississippi (Fourth Edition) (or such successor standard approved by Grantors and Grantee).

(c) Any application of pesticides, herbicides, or fertilizers to the Protected Property by the Grantor or its agents shall require prior written approval by Grantee.

Section 3.02 Water Management. Grantor shall have the right to utilize and maintain water sources, courses, and bodies within the Protected Property and on adjacent property for uses otherwise permitted hereunder and as permitted by law, provided that the Grantor does not disturb the natural course of the surface water drainage and runoff flowing over the Protected Property except as may be reasonably necessary for road maintenance and repair and the construction of Relocated Forestry Roads. The construction of water diversions, intake structures, pipelines, spillways, ponds or reservoirs shall be permitted only upon the prior written approval of Grantee except as may be reasonably necessary for road maintenance and repair and the construction of Relocated Forestry Roads.

Section 3.03 Fire Use and Management. Grantor shall have the right to prevent and control fire, as well as to apply fire as a management tool as provided by law, on the Protected Property.

Section 3.04 Motorized Vehicles. The right to use motorized vehicles for maintenance of the Protected Property, forest management, recreation, wildlife observation, fishing, trapping and hunting and other rights reserved by Grantor in this Grant. In furtherance of the foregoing, Grantor shall use their reasonable efforts when using motorized vehicles pursuant to the foregoing in a manner that does not cause material soil disturbance within the Protected Property.

Section 3.05 Forest Carbon Services. Grantor shall hold, market, and transfer any and all rights related to forest carbon, including but not limited to mitigation credits and offsets, now present or existing in the future, and the right to report such mitigation credits or offsets to any relevant public or private regulatory/oversight body or registry whether pursuant to a voluntary system or one created by local, federal, or international law or regulation, which rights arise from or are generated by or from the Easement Area on or after the date of this Easement (collectively the "Forest Carbon Services"). The Forest Carbon Services retained hereunder shall specifically include, but shall not be limited to, the right to hold, reserve, report, market, or retire any greenhouse gas mitigation credits or offsets that may be generated upon the Easement Area, and other types of mitigation credits or offsets that arise from the production of forest carbon. Grantor shall have the absolute discretion in determining the purchaser(s) and/or recipient(s) of any Forest Carbon Services and the consideration for such forest carbon services shall inure to the sole benefit of Grantor.

ARTICLE IV. RIGHTS OF GRANTEE AND ENFORCEMENT OF THE RESTRICTIONS

Section 4.01 Rights of Grantee.

(a) Grant of Conservation Easement.

(i) **Grant in Perpetuity.** By signing this Grant and unconditionally delivering it to Grantee, Grantor, intending to be legally bound, grant and convey to Grantee a

Conservation Easement over the Protected Property in perpetuity for the purpose of advancing the Conservation Objectives and administering and enforcing the restrictions and limitations set forth in this Grant in furtherance of the Conservation Objectives.

(ii) **Superior to all Liens.** Grantor warrants to Grantee that the Protected Property is, as of the Effective Date, free and clear of all liens or, if it is not, that Grantor has obtained and recorded in the Public Records the legally binding subordination of any liens affecting the Protected Property as of the Effective Date.

(iii) **Subsequent Liens.** Notwithstanding the forgoing subparagraph (ii), no provisions of this Grant should be construed as impairing the ability of Grantor to use the Protected Property as collateral for subsequent borrowing, provided that any deed of trust, mortgage or lien arising from such a borrowing would be subordinated to this Grant.

(b) **Grantors' Duty to Grantee.** Grantor shall take no action, shall allow no action to be taken, and shall not acquiesce to any action that would in any way diminish, encumber or otherwise impair the Grantee's rights under this Grant or the purpose and intent Conservation Objectives. Additionally, if Grantor becomes aware of any such action, it shall immediately notify Grantee. Grantor shall fully cooperate with Grantee in protecting the Grantee's rights under this Grant.

Section 4.02 Extinguishment and Value of Property Right. If a change in conditions takes place which makes impossible or impractical any continued protection of the Grantee's rights under this Grant, and Grantee's rights contained herein are extinguished by judicial proceeding in a court of competent jurisdiction, Grantee shall immediately be entitled from the taking party to a sum at least equal to the Grantee's proportionate interest in the value of this Grant ("**Easement Value**") at the Effective Date and as described below in this Section. Upon a subsequent sale, exchange or involuntary conversion of the Protected Property, which makes impossible or impractical any continued protection of the Grantee's rights under this Grant, Grantee shall immediately be entitled to a sum equal to the proportionate value of this Grant that is over and above the value of Grant on the Effective Date. The Grantee shall use any proceeds in a manner consistent with the Conservation Objectives or other qualified conservation purposes relating to a conservation easement in the State of Mississippi. Nothing in this paragraph shall prevent Grantor from selling or conveying all or part of its interest in the Protected Property or some part thereof subject to the provisions of this Grant. For purposes of this Grant, Grantor hereby agrees that, as of the Effective Date, this Grant gives rise to a real property right, immediately vested in the Grantee and that the Easement Value has a fair market value as of the effective date, that is at least equal to the proportionate value that this Grant on the Effective Date, bears to the fair market value of the Protected Property as a whole at that time. For purposes of this section, such proportionate value of the Grantee's property right shall not decrease but shall remain constant. The monetary value of the Grantee's property right shall not decrease but will increase if the fair market value of the Protected Property increases.

Section 4.03 Assignment of Grantee's Rights. Grantee may transfer and assign its rights and obligations contained in this Grant to a Qualified Conservation Organization that agrees to enforce the Conservation Easement and the rights and obligations contained in this Grant of Grantee, in accordance with the regulations established by the Internal Revenue Service governing such transfers. In such case, written notice shall be given to Grantor, as provided below. Grantor will have the right to approve any transferee in Grantor's reasonable discretion. Any dispute as to the reasonableness of Grantor's rejection of a proposed transferee shall be decided by arbitration as provided herein. Any transfer shall be reflected by an assignment of this Grant filed in the land records of the Forrest County, Mississippi.

Section 4.04 Enforcement of the Restrictions.

(a) **Inspections.** Grantee shall make reasonable efforts from time to time to assure compliance by Grantor with all the covenants and restrictions herein. In connection with such efforts, Grantee may make periodic inspections of all or any portion of the Protected Property, for enforcement purposes. Grantor hereby grant to Grantee an easement for ingress and egress as provided on Exhibit "D" for such purpose. For so long as Grantor owns property adjacent to the Protected Property but not included within this Grant, should Grantee need additional reasonable access to the Protected Property for Grantee to fulfill its inspection or other obligations under this Grant, Grantee shall request Grantor to designate one or more existing trail roads for the specific purpose and limited duration deemed reasonably necessary by Grantor. Grantor shall provide Grantee reasonable temporary non-exclusive access at the location reasonably selected by Grantor along existing trail roads for the time reasonably designated by Grantor. Any dispute as to the reasonableness of Grantor's actions shall be decided by arbitration as provided in this Grant. Grantee has the obligation to provide written notice to the Grantor of its intent to inspect the Protected Property at least seven (7) business days prior to the date of inspection. Grantee shall reschedule any proposed inspection as reasonably necessary to accommodate Grantor. Grantor has the right, at their sole discretion, to accompany Grantee in the inspection of the Protected Property and to require reasonable safety precautions. Grantee and its employees, agents, contractors or invitees shall enter upon the Protected Property at the sole risk of Grantee.

(b) **Non-Compliance.** In the event that either party becomes aware of an event or circumstance of non-compliance with the terms and conditions of this Grant, they shall give notice of such event or circumstance of non-compliance via certified mail, return receipt requested, and demand corrective action sufficient to abate such event or circumstance of non-compliance. In the event there has been an event or circumstance of non-compliance, which is corrected through negotiation and voluntary compliance, the non-complying party shall reimburse the other party all reasonable costs incurred in investigating the non-compliance and in securing its correction.

(c) Should the Grantee fail to enforce any term of this Conservation Easement or permit the Property to be used or developed in a manner inconsistent with the Easement Purpose, then the Secretary of the Army, through his or her authorized representative, shall have the right to enforce the Easement using the procedures in Section 6 and all authorities available under State or Federal law. No greater right of entry shall be exercised than specified in Section 2(b). Should Grantee, or Grantee's assignee, either dissolve or become incapable of providing for long-term monitoring and enforcement of this easement, Grantee or Grantee's assignee shall notify the US Army. The Secretary of the Army, through his designated representative, shall have the option to direct Grantee or Grantee's assignee to transfer the Conservation Easement to the Army or a third party "eligible entity" as defined by 10 USC 2684a(b)(1)-(2). Grantee shall ensure that any deed of transfer contains the rights set forth in this paragraph. Original Grantor, if in possession of the property at the time of transfer, must approve of the identified entity prior to the transfer of this Conservation Easement.

(d) **Default.** Failure by Grantor to cause discontinuance, abatement, or such corrective action as maybe demanded by Grantee pursuant to the terms of this Grant within sixty (60) days after receipt of written notice or such longer period as may be reasonably necessary for Grantor to have a reasonable opportunity to take corrective action; provided, Grantor commences corrective action during such sixty (60) day period and pursues same with all due diligence, shall entitle Grantee to bring such legal action as permitted pursuant to the laws of the State of Mississippi and of the United States, as limited by the terms of this Grant to enforce the terms of this Grant and to recover any damages arising from such non-compliance for which Grantor may be liable at law. Such damages, when recovered, may at Grantee's discretion be applied by the Grantee to corrective action on the Protected Property, if necessary. In the event that litigation arises over the issue of default, defaulting party shall pay the prevailing party's court costs and reasonable attorneys' fees.

(e) **Injunctive Relief.** The parties to this Grant specifically acknowledge that events and circumstances on non-compliance constitute immediate, irreparable injury, loss, and damages to the Protected Property and the rights provided in this Grant and accordingly entitle Grantee to such legal and equitable relief, including but not limited to injunctive relief. Prior to Grantee seeking injunctive relief, Grantee must first notify Grantor of Grantee's belief that injunctive relief is necessary to prevent immediate and irreparable injury, loss and damage to the Protected Property and Grantee shall reasonably notify Grantor of the time and place of any hearing on a temporary restraining order or preliminary injunction in order to allow Grantor to be present and participate in any such hearing. The remedies described in this Section 4.04 are in addition to, and not in limitation of, any other remedies available to Grantee at law, in equity, or through administrative proceedings.

(f) **No Waiver.** No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair Grantee's rights or remedies or be construed as a waiver. No delay or omission by Grantor in the exercise of any right or remedy upon any breach by Grantee shall impair Grantor's rights or remedies or be construed as a waiver.

ARTICLE V. RESPONSIBILITIES OF GRANTOR AND GRANTEE NOT AFFECTED.

Except as specifically provided herein, this Grant is not intended to impose any legal or other responsibility on Grantee, or in any way affect any existing obligation of Grantor as owners of the Protected Property. Among other things, this shall apply to:

Section 5.01 Taxes. Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Protected Property. Grantor will pay any real estate taxes or assessments that become due on Grantee's interest in the Protected Property, if any.

Section 5.02 Upkeep and Maintenance. Grantor shall continue to be solely responsible for the upkeep and maintenance of the Protected Property to the extent it may be required by law or under the terms of this Grant. Grantor shall exercise physical and managerial control over the day-to-day operations of the Protected Property as specifically authorized as permitted uses under this Grant, and Grantee shall have no such operations, rights or obligations except as specifically authorized under this Grant. Grantee shall have no obligation for the upkeep or maintenance of the Protected Property. Grantee shall be responsible for the cost of repairing any damage that might be done as a consequence of their action and for any special upkeep and maintenance that Grantee may deem desirable.

Section 5.03 Liabilities and Indemnification.

(a) **From Grantor to Grantee.** Grantor shall be given immediate notice of any claims brought against the Grantee regarding the Protected Property. If the claim is one arising out of Grantor's use of the Protected Property that occurs after the Effective Date, Grantor shall release, acquit, come in, defend, indemnify and hold Grantee harmless from any loss, claim or damage, including, without limitation, to personal injury, death or property damage suffered by Grantee, including, without limitation, to the payment of any judgment, loss, cost, expense, reasonable attorneys' fees, reasonable expert witness or other reasonable fees of Grantee, except to the extent that it is determined that Grantee or its employees, agents, contractors or invitees have caused or contributed to the injury or damage, in which case liabilities will be prorated according to law. Grantor shall have no responsibility to Grantee for any claims arising out of the condition of the Protected Property whatsoever prior to the Effective Date, the natural condition of the Protected Property occurring after the Effective Date or for any claims regardless of the nature of the claim arising out of the actions or inactions of Grantee or its employees, agents, contractors or invitees or the actions or inactions of a

third party.

(b) **From Grantee to Grantor.** Grantee shall be given immediate notice of any claims brought against Grantor regarding the Protected Property. If the claim is one arising out of Grantee's use of the Protected Property, Grantee shall release, acquit, come in, defend, indemnify and hold Grantor harmless from any loss, claim or damage including, without limitation, personal injury, death or property damage suffered by Grantor including but not limited to the payment of any judgment, loss, cost, expense, reasonable attorneys' fees, reasonable expert witness or other reasonable fees of Grantor, except to the extent that it is determined that Grantor or their employees, agents, contractors or invitees have caused or contributed to the injury or damage by a permitted use occurring after the Effective Date, in which case liabilities will be prorated according to law. Grantee shall have no responsibility to Grantor for any claims arising out of the condition of the Protected Property whatsoever prior Effective Date, the natural condition of the Protected Property occurring after the Effective Date or for any claims regardless of the nature of the claim arising out of the actions or inactions of Grantor or their employees, agents, contractors or invitees for a permitted use under this Grant or the actions or inactions of a third party.

Section 5.04 Acts of God. Unless otherwise specified, nothing in this Grant shall require the Grantor to take any actions to cause the condition of the Protected Property to be restored after any act of God or to correct any patent condition existing at the Effective Date or occurring thereafter caused by an act of God or nature.

ARTICLE VI. MISCELLANEOUS

Section 6.01 Approval and Arbitration. Where Grantor is required, as a result of this Grant to obtain the prior written approval of Grantee before commencing an activity or act, and where Grantee has designated in writing another organization or entity which shall have the authority to grant such approval, the approval of said designee shall be deemed to be the approval of Grantee. Grantee shall be responsible for all costs incurred in reviewing any proposed actions requiring Grantee's approval as long as the proposed action by Grantor is within the confines of Grantor's reserved rights or a permitted use under this Grant or Standard Forest Management Practices. Grantor shall be responsible for all reasonable review costs of Grantor or Grantee's designee incurred in reviewing any proposed actions requiring Grantee's approval if such request falls outside Grantor's permitted use of the Protected Property. When Grantee has authorized a proposed action requiring approval under this Grant, Grantee shall provide Grantor with a written certification in recordable form memorializing said approval. Any dispute as to whether a requested action is within Standard Forest Management Practices or otherwise a permitted use or reserved right under this Grant or the reasonableness of the cost of review by Grantee or Grantee's designee shall be resolved by arbitration. Grantor and Grantee shall each designate a registered forester as an arbitrator on their behalf and the two foresters shall attempt to reach agreement on the disputed issue. If an agreement is reached, it shall be recorded in writing and furnished to both Grantor and Grantee. If the two foresters cannot reach agreement, they shall appoint a third registered forester whose decision shall be furnished in writing to Grantor and Grantee and shall be binding upon them. If a party fails to designate an arbitrator or the two foresters fail to agree upon an arbitrator, then a court of competent jurisdiction may appoint one and the arbitration process shall continue as set forth in this section. The arbitrators shall follow the procedural rules established for commercial disputes by the American Arbitration Association except the American Arbitration Association shall not administer the arbitration. The arbitrators may assess their costs and expenses to be paid by the party that does not prevail in the arbitration.

Section 6.02 Recordation. This Grant shall be filed in the real property records of the Chancery Clerk of Forrest County, Mississippi.

Section 6.03 Assignment. The term Grantor shall include their heirs, executors, administrators, successors and assigns of the original Grantor. The term Grantee shall include the successors and assigns of

the original Grantee.

Section 6.04 Matters of Record. This Grant is subject to all matters of record and any state of facts that is apparent or that an accurate survey or inspection of the Protected Property would disclose.

Section 6.05 Notices.

- (a) **Requirements.** Any notice, request for approval, or other communication required under this Conservation Easement shall be sent by registered or certified mail, postage prepaid to the following addresses (or such address as may be hereafter specified by notice pursuant to this paragraph):

To Grantor: Compatible Lands Institute
1305 East 15th St., Suite 202
Tulsa, OK 74120

To Grantee: Compatible Lands Foundation
1505 S. Norfolk Ave.
Tulsa, OK 74120

Third Party Beneficiary: California Air Resources Board
P O Box 2815
Sacramento, CA 95812

Or to such other address as either party from time to time shall designate by written notice to the other.

Section 6.06 Governing Law. The laws of the State of Mississippi shall govern this grant.

Section 6.07 Binding on Successors and Assigns. This Grant binds and benefits Grantor and Grantee and their respective successors and assigns.

Section 6.08 Requirement of Writing. No amendment, waiver, approval, interpretation or other decision by Grantee is valid or effective unless it is in writing and signed by an authorized signatory for Grantee. This requirement may not be changed by oral agreement. The grant of an amendment or waiver in any instance does not imply that an amendment or waiver will be granted in any other instance.

Section 6.09 Severability. If any provision of this Grant is determined to be invalid, illegal or unenforceable, the remaining provisions of this Grant remain valid, binding and enforceable. To the extent permitted by applicable law, the parties waive any provision of applicable law that renders any provision of this Grant invalid, illegal or unenforceable in any respect.

Section 6.10 Counterparts. This Grant may be signed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one document.

Section 6.11 Guides to Interpretation.

(a) Captions. The descriptive headings of the articles, sections and subsections of this Grant are for convenience only and do not constitute a part of this Grant.

(b) Other Terms.

(i) The word "including" means "including but not limited to."

(ii) The word "must" is obligatory; the word "may" is permissive and does not imply any obligation.

Section 6.12 Conservation and Preservation Easements Act. This Grant is intended to be interpreted so as to convey to Grantee all of the rights and privileges of a holder of a conservation easement under the Mississippi Conservation Easement Act of 1986 codified at Mississippi Code Annotated § 89-15-1.

Section 6.13 Entire Agreement. This is the entire agreement of Grantor and Grantee pertaining to the subject matter of this Grant. The terms of this Grant supersede in full all statements and writings between Grantor and Grantee pertaining to the transaction set forth in this Grant.

Section 6.14 Incorporation by Reference. Each exhibit attached to this Grant is incorporated into this Grant by this reference. The Baseline Documentation is incorporated into this Grant by this reference.

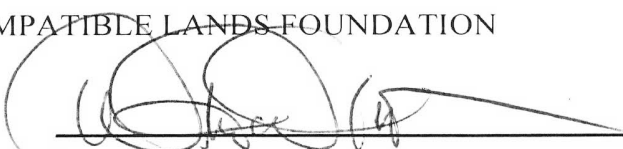
INTENDING TO BE LEGALLY BOUND, Grantor and Grantee, have signed and delivered this Grant as of the Effective Date.

GRANTOR:
COMPATIBLE LANDS INSTITUTE

By: 
Name: Robert Gregory
Title: Trustee

GRANTEE:

COMPATIBLE LANDS FOUNDATION

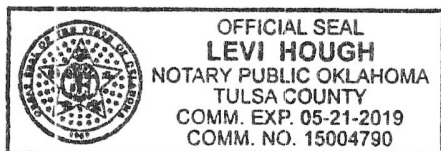
By: 
Name: Drew Troyer
Title: Chairman

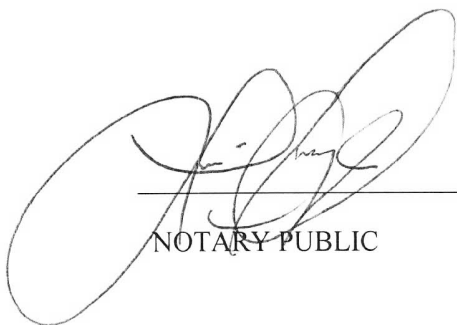
STATE OF Oklahoma
COUNTY/PARISH Tulsa

ACKNOWLEDGEMENT

Personally came and appeared before me, the undersigned authority in and for the aforesaid jurisdiction on this 4th day of February ²⁰¹⁶~~2015~~, within my jurisdiction, the within named Robert Gregory, who acknowledged that he is a Trustee of the Compatible Lands Institute, an Oklahoma nonprofit corporation, and that he executed and delivered the above and foregoing instrument on the date therein stated as the act and deed of the corporation after being authorized to so act on behalf of the corporation

GIVEN under my hand and official seal of office this the 4th day of February ²⁰¹⁶~~2015~~. (LH)





NOTARY PUBLIC

My Commission Expires: 05/21/2019

(SEAL)

STATE OF Oklahoma
COUNTY/PARISH Tulsa

ACKNOWLEDGEMENT

Personally came and appeared before me, the undersigned authority in and for the aforesaid jurisdiction on this 4th day of February ²⁰¹⁶~~2015~~, within my jurisdiction, the within named Drew Troyer, who acknowledged that he is the Chairman of the Compatible Lands Foundation, an Oklahoma nonprofit corporation, and that he executed and delivered the above and foregoing instrument on the date therein stated as the act and deed of the corporation after being authorized to so act on behalf of the corporation

GIVEN under my hand and official seal of office this the 4th day of February ²⁰¹⁶~~2015~~: LH



NOTARY PUBLIC

My Commission Expires: 05/21/2019

(SEAL)

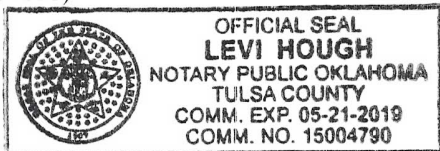


EXHIBIT "A"

Parcel Number One: The Southeast Quarter of the Northeast Quarter (SE 1/4 of the NE 1/4) of Section 10, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Two: The Southwest Quarter of the Northeast Quarter (SW 1/4 of the NE 1/4) of Section 10, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Three: The Northeast Quarter of the Southeast Quarter (NE 1/4 of the SE 1/4) of Section 10, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Four: The Northwest Quarter of the Southeast Quarter (NW 1/4 of the SE 1/4) of Section 10, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Five: The Southeast Quarter of the Southwest Quarter (SE 1/4 of the SW 1/4) of Section 10, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Six: The Southwest Quarter of the Northwest Quarter (SW 1/4 of the NW 1/4) of Section 11, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Seven: All that part of the Northeast Quarter of the Southwest Quarter (NE 1/4 of the SW 1/4) of Section 11, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, lying and being West of public road, and also;

Parcel Number Eight: The Northwest Quarter of the Southwest Quarter (NW 1/4 of the SW 1/4) of Section 11, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, and also;

Parcel Number Nine: All that part of the Southeast Quarter of the Southwest Quarter (SE 1/4 of the SW 1/4) of Section 11, Township 1 North, Range 11 West in the County of Perry, State of Mississippi, lying and being West of public road; and also;

Parcel Number Ten: The Southwest Quarter of the Southwest Quarter (SW 1/4 of the SW 1/4) of Section 11, Township 1 North, Range 11 West in the County of Perry, State of Mississippi;

LESS AND EXCEPT the following lots in Deer Run Lake Subdivision as said subdivision appears in the Plat thereof on file in the Office of the Chancery Clerk of Perry County, Mississippi; said real estate situate in Section 10 and 11, Township 1 North, Range 11 West, Perry County, Mississippi, more particularly described as follows: Lots 13, 6, 66, 107, 204, 325, C-15, 328, 44, 2, 220, 202, 402, 23, 410, 60, 109, 110, 113, 239, 10, B-27, B-34, C2, B-29, 309, 17, 19, B-26, B-25, 228, 314A, 50, 417, 62, 18, C-1, 254, 202A, 117, 322, 428, 419, 418, 30, 4-A, 111, 35, 201, 121, 414, 332, 116, 317, 415, 321, 112, 411, 28, 218, 441, 59, 713, 64, 115, 68, C-11, 193, C-4, D-12, 69, C-3, 120, 310, and D 11, Deer Run Lake Subdivision.

Less and Except the following lots in Deer Run Lake Subdivision as said subdivision appears in the Plat thereof on file in the Office of the Chancery Clerk of Perry County, Mississippi, said real estate situated in Section 10 and 11, Township 1 North, Range 11 West, Perry County, Mississippi, more particularly described as follows: Lots 61, 30, 1-A, 2-A, 20, 33, 11, 63, 416, 120, 31, and 3, Deer Run Lake Subdivision

Less and Except

Commencing at the NW corner of the NE 1/4, SW 1/4, Section 11, Township 1 North, Range 11 West, Perry County, Mississippi, run South for 310 feet; thence run East for 250 feet; thence run South for 615 feet; thence run South 16 degrees 50' West for 54.91 feet; thence run South 3 degrees 50' West for 517.64 feet; thence run South 88 degrees 58' East for 50.96 feet; thence run South 1 degree 46' East for 11.94 feet; thence run South 89 degrees 54' East for 201.08 feet; thence run South 0 degrees 06' East for 190 feet to a point of beginning; thence continue South 0 degrees 06' East for 95 feet; thence run South 89 degrees 54' West for 200.71 feet; thence run North 89 degrees 10' 30" East for 28.09 feet; thence run North 89 degrees 54' East for 197.02 feet to the point of beginning.

Less and Except

EXHIBIT "A"

Lot No. 163 and Lot No. 164, Deer Run Lake Subdivision, a part of Sections 10 and 11, Township One (1) North, Range Eleven (11) West, in Perry County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Perry County, Mississippi.

Less and Except

E 1/2 of Lot 58 in Deer Run Lake Subdivision as per the official map or plat in the Office of the Chancery Clerk in Perry County, Mississippi.

Less and Except

Commence at the SW corner, NW 1/4 SE 1/4, Section 10, T1N, R11W, Perry County, Mississippi, and run N00° 05' 54" along the west forty line for 465.49 feet; thence run S76° 44' 06" E for 209.75 feet; thence run N30° 29' 24" E for 306.22 feet; thence run S 37° 00' 06"E along the southwest margin of a public road for 80.0 feet; thence run S30° 29' 24"W for 247.05 feet; thence run S50° 41' 36"E for 92.91 feet; thence run S07° 43' 36"E for 175.3 feet; thence run S30° 26' 24"W for 196.5 feet; thence run westerly along the south forty line for 276.17 feet back to the point of beginning. Parcel of land is part the NW 1/4 SE1/4, Section 10, T1N, R11W, Perry County, Mississippi, and contains 3.84 acres, more or less and which property is also known as lot 309 of the Deer Run Lake subdivision of Perry County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Perry County, Mississippi.

Together with all improvements thereon and appurtenances thereunto belonging.

LESS AND EXCEPT all of the oil, gas, and other minerals of like kind and character in, on, and under the above-described property which have been heretofore excepted, reserved, or conveyed by prior owners in the chain of title.

The SW1/4 of the SE1/4; the SE1/4 of the SW1/4; and 2 acres in the Southwest corner of the NE1/4 of the SW1/4, being more particularly described as beginning at a point 140 yards East of the Southwest corner of said NE1/4 of the SW1/4 and run thence due West to said Southwest corner, thence run due North for a distance of 70 yards, thence run due East for a distance of 140 yards, and thence run due South for a distance of 70 yards to the Point of Beginning; all in Section 2, Township 1 North, Range 11 West, Perry County, Mississippi;

and also

The West 1/2 of the NE1/4; the East 1/2 of the NW1/4; and the NW1/4 of the NW1/4; all in Section 11, Township 1 North, Range 11 West, Perry County, Mississippi.

Together with any improvements thereon and appurtenances thereunto belonging.

LESS AND EXCEPT all of the oil, gas, and other minerals of like kind and character in, on, and under the above-described property which have been heretofore excepted, reserved, or conveyed by prior owners in the chain of title.

Lots 402, 66, and 6 of Deer Run Lake Subdivision, a subdivision of a part of Sections 10 and 11, Township 1 North, Range 11 West, Perry County, Mississippi, as per the map or plat thereof on file in the Office of the Chancery Clerk of Perry County, Mississippi.

Together with all improvements thereon and appurtenances thereunto belonging.

LESS AND EXCEPT all of the oil, gas, and other minerals of like kind and character in, on, and under the above-described property which have been heretofore excepted, reserved, or conveyed by prior owners in the chain of title.

EXHIBIT "A"

Forrest County, Mississippi

Township 2 North, Range 12 West

Sec. 27:	S 1/2 of NE 1/4 SE 1/4 of NW 1/4 SW 1/4 of Section NE 1/4 of SE 1/4 (Subject to an easement for rail- road purposes across the SE 1/4 of NW 1/4 and the SW 1/4, containing 10.00 acres of land, more or less)	320.20 Acs.
Sec. 28:	W 1/2 of NE 1/4 W 1/2 of Section SE 1/4 of Section	561.05 Acs.
Sec. 29:	SE 1/4 of SE 1/4 (Subject to an easement for Hwy.#49, containing 6.28 acres of land, more or less.)	40.03 Acs.
Sec. 33:	N 1/2 of Section NW 1/4 of SW 1/4 (Subject to an easement for Hwy. purposes across the NW 1/4 of SW SW 1/4, containing 10.00 acres of land, more or less.) N 1/2 of SE 1/4	440.48 Acs.
Sec. 34:	N 1/2 of NW 1/4 N 1/2 of S 1/2 of NW 1/4 NW 1/4 of SW 1/4 (Subject to an easement for railroad purposes across the N 1/2 of NW 1/4 and the N 1/2 of S 1/2 of NW 1/4, containing 2.00 acres of land, more or less.)	<u>160.04 Acs.</u>
Total		1,521.80 Acs.

The West ½ of the NW ¼ of the NW ¼ and the W ½ of the SW ¼ of the NW ¼ , Section 26, Township 2 North, Range 12 West, Forrest County, Mississippi, containing 60 acres, more or less.

AND ALSO:

The Northeast Quarter of the Northwest Quarter and the East Half of the Northwest Quarter of the Northwest Quarter of Section 26, Township 2 North, Range 12 West, Forrest County, Mississippi.