

**U.S. Department of Agriculture (USDA)
Natural Resources Conservation Service (NRCS)
On behalf of the
Commodity Credit Corporation (CCC)**

**Agricultural Conservation Easement Program –
Agricultural Land Easements (ACEP-ALE)**

**Appendix to Form NRCS-CPA-1265-BPS
“ACEP-ALE Parcel Cost-Share Contract for a Buy-Protect-Sell Transaction”**

Pursuant to the terms of the ACEP-ALE PROGRAM AGREEMENT the terms of which are incorporated by reference into this ACEP-ALE Parcel Cost-Share Contract (Parcel Contract), the Commodity Credit Corporation (CCC) by and through the Natural Resources Conservation Service (NRCS) and _____

_____ (hereinafter, whether singular or plural, **ENTITY**) enter this Parcel Contract to provide funds for the acquisition of an agricultural land easement by **ENTITY** subject to a buy-protect-sell transaction under which fee ownership of the NRCS-approved Parcel (Parcel) identified on Form NRCS-CPA-1266-BPS, “Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction,” is transferred to the qualified farmer or rancher. Each eligible entity identified on Form NRCS-CPA-1265-BPS, “ACEP-ALE Parcel Cost-Share Contract for a Buy-Protect-Sell Transaction,” and in this appendix, must be identified as an **ENTITY** in the PROGRAM AGREEMENT, must be signatory to both the PROGRAM AGREEMENT and this Parcel Contract, must be a holder of the agricultural land easement pursuant to the terms of this Parcel Contract, and is considered a participant in ACEP-ALE.

1. DEFINITIONS

The following definitions are applicable to this Parcel Contract and the associated PROGRAM AGREEMENT. All other words and phrases, unless the context of subject matter otherwise requires, shall have the meanings assigned to them in the PROGRAM AGREEMENT or the regulations governing ACEP at 7 CFR Section 1468.3.

1. Pre-closing Transfer.—Is a buy-protect-sell transaction type wherein the lead eligible entity must transfer ownership of the Parcel to the qualified farmer or rancher at or prior to closing on the agricultural land easement.
2. Post-closing Transfer.—Is a buy-protect-sell transaction type wherein the lead eligible entity must transfer ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher within the timeframes and in accordance with requirements specified and set-forth in this Parcel Contract and the associated PROGRAM AGREEMENT. See paragraph 16, “Buy-Protect-Sell Special Provisions Section,” below for description of post-closing transfer scenarios.
3. Participant.—Is defined as an eligible entity who has entered into this Parcel Contract and is party to and responsible for implementing the terms and conditions of such Parcel

Contract and associated PROGRAM AGREEMENT and who may receive payment of the ACEP-ALE cost-share assistance funds provided by NRCS as the Federal share.

4. **Lead Eligible Entity.**—As designated on the Form NRCS-CPA-1265-BPS, is the above-listed eligible entity that owns or is in the process of purchasing the identified Parcel and who will serve as the primary point of contact to NRCS for the administration of this Parcel Contract. The lead eligible entity must be a holder of the agricultural land easement, either from the time the easement is initially closed or upon transfer of ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher. The lead eligible entity may serve as the primary signatory for executing specific documents associated with this Parcel Contract in accordance with designations made on the Form NRCS-CPA-1265-BPS.
5. **Co-holder.**—Is a legal entity that is identified in and signatory to the PROGRAM AGREEMENT and this Parcel Contract and will be identified as a co-holder (grantee) on the individual conservation easement deed to be held by **ENTITY** on the Parcel identified in this Parcel Contract.
6. **Third-party Right Holder.**—Is a legal entity identified in this Parcel Contract and that will be identified as a holder of a third-party right or other interest (not a grantee) on the individual conservation easement deed to be held by **ENTITY** on the Parcel identified in this Parcel Contract.
7. **Landowner.**—Is a person, legal entity, or Indian Tribe, having current legal ownership of eligible land and those who may be buying eligible land under a purchase agreement and as further specified in 7 CFR Section 1468.3.
8. **Qualified Farmer or Rancher.**—Is the term for the persons, legal entities, or Indian Tribes that, as determined by NRCS, meet the requirements set forth in this Parcel Contract and to whom the ownership of the Parcel subject to the agricultural land easement is transferred pursuant to the terms of this Parcel Contract.

2. PROGRAM ELIGIBILITY AND BUY-PROTECT-SELL TRANSACTION REQUIREMENTS

- A. NRCS is responsible to complete all required land, landowner, and **ENTITY** eligibility and buy-protect-sell transaction compliance and completion determinations. To remain in compliance with this Parcel Contract, **ENTITY** must provide NRCS sufficient and timely access, information, and documentation to complete these determinations.
- B. **ENTITY** acknowledges that NRCS requires all landowners, including required members of landowner-legal entities to:
 1. Complete and file Form AD-1026, “Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification” (or successor form), and meet the requirements set forth therein, in accordance with title XII of the Food Security Act of 1985, as amended.
 2. Meet the requirements of, complete, and file Form CCC-941, “Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information” (or successor form).
 3. Complete and file the appropriate Form CCC-902, “Farm Operating Plan” (or successor form) and supporting documentation, including the required member’s information if the landowner is a business classified as a legal entity or joint operation by USDA under 7 CFR Part 1400.

4. Maintain updated information with the Farm Service Agency (FSA) as provided in 7 CFR Part 1400.
 5. Submit the above-listed information generally within 60 days of executing a purchase agreement or similar document and no less than 180 days prior to the target date for any transfer of ownership of the Parcel.
 6. Be aware that eligibility determinations take an average of 120 days from the date of submission of complete and correct documents.
- C. All persons, legal entities, or Indian Tribes must be eligible, as determined by NRCS, prior to the execution of this Parcel Contract or a modification thereto to identify such persons, legal entities, or Indian Tribes as Parcel landowners. This Parcel Contract must identify as the Parcel landowner:
1. At the time of its original execution, the **LEAD ELIGIBLE ENTITY. LEAD ELIGIBLE ENTITY** itself must submit the documents listed in paragraph 2(B) above and meet payment eligibility requirements for post-closing transfers only.
 2. Prior to closing on the agricultural land easement: the persons, legal entities, or Indian Tribes that are or will be the owners of the Parcel at the time the agricultural land easement is closed (for pre-closing transfers this must be the qualified farmer or rancher).
 3. Prior to the transfer of ownership to the qualified farmer or rancher: The qualified farmer or rancher to whom ownership will be transferred.
 4. Prior to the issuance of the NRCS notice of successful buy-protect-sell transaction compliance and completion (and for a pre-closing transfer or a post-closing transfer interim easement holder scenario, also prior to NRCS payment of the Federal share): The qualified farmer or rancher to whom ownership of the Parcel has been transferred.
- D. **ENTITY** and co-holders identified in this Parcel Contract, must maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Parcel Contract.
- E. **LEAD ELIGIBLE ENTITY** must own fee title to the Parcel at the time of or within 12 months of the date NRCS originally executes this Parcel Contract. A single, 90-day extension may be granted by NRCS if **LEAD ELIGIBLE ENTITY** provides evidence their purchase of the Parcel will be completed within such 90-day timeframe. This Parcel Contract will automatically terminate if **LEAD ELIGIBLE ENTITY** does not own fee title to the Parcel and provide evidence of such ownership and the final purchase price to NRCS within timeframes set forth in this Parcel Contract.
- F. The agricultural land easement acquisition and transfer of ownership of the Parcel to the qualified farmer or rancher must occur in the following sequence and timeframes:
1. For a pre-closing transfer, **LEAD ELIGIBLE ENTITY** must transfer ownership of the Parcel to the qualified farmer or rancher at or prior to closing on the agricultural land easement within the period of performance specified in this Parcel Contract.
 2. For a post-closing transfer, the agricultural land easement must be closed within 2 fiscal years (by 9/30) following the fiscal year this Parcel Contract is originally executed. The transfer of ownership of the Parcel to the qualified farmer or rancher must be completed no later than 3 years after the agricultural land easement closing date. No less than 90 days prior to the expiration of the 3-year deadline, **LEAD ELIGIBLE ENTITY** may submit a written request to NRCS for a one-time extension of up to 12 months, to a date not later than 4 years after the agricultural land easement closing date. The request must

- include documentation of extenuating circumstances and evidence the transfer of ownership will occur by the requested extension date. Upon mutual agreement of the Parties through the execution a modification to this Parcel Contract, the period of performance may be extended to a date not later than 4 years after the agricultural land easement closing date.
- G. Ownership of the Parcel must be transferred to persons, legal entities, or Indian Tribes that meet the qualified farmer or rancher criteria as determined by NRCS, including that:
1. Each such person, legal entity, or Indian Tribe that will be or is identified on the evidence of ownership documents as a result of the required transfer of ownership must submit the documents listed in paragraph 2(B) above, have their USDA customer records established, and be eligible for the fiscal year in which they are identified as Parcel landowners on this Parcel Contract.
 2. At least 50 percent of the ownership of the Parcel must be held by persons, legal entities, or Indian Tribes that are farmers or ranchers, as determined by NRCS.
- H. The amount of the sale of the Parcel to the qualified farmer or rancher:
1. Must be for a purchase price that does not exceed the lesser of the original purchase price of the Parcel paid by **LEAD ELIGIBLE ENTITY** or the agricultural value of the Parcel as determined by an appraisal.
 2. May include reasonable holding and transaction costs incurred by **LEAD ELIGIBLE ENTITY** as specified in paragraph 16, “Buy-Protect-Sell Special Provisions Section,” below that do not in total exceed 10 percent of the appraised agricultural value of the Parcel.
- I. The agricultural land easement must at all times be held by an eligible entity that is party to this Parcel Contract and at no time may the same entity be both a holder of the agricultural land easement and a fee owner of the Parcel. The relationship between the agricultural land easement holder and the landowner must at all times be sufficiently separate such that the eligible entity holder of the agricultural land easement is independently capable of conducting annual monitoring of the agricultural land easement, that the agricultural land easement is valid and enforceable from the time it is initially conveyed, and there are no merger of title issues.
- J. Prior to requesting or receiving payment of the Federal share, **LEAD ELIGIBLE ENTITY** must be a holder of the agricultural land easement and must provide to NRCS the recorded evidence of such status.
- K. Based on the information provided by **LEAD ELIGIBLE ENTITY**, NRCS will review the entirety of the buy-protect-sell transaction and provide its buy-protect-sell transaction compliance and completion determination in writing to **LEAD ELIGIBLE ENTITY**. For post-closing transfers, NRCS will ensure its determination is appropriately recorded in the land records pursuant to the “Buy-protect-sell transaction compliance and notice of recordation” clause provided by NRCS and included in the terms of the agricultural land easement deed (see paragraph 16, “Buy-Protect-Sell Special Provisions Section,” below).

3. ACEP-ALE PARCEL COST-SHARE CONTRACT

- A. The term “Parcel Contract,” as used in this appendix, means the program documents, including Form NRCS-CPA-1265-BPS, this NRCS-CPA-1265-BPS-Appendix, the associated Form NRCS-CPA-1266-BPS, and as applicable any Form NRCS-CPA-1267-BPS. Such Parcel Contract sets forth the terms and conditions additional to the associated

PROGRAM AGREEMENT for the acquisition of an agricultural land easement on an individual Parcel and receipt of ACEP-ALE cost-share assistance for such acquisition.

- B. Execution of this Parcel Contract represents agreement by **ENTITY** to acquire an agricultural land easement on the identified Parcel and to transfer fee ownership of the identified Parcel to the qualified farmer or rancher under the terms specified in this Parcel Contract and the associated PROGRAM AGREEMENT.
- C. This Parcel Contract must be executed by an authorized representative of **ENTITY**, NRCS, and all identified co-holders.

4. AGREEMENT

A. **ENTITY** agrees to—

1. Comply with all terms and conditions, complete all activities required for the successful completion of a buy-protect-sell transaction, which includes both the acquisition of an agricultural land easement on the Parcel and the transfer of fee ownership of the Parcel to the qualified farmer or rancher, and submit all required documents to NRCS in accordance with the timelines outlined in this Parcel Contract and the associated PROGRAM AGREEMENT.
2. Provide NRCS the information necessary to complete and execute the documents that comprise this Parcel Contract and any modifications or changes thereto.
3. Provide NRCS a copy of the recorded instrument vesting ownership of the Parcel in **LEAD ELIGIBLE ENTITY** and evidence of the final purchase price paid for the Parcel. Such documents must be provided prior to the original execution of this Parcel Contract or within 30 calendar days of completion of such purchase as set forth in paragraph 2(E). NRCS will enter in paragraph 16, “Buy-Protect-Sell Special Provisions Section,” below, the date **LEAD ELIGIBLE ENTITY** acquired ownership of the Parcel.
4. Notify prospective landowners to timely submit documents required for program eligibility determinations, including those identified in paragraph 2(B) above.
5. Generally, within 60 days of executing a purchase agreement or equivalent document, but no less than 180 days prior to the target date for completing the required transfer of ownership of the Parcel to the qualified farmer or rancher, provide to NRCS:
 - i. A copy of the purchase agreement or equivalent document that identifies all of the persons, legal entities, or Indian Tribes that are the prospective landowners to be identified on the evidence of ownership documents and the anticipated ownership shares of each.
 - ii. Evidence of each prospective landowners’ status as a farmer or rancher, such as a Schedule F to the Internal Revenue Service (IRS) Form 1040 filed for 1 of the 3 most recent tax years, or other acceptable evidence as identified by NRCS.
 - iii. A list of each prospective landowner that does not meet the farmer or rancher criteria.
 - iv. A copy of the appraisal used to determine the agricultural value of the Parcel using the appraisal methodology identified in paragraph 16, “Buy-Protect-Sell Special Provisions Section,” below.
 - v. A copy of the form of the deed that will be used to transfer fee title ownership.
 - vi. A completed Form NRCS-CPA-1269, “Transfer of Ownership Costs Summary Statement,” marked “Estimate”, signed by **LEAD ELIGIBLE ENTITY** and prospective landowners, and including all required supporting documentation.
6. Notify NRCS of all changes in the recorded ownership of the Parcel the occur and:

- i. Provide NRCS the most current recorded evidence of ownership of the Parcel within 30 days of recordation;
 - ii. Execute a modification on Form NRCS-CPA-1267-BPS as needed to reflect the updated current ownership; and
 - iii. Upon transfer to the qualified farmer or rancher, provide to NRCS, a complete and signed Form NRCS-CPA-1269, "Transfer of Ownership Costs Summary Statement," marked "Final" and including all required supporting documentation.
7. Share responsibility for ensuring the information documented in this Parcel Contract is accurate and complete. NRCS may be prohibited from providing ACEP-ALE cost-share assistance if it is determined that the Parcel Contract information is not accurately reflected at the time of Parcel Contract execution and changes necessary to reflect the correct information are outside of the scope of the original Parcel Contract.
8. Supply records and information, as required by NRCS, to determine compliance with this Parcel Contract and requirements of the program within 30 days of request.
9. Designate on Form NRCS-CPA-1266-BPS, or modification thereto on Form NRCS-CPA-1267-BPS, based on the status of the eligible entities that are party to this individual Parcel Contract, whether **LEAD ELIGIBLE ENTITY** will acquire the agricultural land easement subject to the "noncertified eligible entity" provisions or "certified eligible entity" provisions set forth in the PROGRAM AGREEMENT and this Parcel Contract. **LEAD ELIGIBLE ENTITY** may only elect to operate under the certified eligible entity provisions, if an eligible entity that is party to this Parcel Contract and the associated PROGRAM AGREEMENT has been certified by NRCS based on the certification requirements in 7 CFR 1468.26.
10. The agricultural land easement deed for the identified Parcel must satisfy the requirements set forth in section VI(A)(5) of the PROGRAM AGREEMENT, and the applicable section VI(A)(6) for noncertified eligible entities or the buy-protect-sell transaction provisions of section VI(A)(7) for certified eligible entities. **LEAD ELIGIBLE ENTITY** must identify the selected option to be used to address such deed requirements on Form NRCS-CPA-1266-BPS, or modification thereto using Form NRCS-CPA-1267-BPS, and:
 - i. For noncertified eligible entities, the agricultural land easement deed must contain the "Minimum Terms for the Protection of Agricultural Use," (ALE minimum deed terms) and based on the option selected to address this requirement **LEAD ELIGIBLE ENTITY** must attach as an exhibit to this Parcel Contract either—
 - "Attach" Option Selected.—The version of the "ALE Minimum Deed Terms Addendum" that will be attached to the conservation easement deed,
 - "Incorporate" Option Selected.—The draft, unexecuted, NRCS NHQ-approved conservation easement deed with the ALE minimum deed terms incorporated, or
 - "Template" Option Selected.—The draft, unexecuted, NRCS NHQ-approved template deed that will be used for the Parcel.
 - ii. For certified eligible entities, **LEAD ELIGIBLE ENTITY** may select the "Certified Eligible Entity Deed" option or may, with prior-NRCS approval only, select the "Other" option. Prior to closing on the agricultural land easement, a copy of the draft, unexecuted conservation easement deed must be submitted to NRCS for review and approval and the NRCS-approved deed attached as an exhibit to this Parcel Contract.

11. Allow NRCS representative or their agent access to the land under Parcel Contract for the purposes of conducting onsite visits needed to determine eligibility, conduct pre-acquisition due diligence activities, or complete any required planning activities.
12. Not undertake any action on the Parcel which tends to defeat the purposes of this Parcel Contract, as determined by NRCS.

5. AGRICULTURAL LAND EASEMENT PLAN

- A. **ENTITY** acknowledges that if the Parcel contains highly erodible cropland, a highly erodible land (HEL) conservation plan that meets the requirements of 7 CFR Part 12 must be developed by NRCS or an NRCS-certified planner, approved by NRCS prior to closing, and provided to **ENTITY** and landowner. The HEL conservation plan must be identified on Form NRCS-CPA-1266-BPS, or modification thereto on Form NRCS-CPA-1267-BPS and may comprise the entirety of the agricultural land easement plan.
- B. If **ENTITY** has otherwise agreed to develop and maintain an agricultural land easement plan as described in the PROGRAM AGREEMENT and identified on the Form NRCS-CPA-1266-BPS, or modification thereto on Form NRCS-CPA-1267-BPS, **ENTITY** must ensure that the agricultural land easement plan is completed and signed by the **ENTITY** and landowner prior to closing.
- C. The agricultural land easement is not required to be subject to an agricultural land easement plan, however **ENTITY** must ensure that for agricultural land easement plans developed as agreed-to or required, that the agricultural land easement deed includes provisions related to such plans as set forth in the PROGRAM AGREEMENT.

6. PAYMENTS

- A. Based on a determination by NRCS that **LEAD ELIGIBLE ENTITY** has satisfied the payment-related terms and conditions of this Parcel Contract and the associated PROGRAM AGREEMENT and provided the items identified therein, NRCS may provide the Federal share for the agricultural land easement.
- B. **LEAD ELIGIBLE ENTITY** may request payment of the Federal share as a reimbursement after the agricultural land easement has closed, **LEAD ELIGIBLE ENTITY** is a holder of such easement, and:
 1. **For any buy-protect-sell transaction type:** Ownership of the Parcel has been transferred to the qualified farmer or rancher.
 2. **For post-closing transfers under an interim landowner scenario:** Ownership of the Parcel is held by an appropriate legal entity that will function as an interim landowner until such ownership is transferred to the qualified farmer or rancher.
- C. To request payment of the Federal share, **LEAD ELIGIBLE ENTITY** must submit a payment request package, which includes Form NRCS-CPA-1268, "Conservation Activity Approval and Payment Application for Easements," and the accompanying information and documentation required by the form and as identified in the PROGRAM AGREEMENT and this Parcel Contract.
- D. Payment of the Federal share for the purchase of an agricultural land easement on a Parcel owned by a legal entity, general partnership, or joint venture will be reduced by an amount commensurate with the direct or indirect ownership interest in the legal entity, general

partnership, or joint venture of each person or legal entity determined to be subject to such reduction based on the average adjusted gross income provisions of 7 CFR Part 1400.

- E. NRCS will disburse funds only after verifying **LEAD ELIGIBLE ENTITY** has completed the actions and provided the documentation, certifications, and information required for payment of the Federal share as set forth in the terms of this Parcel Contract and the associated PROGRAM AGREEMENT. Payment of the Federal share does not constitute NRCS notice of the buy-protect-sell transaction final compliance and completion determination.
- F. All payments received as part of this Parcel Contract are reported to the IRS. For information related to tax liabilities, it is recommended that **LEAD ELIGIBLE ENTITY** consult with a tax professional as needed.
- G. Any **ENTITY** that will receive any share of a payment made for the implementation of this Parcel Contract must be a signatory on this Parcel Contract and eligible for such payment. Payments will occur in accordance with the shares to which the parties have agreed as set forth on Form NRCS-CPA-1265-BPS or in a fully executed modification on Form NRCS-CPA-1267-BPS, signed by all eligible entities. **LEAD ELIGIBLE ENTITY** on this Parcel Contract may sign the easement payment application, Form NRCS-CPA-1268, unless such signature authority is specifically not granted or assigned.

7. PROVISIONS RELATING TO TENANTS AND LANDLORDS

No payment will be approved if NRCS determines that any of the following conditions exist:

- 1. The landowner or operator has tenants who have an interest in land with a lease that has not been properly terminated or modified and would interfere with **ENTITY**'s ability to implement the terms of this Parcel Contract or associated PROGRAM AGREEMENT.
- 2. **ENTITY** or landowner has adopted any other scheme or device for the purpose of depriving any tenant of any benefits to which such tenant would otherwise be entitled. If any such conditions occur or are discovered after payments have been made, all or any part of the payments, as determined by NRCS, must be refunded according to paragraph 10(B) of this appendix, and no further payments will be made.

8. PARCEL CONTRACT MODIFICATION, CORRECTION, AND CANCELLATION

- A. **ENTITY** and NRCS may modify this Parcel Contract by mutual agreement through the execution of a Form NRCS-CPA-1267-BPS when—
 - 1. Both the **ENTITY** and the NRCS State Conservationist agree to the modification;
 - 2. NRCS had determined the modification is consistent with the purposes of the program; and
 - 3. **ENTITY** has provided all information needed for the modification and NRCS had completed all associated eligibility and programmatic determinations.
- B. All modifications must be approved in writing by the authorized NRCS official and **ENTITY**. **LEAD ELIGIBLE ENTITY** may approve modifications to this Parcel Contract on behalf of others signatory to this Parcel Contract unless such signature authority is specifically denied on the Form NRCS-CPA-1265-BPS.
- C. NRCS may unilaterally cancel this Parcel Contract when the easement acquisition would cause adverse impacts to significant cultural or environmental resources without mitigation action unless NRCS and **ENTITY** modify this Parcel Contract to address such impacts.

- D. NRCS reserves the right to correct all errors in entering data or the results of computations in this Parcel Contract. If **ENTITY** does not agree to such corrections, NRCS will terminate this Parcel Contract.

9. PARCEL CONTRACT TERMINATION

- A. If **ENTITY** fails to carry out the terms and conditions of this Parcel Contract, NRCS may terminate this Parcel Contract. NRCS may require **ENTITY** to refund payments received under this Parcel Contract. Refunds will be subject to the provisions in paragraph 10(B) of this appendix.
- B. This Parcel Contract will automatically terminate if **LEAD ELIGIBLE ENTITY** does not own fee title to the Parcel and provide evidence of such ownership and the final purchase price to NRCS within timeframes as set forth in paragraphs 2(E) and 4(A)(3).
- C. The NRCS may terminate this Parcel Contract, in whole or in part, without liability, if NRCS determines that continued operation of this Parcel Contract will result in the violation of a Federal statute or regulation, if NRCS determines that certain actions undermine the ability of the Parcel to accomplish the purposes of ACEP-ALE, or if NRCS determines that termination would be in the public interest. In the event this Parcel Contract is terminated for any reason, the obligations of the parties will be as set forth in 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- D. This Parcel Contract terminates upon dissolution of the **ENTITY**.
- E. NRCS may determine **ENTITY** is not in violation of this Parcel Contract for failure to comply with this Parcel Contract if the circumstances for failing to comply were beyond the control of the **ENTITY**, including a disaster or related condition, as determined by the NRCS.
- F. Upon death of a landowner, this Parcel Contract will be terminated with no penalty to the parties to this Parcel Contract unless the landowner, court of appropriate jurisdiction, or operation of State law, appointed an executor or other estate representative to act on the landowner's behalf and such executor or estate representative is determined eligible by NRCS and identified on the Form NRCS-CPS-1267-BPS.
- G. Nothing in this Parcel Contract will be construed as to limit or condition any right acquired by the United States under any associated ACEP-ALE easement.

10. RECOVERY OF COST

- A. The parties agree that NRCS will incur costs in administering this Parcel Contract. The parties further agree that in the event **ENTITY** violates the terms of this Parcel Contract, **ENTITY** voluntarily terminates this Parcel Contract before any contractual payments have been made, or this Parcel Contract is terminated with cause by NRCS, the NRCS is entitled to be reimbursed for these costs.
- B. Collection of amounts due from **ENTITY** for contract violation, improper payment, or any other reason will follow procedures of 7 CFR Part 3. NRCS will notify **ENTITY** and provide the reason for the collection and the amount owed. Unpaid debts accrue interest due to the NRCS beginning 30 days after the billing date at the current value of funds rate published in the Federal Register by the United States Department of Treasury.
- C. If **ENTITY** fails to complete the buy-protect-sell transaction in compliance with the terms and conditions set forth in this Parcel Contract and the associated PROGRAM

AGREEMENT, as determined by NRCS, **ENTITY** must repay to the United States the entirety of the Federal share provided by NRCS.

11. PERIOD OF PERFORMANCE

Within the timeframes established by NRCS, the documents that comprise this Parcel Contract must be signed, as identified therein, by an authorized representative of each eligible entity that is party to this Parcel Contract, and this NRCS-CPA-1265-BPS-Appendix must be signed by an authorized representative of each identified co-holder. This Parcel Contract is effective when signed by **ENTITY** and then executed by an authorized representative of NRCS. The contract term begins on the date NRCS executes this Parcel Contract as indicated on the Form NRCS-CPA-1265-BPS. The total term of this Parcel Contract may be for a period of not longer than 5 fiscal years (9/30) following the fiscal year in which this Parcel Contract is originally executed, except for a post-closing transfer buy-protect-sell transaction where an extension to the transfer of ownership deadline is authorized by NRCS as described in paragraph 2(E) above. The period of performance must be indicated on the Form NRCS-CPA-1266-BPS or any modification thereto, on the Form NRCS-CPA-1267-BPS. This Parcel Contract remains valid until such time as the Parcel Contract expiration date is reached unless otherwise cancelled or terminated by the parties to this Parcel Contract pursuant to the terms and conditions of this Parcel Contract or the associated PROGRAM AGREEMENT. In the event that a statute is enacted during the period of this Parcel Contract which would materially change the terms and conditions of this Parcel Contract, the NRCS may require **ENTITY** to either modify this Parcel Contract consistent with the provisions of such statute or agree to Parcel Contract termination.

12. GENERAL TERMS

- A. The regulations in 7 CFR Part 1468 for ACEP-ALE are incorporated, by reference, herein. In the event of a conflict between these regulations and the terms of this appendix, the provisions of the regulations will prevail.
- B. This Parcel Contract must be carried out in accordance with all applicable Federal statutes and regulations. Any ambiguities in this Parcel Contract and questions as to the validity of any of its specific provisions will be resolved in favor of NRCS so as to give maximum effect to the conservation purposes of this Parcel Contract.
- C. NRCS is administering this Parcel Contract on behalf of CCC. Therefore, where this Parcel Contract refers to "NRCS," NRCS is acting on CCC's behalf for the purposes of administering this Parcel Contract. When the term "**ENTITY**" is used in this Parcel Contract, it will be construed to mean all eligible entities identified in this Parcel Contract.
- D. This Parcel Contract is a financial assistance agreement, not a procurement contract. As such, it is not subject to 5 CFR Part 1315, the Prompt Payment Act, and is governed by the terms set forth herein.

13. CERTIFICATION AND ASSURANCES REGARDING COMPLIANCE WITH PROVISIONS APPLICABLE TO FINANCIAL ASSISTANCE (see generally 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards")

As a condition of this Parcel Contract entered into pursuant to the associated PROGRAM AGREEMENT, **ENTITY** certifies and assures that they are in compliance with and will comply in the course of this Parcel Contract and the associated PROGRAM AGREEMENT with all applicable laws, regulations, Executive orders, and other generally applicable requirements, including those set out in 2 CFR Part 200, applicable to nonprofit institutions, which are hereby incorporated into this Parcel Contract by reference, and such other regulatory and statutory provisions as are specifically set forth in the associated PROGRAM AGREEMENT and herein.

14. RIGHTS TO APPEAL AND REQUEST EQUITABLE RELIEF

- A. **ENTITY** may appeal an adverse decision under this Parcel Contract in accordance with the appeal procedures set forth in 7 CFR Part 11, Subpart A, and Part 614. Pending the resolution of an appeal, no payments will be made under this Parcel Contract. Before an **ENTITY** seeks judicial review, **ENTITY** must exhaust all appeal rights granted within these regulations.
- B. **ENTITY** may also request equitable relief, as provided under 7 U.S.C. Section 7996, and 7 CFR Part 635, with the requirements of that provision.

15. DRUG-FREE WORKPLACE (2 CFR Part 182 and 2 CFR Part 421)

By signing this Parcel Contract, **ENTITY** certifies that **ENTITY** will comply with the requirements of 2 CFR Part 182 and 2 CFR Part 421. If it is later determined that **ENTITY** knowingly rendered a false certification or otherwise violated the requirements of the Drug-Free Workplace Act, NRCS, in addition to any other remedies available to NRCS under this Parcel Contract or associated PROGRAM AGREEMENT or in general to the United States, may take action authorized under the Drug-Free Workplace Act.

16. BUY-PROTECT-SELL SPECIAL PROVISIONS SECTION

A. The parties to this Parcel Contract agree to the specific terms selected and acknowledged in this Special Provisions Section. In limited circumstances, different selections may be subsequently made if mutually agreed to by all required parties and documented through the execution of a modification on Form NRCS-CPA-1267-BPS with the updated Special Provisions Section of this appendix completed and attached as an exhibit.

B. FOR ALL BUY-PROTECT-SELL TRANSACTION TYPES:

Complete Items 1–3 below. **LEAD ELIGIBLE ENTITY** must initial selections.

<p>1. AGRICULTURAL VALUE DETERMINATION: The agricultural value of the Parcel will be determined by a State-certified general appraiser using the appraisal methodology identified below and submitted to NRCS for review and approval (see paragraph 4(A)(5) above).</p>		
Initial One Selection	Appraisal Type	Description and Instructions
	Original ACEP-ALE Appraisal	<i>The “after” value of the Parcel as determined in the same NRCS-approved individual USPAP or UASFLA appraisal used for the acquisition of the ACEP-ALE.</i>
	Update to ACEP-ALE Appraisal	<i>The “after” value of the Parcel as determined in an update to the NRCS-approved USPAP or UASFLA appraisal report used for the acquisition of the ACEP-ALE.</i>
	New ACEP-ALE Appraisal	<i>The “after” value of the Parcel as determined by a new USPAP or UASFLA appraisal that meets ACEP-ALE appraisal requirements.</i>
	USPAP Agricultural Value Appraisal	<i>An individual USPAP appraisal wherein the appraiser is instructed to assume that agricultural use is the highest and best use of the Parcel. Attach the appraiser instructions.</i>
	Other	<i>Another industry-approved method approved as a valid by the NRCS National Appraiser. Identify method below and attach appraiser instructions.</i> _____

2. HOLDING AND TRANSACTION COSTS ITEMS: The amount of the sale of the Parcel to the qualified farmer or rancher may include costs incurred by **LEAD ELIGIBLE ENTITY** after it took ownership of the Parcel for holding and transferring ownership of the Parcel and conveying an agricultural land easement on the Parcel. The amounts for such cost that may be included in the sale amount are limited to those paid to a third-party for the cost items selected below and may not in total amount exceed 10 percent of the Agricultural Value of the Parcel as determined by an appraisal. **LEAD ELIGIBLE ENTITY** must use the Form-NRCS-CPA-1269 to submit to NRCS the itemized list of the estimated and final holding and transaction cost amounts and required supporting evidence (see paragraphs 4(A)(5) and (6)) above).

Initial Each Selection	Holding and Transaction Cost Item <i>(Initial each cost item that may be included in the amount of the sale of the Parcel to the qualified farmer or rancher; List additional cost items in spaces provided; Cost items and amounts may not include entity's own administrative costs.)</i>
	Mortgage interest paid for the Parcel
	Property taxes paid for the Parcel
	Property insurance paid for the Parcel
	Title insurance paid for the Parcel
	Appraisal to determine fair market value of the agricultural land easement
	Appraisal to determine agricultural value of the Parcel <i>(if using an appraisal other than the original ACEP-ALE appraisal)</i>
	Boundary survey of the Parcel
	Closing and transaction costs for transfer of ownership of the Parcel to the qualified farmer or rancher
	Easement closing costs
	Phase-I environmental site assessment
	Easement baseline documentation report
	Easement mineral assessment report
	Other:
	Other:
	Other:
	Other:
For Post-Closing Transfers Only:	
	Costs for a holding company or other independent third-party legal entity to hold ownership of the Parcel for the period between agricultural land easement closing date and the date ownership of the Parcel is transferred the qualified farmer or rancher.
	Costs related to subsequent recording of documents used to identify Lead Eligible Entity as a holder of the agricultural land easement (e.g., transfer or assignment of agricultural land easement or amended agricultural land easement deed) once ownership of the Parcel is transferred to the qualified farmer or rancher.

<p>3. LEAD ELIGIBLE ENTITY FEE OWNERSHIP OF PARCEL: NRCS will determine whether LEAD ELIGIBLE ENTITY ownership of the Parcel meets the requirements as set forth in paragraphs 2(E) and 4(A)(3) and enter date of such ownership below or will notify LEAD ELIGIBLE ENTITY that this Parcel Contract has terminated.</p>		
Initial One Selection	As of the date of execution of this Parcel Contract, LEAD ELIGIBLE ENTITY:	Recording date of instrument vesting ownership of the Parcel in LEAD ELIGIBLE ENTITY <i>(Date to be Entered by NRCS)</i>
	Holds fee title ownership of the Parcel.	_____
	Is acquiring fee title ownership of the Parcel.	

C. FOR POST-CLOSING TRANSFERS ONLY:

Complete Items 4–7 below. **LEAD ELIGIBLE ENTITY** must initial selection or acknowledgement of information entered below.

4. POST-CLOSING TRANSFER SCENARIO SELECTION AND INFORMATION	
Initial One Selection	Post-closing transfer Scenario Description and Required Information <i>(Enter the required information for the selected scenario and attach additional information as needed to document the NRCS-approved legal arrangement for the post-closing transfer.)</i>
	INTERIM LANDOWNER SCENARIO: Prior to closing on the agricultural land easement, LEAD ELIGIBLE ENTITY will transfer fee title ownership of the Parcel to an interim landowner, that is a separate legal entity who will retain ownership of the Parcel until such ownership is conveyed to the qualified farmer or rancher. At the time the agricultural land easement is initially conveyed, LEAD ELIGIBLE ENTITY must be a holder (grantee) of the agricultural land easement and the interim landowner will be the owner of the Parcel. Interim landowner will transfer ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher.
	INTERIM EASEMENT HOLDER SCENARIO: At the time the agricultural land easement is initially conveyed, LEAD ELIGIBLE ENTITY will be the landowner of the Parcel and a separate Eligible Entity will be a holder (grantee) of the agricultural land easement holder. LEAD ELIGIBLE ENTITY will subsequently transfer ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher and at that time LEAD ELIGIBLE ENTITY must become a holder of the agricultural land easement. LEAD ELIGIBLE ENTITY must provide NRCS a copy of the recorded evidence that it is a holder of the agricultural land easement (e.g., transfer or assignment of agricultural land easement or amended agricultural land easement deed).

5. AGRICULTURAL LAND EASEMENT PLANNED CLOSING DATE		
Initial Below	Date entered must be within 2 fiscal years of the fiscal year in which this Parcel Contract is originally executed.	Date

6. QUARTERLY STATUS UPDATES: LEAD ELIGIBLE ENTITY agrees to provide a written update to NRCS by the end of each quarter (9/30, 12/31, 3/31, 6/30) on the efforts and status to secure the transfer of ownership to the qualified farmer or rancher and complete the buy-protect-sell transaction.	
Initial Below	At a minimum the update must include:
	<ul style="list-style-type: none"> • A summary of the progress to date in identifying and securing transfer of ownership to the qualified farmer or rancher; • The milestones and anticipated timeline for securing such transfer; • An update on barriers or challenges being encountered, if any; • Information on marketing, outreach, and advertising efforts, such as length of time Parcel listed on the market; and • Number of prospective buyers engaged.

7. REQUIRED AGRICULTURAL LAND EASEMENT DEED CLAUSE	
Initial Below	The following “ Buy-Protect-Sell Transaction Compliance Determination and Recordation of Notice ” clause must be included in the terms of the agricultural land easement deed.
	<i>Buy-Protect-Sell Transaction Compliance Determination and Recordation of Notice. This agricultural land easement is part of a “buy-protect-sell” transaction as defined by 7 CFR Part 1468.3 and the requirements for which are set forth in 7 CFR Part 1468.27. The buy-protect-sell transaction, including the first transfer of the fee ownership of the land subject to this ALE Deed, must be completed pursuant to the requirements set forth in 7 CFR Part 1468.27 and ACEP-ALE Parcel Contract [ENTER PARCEL CONTRACT NUMBER], as determined by NRCS in its sole discretion. If NRCS determines that the buy-protect-sell transaction requirements have not been met, Grantee must repay to the NRCS the entirety of any ACEP funds provided for the purchase of this agricultural land easement and the NRCS, on behalf of the United States, will record a quitclaim to divest the United States of its rights and interests in this ALE Deed. If NRCS determines the buy-protect-sell transaction requirements have been met, NRCS will record notice of its determination after which the rights and interests in this ALE Deed may only be extinguished, terminated, condemned, or amended pursuant to paragraphs 4 and 5 of this section.</i>

The following **ELIGIBLE ENTITIES** and Co-Holders, by entering their signatures, acknowledge receipt of this Form NRCS-CPA-1265-BPS-Appendix and agree to its terms and conditions thereof.

By signing this document, you acknowledge and agree that all the information provided is true and accurate on your behalf. Any false certifications made by signing this Appendix may subject the signatory to criminal and civil fraud statutes. You further acknowledge that you have read and accept all terms and conditions provided in this appendix.

ELIGIBLE ENTITY – SIGNATURE OF AUTHORIZED REPRESENTATIVE

(All signatory Eligible Entities must be party to the associated Program Agreement and must be identified on the Form NRCS-CPA-1266-BPS, “Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction” and any subsequent Form NRCS-CPA-1267-BPS, “Modification of the Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction,” for this Parcel Contract)

_____ Date _____
_____ Date _____
_____ Date _____
_____ Date _____

CO-HOLDERS – SIGNATURE OF AUTHORIZED REPRESENTATIVE

(All signatory Co-Holders must be signatory to the associated Program Agreement and must be identified on the Form NRCS-CPA-1266-BPS, “Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction” form and any subsequent Form NRCS-CPA-1267-BPS, “Modification of the Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction,” for this Parcel Contract)

_____ Date _____
_____ Date _____
_____ Date _____
_____ Date _____

THIRD-PARTY RIGHT HOLDERS – SIGNATURE OF AUTHORIZED REPRESENTATIVE

*(Optional, only required if ENTITY requires Third-Party Right Holders to Sign this appendix)
(All signatory Third-Party Right holders may be identified on the associated Program Agreement and must be identified on the Form NRCS-CPA-1266-BPS, “Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction” and any subsequent Form NRCS-CPA-1267-BPS, “Modification of the Schedule of Acquisition for Easements Through a Buy-Protect-Sell Transaction,” for this Parcel Contract)*

_____ Date _____

_____ Date _____

_____ Date _____

_____ Date _____

_____ Date _____

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To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: Program.intake@usda.gov.

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