

Exhibit 1

Lease and Solar Easement Agreement

This Lease and Solar Easement (“Lease”) is entered into and effective on May 24, 2021 (“Effective Date”) between the City of Duluth, a municipal corporation created and existing under the laws of Minnesota (“Lessor” or “City of Duluth”) and RendField Land Company, Inc., a Minnesota corporation (“Lessee”).

Recitals

1. Lessor is the owner of real property located in St. Louis County, Minnesota..
2. Lessee wishes to lease a portion of the lessor property to install and operate a solar photovoltaic energy conversion facility, together with related solar easements, and Lessor is willing to grant Lessee a lease and easement in accordance with the terms of this Lease.

NOW, THEREFORE, in consideration of the above premises and the mutual promises and other consideration set forth below, the adequacy and receipt of which is acknowledged, Lessor and Lessee agree as follows:

ARTICLE I. Premises

Section 1.1 General

- (a) The above Recitals are incorporated into this Lease by this reference. Lessor leases to Lessee and Lessee leases from Lessor the real property legally described in Exhibit A attached hereto and incorporated herein by reference (the “Premises”) for the purposes of (i) monitoring, testing and assessing the Premises for solar photovoltaic energy generation, and (ii) developing, constructing, installing, operating, maintaining, repairing and replacing photovoltaic electric energy generating equipment, supporting structures and ballasts, inverters, overhead and/or underground electrical transmission, distribution, and communications lines, electric transformers, fixtures, metering equipment, interconnection facilities, energy storage facilities, telecommunications equipment, power generation facilities and substations to be operated in conjunction with solar energy generating equipment installations, roads, driveways, and related facilities and equipment (collectively, the “Facility”) on the Premises. Lessee’s rights under this Lease include, but are not limited to, the right to clear and remove trees and other vegetation from the Premises; the right to grade and fill the Premises; the right to relocate the septic line currently on the Premises to a location that is mutually agreed upon by the parties; and the right to construct, erect, operate, inspect, install, maintain, monitor, repair, replace and remove all such equipment and apparatus as may be necessary for the production, storage and transmission of solar power. Lessee’s rights under this Lease shall be exclusive and Lessor acknowledges that Lessor may not grant any other person or entity any such rights.

- (b) Lessee reserves the right to relocate or reconfigure the Facility upon the Premises during the term of this Lease.
- (c) This Lease is contingent on the Lessee obtaining a Special Use Permit from the City of Duluth for Premises use as solar photovoltaic energy conversion facility, together with related solar easements, as further described in this Agreement. The Parties acknowledge that approval of the Special Use Permit requires separate and additional approval from the City of Duluth. The City of Duluth agrees to cooperate with Lessee in obtaining the Special Use Permit.

Section 1.2 Solar Easement

- (a) Lessor hereby grants and conveys to Lessee an exclusive easement on, over and across the Premises specifically for the following purpose: the open and unobstructed access to the sun and to ensure adequate exposure of the solar power generation equipment to the sun. In addition, Lessor hereby grants and conveys to Lessee an exclusive easement prohibiting any obstruction to the open and unobstructed access to the sun (together with the preceding sentence, the “Solar Easement”) throughout the Premises to and for the benefit of the area existing horizontally three hundred and sixty degrees (360) from any point where any solar power generation equipment comprising any part of the Facility is or may be located at any time from time to time (each such point referred to as a “Site”) and for a distance from each Site to the boundaries of the Premises, together vertically through all space located above the surface of the Premises, that is, one hundred eighty degrees (180) or such greater number or numbers of degrees as may be necessary to extend from each point on and along a line drawn along the surface from each point along the exterior boundary of the Premises through each Site to each point and on and along such line to the opposite exterior boundary of the Premises.
- (b) Lessor may not place or plant any trees, structures or improvements (“Improvement”) on the Premises after the date of this Lease which may, in Lessee’s reasonable judgment, impede, diminish or interfere with the receipt of sunlight at any Site, unless Lessor has received approval from Lessee for installation of any such trees, structure of improvement. Should Lessor construct an Improvement that is determined by Lessee to violate or not be in compliance with any of the restrictions of this section, Lessee may provide notice to Lessor that said Improvement must be removed within thirty (30) days of Lessor’s receipt of Lessee’s notice. Should Lessor fail to remove the non-complying Improvement within such thirty (30) day period, Lessee may cause the same to be removed and may off-set the cost of the removal against any lease payments due hereunder to Lessor.
- (c) **No Interference.** Lessor shall not interfere with, and shall not allow any other party to interfere with, the free, unobstructed and open and unobstructed access to the sun, solar speed or solar direction over and across the Premises.

Section 1.3 Access Easement

- (a) Lessor hereby grants to Lessee, for the Term (as defined below), an easement (the “Access Easement”) over, across and on the Premises for ingress to and egress from the Facility by means of any existing roads, driveways or routes, or by such route or routes as Lessee may construct from time to time. The Access Easement shall include the right to improve existing roads and lanes, or to build new roads or driveways, and shall run with and bind the Premises, and shall inure to the benefit of and be binding upon Lessor and Lessee, as applicable, and their respective heirs, personal representatives, transferees, successors and assigns, and all persons claiming under them.

Section 1.4 Transmission Easement

- (a) Lessor hereby grants Lessee an easement for developing, constructing, installing, operating, maintaining, repairing and replacing of Transmission Facilities (defined below) (“Transmission Easement”) on, over and across the Premises. Such Transmission Easement shall contain all of the rights and privileges for Transmission Facilities as are set forth in this Lease. Such Transmission Easement shall also include the right of ingress to and egress from the Facility over and along the Premises by means of roads and lanes thereon if existing, or otherwise by such route or routes as Lessee or Lessor may construct from time to time. The term of the Transmission Easement shall be the same term of this Lease unless terminated by Lessee by written notice to Lessor as set forth herein, and shall not expire or be terminable by Lessor under any circumstance. Lessee shall have the right to assign or convey all or any portion of the Transmission Easement to any person on an exclusive or nonexclusive basis. The Transmission Easement shall run with the Premises and inure to the benefit of and be binding upon Lessor and Lessee and their respective transferees, successors, and assigns, and all persons claiming under them. Without limiting any other rights of Lessee, Lessee shall have the right to assign its rights hereunder relating to the construction, operation, repair and/or maintenance of the electric transmission or distribution systems to a third party that owns, operates and/or maintains electric transmission or distribution systems. As used in this Lease, the term “Transmission Facilities” means electrical transmission and/or distribution and communications lines and related cables, wires, conduit, circuit breakers and transformers, and any and all necessary and proper facilities, fixtures, and additional equipment any way related to or associated with any of the foregoing for the transmission and delivery of electrical energy. Transmission Facilities shall not be deemed to be part of the Facility.

ARTICLE II. Lease Term

Section 2.1 Lease Term

- (a) The term of this Lease shall commence upon the Effective Date and continue until the date that is thirty-five (35) years from the date on which the Facility commences commercial operation (“Commercial Operation Date”) unless terminated earlier in accordance with its terms (“Term”). Commercial Operation is defined as the date upon which a power purchasing utility or other entity first receives and purchases power

produced by the Facility, excluding electric energy delivered to the electric grid in connection with testing, start-up or commissioning of the Facility. Lessee shall notify Lessor of the Commercial Operation Date.

- (b) Provided Lessee is not in default under this Lease, Lessee shall have the option to extend the Term an additional five (5) years after the expiration of the original 35-year term. To exercise its option, Lessee shall provide written notice to Lessor no later than one year prior to the scheduled expiration of the initial 35-year term.

Section 2.2 Termination of Lease

The occurrence of any of the following events shall terminate the Lease:

- (a) The expiration of the Term as set forth in Section 2.1; or
- (b) The written agreement of the Parties to terminate this Lease; or
- (c) A breach of this Lease by either Party and the election of the non-breaching Party to terminate the Lease pursuant to Article IX; or
- (d) At the option of Lessee, thirty (30) days after Lessee's execution and delivery of written notice of termination to Lessor (as to the entire Premises, or any part thereof at Lessee's option), in Lessee's sole and absolute discretion.

ARTICLE III. Rent and Taxes

Section 3.1 Rent

- (a) Lessee shall pay Lessor an amount annually as rent for the period of time between the Effective Date and the Commercial Operation Date as set forth in Exhibit B. The parties agree that the Premises consists of 9.52 acres.
- (b) The twelve (12) month periods beginning with the Commercial Operation Date and each anniversary of the Commercial Operation Date shall each be a Lease Year. Beginning with the Commercial Operation Date, Lessee shall pay to Lessor at the beginning of the applicable Lease Year an annual rental payment as set forth in Exhibit B (together with payments due prior to the Commercial Operation Date, collectively, "Rent").
- (c) Notwithstanding anything to the contrary, all Rent obligations arising under this Lease shall be prorated for any partial year.

Section 3.2 Payments

- (a) Subject to Section 3.1(c), Lessee shall make the initial payment of Rent for the first year after the Effective Date as set forth in Section 3.1(a) within ten (10) days of the Effective

Date and on each anniversary date of the Effective Date thereafter until the Commercial Operation Date. Lessee shall pay Lessor Rent for the first full Lease Year no later than ten (10) days after the Commercial Operation Date. Subject to Section 3.1(c), on each anniversary of the Commercial Operation Date, Lessee shall pay Lessor the annual Rent due in advance for the following Lease Year.

(b) Lessee's payments to Lessor shall be deposited into City Fund #257-015-4623.

Section 3.3 Taxes, Assessments and Utilities

(a) Lessee shall pay all personal property and other taxes and assessments levied against the Facility when due. If the real property taxes assessed to such Premises increase solely as a result of the installation of the Facility, including any reclassification of the Premises, Lessee shall pay or reimburse Lessor an amount equal to the increase to the extent caused by such installation no later than ten (10) days prior to the date each year on which the applicable real estate taxes are due to be paid by Lessor, provided that not less than thirty (30) days prior to such due date Lessor provides Lessee with copies of the applicable current and past statements of real estate taxes payable for the Premises and any related information demonstrating that the installation of the Facility resulted in the increase in real estate taxes for which Lessor is requiring payment or reimbursement from Lessee.

(b) Either Party may contest the validity or amount of any levied taxes, assessments or other charges for which each is responsible under this Lease as long as such contest is pursued in good faith and with due diligence and the Party contesting the tax, assessment or charge has paid the obligation in question or established adequate reserves to pay the obligation in the event of an adverse determination.

(c) Lessee shall pay for all water, electric, telecommunications and any other utility services used by the Facility or Lessee on the Premises.

ARTICLE IV. Lessee's Covenants

Section 4.1 Liens

Lessee shall keep the Premises free and clear of all liens and claims of liens for labor, materials, services, supplies and equipment performed on or furnished to Lessee or the Facility on the Premises or in connection with Lessee's use of the Premises. Lessee may contest any such lien, but shall post a bond or utilize other available means to remove any lien that is created during the contested proceeding. Lessee agrees to otherwise remove any lien or encumbrance for which it is responsible pursuant to this paragraph within ninety (90) days of notice to Lessee of the creation of any such lien or encumbrance.

Section 4.2 Permits and Laws

Lessee and its designees shall at all times comply with all federal, state and local laws, statutes, ordinances, rules, regulations, judgments and other valid orders of any governmental authority applicable with respect to Lessee's activities pursuant to this Lease and shall obtain all

permits, licenses and orders required to conduct any and all such activities. Lessee shall have the right, in its sole discretion, to contest by appropriate legal proceeding the validity or applicability of any law, ordinance, statute, order, or regulation to the Premises or the Facility. Lessor shall cooperate in every reasonable way in such contest, provided Lessee reimburses Lessor for its reasonable and actual out-of-pocket expense directly incurred in connection with such cooperation, to the extent Lessee has approved such expense in advance.

Section 4.3 Lessee's Improvements

- (a) The Facility and related equipment constructed, installed or placed on the Premises by Lessee pursuant to this Lease shall be the sole property of Lessee, and Lessor shall have no ownership or other interest in the Facility and related equipment owned by Lessee on the Premises. The Facility is and shall remain personal property of the Lessee, and Lessor acknowledges that the Facility is and shall remain personal property of Lessee irrespective of the manner of its attachment or connection to the Premises. Lessor acknowledges that lenders may request a first priority security interest in the Facility as collateral for financing of the Facility, and Lessor consents to the grant by Lessee of such a security interest, and the filing of instruments necessary to perfect such a security interest under the Uniform Commercial Code in the Facility as personal property of the Lessee.
- (b) Throughout the Term, Lessee shall, at its sole cost and expense, maintain Lessee's Facility in good condition and repair, ordinary wear and tear excepted. Any portion of the Facility constructed, installed or placed on the Premises by Lessee pursuant to this Lease may be replaced, repaired or refurbished by Lessee at any time.
- (c) At the end of the Term, including any early termination of the Lease, Lessee shall remove the Facility, including all support posts in their entirety and foundations or other equipment, within twelve (12) months from the date the Term expires or the Lease terminates, and restore the Premises to a condition comparable to the condition it was in at the Effective Date (exclusive of changes caused by the activities of Lessor), normal wear and tear excluded. If Lessee fails to remove any portion of the Facility within the required time period, that portion of the Facility shall be considered abandoned by Lessee and Lessor may remove that portion of the Facility from the Premises and dispose of it in its sole discretion without notice or liability to Lessee. If Lessor removes any portion of the Facility or restores the Premises at Lessor's expense, Lessee shall reimburse Lessor for all reasonable costs of removing that portion of the Facility or restoring the Premises as required by the Lease, less any salvage or resale value received by Lessor, within thirty (30) days after receipt of an invoice from Lessor. Lessee shall continue to pay Rent and Taxes, Assessments, and Utilities further-described in Article 3 until Facility is removed and the Premises is restored to a condition comparable to the condition if was in at the Effective Date.

Section 4.4 Environmental Laws

Lessee shall not use, store, dispose of or release on the Premises or cause or permit to exist or be used, stored, disposed of or release on the Premises as a result of Lessee's activities, any

Hazard Substances (defined below), except in such quantities as may be required in its normal business operations and is in full compliance with all Environmental Laws (defined below). Lessee shall comply with all Environmental Laws applicable to its use and occupation of the Premises and construction, operation and maintenance of the Facility.

“Environmental Laws” shall mean: any federal, state and local laws, including statutes, regulations, ruling, orders, administrative interpretations and other governmental restrictions and requirements, relating to the production, handling, release, discharge, treatment or disposal of air pollutants, water pollutants, process waste water, Hazardous Substances, toxic substances or otherwise relating to the natural environment or natural resources, each as amended from time to time, including, but not limited to (i) the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; (ii) the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.; (iii) the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. § 6901 et. seq.; (iv) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.; (v) the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601 et seq.; (vi) Occupational Safety and Health Act of 1970; (vii) the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; and (viii) any other similar applicable federal, state or local law.

“Hazardous Substance” shall mean: (A) any substance which is listed, defined, designated or classified under any Environmental Law as a (i) hazardous material, substance, constituent or waste, (ii) toxic material, substance, constituent or waste, (iii) radioactive material, substance, constituent or waste, (iv) dangerous material, substance, constituent or waste, (v) pollutant, (vi) contaminant, or (vii) special waste; (B) any material, substance, constituent or waste regulated under any Environmental Laws; or (C) petroleum, petroleum products, radioactive materials, polychlorinated biphenyl, pesticides, asbestos, or asbestos-containing materials.

Section 4.5 Insurance

Lessee shall obtain and maintain in force the policies of insurance covering the Facility and Lessee’s activities on the Premises at all times during the Term as described in Exhibit C. Lessee shall provide Lessor with certificates of insurance reflecting the required coverage upon request by Lessor.

ARTICLE V. Lessor Covenants

Lessor covenants, represents and warrants to Lessee as follows:

Section 5.1 Title and Authority

Lessor is the sole owner of the Premises in fee simple and each person or entity signing the Lease on behalf of Lessor has the full and unrestricted authority to execute and deliver this Lease and to grant the easements and rights granted herein. All persons having any ownership interest in the Premises are signing this Lease as Lessor. When signed by Lessor, this Lease constitutes a valid and binding agreement enforceable against Lessor in accordance with its terms. There are no encumbrances or liens against the Premises except

as recorded with the County Recorder for St. Louis County. Lessor agrees to deliver any documents necessary to correct any title defects which would, if not corrected, adversely affect Lessee's rights hereunder or its ability to obtain and maintain financing of the Facility. Lessor expressly waives any and all existing and future statutory, common law and other liens on the Facility that Lessor may have under applicable law. To the extent that any such lien cannot be waived under applicable law, Lessor hereby subordinates such lien to all existing and future liens and security interests in favor of Lessee's creditors.

Section 5.2 Quiet Enjoyment

- (a) Lessee shall have the quiet use and enjoyment of the Premises in accordance with the terms of this Lease without any interference of any kind by Lessor or any person claiming through Lessor. Lessor and its activities on the Premises and any grant of rights Lessor makes to any other person shall not interfere with any of Lessee's activities pursuant to this Lease, and Lessor shall not interfere with any of Lessee's activities pursuant to this Lease.
- (b) Lessee acknowledges that Lessor may not own the oil, gas, mineral and similar rights to and underlying the Premises. Lessor is not aware of any existing or proposed oil, gas, mineral or other leases with any person with respect to the Premises, and Lessor shall notify Lessee of any such proposed activities of which Lessor becomes aware.

Section 5.3 Cooperation

Lessor shall cooperate with Lessee and shall deliver (or cause to be delivered) to Lessee such non-disturbance and subordination agreements, or such other agreements, in each case as Lessee determines to be reasonably necessary, from any person or entity with a lien, encumbrance, mortgage, deed of trust, lease or other exception to Lessor's fee title to the Premises to the extent Lessee determines to be reasonably necessary to eliminate any actual or potential interference by any such person or entity with any rights granted to Lessee under this Lease. Lessor shall also cooperate with Lessee to obtain and maintain any permits or regulatory approvals needed for the Facility. Lessor shall also provide Lessee with such further assurances and shall promptly execute any estoppel certificates, consents to assignments, non-disturbance and subordination agreements, or additional documents that may be reasonably necessary for recording purposes or that may be requested by Lessee or any of its lenders or investors from time to time.

Section 5.4 Exclusivity

Lessee shall have the sole and exclusive rights to install and operate the Facility on the Premises, to use the Premises for solar energy purposes and to convert all of the solar resources of the Premises. In no event during the Term shall Lessor construct, build or locate or allow others to construct, build or locate any solar energy facility or similar project on the Premises.

Section 5.5 Signage

Any signage erected by Lessee on the Premises that advertises or otherwise promotes Lessee's production, use, and/or conveyance of solar energy related to the Premises shall indicate that said production, use, and/or conveyance of solar energy was performed with the assistance of the City of Duluth.

ARTICLE VI. Indemnification

Section 6.1 Indemnification

Each Party (the "Indemnifying Party") agrees to defend, indemnify, protect and hold harmless the other Party and the other Party's elected and appointed officials, officers, directors, employees, representatives, and agents (collectively the "Indemnified Party") against any and all losses, damages, claims, expenses and liabilities for physical damage to property and for physical injury to any person, including, without limitation, reasonable attorneys' fees (collectively, "Damages"), to the extent resulting from or arising out of (i) any operations or activities of the Indemnifying Party on the Premises; (ii) any negligent or intentional act or omission on the part of the Indemnifying Party; or (iii) any breach of this Lease by the Indemnifying Party. Nothing in this Section shall relieve Lessor or Lessee of any liability to the other for any breach of the Lease. This indemnification obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of any Indemnified Party but the Indemnifying Party's liability to pay for Damages to the Indemnified Party shall be reduced in proportion to the percentage by which the Indemnified Party's negligent or intentional acts, errors or omissions caused or contributed to such Damages. Neither Party shall be indemnified for its Damages resulting from its sole negligence or intentional wrongful acts. These indemnity provisions shall not be construed to relieve any insurer of its obligations to pay claims consistent with the provisions of a valid insurance policy. This indemnification provision shall survive the expiration or termination of this Lease.

Section 6.2 Damage to Lessor's Property

- (a) In the event Lessor suffers damage to the Premises or any improvements of Lessor on the Premises during Lessee's construction, installation, operation and maintenance of the Facility on the Premises, Lessee shall reimburse Lessor for the reasonable costs to repair or replace any such damage or pay Lessor fair compensation for any such losses or damage.

ARTICLE VII. Assignment; Encumbrance of Lease

Section 7.1 Right to Encumber

- (a) Lessee may at any time mortgage or encumber all or any part of its interest in the Lease and rights under this Lease, and/or enter into a collateral assignment of all or any part of its interest in the Lease or rights under this Lease, and/or otherwise enter

- into other financing arrangements in respect of the Lease or the Facility, in each case to one or more entities providing equity or debt financing for the Facility (each a "Financing Party") without the consent of Lessor. Lessee may not mortgage or encumber Lessor's fee interest or other interests in the Premises. Any Financing Party shall have no obligations under this Lease until such time as it exercises its rights to acquire Lessee's interests subject to such Financing Party's lien (through foreclosure or other judicial or nonjudicial proceedings in the nature of foreclosure, or by conveyance in lieu of foreclosure, or otherwise) or otherwise assumes the obligations of Lessee directly. Lessee shall notify Lessor of the identity and notice address for any Financing Party.
- (b) Lessor agrees that any Financing Party shall have the right to make any payment and to do any other act or thing required to be performed by Lessee under this Lease, and any such payment, act or thing performed by Financing Party shall be as effective to prevent a default under this Lease and any forfeiture of any of Lessee's rights under this Lease as if done by Lessee itself.
- (c) During the time all or any part of any Financing Party's financing arrangements in respect of the Lease or the Facility remain outstanding (including, without limitation, during the time Lessee's interests in the Lease is mortgaged or assigned to any Financing Party), if Lessee defaults under any of its obligations and Lessor is required to give Lessee notice of the default Lessor shall also be required to give Financing Party notice of the default at the address provided by Lessee pursuant to Section 7.1(a). If Lessor becomes entitled to terminate this Lease due to an uncured default by Lessee, Lessor shall not terminate this Lease unless it has first given written notice of the uncured default and of its intent to terminate this Lease to Financing Party and has given Financing Party at least thirty (30) days to cure the default to prevent termination of this Lease. If within such thirty (30) day period Financing Party notifies the Lessor that it must foreclose or otherwise exercise remedies to take possession or control of Lessee's interest under this Lease in order to cure the default, Lessor shall not terminate this Lease and shall permit Financing Party a reasonable period of time necessary for Financing Party, with the exercise of due diligence, to foreclose or otherwise exercise such remedies to take possession or control of Lessee's interest under this Lease and to perform or cause to be performed all of the covenants and agreements to be performed and observed by Lessee.
- (d) The acquisition of all or any part of Lessee's interests in the Lease by any Financing Party through foreclosure or other judicial or non-judicial proceedings in the nature of foreclosure, or by any conveyance in lieu of foreclosure, or by any other means, shall not require the consent of Lessor nor constitute a breach or default of this Lease by Lessee, and upon the completion of the acquisition or conveyance Lessor shall acknowledge and recognize Financing Party (or its designee) as Lessee's proper successor under this Lease upon Financing Party's cure of any existing Lessee defaults and assumption of the obligations of Lessee under this Lease prospectively.

- (e) In the event this Lease is rejected by a trustee or a debtor-in-possession in any bankruptcy or insolvency proceeding Lessor agrees, upon request by any Financing Party within thirty (30) days after the rejection or termination to execute and deliver to Lessee or Financing Party a new Lease for the Premises which (i) shall be effective as of the date of the rejection or termination of this Lease, (ii) shall be for a term equal to the remainder of the term of the Lease before giving effect to such rejection or termination, and (iii) shall contain the same terms, covenants, agreements, provisions, conditions and limitations as are contained in this Lease (except for any obligations or requirements which have been fulfilled by Lessee or Financing Party prior to rejection or termination). Prior to the execution and delivery of any such new lease Lessee, or Financing Party shall (i) pay Lessor any amounts which are due Lessor from Lessee, (ii) pay Lessor any and all amounts which would have been due under this Lease but for the rejection or termination from the date of the rejection or termination to the date of the new lease, and (iii) agree in writing to perform or cause to be performed all of the other covenants and agreements to be performed by Lessee under this Lease to the extent Lessee failed to perform them prior to the execution and delivery of the new lease.

Section 7.2 Assignment

Lessee and any successor or assign of Lessee shall at all times have the right, without need for Lessor's consent, to do any of the following, conditionally or unconditionally, with respect to this Lease (including, without limitation, with respect to the Solar Easement, the Access Easement and the Transmission Easement and all other easements and related rights granted by Lessor to Lessee) or to all or any portion of the Premises: grant subleases, easements, licenses or similar rights (however denominated) to one or more third parties (on an exclusive or non-exclusive basis); or sell, convey, lease, assign, mortgage, encumber or transfer (on an exclusive or non-exclusive basis) to one or more third parties or to any affiliate of Lessee this Lease, or any right or interest in this Lease (including, without limitation, with respect to the Solar Easement, the Access Easement and the Transmission Easement and all other easements and related rights granted by Lessor to Lessee), or any or all right or interest of Lessee in any or all of the Premises or in any or all of the Facility that Lessee or any other party may now or hereafter install on the Premises provided that (i) any such assignment, transfer or conveyance shall not be for a period beyond the Term; (ii) the assignee or transferee shall be subject to all of the obligations, covenants and conditions applicable to the Lessee; and (iii) Lessee shall not be relieved from liability for any of its obligations under this Lease by virtue of the assignment or conveyance unless Lessee assigns or conveys all of its interests under the Lease to the assignee or transferee, in which event Lessee shall have no continuing liability.

Section 7.3 Continuing Nature of Obligations

- (a) The Solar Easement, Access Easement, and Transmission Easement and all other easements and related rights granted by Lessor in this Lease to Lessee are easements "in gross", representing interests personal to and for the benefit of Lessee, its successors and assigns, as owner of the rights created by the Solar Easement, Access Easement, and Transmission Easement. The Solar Easement, Access Easement, and Transmission

Easement and other rights granted by Lessor in this Lease to Lessee are independent of any lands or estates or interests in lands, there is no other real property benefiting from Solar Easement, Access Easement, or Transmission Easement and, as between the Premises and other tracts of property, no tract is considered dominant or servient as to the other.

- (b) The burdens of the Solar Easement, Access Easement, and Transmission Easement and all other rights granted to Lessee in this Lease shall run with and against the Premises and shall be binding upon and against Lessor and its successors, assigns, permittees, licensees, lessees, employees and agents. The Lease, including the Solar Easement, Access Easement, and Transmission Easement shall inure to the benefit of Lessee and its successors, assigns, permittees, licensees and lessees. Lessor acknowledges that any sale or conveyance of the Premises shall be subject to the leasehold and easement interests of Lessee in this Lease.

ARTICLE VIII. Force Majeure

Section 8.1 Force Majeure

Neither Lessor nor Lessee shall be liable to each other, or be permitted to terminate this Lease, for any failure to perform an obligation of this Lease to the extent such performance is prevented by a "Force Majeure", which shall mean an event beyond the control of the Party affected and which, by exercise of due diligence and foresight, could not reasonably have been avoided, and includes, but is not limited to, fire, earthquake, flood, hurricane, tornado, war, epidemics, riot or civil strife, strikes or labor disputes, or the action by any governmental authority to prohibit the performance of the applicable obligation for reasons not attributable to the affected Party. The affected Party shall notify the other Party of the occurrence of Force Majeure and its effect on performance of the Lease and shall take all reasonable efforts to remove or overcome the effects of the Force Majeure preventing performance of its obligations under this Lease.

ARTICLE IX. Default/Termination

Section 9.1 Events of Default

- (a) Subject to Section 7.1, each of the following shall constitute an event of default that shall permit the non-defaulting Party to terminate this Lease or pursue other remedies available at law or equity:
- (i) Any failure by Lessee to pay Rent if the failure to pay continues for thirty (30) days after written notice from Lessor to Lessee and any Financing Party; or
 - (ii) Any other material breach of this Lease by either Party which continues for thirty (30) days after written notice of default from the non-defaulting Party or, if the cure will take longer than thirty (30) days, the length of

time necessary to effect cure as long as the defaulting Party is making diligent efforts to cure during that time.

Section 9.2 Surrender

Upon the termination or expiration of this Lease, Lessee shall peaceably surrender the Premises to Lessor and remove the Facility from the Premises at Lessee's expense as required under Section 4.3 of this Lease.

Section 9.3 Specific Performance

Lessor acknowledges and agrees that should Lessor breach any of its obligations hereunder or otherwise fail to permit Lessee to exercise any of the rights and privileges granted herein, damages would be difficult to calculate and money damages would not be sufficient to compensate Lessee for such breach. In such circumstances, Lessee shall have the right to seek specific enforcement of this Lease. In that event, Lessor agrees that Lessee has no adequate remedy at law.

ARTICLE X. Miscellaneous

Section 10.1 Notice

Notices, consent or other documents required or permitted by this Lease must be given by personal delivery, reputable overnight courier, or U.S. certified mail postage prepaid and shall be sent to the respective parties as follows (or at such other address as either party may designate upon written notice to the other Party in the manner provided in this paragraph):

To Lessor:

City of Duluth
Mindy Granley
Sustainability Officer
City of Duluth
411 West First Street, Room 418
Duluth, MN 55802
218-730-5334
mgranley@duluthmn.gov

To Lessee:

RendField Land Company, Inc.
Attn: Real Estate Services
30 W. Superior Street
Duluth, MN 55802

Notice shall be deemed delivered upon receipt or refusal, if personally delivered, upon the date of actual delivery or refusal shown on the courier's delivery receipt if sent by overnight courier, and on the third business day after deposit in the U.S. mail if sent by certified mail.

Section 10.2 No Third Party Beneficiaries

Except for the rights of Financing Parties set forth above, no provision of this Lease is intended to nor shall it in any way inure to the benefit of any third party so as to constitute any such person a third party beneficiary under this Lease, or of any one or more of the terms of this Lease, or otherwise give rise to any cause of action in any person not a party to this Lease.

Section 10.3 Entire Agreement

It is mutually understood and agreed that this Lease constitutes the entire agreement between Lessor and Lessee and supersedes any and all prior oral and written understandings, representations or statements, and that no understandings, representations or statements, verbal or written, have been made which modify, amend, qualify or affect the terms of this Lease. This Lease may not be amended except in writing executed by both Parties.

Section 10.4 Governing Law

This Lease is made in Minnesota and shall be governed by the laws of the State of Minnesota. The Parties agree that any rule of construction to the effect that ambiguities are to be resolved in favor of either Party shall not be employed in the interpretation of this Lease. In interpreting this Lease, time is of the essence.

Section 10.5 Cooperation

Each of the Parties, without further consideration, agrees to execute and deliver such additional documents and take such action as may be reasonably necessary to carry out the purposes and intent of this Lease and to fulfill the obligations of the respective Parties.

Section 10.6 Waiver

Neither Party shall be deemed to have waived any provision of this Lease or any remedy available to it unless such waiver is in writing and signed by the Party against whom the waiver would operate. Any waiver at any time by either Party of its rights with respect to any rights arising in connection with this Lease shall not be deemed a waiver with respect to any subsequent or other matter.

Section 10.7 Relationship of Parties

The duties, obligations and liabilities of each of the Parties are intended to be several and not joint or collective. This Lease shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between Lessor and Lessee or to impose any

partnership obligation or liability or any trust or agency obligation or relationship upon either Party. Lessor and Lessee shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or to otherwise bind, the other Party.

Section 10.8 Severability

Should any provision of this Lease be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of the Lease shall not be affected and shall continue in full force.

Section 10.9 Counterparts

This Lease may be executed in two or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

Section 10.10 Memorandum of Lease

Lessor and Lessee shall execute in recordable form and Lessee at its option may record a memorandum of this Lease in the form attached hereto as Exhibit D. Lessor hereby consents to the recordation of the interest of an assignee of all of any portion of Lessee’s rights in or to the Premises.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed effective as of the date above written.

LESSOR
CITY OF DULUTH

By: _____

Mayor

Attest:

City Clerk

Approved as to form:

City Attorney

Countersigned:

City Auditor

LESSEE:

REDFIELD LAND COMPANY, INC.

By: _____

Name:

Title:

EXHIBIT A

Legal Description of Premises

The real property located in St. Louis County, Minnesota described as follows:

The East 579.00 feet of the South 716.00 feet of the West Half of the Southeast Quarter of the Northeast Quarter ($W \frac{1}{2}$ of $SE \frac{1}{4}$ of $NE \frac{1}{4}$) of Section 25, Township 51 North, Range 14 West, St. Louis County, Minnesota.

EXHIBIT B

RENT

Rent shall equal five hundred dollars and 00/100 (\$500.00) per acre of the Premises per year for the period from the Effective Date to the Commercial Operation Date. Effective on the Commercial Operation Date, Rent shall be five hundred dollars and 00/100 (\$500.00) per acre of the Premises for the first Lease Year and escalate at one percent (1%) per year for each subsequent Lease Year.

EXHIBIT C

INSURANCE

[RESERVED]

Workers' Compensation Insurance in compliance with the statutory requirements of the state of operation, and Employer's Liability Insurance in the amount of \$1,000,000 each accident/disease/policy limit. Lessee shall be allowed to self-insure its Workers' Compensation obligation if it is an approved self-insurer in the state where the Facility is located.

Commercial General Liability Insurance including Contractual Liability Coverage, covering liability assumed under this Agreement, Products/Completed Operations Coverage, Broad Form Property Liability Coverage, and Personal Injury Coverage in the amount of \$2,000,000 combined single limit for Bodily Injury and Property Damage and a \$4,000,000 general aggregate limit. This requirement may be satisfied through self-insurance, an excess liability or umbrella liability policy or any combination of the forgoing.

Commercial Automobile Liability Insurance covering all owned, hired, leased, and non-owned vehicles, for Bodily Injury Liability and Property damage, a combined single limit of not less than \$1,000,000. This requirement may be satisfied through self-insurance, an excess liability or umbrella liability policy or any combination of the forgoing.

Excess Liability Coverage with limits of not less than \$5,000,000 each occurrence, and applying excess of the primary Commercial General Liability, Auto Liability and Employers Liability policies. Coverage shall be on a form that is at least as broad as the underlying policies it follows.

(a) Lessee's insurance policies, excluding Workers Compensation, shall include Lessor as an additional insured as its interests may appear under this Lease. All of Lessee's policies of insurance shall be primary insurance and non-contributing with any other insurance maintained by Lessor and shall provide for a Waiver of Subrogation in favor of Lessor. Upon receipt from its insurer, Lessee will use its best efforts to provide Lessor with thirty (30) days' prior Notice of cancellation. Lessee shall provide Lessor with Certificates of Insurance issued to Lessor evidencing coverage currently in effect upon execution of this Lease, and within thirty (30) days after each of Lessee's policy renewals thereafter for the duration of this Lease.

(b) Lessee shall be fully responsible for any deductible or self-insured retention amounts contained in its insurance program or for any deficiencies in the amounts of insurance maintained.

(c) Liability coverage limits may be satisfied through a combination of both primary and or excess liability or umbrella liability limits.

EXHIBIT D

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE AND SOLAR EASEMENT (“Memorandum of Lease”) is entered into this ___ day of _____, 20___ by and between the City of Duluth, a municipal corporation created and existing under the laws of Minnesota (“Lessor”) and RendField Land Company, Inc., a Minnesota corporation (“Lessee”).

RECITALS

A. Lessor and Lessee have entered into a certain Lease and Solar Easement dated _____, 20___ (the “Lease Agreement”), whereby Lessor has agreed to lease to Lessee certain real property, together with access easements rights and a Solar Easement across said premises, in the County of St. Louis, State of Minnesota, and being more particularly described in Schedule A attached hereto and made a part hereof (the “Premises”). Capitalized terms used and not defined in this Memorandum of Lease shall have the meaning set forth for such terms in the Lease Agreement.

B. The parties wish to give notice of the existence of such Lease Agreement.

IN CONSIDERATION of the sum of One and 00/100 Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The above recitals are incorporated into this Memorandum of Lease by this reference.
2. Lessor and Lessee have entered into the Lease Agreement dated ____, 20__ (the “Effective Date”), to lease and demise the Premises for solar energy purposes and to grant access and Solar Easements. Pursuant to the Lease Agreement, Lessee has the exclusive right to use the Premises for solar energy purposes, together with certain related solar, access and other easement rights and other rights related to the Premises, all as more fully described in the Lease Agreement.
3. The initial term of the Lease Agreement commences on the Effective Date and continues until the date that is thirty-five (35) years from the date on which the Facility commences Commercial Operation (“Commercial Operation Date”). Lessee has a right to extend the term of the Lease Agreement for one (1) additional period of five (5) years upon written notice to Lessor.
4. Lessor shall have no ownership or other interest in any solar facilities installed on the Premises by Lessee, and Lessee may remove any or all solar facilities at any time.

5. The Lease Agreement and the easement and rights granted Lessee therein shall burden the Premises and shall run with the land. The Lease Agreement will inure to the benefit of and be binding upon Lessor and Lessee and, to the extent provided in any assignment or other transfer under the Lease Agreement, any assignee of Lessee, and their respective heirs, transferees, successors and assigns, and all persons claiming under them.

6. This Memorandum of Lease has been executed and delivered by the parties for the purposes of recording and giving notice of the lease and easement rights in accordance with the terms, covenants and conditions of the Lease Agreement.

7. The terms and conditions of the Lease Agreement are incorporated into this Memorandum of Lease as if set forth fully herein at length. In the event of any conflict between the terms and provisions of the Lease Agreement and this Memorandum of Lease, the Lease Agreement will control.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of _____, 20__.

DRAFTED BY:
RendField Land Company, Inc.
Attn: Sarah Whiting
30 West Superior Street
Duluth, MN 55802

LESSOR
CITY OF DULUTH

By: _____

Mayor

Attest:

City Clerk

Approved as to form:

SCHEDULE A

The real property located in St. Louis County, Minnesota described as follows:

The East 579.00 feet of the South 716.00 feet of the West Half of the Southeast Quarter of the Northeast Quarter (W $\frac{1}{2}$ of SE $\frac{1}{4}$ of NE $\frac{1}{4}$) of Section 25, Township 51 North, Range 14 West, St. Louis County, Minnesota.

(COT # 272930)