CUSTOM FARM AGREEMENT SHELBY COUNTY FARM, 2022-2023

| This agreement is made | and entered | into this 20 | day of | Sept. | ,2022 bet | ween the | Owner, |
|--------------------------|-------------|--------------|--------|-------|-----------|----------|---------|
| Shelby County, and | | | | | 2022/2023 | farming | season. |
| Operator agrees to plant | | | | | | | |

SELECTION OF OPERATOR

The Operator will be selected pursuant to a bidding process approved by the Shelby County Board. The selected Operator agrees to provide a bond in the amount of two (2) times greater the amount of the submitted and accepted bid.

DESCRIPTION OF LAND

The Operator agrees to perform custom farming operations for the County on the following real estate located in the County of Shelby and State of Illinois and owned by Shelby County, described as follows:

The West ½ of the Northwest Quarter of Section 3 and the Northeast Quarter of Section 4, Township 11 North, Range 3 East of the Third Principal Meridian, Shelby County Illinois; commonly known as the <u>Shelby County Farm</u> consisting of approximately 196.3 tillable acres.

Operator reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land.

LENGTH OF TENURE

The operator agrees that this Custom Farm Agreement is purely a contractual license to use the Subject Property for farming purposes for the 2022-2023 farming season, beginning on the first day following removal of beans in 2022 and terminating on December 31, 2023. To the extent permitted by law, Shelby County may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the operator. In the event of any termination by Shelby County, it is agreed that Shelby County shall reimburse the operator for incurred costs related to purchasing of seed, fertilizer, herbicides, farm supplies, and other farming expenses completed but not paid, upon the operator providing a copy of the invoice(s) for incurred costs. Other than reimbursement for incurred costs as provided in this contract, the operator hereby waives its rights to request or seek any other monetary amount from Shelby County in the event the Custom Farm Agreement granted herein is terminated.

The Agreement grants only a contractual license to work on the Subject Property (hereafter considered the tillable acres) under the terms and conditions stated herein. Further, the rights granted by Shelby County herein shall vest only in the operator and no such rights shall vest in any of the operator's employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to the operator any legal or equitable interest or estate in the Subject Property.

CROP PROCEEDS

Shelby County will receive 100% of the crop proceeds. Crops will be delivered to a local grain terminal as determined by the Shelby County Board.

METHOD OF PAYMENT

The operator agrees to submit to Shelby County an itemized written statement of completed work for spring planting season by December 15, 2022 for any fall work and by December 15, 2023 for 2023 crop year.

PROCUREMENT OF SUPPLIES

Shelby County will be responsible for purchasing all seed, fertilizer, herbicides, and other farm supplies. If the operator should incur any of these expenses, a copy of the invoice will be provided so that Shelby County can reimburse the operator for the expense.

FIELD OPERATIONS AND RATES

Shelby County will request from time to time the operator to provide equipment and labor to cultivate, plant and harvest a crop on the Subject Property. In addition, the operator will provide transportation for the grain from each crop harvested from the Subject Property to a local elevator.

The operator agrees to provide farming services on the Subject Property in a husband-like manner, taking care not to damage adjacent crops and adjacent public rights-of-way.

The operator shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.

| Custom Rates Field Operation | Rate | | | |
|------------------------------|---------------|--|--|--|
| FALL VT | 16.00 /sen | | | |
| SEW/PLANT WHEAT | 30.00/Acre | | | |
| HARVEST / DELIVER WHEAT | | | | |
| PLANT STUBBLE BEANS | 25.00/ALM | | | |
| HARVEST / DELIVER BEANS | 30.00/Au | | | |
| MOW x 2 | \$ 500.00 + 2 | | | |

OPERATOR'S DUTIES

In addition to conducting farming operations, the operator will be responsible for: preventing the growth of noxious weeds, including in fence rows and on land adjacent to roadways; repairing breaks in open ditches; and mowing the County Farm, including land adjacent to roadways.

INSURANCE

The operator farms on the County Farm subject to the hazards of operating a farm, and assumes all risk of accidents, injuries, property damage and other damages of any kind or character to its officers, shareholders and directors, its employees, invitees, agents or to any other persons or entities on or in any way involving the County Farm during the term of this lease and agrees to hold Shelby County free, harmless and indemnified therefore. The Operator will carry liability insurance to cover the provision of this paragraph in the minimum amount of \$1,000,000.00 naming Shelby County as an additional name insured and will provide a copy of its policy to Shelby County. A copy of the declaration page will be provided to Shelby County.

REAL ESTATE TAXES

Shelby County will apply for a tax exemption for the subject property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in the Illinois Property Tax Code (35 ILCS 200/1-1, et seq.), it shall be the obligation of Shelby County to pay such taxes as are incurred during the term of this agreement.

INDEMNIFICATION

The operator shall indemnify, hold harmless and defend with counsel of Shelby County's own choosing, Shelby County, its past, present and future elected officials, department heads, employees, insurers, and agents (hereinafter collectively referred to as "Releasees") from and against all liability, claims, suits, causes of action, demands, proceedings, set-offs, liens, attachments, debts, expenses, judgments, or other liabilities including costs, reasonable fees and expense of defense, arising from any loss, damage, injury, death, or loss or damage to property, of whatsoever kind or nature as well as for any breach of any covenant in this Agreement and any breach by the operator or any representations or warranties made within the contract documents (collectively, the "Claims"), to the extent such Claims result from the performance of this contract by the operator or those Claims are due to any act or omission, neglect, willful acts, errors, omissions or misconducts of the operator in its performance under this Agreement.

Nothing contained herein shall be construed as prohibiting Releases from defending through the selection and use of their own agents, attorneys and experts, any claims, suits, demands, proceedings and auctions brought against them. Pursuant to ILCS 5/3-9005, no attorney may be assigned to represent the Releasees pursuant to this Section of the Contract unless the attorney has been approved in writing by the Shelby County State's Attorney. Releasees' participation in its defense shall not remove the operator's duty to indemnify, defend, and hold Releasees harmless, as set forth above. Releasees do not waive their defenses or immunities under the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1 et seq.) by reason of this indemnification provision. Indemnification shall survive the termination of the Agreement.

ASSIGNMENT OF CUSTOM FARM AGREEMENT

The operator's obligations under this Agreement may not be assigned or transferred to any other person, firm, or corporation without Shelby County's consent. Any attempt to assign or so transfer without consent shall be void and without legal effect and shall constitute grounds for termination.

INDEPENDENT CONTRACTOR (OPERATOR)

It is understood and agreed that the operator is an independent contractor and is not an employee of, partner of, agent of, or in a joint venture with Shelby County. The operator understands and agrees that the operator is solely responsible for paying all wages, benefits and any other compensation due and owing to the operator's officers, employees, and agents for the performance of services set forth in the Agreement. The operator further understands and agrees that the operator is solely responsible for making all required payroll deductions and other tax and wage withholdings pursuant to state and federal law for the operator's officers, employees and/or agents who perform services as set forth in the Agreement. The operator also acknowledges its obligation to obtain appropriate insurance coverage for the benefit of the operator, operator's officers, employees and agents and agrees that Shelby County is not responsible for providing any insurance coverage for the benefit of the operator, operator's officers, employees and agents. The operator hereby agrees to defend with counsel of Shelby County's own choosing, indemnify and waive any right to recover alleged damages, penalties, interest, fees (including attorneys' fees), and/or costs from Shelby County, its board members, officials, employees, insurers, and agents for any alleged injuries that the operator, its officers, employees and/or agents may sustain while performing services under the Agreement.

CONFLICT OF INTEREST

Both parties affirm that no Shelby County officer, board member. or elected official has a direct or indirect pecuniary interest in the operator or this agreement, or, if any Shelby County officer, board member, or elected official does have a direct or indirect pecuniary interest in the operator or this Agreement, that interest, and the procedure followed to effectuate this Agreement has and will comply with 50 ILCS 105/3.

NON-DISCRIMINATION

The operator, its officers, employees, and agents agree not to commit unlawful discrimination and agree to comply with all applicable provisions of the Illinois Human Rights Act, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the Age Discrimination in Employment Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules and regulations.

DISAGREEMENT WITHIN THE CONTRACT WITH ILLINOIS LAW

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision it becomes valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be a waiver of that or any other term, condition, covenant

or obligation or of any subsequent breach thereof.

LEGAL REMEDIES

In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys' fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

FINALITY OF AGREEMENT

This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.

OPERATOR:

Signed:_

Signed:

8 Wy 5/50

SHELBY COUNTY:

BRYON COFFMAX

CHAIRMAN, SHELBY COUNTY BOARD