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DEED OF AGRICULTURAL CONSERVATION EASEMENT
TO THE COMMONWEALTH OF PENNSYLVANIA AND A COUNTY
JOINTLY IN PERPETUITY

THIS DEED OF AGRICULTURAL CONSERVATION EASEMENT, made this 3rd day of April, 2003 by and between C. Herbert Zeager, single, (hereinafter, "Grantor") and the Commonwealth of Pennsylvania and the County of Montour, Pennsylvania (hereinafter collectively referred to as "Grantees") in joint ownership pursuant to the Agricultural Area Security Law (P.L. 128, No. 43) as amended (hereinafter "Act") is made pursuant to the Act.

WHEREAS, Grantor is the sole owner of all that certain land situate in Limestone Township, Montour County, Pennsylvania more particularly described in Exhibit "A" attached hereto consisting of 76.779 acres and all buildings and improvements erected thereon ("the subject land");

AND WHEREAS, the State Agricultural Land Preservation Board has determined to purchase an agricultural conservation easement in the subject land pursuant to the Act;

AND WHEREAS, the Agricultural Land Preservation Board of Montour County, Pennsylvania has determined to purchase an agricultural conservation easement in the subject land pursuant to the Act;

AND WHEREAS, all holders of liens or other encumbrances upon the subject land have agreed to release or subordinate their interests in the subject land to this Deed of Agricultural Conservation Easement and to refrain from any action inconsistent with its purpose;

NOW THEREFORE, in consideration of the sum of (76,770.00) dollars, the receipt and sufficiency of which is hereby acknowledged, Grantor does voluntarily grant, bargain and sell, and convey to the Commonwealth of Pennsylvania as 93.49 percent joint owner and the County of Montour, Pennsylvania as 6.51 percent joint owner, their successors and assigns, (hereinafter "Grantees") and Grantees voluntarily accept, an agricultural conservation easement in the subject land, under and subject to the Act and the following terms and conditions:

1. Permitted Acts - During the term of the agricultural conservation easement conveyed herein, the subject land shall be used solely for the production for commercial purposes of crops, livestock and livestock products, including the processing or retail marketing of such crops, livestock or livestock products if more than fifty percent of such processed or merchandised products are produced on the subject land (hereinafter "agricultural production"). For purpose of this Deed, "crops, livestock and livestock

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EXHIBIT A

ALL that certain piece or parcel of land situate in the Township of Limestone, County of Montour and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a mag nail in the center of Township Route No. 403 (Shady Hill Road) marking the Southwest corner of lands of Kenneth H. and A. Pauline Bogart; thence from said corner and along the lands of Bogart South fifty-eight (58) degrees twenty (20) minutes thirty-two (32) seconds East a distance of one thousand nine hundred ninety-two and five-hundredths (1,992.05) feet to an iron pin corner; thence along the lands of The Estate of Helen Woods Bryson and lands of Gary W. and Diane W. Neyhard South twenty-nine (29) degrees seven (07) minutes twenty-nine (29) seconds West a distance of one thousand four hundred eight and seventy-two hundredths (1,408.72) feet to an iron pin corner; thence along the lands of Abram D. and Eleanor E. Ziegler North sixty (60) degrees fifty-two (52) minutes thirty-one (31) seconds West a distance of two thousand twenty-two and eighty-six hundredths (2,022.86) feet to an iron pin corner; thence along the lands of Walter C. and Alice M. Laidacker North twenty-nine (29) degrees forty-eight (48) minutes seven (07) seconds East a distance of two hundred forty-six and eighteen-hundredths (246.18) feet to an iron post corner; thence along the same North fifty-four (54) degrees fifty-four (54) minutes fifty-two (52) seconds West a distance of nine hundred eighty-one and six-hundredths (981.06) feet to a p.k. nail in the center of Township Route No. 316 (Church Road); thence along the centerline of T-316 (Church Road) North seventy-six (76) degrees twenty-eight (28) minutes zero (00) seconds East a distance of seventy-six and sixty-four hundredths (76.64) feet to a p.k. nail corner; thence along the lands of The Community Mennonite Fellowship South thirteen (13) degrees forty-six (46) minutes twenty-three (23) seconds East a distance of thirty-seven and seventy-three hundredths (37.73) feet to an iron pin corner; thence along the same South fifty-four (54) degrees fifty-four (54) minutes fifty-two (52) seconds East a distance of one hundred sixty-nine and sixty-seven hundredths (169.67) feet to an iron pin corner; thence along the same North seventy-six (76) degrees twenty-eight (28) minutes zero (00) seconds East a distance of three hundred sixty-five and eleven hundredths (365.11) feet to an iron pin corner; thence along the same North nine (09) degrees thirty-one (31) minutes fifty-nine (59) seconds West a distance of one hundred sixty-five and forty-six hundredths (165.46) feet to a mag nail corner in the center of T-316 (Church Road); thence along the centerline of T-316 (Church Road) and lands of Chester B. and Anna G. Stoltzfus North seventy-six (76) degrees twenty-eight (28) minutes zero (00) seconds East a distance of five hundred forty-four and sixteen hundredths (544.16) feet to a point; thence along the same North seventy-seven (77) degrees thirty-one (31) minutes ten (10) seconds East a distance of one hundred ninety-seven and forty-seven hundredths (197.47) feet to a point; thence along the same around a curve to the left having a central angle of forty-eight (48) degrees fifty-one (510 minutes twenty (20) seconds, a radius of one hundred twenty-eight and forty-seven hundredths (128.47) feet and a chord of North fifty-three (53) degrees five (05) minutes thirty

(30) seconds East for one hundred six and twenty-six hundredths (106.26) feet along an arc length of one hundred nine and fifty-four hundredths (109.54) feet to a point; thence along the same North twenty-eight (28) degrees thirty-nine (39) minutes fifty-one (51) seconds East a distance of one hundred sixty-eight and forty-eight hundredths (168.48) feet to a point, the place of beginning. CONTAINING an area of 76.799 acres of land in accordance with a survey of the premises by Wayne G. Hildebrand, PLS, dated July 31, 2002.

BEING a part of the same premises and all of Tract No. 2 which C. Herbert Zeager and Margaret L. Zeager, husband and wife, by their Deed dated December 4, 2001, and duly recorded in the Office of the Recorder of Deeds in and for Montour County, Pennsylvania, in Record Book 228, page 1392, etc., granted and conveyed unto C. Herbert Zeager, a married person, Grantor herein.

AND ALSO BEING a part of the same premises which Community Mennonite Fellowship by its Deed dated August 16, 1990, and duly recorded in the Office of the Recorder of Deeds in and for Montour County, Pennsylvania, on August 24, 1990, in Record Book 152, page 1605, granted and conveyed unto C. Herbert Zeager and Margaret Zeager, his wife; the said Community Mennonite Fellowship being formerly known as Beaver Run Mennonite Church, Inc. (See Montour County Record Book 152, page 1597).

EXHIBIT "D"
CONTRACTOR INTEGRITY PROVISIONS

a. For purposes of this clause only, the words "confidential information," "consent," "contractor," "financial interest," and "gratuity" shall have the following definitions.

- 1) Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
- 2) Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.
- 3) Contractor means the individual or entity that has entered into the Contract with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a five percent interest.
- 4) Financial interest means:
 - a) Ownership of more than a five percent interest in any business; or
 - b) Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
- 5) Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.

b. The Contractor shall maintain the highest standards of integrity in the performance of the Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.

c. The Contractor shall not disclose to others any confidential information gained by virtue of the Contract.

d. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly, or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.

e. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.

f. Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under the Contract except as provided therein.

g. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.

h. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.

i. The Contractor, by execution of the Contract and by the submission of any bills or invoices for payment pursuant thereto, certifies, and represents that he or she has not violated any of these provisions.

j. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents or files of any type or form which refers to or concern the Contract. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.

k. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

EXHIBIT "E"

NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the Contract, the Contractor agrees as follows:

- a. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Contract on account of gender, race, creed, or color.
- c. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
- e. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the contracting officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting officer or the Bureau of Contract Administration and Business Development.
- f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.
- g. The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

products" include, but are not limited to:

- (a) Field crops, including corn, wheat, oats, rye, barley, hay, potatoes and dry beans;
- (b) Fruits, including apples, peaches, grapes, cherries and berries;
- (c) Vegetables, including tomatoes, snap beans, cabbage, carrots, beets, onions and mushrooms;
- (d) Horticultural specialties, including nursery stock ornamental shrubs, ornamental trees and flowers;
- (e) Livestock and livestock products, including cattle, sheep, hogs, goats, horses, poultry, furbearing animals, milk, eggs and furs;
- (f) Timber, wood, and other wood products derived from trees; and
- (g) Aquatic plants and animals and their byproducts.

Except as permitted in this Deed, neither Grantor nor his agents, heirs, executors, administrators, successors and assigns, nor any person, partnership, corporation or other entity claiming title under or through Grantor, or their agents, shall suffer, permit, or perform any activity on the subject land other than agricultural production.

2. Construction of Buildings and Other Structures - The construction or use of any building or other structure on the subject land other than as existing on the date of the delivery of this Deed is prohibited except that:

- (a) The erection of fences for agricultural production and protection of watercourses such as lakes, streams, springs and reservoirs is permitted.
- (b) The construction of one additional residential structure is permitted if:
 - (i) The construction and use of the residential structure is limited to providing housing for persons employed in farming the subject land on a seasonal or full-time basis,
 - (ii) No other residential structure has been constructed on the restricted land at any time since the delivery of the Deed,
 - (iii) The residential structure and its curtilage occupy no more than two acres of the subject land, and
 - (iv) The location of the residential structure and its driveway will not significantly harm the economic viability of the subject land for agricultural production.
- (c) The construction or use of any building or other structure for agricultural production is permitted.

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(d) The replacement of a residential structure existing on the restricted land on the date of the granting of the easement is permitted.

3. Subdivision - The subject land may be subdivided if subdividing will not harm the economic viability of the subject land for agricultural production. If the subject land is subdivided, the Deeds to all of the subdivided parcels shall state on which of the subdivided parcels the residential structure permitted by this Deed may be constructed. Deeds to all other parcels shall recite that no additional residential structure is permitted.

4. Utilities - The granting of rights-of-way by the Grantor, his heirs, executors, administrators, successors and assigns, or any person, partnership, corporation or other entity claiming title under or through Grantor in and through the subject land for the installation, transportation, or use of, lines for water, sewage, electric, telephone, coal by underground mining methods, gas, oil or oil products is permitted. The term "granting of rights-of-way" includes the right to construct or install such lines. The construction or installation of utility lines other than of the type stated in this paragraph is prohibited on the subject land.

5. Mining - The granting of leases, assignments or other conveyances or the issuing of permits, licenses or other authorization for the exploration, development, storage or removal of coal by underground mining methods, oil and gas by the owner of the subject land or the owner of the underlying coal by underground mining methods, oil and gas or the owner of the rights to develop the underlying coal by underground mining methods, oil and gas, or the development of appurtenant facilities related to the removal of coal by underground mining methods, oil or gas development or activities incident to the removal or development of such minerals, is permitted.

6. Rural Enterprises - Customary part-time or off-season minor or rural enterprises and activities which are provided for in the County Agricultural Easement Purchase Program approved by the State Board are permitted.

7. Soil and Water Conservation - All agricultural production on the subject land shall be conducted in accordance with a conservation plan approved by the County Conservation District or the County Board. Such plan shall be updated every ten years and upon any change in the basic type of agricultural production being conducted on the subject land. In addition to the requirements established by the County Conservation District or the County Board the conservation plan shall require that:

BK245PG0403 (i) The use of the land for growing sod, nursery stock ornamental trees, and shrubs does not remove

excessive soil from the subject land, and

(ii) The excavation of soil, sand, gravel, stone or other materials for use in agricultural production on the land is conducted in a location and manner that preserves the viability of the subject land for agricultural production.

8. Responsibilities of Grantor Not Affected - Except as specified herein, this Deed does not impose any legal or other responsibility on the Grantees, their successors or assigns. Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the subject land and all improvements erected thereon. Grantor shall continue to be solely responsible for the maintenance of the subject land and all improvements erected thereon. Grantor acknowledges that Grantees have no knowledge or notice of any hazardous waste stored on or under the subject land. Grantee's exercise or failure to exercise any right conferred by the agricultural conservation easement shall not be deemed to be management or control of activities on the subject land for purposes of enforcement of the Act of October 18, 1988, (P.L. 756, No. 108), known as the Hazardous Sites Cleanup Act.

Grantor, his heirs, executors, administrators, successors or assigns agree to hold harmless, indemnify and defend Grantees, their successors or assigns from and against all liabilities and expenses arising from or in any way connected with all claims, damages, losses, costs or expenses, including reasonable attorneys fees, resulting from a violation or alleged violation of any State or Federal environmental statute or regulation including, but not limited to, statutes or regulations concerning the storage or disposal of hazardous or toxic chemicals or materials.

9. Enforcement - Annually, Grantees, their successors, assigns or designees shall have the right to enter the subject land for the purpose of inspecting to determine whether the provisions of this Deed are being observed. Written notice of such annual inspection shall be mailed to the Grantor, his heirs, executors, administrators successors or assigns at least ten days prior to such inspection. The annual inspection shall be conducted between the hours of 8 a.m. and 5 p.m. on a weekday that is not a legal holiday recognized by the Commonwealth of Pennsylvania or at a date and time agreeable to the county and the landowner.

Grantees, their successors, assigns or designees shall also have the right to inspect the subject land at any time, without prior notice, if Grantees have reasonable cause to believe the provisions of this Deed have been or are being violated.

Grantor acknowledges that any violation of the terms of this Deed shall entitle Grantees, their successors, assigns or designees to obtain an injunction against such violation from a court of competent jurisdiction along with an order requiring Grantor, his heirs, executors, administrators, successors or assigns to restore the subject land to the condition it was in prior to the violation, and recover any costs or damages incurred including reasonable attorney's fees. Such relief may be sought jointly, severally, or serially.

10. Duration of Easement - The agricultural conservation easement created by this Deed shall be a covenant running with the land and shall be perpetual in duration. Every provision of this Deed applicable to Grantor shall apply to Grantor's heirs, executors, administrators, successors, assigns, agents, and any person, partnership, corporation or other entity claiming title under or through Grantor.

11. Conveyance or Transfer of the Subject Land - Grantor, his heirs, executors, administrators, successors or assigns, and any person, partnership, corporation, or other entity claiming title under or through Grantor, shall notify Grantees in writing of any conveyance or transfer of ownership of the subject land. Such notification shall set forth the name, address and telephone number of the Grantor and the party or parties to whom ownership of the subject land has been conveyed or transferred. This obligation shall apply to any change in ownership of the subject land.

The restrictions set forth in this Deed shall be included in any Deed purporting to convey or transfer an ownership interest in the subject land.

12. Applicability - Every provision of this Deed applicable to Grantor shall apply to Grantor's heirs, executors, administrators, successors, assigns, agents, and any person, partnership, corporation or other entity claiming title under or through Grantor.

13. Interpretation - This Deed shall be interpreted under the laws of the Commonwealth of Pennsylvania. For purposes of interpretation, no party to this Deed shall be considered to be the drafter of the Deed. All provisions of this Deed are intended, and shall be interpreted, to effectuate the

intent of the General Assembly of the Commonwealth of Pennsylvania as expressed in Section 2 of the Act.

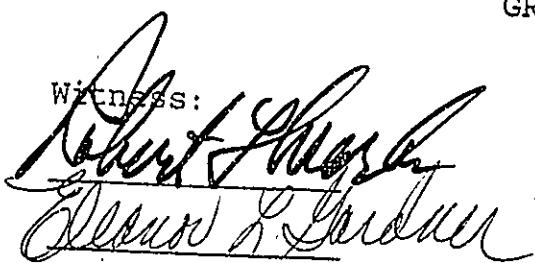
To have and to hold this Deed of Agricultural Conservation Easement unto the Grantees, their successors and assigns in perpetuity.

AND the Grantor, for himself, his heirs, executors, administrators, successors and assigns does specially warrant the agricultural conservation easement hereby granted.

IN WITNESS WHEREOF, the undersigned have duly executed this Deed on the day first written above.

GRANTOR

Witness:



C. Herbert Zeager

C. Herbert Zeager

[Seal]

[Seal]

[Seal]

[Seal]

SUBJECT, ALSO, to the Subdivision Guidelines of the County of Montour Agricultural Land Preservation Program, as approved by the State Agricultural Land Preservation Board on 3/27/97 and in accordance with the Guidelines and/or Regulations of the said State Board which County Subdivision Guidelines are Incorporated herein by reference and made a part hereof.

ACKNOWLEDGMENT

COUNTY OF MONTOUR

SS:

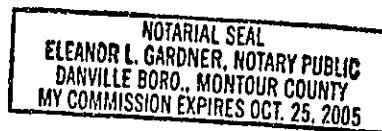
COMMONWEALTH OF PENNSYLVANIA

On this 3rd day of April, 2003,
before me, the subscriber, a Notary Public for the
Commonwealth of Pennsylvania, residing in the City of
Danville personally appeared the above
named C. Herbert Zeager, single, and
and in due form of law acknowledged the above Deed of
Agricultural Conservation Easement to be their voluntary act
and deed, and desired the same to be recorded as such.

WITNESS my hand and Notarial Seal the day and year
aforesaid.

Eleanor L. Gardner
Notary Public

My Commission expires:



REGISTRATION NUMBER

03 APR 3 AM 11 58

FILE # 48-50
MONTOUR CITY, PA.

recorded in the office for the recording of
Deeds, Etc., in and for Montour County in
RECORDS Book No. 245 at page 397

3rd day of APRIL A.D. 2003

Witness my hand and seal of office

Dinda L. Weaver Recorder
By Deputy Valerie May

BK 245 PG 0407