

Bender

December 19, 2012

His Excellency Governor John H. Lynch
and
The Honorable Council

Dear Governor and Councilors:

REQUESTED ACTION

Holding of a public hearing and passage of a Resolution entitled: A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY ON BEHALF OF MONADNOCK ECONOMIC DEVELOPMENT CORPORATION IN KEENE. (For the text of the requested Resolution see Tab #1 below this letter of transmittal.)

The Authority respectfully requests that you hold a hearing, and, if you consider such action appropriate, make the statutory findings under RSA 162-I:9 with respect to the proposed issuance of up to \$5,000,000 Revenue Bonds by the Authority (the "Bonds") and the loan of the proceeds of the Bonds to Monadnock Economic Development Corporation (or any subsidiary or affiliate thereof, including 33 Winter St., LLC) (the "Borrower") to finance (i) the acquisition of approximately 0.58 acres of land located at 33 Winter Street, Keene, New Hampshire, and the demolition of an existing parking lot thereon, and (ii) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County court house to be leased by the State of New Hampshire for district and superior courts, including a parking garage and a parking lot in the City of Keene. The Authority recommends your favorable action and submits in support thereof the following materials with item numbers the same as the tab numbers for the attached documents.

1. A suggested form of resolution for adoption by the Governor and Council.
2. A letter from Edwards Wildman Palmer LLP, bond counsel, explaining this transaction.
3. Materials with respect to the Borrower and the facility consisting of Form BFA-1 dated August 23, 2012 submitted by the Borrower.
4. The commitment letter from Century Bank and Trust Company, as to its purchase of the Bonds.

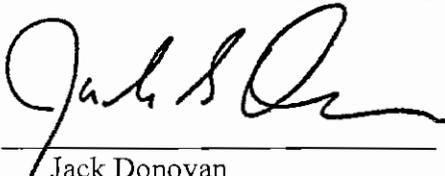
His Excellency Governor John H. Lynch
and
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Page 2

5. Information from the New Hampshire Department of Employment Security as to unemployment in the Keene area.
6. The proposed Loan and Security Agreement dated as of December 1, 2012.
7. The resolution adopted by the Authority.
8. A summary of required statutory findings of the Governor and Council with reference to materials supporting each finding.

The Authority will be glad to furnish any additional documentation and information which you may request.

Respectfully submitted,

BUSINESS FINANCE AUTHORITY OF
THE STATE OF NEW HAMPSHIRE

By: 
Jack Donovan
Executive Director

A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING AND OF A
COMMERCIAL FACILITY BY THE BUSINESS FINANCE
AUTHORITY FOR MONADNOCK ECONOMIC DEVELOPMENT CORPORATION

WHEREAS, the Governor and Council have received from the Business Finance Authority (the "Authority") its written recommendation that the Governor and Council make certain findings and a determination pursuant to RSA 162-I:9 with respect to the financing of a commercial facility for Monadnock Economic Development Corporation (or any subsidiary or affiliate thereof, including 33 Winter St., LLC) (the "Borrower") in Keene by the Authority's issue of approximately \$5,000,000 Revenue Bonds (the "Bonds") under RSA 162-I (the "Act");

WHEREAS, the Governor and Council have received all the documentation and information with respect to the transaction that they have requested; and

WHEREAS, further action by the Authority with respect to the transaction is subject to the passage of this resolution and cannot be taken until after its passage;

IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the Authority's recommendation and the documentation and information received by the Governor and Council, and after a public hearing, the Governor and Council find:

(a) Special findings:

(1) The Project (as completed, the "Facility") consists of a) the acquisition of approximately 0.58 acres of land located at 33 Winter Street, Keene, New Hampshire and the demolition of an existing parking lot thereon; and (b) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County courthouse, to be leased to the State of New Hampshire (the "State") and used for district and superior courts, including a 21-space parking garage to be located on the ground floor thereof and 14 adjacent outdoor parking spaces. The Project is within the definition of "Commercial facility" in the Act and may be financed under the Act.

(2) The establishment and operation of the Facility has created or preserved employment opportunities directly or indirectly within the State and is of a general benefit to the community as a whole.

(b) General findings:

- (1) The Project and the proposed financing of the Project are feasible;
- (2) The Borrower has demonstrated the skills and financial resources necessary to operate the Facility successfully;
- (3) The LOAN AND SECURITY AGREEMENT (which is a combined financing document and security document, hereinafter called the "Agreement") contains provisions so that under no circumstances will the Authority be obligated directly or indirectly to pay project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from Bond proceeds or from funds received under the Agreement, exclusive of funds received thereunder by the Authority for its own use;
- (4) The Agreement does not purport to create any debt of the State with respect to the Facility, other than a special obligation of the Authority acting on behalf of the State under the Act; and
- (5) The proposed financing of the Project by the Authority and the operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions, and will promote the general welfare of the State's citizens.

Section 2. Ultimate Finding and Determination. The Governor and Council find that the proposed financing, operation and use of the Facility serves a public use and provides a public benefit; and the Governor and Council determine that the Authority's financing of the Project will be within the policy of, and the authority conferred by, the Act.

Section 3. Approval. The Governor and Council approve the Authority's taking such further action under the Act with respect to the transaction as may be required.

Section 4. Effective Date. This resolution shall take effect upon its passage.

Passed and Agreed to December 19, 2012

Governor John H. Lynch

Councilor Raymond S. Burton

Councilor Daniel St. Hilaire

Councilor Christopher T. Sununu

Councilor Raymond J. Wiczorek

Councilor David K. Wheeler

EDWARDS

EDWARDS & KELLY LEGAL GROUP
100 NORTH STON AVENUE
BOZEHAM, MAH 02199
STATE OF NEW HAMPSHIRE
Tel: 603.227.4100 Fax: 603.227.4101
www.edwardsandkelly.com
Tab #2

December 19, 2012

His Excellency Governor John H. Lynch
and
The Honorable Council

Dear Governor and Councilors:

(BFA – Monadnock Economic Development Corporation/Cheshire County Courthouse)

In this transaction the Business Finance Authority of the State of New Hampshire (the “Authority”) will lend \$5,000,000 of revenue bond proceeds (the “Bonds”) to 33 Winter St., LLC (the “Borrower”), of which Monadnock Economic Development Corporation is the sole corporate member, for the purpose of (a) the acquisition of approximately 0.58 acres of land located at 33 Winter Street, Keene, New Hampshire and the demolition of an existing parking lot thereon; and (b) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County courthouse, to be used by the State of New Hampshire (the “State”) for district and superior courts, including a 21-space parking garage to be located on the ground floor thereof and 14 adjacent outdoor parking spaces. The court house is expected to be leased to the City of Keene, New Hampshire (the “City”) and subleased by the City to, and operated by, the State.

The Bonds will be issued and the loan will be made pursuant to the LOAN AND SECURITY AGREEMENT (the “Agreement”). The Bonds will be privately purchased by Century Bank and Trust Company (the “Bank”). The Bonds will bear interest initially at a fixed rate for 15 years, based on the tax-exempt equivalent of the Federal Home Loan Bank Classic 15-Year Advance Rate in effect two business days prior to closing of the Bonds, plus 2.75%, but not less than 4.45%. The rate on the Bonds will be reset on the 15th anniversary of the closing date, calculated based on the Bank’s then tax-exempt equivalency factor times the sum of the then-current Federal Home Loan Bank Classic 10-Year Advance Rate, plus 2.75%, but not less than 4.45%.

The Authority’s obligation to pay the Bonds is actually to be performed by the Borrower, which is unconditionally responsible for that performance. As in all transactions under RSA 162-I, neither the Authority’s money nor other public funds will or can be used to pay the Bonds. Provisions appropriate for achieving this result, as required by RSA 162-I, are contained in the Agreement.

EDWARDS

His Excellency Governor John H. Lynch

and

The Honorable Council

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In summary, the details of this transaction are essentially the same as in many prior bond issues, and there is nothing new or unusual involved.

Edwards Wildman Palmer LLP

EDWARDS WILDMAN PALMER LLP

A visitor to your Web site has filled out the form located at:
<http://nhbfa.com/Application-for-Official-Intent-Nonprofit-Bond.html>

Name of Applicant Name of Applicant: Monadnock Economic Development Corp. (MEDC) on behalf of
12 Court St, LLC
Contact Contact: Jack Dugan
Address Address (Include City, State, Zip):

51 Railroad Street
Suite 101
Keene, NH 03431

Title Title: President

Phone Phone: (603) 352-4939 ext. 111

Name and Address of Owner of Pro Name and Address of Owner of Project (if different):

Name and Address of Lessees of P Name and Address of Lessees of Project (if any):

City of Keene (Master Tenant), 3 Washington Street, Keene, NH 03431

State of New Hampshire (Sub-tenant), Admin. Services, State House Annex, Room 420, Capital Street,
Concord, NH 03301

Amount of Bond Issue Amount of Bond Issue: \$5,000,000

Address of Project Site Address of Project Site:

Winter Street, Keene, NH 03431

Project Description Briefly Describe the Project:

MEDC/12 Court St LLC will construct a new Cheshire County Courthouse on Winter Street in Downtown Keene. The building, which will include District and Superior Courts as well as 35 parking spaces for Court employees, will be lease by the City of Keene/State of New Hampshire for 15 years with two, five-year options to renew.

Acquisition Est Cost Land Acquisition Est. Cost: \$750,000
Acquisition Size acres Acquisition Size (acres): .58 acres or 25,685 square feet
Building Acquisition Est Cost Building Acquisition Est. Cost:
Building Acquisition Size sq Acquisition Size (sq ft):
Building Construction Est Cost Building Construction Est. Cost: \$9,800,000
Construction Size sq ft Construction Size (sq ft): 49,600 square feet
Building Reno Cost Building Renovation Est. Cost:
Renovation size sq ft Renovation Size (sq ft):
Equipment Acquisition Est Cost Equipment Acquisition Est. Cost:
Cost of Bond Issuance Cost of Bond Issuance: TBD
Other describe Other (describe):

Acquiring used equipment

Effects on Environment Describe the effect the project has on the environment:

The site is an existing parking lot in Downtown Keene. Public water and sewer will serve the building. Parking is under the building. No impact to the environment.

Start Date Project Start Date: December 2012

Project Completion Project Completion Date: December 2013

Jobs Created Jobs Created by Facility: 80 FTE jobs

Jobs Preserved Jobs Preserved: 35 jobs

Job Description Describe the types of jobs created or preserved, their wage and salary levels, and, if applicable, when the jobs will be created:

The 80 new jobs is an estimate of construction jobs.

The 35 retained/preserved jobs are courthouse employees in Downtown Keene.

Contractor Info Names and Addresses of contractors and subcontractors of the project:

MacMillin Company (construction manager)

17 Elm Street

Keene, NH 03431

Applicant Info Describe the Applicant (and if applicable the owner and the lessees). Include a brief history of the Applicant, its principal products and its consumers:

MEDC is a non-profit, regional economic development corporation established in 1986. MEDC's mission is to help create and preserve jobs, broaden the tax base, and promote economic and community development in southwestern New Hampshire. MEDC accomplishes its mission by developing/redeveloping real estate, making loans to growing businesses, recruiting new businesses, and assisting existing businesses expand in the region.

Applicant management personnel Briefly describe the Applicant (and if applicable the owner and the lessees) key management personnel:

Jack Dugan has been president of MEDC since 1991. In his capacity as president Jack has participated in the development of over \$1.5 million square feet and helped area businesses create hundreds of new jobs.

Bob Elliott has been CFO of MEDC for over three years. Bob is a CPA and has been involved in numerous real estate development projects. Bob has also served as CFO for a variety of for-profit and non-profit businesses in his career.

Applicant Equal Opp Applicant is equal opportunity employer

Owner Equal Opp The owner?

Lessee Equal Opp The lessee?

Other Info Please provide any other information of which you believe the BFA should be aware in considering this application:

This project is a New Markets Tax Credit funded project. It has received funding support in the form of loans as well as political support from the City Council in Keene and the Cheshire County Delegation.

Date Date: 10-29-2012

Signature Authorized E-Signature of Officer of Applicant: John G. Dugan

Regards,
The Homestead Team



kimberly r. palmer *designer, KRUSHgraphics & paper
krush*

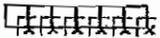
603.918.6089 kimberly.rushforth@gmail.com

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keep it fresh. support small. support local.



Century Bank

Our family's bank. And yours.

August 23, 2012

CONFIDENTIAL

Jack Dugan
12 Court St., LLC
c/o MEDC
51 Railroad Street
Keene, New Hampshire 03431

Dear Jack:

I am pleased to advise you that Century Bank and Trust Company (the "Bank") and its designated affiliate, Century Subsidiary Investments, Inc. III (the "Purchaser"), have approved the following financing commitment to 12 Court St., LLC (the "Borrower"), subject to the terms and conditions set forth below, as part of a New Market Tax Credit ("NMTC") structure to finance the development of the Project (as defined below). The proceeds of the Bonds will be used to make a loan (the "Leveraged Loan") to an investment fund (the "Investment Fund"), which, in turn, will contribute the proceeds of the Leveraged Loan, together with other loan proceeds and an equity investment to be made by the designated NMTC investor (the "NMTC Investment"), to make an equity investment in NHBFA SUB-CDE and MHIC SUB-CDE (together with any subsidiaries, collectively the "CDE"). The CDE will use the equity investment to make loans (the "QLICI Loans") to 12 Court St., LLC (together with any affiliate or subsidiary, the "Project Owner" or the "QALICB"). Our willingness to provide this financing commitment is conditioned upon the satisfaction of all terms and conditions listed below.

I. Credit Facility: The Purchaser is pleased to offer the following facility:

Tax-exempt bond financing in an amount up to \$5,000,000 (the "Bonds"). The Bonds will be issued by the Business Finance Authority of the State of New Hampshire Health (the "Issuer") and purchased by the Purchaser. Proceeds of the Bonds shall be used to make the Leveraged Loan to the Investment Fund, on a senior basis, which in turn will use such proceeds, together with the NMTC equity investment and other loan proceeds, to make an equity investment in the CDE.

Purpose: The QLICI Loans will be used to acquire property (the "Premises") and to finance the development, design, construction, installation, equipping and furnishing of a courthouse and related parking

facilities thereon (collectively, the "Project"), to be located in the City of Keene, New Hampshire (the "City"). The Project will be leased by the Project Owner to the City (the "Project Lease"), and subleased by the City to the State of New Hampshire (the "State"), pursuant to a Master Lease between the City and the State (the "Master Lease").

Maturity: Twenty-five years from closing.

Interest Rate: The Bonds shall bear interest at an initial fixed rate for 15 years, based on the tax-exempt equivalent of the Federal Home Loan Bank Classic 15-Year Advance Rate in effect two business days prior to closing, plus 2.75%, but not less than 4.45%. The rate on the Bonds will be reset on the 15th anniversary of the closing date, calculated based on the Bank's then tax-exempt equivalency factor times the sum of the then-current Federal Home Loan Bank Classic 10-Year Advance Rate (the "FHLB Rate"), plus 2.75%, but not less than 4.45%.

If for any reason the FHLB Rate is no longer being published at the reset date, the Purchaser shall select a comparable index.

To the extent that interest on the Bonds is or becomes taxable at any time during the term, the Bonds will bear interest at a taxable rate (calculated based on the applicable index plus 2.75%, but not less than 5.65%).

Payments: Interest only payments for the first seven years. Thereafter, level monthly payments of principal and interest based on a 23-year amortization. At the end of the seventh year, there will be a mandatory redemption equal to \$350,000.

All outstanding principal and interest on the Bonds shall be due at maturity.

Commitment Fee: One percent (1%) of the par amount of the Bonds.

Collateral: The Purchaser will receive an assignment of all of the lender's interest in the Leveraged Loan, and the security therefor, including the Investment Fund's membership interest in the CDE, with an endorsement to the Purchaser (or as otherwise directed by the Purchaser) of the promissory note evidencing the Leveraged Loan.

The QLICI Loans shall be secured by a mortgage on the Project,

and an assignment of the leases and rents from the Project. The City will be required to secure its obligations under the Project Lease through an assignment to the Project Owner of the City's rights in the Master Lease (the "Master Assignment"). The Project Owner's assignment of leases and rents from the Project shall specifically include the Project Owner's interest in the Master Assignment.

**Disbursement
Agreement:**

The Bank, on behalf of the Purchaser, shall be a party to the agreement governing the disbursement of QLICI Loan funds, and no funds shall be disbursed for the Project without the Bank's prior approval.

**Reserve
Accounts:**

One or more reserve accounts (collectively, the "Account") will be established under the Bond documents to be held by the Bank. The Account will be funded in an aggregate amount equal to \$950,000, comprising \$500,000 of Bond proceeds and \$450,000 from the Project Owner's developer's fee. Amounts may be disbursed from the Account only with the prior consent of the Purchaser, provided that the Purchaser will agree that \$245,000 (representing \$200,000 of Bond proceeds and \$45,000 of developer fee) may be disbursed from the Account to the Project Owner, in partial payment of its development fee, during the first month of construction and after issuance of the building permit for the Project. The balance of the developer fee, net of any expenses not otherwise funded from the construction contingency for the Project, will be disbursed, so long as no default then exists under the Bond documents or the QLICI Loan documents, upon the issuance of a final certificate of occupancy for the Project.

**Prepayment
Penalty:**

If the Bonds are redeemed prior to maturity, a redemption premium shall apply equal to a yield maintenance fee calculated for the remaining current interest rate period; provided, however, that if the Bonds are redeemed using funds from grants or from operations, there shall be no redemption premium due.

II. Financial Covenants and
Financial Reporting Requirements:

**Financial
Covenants:**

Debt Service Coverage Ratio. The QLICI Loan documents shall include provisions requiring the Project Owner to maintain a ratio of "Operating Cash Flow" to "Total Debt Service" equal to at least 1.20 to 1.00, tested annually, beginning at the end of the Project Owner's first full fiscal year following substantial completion of the Project. "Operating Cash Flow" shall mean, for any period, net operating income (excluding non-recurring income and expenses) of the Project Owner. "Total Debt Service" shall mean, the total of (i) all principal payments made or coming due in respect of the Bonds and other indebtedness, including capitalized leases, during the current year, and (ii) interest charges or expenses paid or required to be paid on such indebtedness during such period. In calculating Operating Cash Flow, amounts released from the Account with the consent of the Purchaser may be included.

Loan to Value Ratio. The principal amount of the Bonds shall not exceed 70% of the "as completed" appraised value of the Project.

**Financial
Reporting:**

The QLICI Loan documents shall include provisions requiring the Project Owner to provide the following to the Purchaser:

- Within 120 days after the end of each fiscal year of the Project Owner, annual audited financial statements, in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year, prepared in accordance with GAAP consistently applied, and audited by independent certified public accountants acceptable to the Bank/Purchaser.
- Within 120 days after the end of each fiscal year of the Project Owner, the annual budget and financial projections for the then current fiscal year, in form and substance satisfactory to the Bank/Purchaser.
- Such additional information as the Bank/Purchaser reasonably may request.

III. Additional Terms:

**Deposit
Accounts:**

The Borrower shall establish within 60 days following the closing and maintain throughout the term of the Bonds a depository account at the Bank from which debt service due on the Bonds shall be deducted automatically.

Appraisal:

The Bank shall have received, at the expense of the Borrower/Project Owner, an "as completed" appraisal of the Project, indicating a loan to value ratio not in excess of 70% of the principal amount of the Bonds.

**Title
Insurance:**

The CDE shall receive at closing, at the expense of the Project Owner, a standard form American Land Title Association ("ALTA") Mortgagee's Title Insurance Policy for the Premises insuring the full amount of the QLICI Loans, in form and substance acceptable to the Bank. The title insurance policy shall be issued by a title insurance company acceptable to the Bank and shall contain no exceptions, except those that the Bank shall approve in advance of closing in writing. The title insurance policy shall affirmatively insure against all mechanics' and materialmen's liens, and that the Premises have access to a public way for the contemplated purposes of the Project, and shall contain such other endorsements as are required by the Bank.

**Condition of
Property:**

As a condition to the Purchaser purchasing the Bonds, the Bank shall have received, at the expense of the Borrower/Project Owner:

(i) Provide a Phase I Report on the Premises, conducted by a licensed site professional approved by the Bank that shall be complete and free of qualification, and, without limitation, shall disclose that the Premises are free of oil and hazardous substances, wastes and materials, as defined by the Superfund Amendments and Reauthorization Act of 1986, as amended, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and regulations promulgated pursuant to such federal and state statutes. In the case of improvements on the Premises (and in such other circumstances as the Bank shall require), the reports shall, without limitation, indicate there is no asbestos, radon or lead paint present.

(ii) A current instrument survey (or such other plan as is

sufficient to delete the survey exception from the title insurance policy) of the Premises satisfactory in form and substance to the Bank and its counsel, in conformity with survey standards of ALTA showing all existing improvements, physical conditions and all other matters affecting the title to and use of the Premises, prepared by a licensed surveyor acceptable to the Bank, and certified by such surveyor to the CDE and to the title insurance company insuring the facility, such certificate to be satisfactory in form and substance to the Bank. The certificate should also include a determination as to whether the Premises lie within a federally designated flood hazard area. If the survey discloses any violations or discrepancies, the facilities will not close without the Bank's consent, to be given or denied in the Bank's sole discretion. The site plans for the Premises shall include evidence as to access to public ways and evidence as to the availability of all typical public utilities from public streets or by easements approved by the Bank.

(iii) An opinion of counsel, in form and substance satisfactory to the Bank and its counsel, to the effect that the Premises and the use to which the Premises are to be put complies with the current zoning ordinance (or is a lawfully existing, non-conforming structure or use), or alternatively a zoning endorsement to the title insurance policy in form and substance satisfactory to the Bank and its counsel.

(iv) Evidence satisfactory to the Bank and its counsel that the Project complies with all applicable material handicapped access, architectural barriers, tidelands, wetlands, zoning, subdivision, building, environmental, pollution and other governmental laws, statutes, judicial decisions, rules, regulations and requirements, and also all private restrictions and covenants affecting the Project.

(v) Copies of all material permits, certificates, consents, licenses and approvals necessary from the appropriate governmental or private authorities or agencies relating to the acquisition and/or construction of the Project, given the status of the Project at the time of closing.

(vi) Copies of all leases and occupancy agreements, including a copy of the executed Master Lease, and all management, service, employment and other contracts or arrangements affecting the use or operation of the Project, all of which shall be in form and substance acceptable to the Bank, together with such estoppels,





consents, subordination agreements and certificates applicable thereto as the Bank shall require.

**Late Charge/
Default Rate:**

A late charge of 5% shall apply to any payment on the Bonds not received within five days of the due date thereof. After the occurrence of a default that is not waived or cured within any applicable notice/grace period, the Bonds shall bear interest at a rate of 5% above the then current rate.

**No Material
Changes:**

At the time of closing, there shall not be material, adverse changes in (i) the business, assets, operations, condition (financial or otherwise) or properties of the Borrower from those relied on in preparing this commitment or in the facts and information as represented to date as determined by the Bank in its discretion, or (ii) the banking, financial or capital markets, as determined by the Bank in its discretion.

**Contingent
Liabilities:**

At the time of closing, neither the Borrower nor the Project Owner shall have any material contingent liabilities or pending litigation that could result in material liabilities or contingent liabilities not previously disclosed by the Borrower to the Bank in writing.

Documentation:

Execution and delivery of such documentation as the Bank/Purchaser or its counsel deem necessary to evidence and document the facilities contemplated hereby, including with respect to the issuance of the Bonds, the formation of the Investment Fund and the CDE, the making of the Leveraged Loan and the QLICI Loans, and the funding of the Project, all such documentation to be in form and substance satisfactory to the Bank/Purchaser and its counsel and including such covenants, reporting requirements, disbursement conditions, events of default and terms as the Bank deems necessary. The Purchaser's obligations hereunder also are expressly contingent on the Bank's review and approval of the final Financial Projections for the Project.

Disbursing Agent:

The Bank will serve, at the Borrower's expense, as Disbursing Agent to hold and disburse Bond funds.

**Other
Conditions:**

In addition to any other documents required herein, the Borrower shall, or shall cause the Project Owner to, furnish the Bank/Purchaser with each of the following documents at the Borrower's/Project Owner's expense, the delivery of which, in form and content satisfactory to the Bank, shall constitute conditions precedent to closing the facility:

(i) Legal opinions by the Borrower's and the Project Owner's counsel in form and substance satisfactory to the Bank and its counsel, covering any and all matters which the Bank in its sole discretion deems necessary, and an unqualified written opinion of bond counsel with a reliance letter in favor of the Purchaser, in form and substance reasonably satisfactory to the Bank and its counsel, with respect to the due authorization and issuance of the Bonds by the Issuer and the exemption of interest on the Bonds from federal and state income taxes.

(ii) Evidence of property and casualty insurance for the Project that is satisfactory in form and substance to the Bank and complying with the provisions in the QLICI Loan documents pertaining to insurance. Without limiting the foregoing, the Project Owner shall be required to comply with the following insurance requirements:

(a) The Project Owner shall obtain and maintain (or cause to be obtained and maintained) in effect an original fire and casualty insurance policy, on a full replacement value basis, in a form and issued by a company or companies satisfactory to the Bank. The original policy or policies shall contain a mortgagee clause naming the CDE as mortgagee and loss payee, a copy of which shall be supplied to the Bank, together with a paid, receipted bill for no less than one annual premium at closing.

(b) The amount of insurance shall be sufficient to prevent the application of any insurance policy coinsurance contribution on any loss but shall in no event be less than the principal amount of the QLICI Loans. Provisions for a 30-day advance notice to the Mortgagee of policy cancellation or material change shall be contained within the policy or policies, to the extent commercially available, and if not, the longest notice that is commercially available. Coverage included within the policy or policies insuring the Project shall not be less than that encompassed by "Cause of Loss - Special Form" (Insurance

Services Offices forms) insuring the Premises to the full-replacement value. The Bank reserves the right to require additional physical damage hazard insurance, following its review of the Project documents.

(c) The CDE will additionally be supplied with evidence of comprehensive general liability insurance covering the Project in form and amounts satisfactory to the Bank. Such evidence of insurance shall be in the form of a certificate of insurance in favor of the CDE, with provisions therein for an obligatory 30-day advance notice to the Mortgagee of policy cancellation or material change to the policy, to the extent commercially available, and if not, the longest notice that is commercially available, and a clause naming the CDE as an additional insured and loss payee.

(d) Builder's risk insurance.

(e) Any failure on the part of the CDE to secure physical evidence of any insurance required shall not relieve the Project Owner of its responsibilities to maintain such insurance.

(f) The CDE shall be authorized and empowered, at its sole option, to collect and receive, or cause to be collected and received for its account, the proceeds from any insurance policy covering the Project in excess of \$250,000. Said proceeds shall be held and expended for the repair, restoration or rebuilding of the Project or, at the CDE's election, the proceeds may be applied to outstanding indebtedness of the Project Owner to the CDE.

(iii) Other documents or matters as may be required by the Bank to carry out the provisions and intent of this commitment.

**Indemnification
And Expenses:**

Whether or not the facilities described herein are completed, the Borrower/Project Owner shall reimburse the Bank for all expenses related to this commitment, including, but not limited to, fees for Bank counsel, appraisals, environmental reports, and due diligence examinations. Greenberg Traurig LLP will serve as counsel to the Purchaser/Bank.

All expenses of the Bank connected with the facility shall be due and payable at or prior to closing, and the Borrower/Project Owner agrees to pay such fees and expenses, and to hold harmless and to

indemnify the Bank/Purchaser against claims of brokers arising in connection with the execution of this commitment by the Bank or the issuance and purchase of the Bonds, whether or not the facility closes and whether or not this commitment is terminated for any reason, other than due to any default by the Bank or the Purchaser.

**No Other
Financing:**

Neither the Borrower nor the Project Owner may incur any further indebtedness, or lien or pledge as security any of the Project, or the rights in the Master Lease, other than (i) existing indebtedness and liens permitted by the Bank as of the closing, and (ii) capitalized leases and other purchase money indebtedness in an amount to be agreed to by the Borrower, the CDE and the Bank prior to closing.

Representations:

This commitment has been issued to the Borrower on the basis of certain information and materials provided by the Borrower to the Bank or its agents, including, without limitation, the representations, information, exhibits, data and other materials submitted with, and in support of, the Borrower's loan application. Any misinformation or withholding of material information incident thereto shall, at the option of the Bank and without limitation to any other right or remedy of the Bank, void all of the Bank/Purchaser's obligations hereunder.

Modifications:

This commitment may be amended only in a writing executed by the Borrower and the Bank.

Assignability:

This commitment shall not be assignable by the Borrower without the prior written consent of the Bank, and the facility shall not be assumable.

By the acceptance of this commitment, the Borrower agrees that any terms and conditions expressed herein which in any way related to events or requirements occurring after closing, and which are not included in the Bond documents, shall survive closing of the Bonds and are to remain in full force until the payment in full of the principal of the Bonds, plus all accumulated interest and other associated costs.

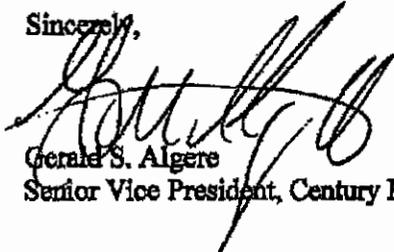
If you are in acceptance with these terms and conditions, please indicate your acceptance by signing below and returning an executed copy to my attention by September 6, 2012, and returning the same with a check in the amount of \$5,000, to be applied to the Bank's expenses and other closing costs. Unless so accepted, this commitment will expire on such date. If the Bonds do not issue by November 1, 2012, the Bank may, at its option, terminate this commitment and its obligations contained herein. In the meantime, if you have any questions,

12 Court St., LLC
August 23, 2012
Page 11

please call me. This commitment is not assignable by the Borrower and supersedes any and all prior understandings or commitments regarding the substance of this letter.

We look forward to a mutually rewarding relationship.

Sincerely,



Gerald S. Algere
Senior Vice President, Century Bank and Trust Company

ACCEPTED:

12 COURT ST., LLC

By:


Its Duly Authorized Representative

Century Bank

Our family's bank. And yours.

August 23, 2012

CONFIDENTIAL

Jack Dugan
12 Court St., LLC
c/o MEDC
51 Railroad Street
Keene, New Hampshire 03431

Dear Jack:

I am pleased to advise you that Century Bank and Trust Company (the "Bank") and its designated affiliate, Century Subsidiary Investments, Inc. III (the "Purchaser"), have approved the following financing commitment to 12 Court St., LLC (the "Borrower"), subject to the terms and conditions set forth below, as part of a New Market Tax Credit ("NMTC") structure to finance the development of the Project (as defined below). The proceeds of the Bonds will be used to make a loan (the "Leveraged Loan") to an investment fund (the "Investment Fund"), which, in turn, will contribute the proceeds of the Leveraged Loan, together with other loan proceeds and an equity investment to be made by the designated NMTC investor (the "NMTC Investment"), to make an equity investment in NHBFA SUB-CDE and MHIC SUB-CDE (together with any subsidiaries, collectively the "CDE"). The CDE will use the equity investment to make loans (the "QLICI Loans") to 12 Court St., LLC (together with any affiliate or subsidiary, the "Project Owner" or the "QALICB"). Our willingness to provide this financing commitment is conditioned upon the satisfaction of all terms and conditions listed below.

I. Credit Facility: The Purchaser is pleased to offer the following facility:

Tax-exempt bond financing in an amount up to \$5,000,000 (the "Bonds"). The Bonds will be issued by the Business Finance Authority of the State of New Hampshire Health (the "Issuer") and purchased by the Purchaser. Proceeds of the Bonds shall be used to make the Leveraged Loan to the Investment Fund, on a senior basis, which in turn will use such proceeds, together with the NMTC equity investment and other loan proceeds, to make an equity investment in the CDE.

Purpose: The QLICI Loans will be used to acquire property (the "Premises") and to finance the development, design, construction, installation, equipping and furnishing of a courthouse and related parking

facilities thereon (collectively, the "Project"), to be located in the City of Keene, New Hampshire (the "City"). The Project will be leased by the Project Owner to the City (the "Project Lease"), and subleased by the City to the State of New Hampshire (the "State"), pursuant to a Master Lease between the City and the State (the "Master Lease").

Maturity: Twenty-five years from closing.

Interest Rate: The Bonds shall bear interest at an initial fixed rate for 15 years, based on the tax-exempt equivalent of the Federal Home Loan Bank Classic 15-Year Advance Rate in effect two business days prior to closing, plus 2.75%, but not less than 4.45%. The rate on the Bonds will be reset on the 15th anniversary of the closing date, calculated based on the Bank's then tax-exempt equivalency factor times the sum of the then-current Federal Home Loan Bank Classic 10-Year Advance Rate (the "FHLB Rate"), plus 2.75%, but not less than 4.45%.

If for any reason the FHLB Rate is no longer being published at the reset date, the Purchaser shall select a comparable index.

To the extent that interest on the Bonds is or becomes taxable at any time during the term, the Bonds will bear interest at a taxable rate (calculated based on the applicable index plus 2.75%, but not less than 5.65%).

Payments: Interest only payments for the first seven years. Thereafter, level monthly payments of principal and interest based on a 23-year amortization. At the end of the seventh year, there will be a mandatory redemption equal to \$350,000.

All outstanding principal and interest on the Bonds shall be due at maturity.

Commitment Fee: One percent (1%) of the par amount of the Bonds.

Collateral: The Purchaser will receive an assignment of all of the lender's interest in the Leveraged Loan, and the security therefor, including the Investment Fund's membership interest in the CDE, with an endorsement to the Purchaser (or as otherwise directed by the Purchaser) of the promissory note evidencing the Leveraged Loan.

The QLICI Loans shall be secured by a mortgage on the Project,

and an assignment of the leases and rents from the Project. The City will be required to secure its obligations under the Project Lease through an assignment to the Project Owner of the City's rights in the Master Lease (the "Master Assignment"). The Project Owner's assignment of leases and rents from the Project shall specifically include the Project Owner's interest in the Master Assignment.

**Disbursement
Agreement:**

The Bank, on behalf of the Purchaser, shall be a party to the agreement governing the disbursement of QLICI Loan funds, and no funds shall be disbursed for the Project without the Bank's prior approval.

**Reserve
Accounts:**

One or more reserve accounts (collectively, the "Account") will be established under the Bond documents to be held by the Bank. The Account will be funded in an aggregate amount equal to \$950,000, comprising \$500,000 of Bond proceeds and \$450,000 from the Project Owner's developer's fee. Amounts may be disbursed from the Account only with the prior consent of the Purchaser, provided that the Purchaser will agree that \$245,000 (representing \$200,000 of Bond proceeds and \$45,000 of developer fee) may be disbursed from the Account to the Project Owner, in partial payment of its development fee, during the first month of construction and after issuance of the building permit for the Project. The balance of the developer fee, net of any expenses not otherwise funded from the construction contingency for the Project, will be disbursed, so long as no default then exists under the Bond documents or the QLICI Loan documents, upon the issuance of a final certificate of occupancy for the Project.

**Prepayment
Penalty:**

If the Bonds are redeemed prior to maturity, a redemption premium shall apply equal to a yield maintenance fee calculated for the remaining current interest rate period; provided, however, that if the Bonds are redeemed using funds from grants or from operations, there shall be no redemption premium due.

II. **Financial Covenants and
Financial Reporting Requirements:**

**Financial
Covenants:**

Debt Service Coverage Ratio. The QLICI Loan documents shall include provisions requiring the Project Owner to maintain a ratio of "Operating Cash Flow" to "Total Debt Service" equal to at least 1.20 to 1.00, tested annually, beginning at the end of the Project Owner's first full fiscal year following substantial completion of the Project. "Operating Cash Flow" shall mean, for any period, net operating income (excluding non-recurring income and expenses) of the Project Owner. "Total Debt Service" shall mean, the total of (i) all principal payments made or coming due in respect of the Bonds and other indebtedness, including capitalized leases, during the current year, and (ii) interest charges or expenses paid or required to be paid on such indebtedness during such period. In calculating Operating Cash Flow, amounts released from the Account with the consent of the Purchaser may be included.

Loan to Value Ratio. The principal amount of the Bonds shall not exceed 70% of the "as completed" appraised value of the Project.

**Financial
Reporting:**

The QLICI Loan documents shall include provisions requiring the Project Owner to provide the following to the Purchaser:

- Within 120 days after the end of each fiscal year of the Project Owner, annual audited financial statements, in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year, prepared in accordance with GAAP consistently applied, and audited by independent certified public accountants acceptable to the Bank/Purchaser.
- Within 120 days after the end of each fiscal year of the Project Owner, the annual budget and financial projections for the then current fiscal year, in form and substance satisfactory to the Bank/Purchaser.
- Such additional information as the Bank/Purchaser reasonably may request.

III. Additional Terms:

**Deposit
Accounts:**

The Borrower shall establish within 60 days following the closing and maintain throughout the term of the Bonds a depository account at the Bank from which debt service due on the Bonds shall be deducted automatically.

Appraisal:

The Bank shall have received, at the expense of the Borrower/Project Owner, an "as completed" appraisal of the Project, indicating a loan to value ratio not in excess of 70% of the principal amount of the Bonds.

**Title
Insurance:**

The CDE shall receive at closing, at the expense of the Project Owner, a standard form American Land Title Association ("ALTA") Mortgagee's Title Insurance Policy for the Premises insuring the full amount of the QLICI Loans, in form and substance acceptable to the Bank. The title insurance policy shall be issued by a title insurance company acceptable to the Bank and shall contain no exceptions, except those that the Bank shall approve in advance of closing in writing. The title insurance policy shall affirmatively insure against all mechanics' and materialmen's liens, and that the Premises have access to a public way for the contemplated purposes of the Project, and shall contain such other endorsements as are required by the Bank.

**Condition of
Property:**

As a condition to the Purchaser purchasing the Bonds, the Bank shall have received, at the expense of the Borrower/Project Owner:

(i) Provide a Phase I Report on the Premises, conducted by a licensed site professional approved by the Bank that shall be complete and free of qualification, and, without limitation, shall disclose that the Premises are free of oil and hazardous substances, wastes and materials, as defined by the Superfund Amendments and Reauthorization Act of 1986, as amended, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and regulations promulgated pursuant to such federal and state statutes. In the case of improvements on the Premises (and in such other circumstances as the Bank shall require), the reports shall, without limitation, indicate there is no asbestos, radon or lead paint present.

(ii) A current instrument survey (or such other plan as is

sufficient to delete the survey exception from the title insurance policy) of the Premises satisfactory in form and substance to the Bank and its counsel, in conformity with survey standards of ALTA showing all existing improvements, physical conditions and all other matters affecting the title to and use of the Premises, prepared by a licensed surveyor acceptable to the Bank, and certified by such surveyor to the CDE and to the title insurance company insuring the facility, such certificate to be satisfactory in form and substance to the Bank. The certificate should also include a determination as to whether the Premises lie within a federally designated flood hazard area. If the survey discloses any violations or discrepancies, the facilities will not close without the Bank's consent, to be given or denied in the Bank's sole discretion. The site plans for the Premises shall include evidence as to access to public ways and evidence as to the availability of all typical public utilities from public streets or by easements approved by the Bank.

(iii) An opinion of counsel, in form and substance satisfactory to the Bank and its counsel, to the effect that the Premises and the use to which the Premises are to be put complies with the current zoning ordinance (or is a lawfully existing, non-conforming structure or use), or alternatively a zoning endorsement to the title insurance policy in form and substance satisfactory to the Bank and its counsel.

(iv) Evidence satisfactory to the Bank and its counsel that the Project complies with all applicable material handicapped access, architectural barriers, tidelands, wetlands, zoning, subdivision, building, environmental, pollution and other governmental laws, statutes, judicial decisions, rules, regulations and requirements, and also all private restrictions and covenants affecting the Project.

(v) Copies of all material permits, certificates, consents, licenses and approvals necessary from the appropriate governmental or private authorities or agencies relating to the acquisition and/or construction of the Project, given the status of the Project at the time of closing.

(vi) Copies of all leases and occupancy agreements, including a copy of the executed Master Lease, and all management, service, employment and other contracts or arrangements affecting the use or operation of the Project, all of which shall be in form and substance acceptable to the Bank, together with such estoppels,

consents, subordination agreements and certificates applicable thereto as the Bank shall require.

**Late Charge/
Default Rate:**

A late charge of 5% shall apply to any payment on the Bonds not received within five days of the due date thereof. After the occurrence of a default that is not waived or cured within any applicable notice/grace period, the Bonds shall bear interest at a rate of 5% above the then current rate.

**No Material
Changes:**

At the time of closing, there shall not be material, adverse changes in (i) the business, assets, operations, condition (financial or otherwise) or properties of the Borrower from those relied on in preparing this commitment or in the facts and information as represented to date as determined by the Bank in its discretion, or (ii) the banking, financial or capital markets, as determined by the Bank in its discretion.

**Contingent
Liabilities:**

At the time of closing, neither the Borrower nor the Project Owner shall have any material contingent liabilities or pending litigation that could result in material liabilities or contingent liabilities not previously disclosed by the Borrower to the Bank in writing.

Documentation:

Execution and delivery of such documentation as the Bank/Purchaser or its counsel deem necessary to evidence and document the facilities contemplated hereby, including with respect to the issuance of the Bonds, the formation of the Investment Fund and the CDE, the making of the Leveraged Loan and the QLICI Loans, and the funding of the Project, all such documentation to be in form and substance satisfactory to the Bank/Purchaser and its counsel and including such covenants, reporting requirements, disbursement conditions, events of default and terms as the Bank deems necessary. The Purchaser's obligations hereunder also are expressly contingent on the Bank's review and approval of the final Financial Projections for the Project.

Disbursing Agent:

The Bank will serve, at the Borrower's expense, as Disbursing Agent to hold and disburse Bond funds.

**Other
Conditions:**

In addition to any other documents required herein, the Borrower shall, or shall cause the Project Owner to, furnish the Bank/Purchaser with each of the following documents at the Borrower's/Project Owner's expense, the delivery of which, in form and content satisfactory to the Bank, shall constitute conditions precedent to closing the facility:

(i) Legal opinions by the Borrower's and the Project Owner's counsel in form and substance satisfactory to the Bank and its counsel, covering any and all matters which the Bank in its sole discretion deems necessary, and an unqualified written opinion of bond counsel with a reliance letter in favor of the Purchaser, in form and substance reasonably satisfactory to the Bank and its counsel, with respect to the due authorization and issuance of the Bonds by the Issuer and the exemption of interest on the Bonds from federal and state income taxes.

(ii) Evidence of property and casualty insurance for the Project that is satisfactory in form and substance to the Bank and complying with the provisions in the QLICI Loan documents pertaining to insurance. Without limiting the foregoing, the Project Owner shall be required to comply with the following insurance requirements:

(a) The Project Owner shall obtain and maintain (or cause to be obtained and maintained) in effect an original fire and casualty insurance policy, on a full replacement value basis, in a form and issued by a company or companies satisfactory to the Bank. The original policy or policies shall contain a mortgagee clause naming the CDE as mortgagee and loss payee, a copy of which shall be supplied to the Bank, together with a paid, receipted bill for no less than one annual premium at closing.

(b) The amount of insurance shall be sufficient to prevent the application of any insurance policy coinsurance contribution on any loss but shall in no event be less than the principal amount of the QLICI Loans. Provisions for a 30-day advance notice to the Mortgagee of policy cancellation or material change shall be contained within the policy or policies, to the extent commercially available, and if not, the longest notice that is commercially available. Coverage included within the policy or policies insuring the Project shall not be less than that encompassed by "Cause of Loss - Special Form" (Insurance

Services Offices forms) insuring the Premises to the full-replacement value. The Bank reserves the right to require additional physical damage hazard insurance, following its review of the Project documents.

(c) The CDE will additionally be supplied with evidence of comprehensive general liability insurance covering the Project in form and amounts satisfactory to the Bank. Such evidence of insurance shall be in the form of a certificate of insurance in favor of the CDE, with provisions therein for an obligatory 30-day advance notice to the Mortgagee of policy cancellation or material change to the policy, to the extent commercially available, and if not, the longest notice that is commercially available, and a clause naming the CDE as an additional insured and loss payee.

(d) Builder's risk insurance.

(e) Any failure on the part of the CDE to secure physical evidence of any insurance required shall not relieve the Project Owner of its responsibilities to maintain such insurance.

(f) The CDE shall be authorized and empowered, at its sole option, to collect and receive, or cause to be collected and received for its account, the proceeds from any insurance policy covering the Project in excess of \$250,000. Said proceeds shall be held and expended for the repair, restoration or rebuilding of the Project or, at the CDE's election, the proceeds may be applied to outstanding indebtedness of the Project Owner to the CDE.

(iii) Other documents or matters as may be required by the Bank to carry out the provisions and intent of this commitment.

**Indemnification
And Expenses:**

Whether or not the facilities described herein are completed, the Borrower/Project Owner shall reimburse the Bank for all expenses related to this commitment, including, but not limited to, fees for Bank counsel, appraisals, environmental reports, and due diligence examinations. Greenberg Traurig LLP will serve as counsel to the Purchaser/Bank.

All expenses of the Bank connected with the facility shall be due and payable at or prior to closing, and the Borrower/Project Owner agrees to pay such fees and expenses, and to hold harmless and to

indemnify the Bank/Purchaser against claims of brokers arising in connection with the execution of this commitment by the Bank or the issuance and purchase of the Bonds, whether or not the facility closes and whether or not this commitment is terminated for any reason, other than due to any default by the Bank or the Purchaser.

No Other Financing:

Neither the Borrower nor the Project Owner may incur any further indebtedness, or lien or pledge as security any of the Project, or the rights in the Master Lease, other than (i) existing indebtedness and liens permitted by the Bank as of the closing, and (ii) capitalized leases and other purchase money indebtedness in an amount to be agreed to by the Borrower, the CDE and the Bank prior to closing.

Representations:

This commitment has been issued to the Borrower on the basis of certain information and materials provided by the Borrower to the Bank or its agents, including, without limitation, the representations, information, exhibits, data and other materials submitted with, and in support of, the Borrower's loan application. Any misinformation or withholding of material information incident thereto shall, at the option of the Bank and without limitation to any other right or remedy of the Bank, void all of the Bank/Purchaser's obligations hereunder.

Modifications:

This commitment may be amended only in a writing executed by the Borrower and the Bank.

Assignability:

This commitment shall not be assignable by the Borrower without the prior written consent of the Bank, and the facility shall not be assumable.

By the acceptance of this commitment, the Borrower agrees that any terms and conditions expressed herein which in any way related to events or requirements occurring after closing, and which are not included in the Bond documents, shall survive closing of the Bonds and are to remain in full force until the payment in full of the principal of the Bonds, plus all accumulated interest and other associated costs.

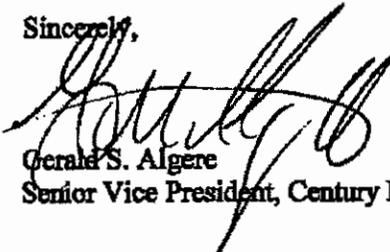
If you are in acceptance with these terms and conditions, please indicate your acceptance by signing below and returning an executed copy to my attention by September 6, 2012, and returning the same with a check in the amount of \$5,000, to be applied to the Bank's expenses and other closing costs. Unless so accepted, this commitment will expire on such date. If the Bonds do not issue by November 1, 2012, the Bank may, at its option, terminate this commitment and its obligations contained herein. In the meantime, if you have any questions,

12 Court St., LLC
August 23, 2012
Page 11

please call me. This commitment is not assignable by the Borrower and supersedes any and all prior understandings or commitments regarding the substance of this letter.

We look forward to a mutually rewarding relationship.

Sincerely,



Gerald S. Algere
Senior Vice President, Century Bank and Trust Company

ACCEPTED:

12 COURT ST., LLC

By:


Its Duly Authorized Representative

Not Seasonally Adjusted Estimates by Place of Residence

Labor Force Estimates

New Hampshire	Sep-12	Aug-12	Sep-11
Total Civilian Labor Force	737,540	746,370	737,460
Employed	699,580	704,030	698,910
Unemployed	37,960	42,340	38,550
Unemployment Rate	5.1%	5.7%	5.2%

United States (# in thousands)	Sep-12	Aug-12	Sep-11
Total Civilian Labor Force	155,075	155,255	154,022
Employed	143,333	142,558	140,502
Unemployed	11,742	12,696	13,520
Unemployment Rate	7.6%	8.2%	8.8%

Unemployment Rates by Region

Not Seasonally Adjusted	Sep-12	Aug-12	Sep-11
United States	7.6%	8.2%	8.8%
Northeast	7.9%	8.4%	8.0%
New England	7.0%	7.3%	7.5%
Connecticut	8.2%	9.2%	8.5%
Maine	6.7%	6.7%	6.7%
Massachusetts	6.4%	6.4%	7.3%
New Hampshire	5.1%	5.7%	5.2%
Rhode Island	9.8%	10.6%	10.8%
Vermont	4.9%	5.0%	5.2%
Mid Atlantic	8.2%	8.8%	8.2%
New Jersey	9.2%	9.7%	9.2%
New York	8.2%	8.8%	8.2%
Pennsylvania	7.5%	8.2%	7.5%

Unemployment Rates by Area

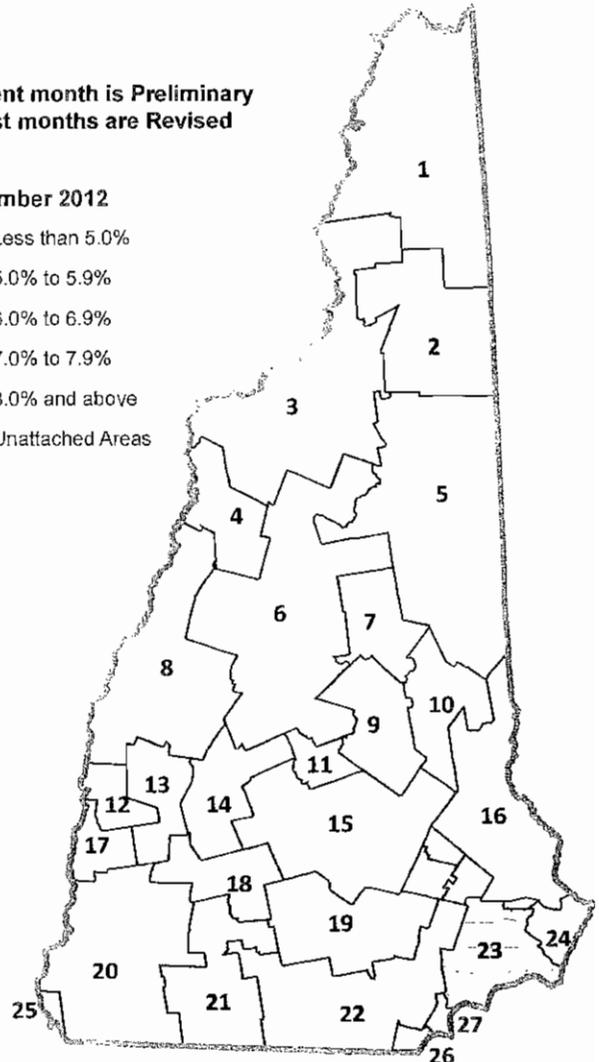
Counties	Sep-12	Aug-12	Sep-11
Belknap	4.8%	5.1%	5.1%
Carroll	4.6%	4.3%	4.9%
Cheshire	4.8%	5.8%	5.1%
Coos	6.4%	7.2%	6.5%
Grafton	4.0%	4.4%	4.2%
Hillsborough	5.5%	6.0%	5.5%
Merrimack	4.8%	5.1%	4.8%
Rockingham	5.6%	6.1%	5.5%
Strafford	5.0%	5.7%	5.1%
Sullivan	4.8%	4.9%	4.8%

Map Key	Labor Market Areas	Sep-12	Aug-12	Sep-11
1	Colebrook NH-VT LMA, NH Portion	5.8%	6.8%	5.1%
2	Berlin NH MicroNECTA	7.6%	8.3%	7.8%
3	Littleton NH-VT LMA, NH Portion	4.5%	4.9%	4.7%
4	Haverhill NH LMA	4.7%	5.7%	5.1%
5	Conway NH-ME LMA, NH Portion	4.9%	4.5%	5.1%
6	Plymouth NH LMA	4.6%	5.1%	5.0%
7	Moultonborough NH LMA	3.5%	3.4%	3.9%
8	Lebanon NH-VT MicroNECTA, NH Portion	3.4%	3.8%	3.5%
9	Laconia NH MicroNECTA	5.0%	5.2%	5.2%
10	Wolfeboro NH LMA	4.3%	4.1%	4.4%
11	Franklin NH MicroNECTA	5.0%	5.3%	5.3%
12	Claremont NH MicroNECTA	4.7%	5.0%	4.9%
13	Newport NH LMA	5.4%	5.7%	5.3%
14	New London NH LMA	4.4%	5.0%	4.4%
15	Concord NH MicroNECTA	4.6%	5.0%	4.9%
16	Rochester-Dover NH-ME MetroNECTA, NH Portion	5.0%	5.7%	5.1%
17	Charlestown NH LMA	4.9%	5.1%	5.3%
18	Hillsborough NH LMA	5.3%	6.2%	5.5%
19	Manchester NH MetroNECTA	5.2%	5.8%	5.2%
20	Keene NH MicroNECTA	4.7%	5.5%	4.9%
21	Peterborough NH LMA	5.2%	6.2%	5.5%
22	Nashua NH-MA NECTA Division, NH Portion	5.5%	6.1%	5.6%
23	Exeter Area, NH Portion, Haverhill-N. Andover-Amesbury MA-NH NECTA Division	6.2%	6.8%	6.0%
24	Portsmouth NH-ME MetroNECTA, NH Portion	4.3%	4.8%	4.5%
25	Hinsdale Town, NH Portion, Brattleboro VT-NH LMA	5.7%	7.1%	5.1%
26	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford MA-NH NECTA Division	6.5%	6.6%	6.7%
27	Salem Town, NH Portion, Lawrence-Methuen-Salem MA-NH NECTA Division	7.5%	8.2%	7.2%

Current month is Preliminary
Past months are Revised

September 2012

- Less than 5.0%
- 5.0% to 5.9%
- 6.0% to 6.9%
- 7.0% to 7.9%
- 8.0% and above
- Unattached Areas



New Hampshire unemployment and labor force estimates are calculated using a regression model which depends on Current Population Survey (CPS) estimates. Labor Market Area estimates are calculated using the Bureau of Labor Statistics "Handbook Method" and then adjusted to the State levels.

LOAN AND SECURITY AGREEMENT

Among

BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE, as Issuer

And

33 WINTER ST., LLC, as Borrower

And

CENTURY BANK AND TRUST COMPANY, as Disbursing Agent

And

CENTURY SUBSIDIARY INVESTMENTS, INC. III, as Bondowner

Dated as of December 1, 2012

And providing for the Issuance of

\$_____

Business Finance Authority of the State of New Hampshire Revenue Bonds,
Monadnock Economic Development Corporation Issue, Series 2012

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ARTICLE 1
INTRODUCTION AND DEFINITIONS

Section 101. Description of the Agreement and the Parties.

This LOAN AND SECURITY AGREEMENT (this "Agreement") is entered into as of December 1, 2012, by the Business Finance Authority of the State of New Hampshire, a body corporate and politic created under RSA 162-A:3 (with its successors, the "Issuer"), 33 Winter St., LLC (with its successors, the "Borrower"), a [New Hampshire] limited liability corporation whose sole corporate member is Monadnock Economic Development Corporation ("MEDC"), a New Hampshire nonprofit corporation, Century Bank and Trust Company, a Massachusetts chartered bank, as Disbursing Agent (with its successors, the "Disbursing Agent"), and Century Subsidiary Investments, Inc. III, a Massachusetts corporation, as Bondowner (with its successors the "Bondowner").

This Agreement provides for the following transactions:

- (a) the Issuer's issue of the Bonds;
- (b) the Issuer's loan of the proceeds of the Bonds to the Borrower, which in turn will loan [a portion] [all] of such proceeds to the Cheshire County Courthouse Investment Fund, LLC, a [Delaware] limited liability company (the "Investment Fund"), allowing the Investment Fund to use the proceeds of such loan (the "Leverage Loan") to make an equity investment in the aggregate amount of the Leverage Loan (along with additional equity investments from other sources) in NHBFA Sub-CDE V, LLC and MHIC NE CDE II Subsidiary 19, LLC, each a [Delaware] limited liability company (collectively, the "CDEs") (the "CDE Investment") in consideration for the CDEs issuing to the Investment Fund 99.99% of the membership interests in the respective CDEs and allowing each CDE to use the proceeds of the CDE Investment to make a loan in the amount of the respective portion of the CDE Investment to 12 Court Street, LLC (the "Institution") for the purpose of financing the Project (as defined in Section 102);
- (c) the Borrower's repayment of the loan of Bond proceeds from the Issuer through payment to the Bondowner of all amounts necessary to pay the Bonds; and
- (d) the Issuer's assignment to the Bondowner of the Revenues to be received hereunder and the rights to receive the same.

In consideration of the mutual agreements contained in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuer, the Borrower and the Disbursing Agent agree as set forth herein for their own benefit and for the benefit of the Bondowner, provided that any financial obligation of the Issuer hereunder shall not be a general obligation of the Issuer nor a debt or pledge of the faith and credit of the State of New Hampshire, but shall be payable solely from the funds and Revenues pledged under this Agreement.

Section 102. Definitions.

In addition to terms defined elsewhere herein, the following terms have the following meanings in this Agreement, unless the context otherwise requires:

(a) "Act" means New Hampshire Revised Statutes Annotated Chapter 162-I, as amended from time to time.

(b) "Authorized Officer" means: (i) in the case of the Issuer, the Chairman and the Executive Director or any other official of the Issuer so designated by a resolution of the Issuer; and (ii) in the case of the Borrower, the President or Chief Financial Officer and when used with reference to an act or document of the Borrower, also means any other person authorized to perform the act or execute the document.

(c) "Bank" means Century Bank and Trust Company, a Massachusetts chartered bank.

(d) "Bank Obligations" means the obligations of the Borrower to the Bank under the Bond Documents.

(e) "Bond Counsel" means Edwards Wildman Palmer LLP, or any attorney at law or firm of attorneys selected by the Issuer and acceptable to the Bondowner of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

(f) "Bond Documents" means the Bonds, this Agreement, the Bond Purchase Agreement, the Commitment, the Security Agreement, the Mortgage, the Continuing Covenants Agreement and [list any others], all dated as of December 1, 2012 between the Borrower and the Bondowner, and the Tax Certificate.

(g) "Bond Purchase Agreement" means the Bond Purchase Agreement, dated as of December [1], 2012, by and between the Borrower and the Initial Purchaser.

(h) "Bond Year" means each one-year period ending on [December 31].

(i) "Bondowner" means, collectively, the Initial Purchaser so long as it is the sole owner of all the Bonds Outstanding and otherwise shall mean the Disbursing Agent, for the benefit of any subsequent registered owners of the Bonds from time to time as shown in the books kept by the Disbursing Agent as bond registrar and transfer agent, in which case the Disbursing Agent shall thereby become vested with all the property, rights, and powers of the Bondowner under this Agreement, without any further act or conveyance, and subject to Section 901 hereof.

(j) "Bonds" means the \$_____ Business Finance Authority of the State of New Hampshire Revenue Bonds, Monadnock Economic Development Corporation Issue, Series 2012, dated the date of delivery thereof, and any Bond or Bonds duly issued in exchange or replacement therefor.

(k) "Business Day" means a day on which banks in Boston, Massachusetts are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

(l) "City" means the City of Keene, New Hampshire.

(m) "Commitment" means the Commitment Letter from the Bank to the Borrower, dated August 23, 2012.

(n) "Continuing Covenants Agreement" means the Continuing Covenants Agreement dated as of December __, 2012 between the Borrower and the Bank.

(o) "Date of Taxability" means a date on which interest on the Bonds is no longer excludable from gross income for federal income tax purposes or from the New Hampshire personal income tax on interest and dividends as a result of an Event of Taxability.

(p) "Debt Service Fund" means the fund so designated and established pursuant to Section 303.

(q) "Default Rate" means an interest rate per annum equal to the interest rate per annum in effect on the Bonds immediately preceding the Event of Default to which the Default Rate relates, plus 5% per annum.

(r) "Disbursement Agreement" means the Disbursement Agreement, dated as of December [19], 2012, by and among [Century Bank and Trust Company], as disbursing agent, [the CDEs] and the Institution.

(s) "Event of Taxability" means any one of the events herein after described. For purposes of this definition, "Bondowner" means any former or current Bondowner:

(i) The issuance by the Internal Revenue Service of a statutory notice of deficiency which asserts that the interest payable on the Bonds is includable in the gross income of the Bondowner for federal income tax purposes or a similar notice issued by the New Hampshire Department of Revenue Administration with respect to New Hampshire personal income tax on interest and dividends.

(ii) The issuance to the Bondowner of an opinion (the "Opinion") of Bond Counsel to the effect that, after the initial issuance of the Bonds, there has been (A) an amendment to the IRC or the regulations promulgated thereunder, or (ii) an amendment to the Act or other New Hampshire law, any of which has the effect of requiring that the interest payable on the Bonds be included in the gross income of the Bondowner for federal income tax purposes or subject to the New Hampshire personal income tax on interest and dividends.

(iii) Any other event caused by, or act or omission of, the Issuer or the Borrower, including, but not limited to, a breach or violation by the Issuer or the Borrower of any covenant contained in any of the documents, agreements, certificates or instruments executed and delivered by or on behalf of the Issuer or the Borrower in

connection with the issuance, sale and delivery of the Bonds and the financing of the Project which would, for any reason, require that the interest payable on the Bonds be includable in the gross income of the Bondowner for federal income tax purposes or subject to the New Hampshire personal income tax on interest and dividends, unless the Borrower furnishes the Issuer and the Bondowner with an unqualified Opinion of Bond Counsel that interest payable on the Bonds is not includable in the gross income of the Bondowner for federal income tax purposes or subject to the New Hampshire personal income tax on interest and dividends, as applicable.

(t) "Fiscal Year" means the fiscal year ending [December 31] or any other fiscal year designated from time to time in writing by the Borrower to the Bondowner.

(u) "Government or Equivalent Obligations" means (i) obligations issued or guaranteed by the United States; (ii) certificates evidencing ownership of the right to the payment of the principal of and interest on obligations described in clause (i), provided that such obligations are held in the custody of a bank or trust company satisfactory to the Bondowner, in a special account separate from the general assets of such custodian; (iii) any open-end or closed-end management type investment company or trust registered under 15 U.S.C. §80(a)-1 et seq.; provided that the portfolio of such investment company or trust is limited to obligations described in clause (i) and repurchase agreements fully collateralized by such obligations, and provided further that such investment company or trust shall take custody of such collateral either directly or through a custodian satisfactory to the Bondowner, and (iv) pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P if the issue is only rated by S&P (i.e., there is no Moody's rating), then such pre-refunded bonds must have been pre-refunded with cash, direct United States or United States guaranteed obligations, or AAA rated pre-refunded municipal obligations.

(v) "Initial Purchaser" means Century Subsidiary Investments, Inc. III.

(w) "IRC" means the Internal Revenue Code of 1986, as it may be amended and applied to the Bonds from time to time.

(x) "Moody's" means Moody's Investors Service, Inc., or any successor rating agency.

(y) "Mortgage" means _____.

(z) "Net Proceeds" shall have the meaning assigned in Section 405.

(aa) "Opinion of Bond Counsel" means an opinion of Bond Counsel to the effect that the matter or action in question will not have an adverse impact on the tax-exempt status of the Bonds for federal income tax purposes.

(bb) "Outstanding," when used to modify Bonds, refers to Bonds issued under this Agreement, excluding: (i) Bonds which have been exchanged or replaced; (ii) Bonds which have been paid; (iii) Bonds which have become due and for the payment of which moneys have been duly provided; and (iv) Bonds for which there have been irrevocably set aside sufficient funds, or Government or Equivalent Obligations described in clause (i) or (ii) of Section 102(u) bearing interest at such rates, and with such maturities, as will provide sufficient funds to pay or redeem

them; provided, however, that if any such Bonds are to be redeemed prior to maturity, the Issuer shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with this Agreement.

(cc) "Payment Date" means each date on which any principal of, premium, if any, or interest on any Bond is due and payable for any reason.

(dd) "Permitted Investment" shall have the meaning assigned in Section 310(c).

(ee) "Permitted Liens" means those liens and encumbrances described in Exhibit B.

(ff) "Person" means an individual, corporation, limited liability company, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

(gg) "Premises" means the approximately 0.58 acres of real property of the Borrower located at 33 Winter Street, Keene, New Hampshire.

(hh) "Project" means: (a) the acquisition of the Premises and the demolition of an existing parking lot thereon; and (b) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County courthouse, to be leased by the Institution to [the City and sub-leased by the City to the State], for use by the State for district and superior courts, including a 21-space parking garage to be located on the ground floor thereof and 14 adjacent outdoor parking spaces.

(ii) "Project Costs" means the costs of issuing the Bonds (not in excess of 2% of the initial principal amount of the Bonds) and carrying out the Project, including repayment of external loans and reimbursement to the Borrower of costs incurred for the Project and paid by the Borrower prior to the date of issuance of the Bonds ("internal advances") to the extent permitted by this Agreement, and interest prior to, during and for up to one year after construction is substantially complete, but excluding general administrative expenses, overhead of the Borrower and interest on internal advances.

(jj) "Project Fund" means the fund so designated and established pursuant to Section 304.

(kk) "Rebate Provision" shall have the meaning set forth in Section 305.

(ll) "Rebate Calculation Date" means [December 31] of each of 2017, 2022, 2027, 2032, and the maturity date of the Bonds.

(mm) "Repurchase Agreement" shall have the meaning assigned in Section 310(c).

(nn) "Revenues" means all debt service payments, rates, mortgage payments, rents, fees, charges, and other income and receipts, including proceeds of insurance, eminent domain and sale, and including proceeds derived from any security provided hereunder, payable to the Issuer under this Agreement, excluding administrative fees of the Issuer, reimbursements to the Issuer for expenses incurred by the Issuer, and indemnification of the Issuer.

(oo) "S&P" means Standard & Poor's Ratings Group, Inc., or any successor rating agency.

(pp) "State" means the State of New Hampshire.

(qq) "Tax Certificate" means the Tax Certificate and Agreement dated December [19], 2012 between the Issuer and the Borrower.

(rr) "Taxable Rate" means the Bank's taxable equivalent rate of the then current interest rate on the Bonds.

(ss) "UCC" means the New Hampshire Uniform Commercial Code.

Words importing persons include firms, associations and corporations, and the singular and plural form of words shall be deemed interchangeable wherever appropriate.

ARTICLE 2 GRANTING OF SECURITY INTERESTS

Section 201. The Issuer's Assignment and Pledge of Revenues.

The Issuer assigns and pledges to the Bondowner upon the terms hereof (a) all Revenues to be received from the Borrower or derived from any security provided hereunder, (b) all rights to receive such Revenues and the proceeds of such rights, (c) all funds and investments held from time to time in the funds established under this Agreement, and (d) all of its right, title and interest in this Agreement, including enforcement rights and remedies but excluding certain rights of indemnification and to reimbursement of certain expenses as set forth herein. This assignment and pledge does not include: (i) the rights of the Issuer pursuant to provisions for consent, concurrence, approval or other action by the Issuer, notice to the Issuer or the filing of reports, certificates or other documents with the Issuer, (ii) the right of the Issuer to any payments or reimbursements pursuant to Sections 307(e), 803, and 1007, or (iii) the powers of the Issuer as stated herein to enforce the provisions hereof. As further security for its obligations to make payments to the Debt Service Fund, and for its other payment obligations under this Agreement, the Borrower grants to the Bondowner a security interest in its interest in the moneys and other investments held from time to time in the funds and accounts established under this Agreement.

Section 202. Defeasance.

When there are in the Debt Service Fund sufficient funds, or Government or Equivalent Obligations described in clause (i) or (ii) of Section 102(u) in such principal amounts, bearing interest at such rates and with such maturities as will provide sufficient funds to pay or redeem the Bonds in full, and when all other amounts due under the Bond Documents have been paid and the rights hereunder and thereunder of the Issuer, the Disbursing Agent and the Bondowner have been provided for, upon written notice from the Borrower to the Issuer and the Bondowner, the Bondowner shall cease to be entitled to any benefit or security under this Agreement except that the Bondowner shall have the right to receive payment of the funds deposited and held for payment and other rights which by their nature cannot be satisfied prior to or simultaneously with termination of the lien hereof (including obligations of the Borrower under Sections 305

and 1007), the security interests created by this Agreement (except in such funds and investments) shall terminate, and the Issuer and the Bondowner shall execute and deliver such instruments as may be necessary to discharge the lien and security interests created hereunder; provided, however, that if any Bonds are to be redeemed prior to the maturity thereof, the Issuer shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly given in accordance with this Agreement. Upon such defeasance, the funds and investments required to pay or redeem the Bonds in full shall be irrevocably set aside for that purpose, subject, however, to Section 312 hereof, and moneys held for defeasance shall be invested only as provided above in this section. Any funds or property held by the Disbursing Agent and not required for payment or redemption of the Bonds in full or to pay any other amounts owing under the Bond Documents shall, after satisfaction of all the rights of the Issuer and after allowance for any payments required to be made pursuant to Section 305, be distributed to the Borrower upon such indemnification, if any, as the Issuer and the Disbursing Agent may reasonably require.

ARTICLE 3 THE BORROWING

Section 301. The Bonds.

(a) Details of the Bonds. The Bonds shall be issued in fully registered form and in the original aggregate principal amount of \$_____ and shall be numbered R-1, or in any other manner deemed appropriate by the Issuer. The Bonds shall be in the minimum denomination of \$100,000 and integral multiples of \$5,000 in excess thereof (the "Authorized Denomination"). The Bonds shall be dated the date of delivery thereof. Principal and interest on the Bonds until they come due shall be payable commencing on [January 1], 2013 and on the first (1st) day of each month thereafter, in accordance with the Form of Bonds set forth in Section 301(b).

The Bonds shall be signed on behalf of the Issuer by the manual or facsimile signature of the Chairman and the Executive Director, and the corporate seal of the Issuer or a facsimile thereof shall be engraved or otherwise reproduced thereon. The authenticating certificate of the Disbursing Agent shall be manually signed on behalf of the Disbursing Agent.

In case any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery thereof, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until after such delivery.

The Bonds shall mature on December [1], 2037, and shall bear interest at the rates per annum as set forth in the Form of Bonds in Section 301(b), below.

The Bonds are subject to principal payments, special redemption and optional redemption, as described in Section 310 and in the Form of Bonds.

(b) Form of Bonds. The Bonds shall be issued in substantially the following form.

Registered No. R - 1

\$ _____

UNITED STATES OF AMERICA
THE STATE OF NEW HAMPSHIRE
BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE
REVENUE BONDS

MONADNOCK ECONOMIC DEVELOPMENT CORPORATION ISSUE, SERIES 2012

INITIAL FIXED RATE: Four and Forty-Five Hundreths Percent (4.45%) Per Annum

MATURITY DATE: December [1], 2037

DATE OF THIS BOND: December [19], 2012
(Date as of which the Bonds were initially issued.)

INTEREST PAYMENT DATES: [January 1], 2013 and the first (1st) day of each month
thereafter to the MATURITY DATE or earlier redemption in full.

DATE OF REGISTRATION:

REGISTERED OWNER: CENTURY SUBSIDIARY INVESTMENTS, INC. III

PRINCIPAL AMOUNT: \$ _____

THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE OF NEW HAMPSHIRE OR OF THE ISSUER EXCEPT TO THE EXTENT PERMITTED BY NEW HAMPSHIRE RSA CHAPTER 162-I. ALL AMOUNTS OWED HEREUNDER ARE PAYABLE ONLY FROM THE SOURCES PROVIDED IN THE AGREEMENT DESCRIBED BELOW, AND NO PUBLIC FUNDS MAY BE USED FOR THAT PURPOSE.

The Business Finance Authority of the State of New Hampshire (the "Issuer"), for value received promises to pay to the REGISTERED OWNER of this bond, or registered assigns, but solely from the moneys to be provided under the Agreement mentioned below, in lawful money of the United States of America, the PRINCIPAL AMOUNT, in installments commencing on [January 1, 2020], and on the first (1st) day of each month thereafter, with the remaining principal balance due on the MATURITY DATE, unless paid earlier as provided below, with interest (computed on the basis of a 360-day year based on the actual number of days elapsed) on the PRINCIPAL AMOUNT outstanding from the most recent INTEREST PAYMENT DATE to which interest has been paid or duly provided for or, if no interest has been paid, from the DATE OF THIS BOND, at the INITIAL FIXED RATE per annum during the Initial Rate Period (as defined below), and thereafter at the Subsequent Fixed Rate (as defined below) per annum, as determined below for the Subsequent Rate Period (as defined below), payable on each INTEREST PAYMENT DATE, until the date on which this bond becomes due, whether at maturity or by

acceleration or redemption. Notwithstanding the foregoing, if at any time an Event of Taxability occurs, the interest rate in effect on the Bonds from and after the Date of Taxability shall be the Taxable Rate and following an Event of Default, the interest rate in effect on the Bonds shall be the Default Rate. The Issuer also shall pay to the Bondowner, but only from amounts available under the Agreement, a late charge for any payment of principal or interest not paid within five days following the date such payment is due equal to five percent (5.0%) of the amount of any such payment.

Unless otherwise defined herein, capitalized terms used in this bond shall have the same meanings assigned to them in the Loan and Security Agreement (the "Agreement"), dated as of December 1, 2012, by and among the Issuer, 33 Winter St., LLC (the "Borrower"), Century Bank and Trust Company, as Disbursing Agent (the "Disbursing Agent") and Century Subsidiary Investments, Inc. III, as Bondowner (the "Bondowner"). As used in this bond, the following terms shall have the following meanings:

"Adjustment Date" mean December 1, 2027.

"Bank" means Century Bank and Trust Company.

"Federal Home Loan Bank Rate" means the interest rate per annum designated and announced by the Federal Home Loan Bank of Boston from time to time as the "Classic 10-Year Advance Rate."

"Initial Rate Period" means the approximate fifteen (15) year period commencing on the date of issue of the Bonds through and including the day preceding the Adjustment Date.

"Notice Date" means the day that is ten (10) Business Days prior to the Adjustment Date.

"Subsequent Fixed Rate" means an interest rate per annum equal to the Federal Home Loan Bank Rate in effect as of the Notice Date, but in no event less than 4.45%. If for any reason the FHLB Rate is no longer being published on the Adjustment Date, the Bondowner shall select a substantially comparable index.

"Subsequent Rate Period" means the 10-year period commencing on the Adjustment Date and ending on the earliest of (i) the MATURITY DATE, or (ii) the date of redemption in full of the Bonds.

The Subsequent Fixed Rate shall be calculated as of the Notice Date and shall be effective as of the Adjustment Date for the Subsequent Rate Period. The Bondowner shall provide written notice to the Borrower and the Disbursing Agent, no later than the Notice Date, of the Subsequent Fixed Rate to be effective as of the Adjustment Date.

During the Initial Rate Period, principal and interest shall be payable as provided above, on each PAYMENT DATE, in installments in the amount of [_____] Thousand [_____] Hundred [_____] and [___]/100 Dollars (\$_____). During the Subsequent Rate Period, a new schedule of level monthly payments of principal and interest shall be prepared by the Bondowner as of the Adjustment Date, based upon the Subsequent Fixed Rate and the principal amount of Bonds Outstanding as of the Adjustment Date, amortized over the remaining term of

the Bonds, and the Bondowner shall provide to the Borrower and the Disbursing Agent the new monthly payment amount to be effective as of the Adjustment Date.

The Record Date for payment of interest is the fifteenth (15th) day of the month preceding the date on which the interest is to be paid; provided that, with respect to overdue interest or interest payable on redemption of this bond other than on a PAYMENT DATE or interest on any overdue amount, the Disbursing Agent may establish a special record date. The special record date may not be more than fifteen (15) days before the date set for payment. The Disbursing Agent will mail notice of a special record date to the Bondowner at least ten (10) days before the special record date. The Disbursing Agent will promptly certify to the Issuer that it has mailed such notice to the Bondowner, and such certificate will be conclusive evidence that such notice was given in the manner required hereby.

This bond is one of a series of bonds (the "Bonds"), in the aggregate principal amount of \$_____ being issued by the Issuer under and in accordance with the New Hampshire RSA Chapter 162-I (the "Act") and resolutions of the Issuer. The Bonds are being issued pursuant to the Agreement. Pursuant to the Agreement, the Issuer is loaning the proceeds of the Bonds to the Borrower for the purpose of financing the Project (as defined in the Agreement). The Borrower has agreed to repay the borrowing in the amounts and at the times necessary to enable the Issuer to pay the principal, premium, if any, and interest on the Bonds, and the Issuer has assigned its rights to receive such funds to the Bondowner, subject to the provisions of the Agreement. Reference is made to the Agreement for a description of the funds pledged and the rights, limitations of rights, duties, obligations and immunities of the Borrower, the Issuer and the Bondowner, including the order of payments in the event of insufficient funds. The Agreement may be amended to the extent and in the manner provided therein.

In case any Event of Default (as defined in the Agreement) occurs, the principal amount of this bond together with accrued interest may be declared due and payable in the manner and with the effect provided in the Agreement.

[Special Redemption]. If moneys are available to redeem Bonds as a result of the damage or destruction of the Project, as set forth in the Agreement, such moneys (and earnings thereon) shall be used to redeem Bonds within sixty (60) days. The Bonds are subject to redemption as a whole or in part on any Payment Date, at their principal amounts, without premium, plus accrued interest to the redemption date, in inverse order of principal installments.]

Optional Redemption. The Bonds are redeemable pursuant to the Agreement prior to maturity, at the direction of the Borrower, as a whole or in part at any time, in inverse order of principal installments due, at their principal amounts, plus accrued interest to the redemption date, at a redemption price of par plus a Yield Maintenance Fee (as defined below). The "Yield Maintenance Fee" shall be an amount calculated as follows: (i) the then current Federal Home Loan Bank Rate with a maturity date closest to the Adjustment Date or the MATURITY DATE, as applicable (the "Current Rate") shall be subtracted from the INITIAL FIXED RATE or the Subsequent Fixed Rate, as applicable (if the result is zero (0) or a negative number, the Yield Maintenance Fee shall equal zero (0)); (ii) if the result of the calculation described in clause (i) is a positive number, the result shall be multiplied by the principal amount of Bonds being redeemed, and then by the number of days remaining in the Initial Rate Period or the Subsequent

Rate Period, as applicable; and (iii) the resulting product of clause (ii) shall be divided by 360. Said amount shall be reduced to present value calculated by using the number of days remaining in the Initial Rate Period or the Subsequent Rate Period and the Current Rate. Notwithstanding the foregoing, no Yield Maintenance Fee shall be due, as applicable, in the event that (i) the Bonds are redeemed with funds from the Borrower's operations, current or future capital campaign, endowment, or Bond proceeds, or (ii) the Bonds are refunded with the Bank or the Bondowner.

If less than all of the outstanding Bonds are to be called for redemption, the Bonds to be redeemed will be selected by the Disbursing Agent by lot.

In the event this bond is selected for redemption, notice will be mailed not less than twenty (20) days prior to the redemption date to the REGISTERED OWNER at its address shown on the registration books maintained by the Disbursing Agent. Failure to mail notice to the owner of any other Bond or any defect in the notice to such an owner shall not affect the redemption of this bond.

If this bond is of a denomination in excess of one hundred thousand dollars (\$100,000), portions of the principal amount in excess of one hundred thousand dollars (\$100,000) may be redeemed. If less than all of the principal amount is to be redeemed, upon surrender of this bond to the Disbursing Agent, there will be issued to the REGISTERED OWNER, without charge, a new Bond or Bonds, at the option of the REGISTERED OWNER, for the unredeemed principal amount.

Notice of redemption having been duly mailed, this bond, or the portion called for redemption, will become due and payable on the redemption date at the applicable redemption price and, the redemption price having been paid or moneys for the redemption having been deposited with the Disbursing Agent, from and after the date fixed for redemption interest on this bond (or such portion) will no longer accrue.

This bond is transferable by the REGISTERED OWNER, subject to the provisions of the Agreement, in person or by its attorney duly authorized in writing, at the office of the Disbursing Agent set forth above, upon surrender of this bond to the Disbursing Agent for cancellation. Upon the transfer, a new Bond or Bonds of the same aggregate principal amount, in Authorized Denominations, will be issued to the transferee at the same office. No transfer will be effective unless represented by such surrender and reissue. This bond may also be exchanged at the office of the Disbursing Agent for a new Bond or Bonds, in Authorized Denominations, of the same aggregate principal amount without transfer to a new registered owner. Exchanges and transfers will be without expense to the holder except for applicable taxes or other governmental charges, if any. The Disbursing Agent will not be required to make an exchange or transfer of this bond during the thirty (30) days preceding (i) any date fixed for redemption if this bond (or any part thereof) is eligible to be selected or has been selected for the redemption and (ii) the MATURITY DATE.

The Bonds are issuable only in fully registered form in the minimum denomination of one hundred thousand dollars (\$100,000) and integral multiples of five thousand dollars (\$5,000) in excess thereof.

The Issuer, the Disbursing Agent and the Borrower may treat the REGISTERED OWNER as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary.

Neither the members of the Issuer nor any person executing this bond are liable personally hereon or subject to any personal liability or accountability by reason of the issuance hereof.

This bond will not be valid until the Certificate of Disbursing Agent has been signed by the Disbursing Agent.

(Seal or Facsimile)

BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE

By: _____
Chairman

By: _____
Executive Director

CERTIFICATE OF DISBURSING AGENT

This bond is one of the Bonds described in the Agreement.

CENTURY BANK AND TRUST COMPANY,
as Disbursing Agent

By: _____
Authorized Signature

ASSIGNMENT

For value received the undersigned sells, assigns and transfers this bond to

(Name and Address of Assignee)

Social Security or Other Identifying Number of Assignee

and irrevocably appoints _____ attorney-in-fact to transfer it on the books kept for registration of the bond, with full power of substitution.

NOTE: The signature to this assignment must correspond with the name as written on the face of the bond without alteration or enlargement or other change.

Dated:

Signature Guaranteed:

Participant in a Recognized Signature Guarantee Medallion Program

By: _____
Authorized Signature

[End of Bond Form]

(c) Replacement of Bonds. Replacement Bonds shall be issued pursuant to applicable law as a result of the destruction, loss or mutilation of the Bonds. The costs of a replacement shall be paid or reimbursed by the applicant, who shall indemnify the Issuer, the Disbursing Agent, and the Borrower against all liability and expense in connection therewith.

(d) Event of Taxability. The Issuer and the Bondowner will afford the Borrower prompt notice of any inquiry or investigation by the Internal Revenue Service or the receipt of a statutory notice of deficiency or any Opinion of Bond Counsel described in clause (ii) of Section 102(s), that are known to the Issuer or the Bondowner, as applicable, and the opportunity, at the Borrower's sole cost and expense, to contest:

(i) the validity of any amendment to the IRC or New Hampshire law (or any subsequent tax law) which causes the interest on the Bond to be includable in the gross income of the Bondowner (including any former Bondowner) for federal income tax purposes or to be included in the New Hampshire personal income tax on interest and dividends; or

(ii) any challenge to the validity of the tax exemption with respect to the interest on the Bonds, including the right to direct any contest of such challenge (including any administrative audit, administrative appeal and litigation). The right of the Borrower to exercise its rights under this Section 301(d) is subject to the Borrower's provision of whatever security and indemnification the Issuer or the Bondowner shall reasonably request.

The Borrower shall pay to the Issuer and the Bondowner a supplemental payment to reimburse the Issuer and the Bondowner for any interest, penalties or other charges assessed to them, if any, by reason of an Event of Taxability (including any interest penalties or other charges assessed to a Bondowner for failure to include interest on the Bonds in the Bondowner's gross income prior to the date of an Event of Taxability) (hereinafter, "Unpaid Tax Penalties"). The Borrower shall make such payments of Unpaid Tax Penalties to the Issuer and to any person who presents written proof satisfactory to the Disbursing Agent that as of the Date of Taxability, such person was a Bondowner. Any Unpaid Tax Penalties which are not paid upon an Event of Taxability shall continue as an obligation of the Borrower, and the payment of all Unpaid Tax Liabilities due and owing shall be required prior to the defeasance of this Agreement pursuant to Section 202.

Notwithstanding the foregoing or any provision of the Form of Bonds as set forth in Section 301(b) to the contrary, if following an Event of Taxability, it is subsequently determined that the interest payable on the Bonds is properly excluded from the gross income of the owners thereof for Federal or New Hampshire income tax purposes, as applicable, then the calculation of the interest rate, as set forth in the Form of Bonds in Section 301(b), shall be determined as if no Event of Taxability had occurred, provided that the interest rate shall be adjusted in order to compensate the Borrower for any increase imposed in the rate of interest on the Bonds from and after the original Date of Taxability. Such adjustment to the interest rate shall be made such that the Borrower shall be fully compensated in not longer than a twelve-month period.

(e) Bonds Are Not General Obligations. The Bonds do not now and shall never constitute a general obligation or debt or pledge of the faith and credit of the Issuer, nor a debt or pledge of the faith and credit of the State of New Hampshire, and each covenant and undertaking by the Issuer herein and in the Bonds to make payments is not a general obligation of the Issuer or a debt or a pledge of the faith and credit of the State of New Hampshire, but is a limited obligation payable solely from the revenues and other funds provided under this Agreement and is a valid claim of the Bondowner only against such revenues and other funds. Nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than the Revenues.

Section 302. Application of Bond Proceeds.

Upon the receipt of the proceeds of the Bonds, such proceeds shall be applied as follows: (a) [\$_____ shall be used to pay the cost of issuing the Bonds, and (b)] the remainder shall be deposited in the Project Fund.

Section 303. Debt Service Fund.

A Debt Service Fund is hereby established with the Disbursing Agent, and moneys shall be deposited therein as provided in this Agreement. The moneys in the Debt Service Fund and any investments held as part of such Fund shall be held in trust and, except as otherwise provided, shall be applied solely to the payment of the principal, redemption premium, if any, and interest on the Bonds. The Disbursing Agent shall apply moneys in the Debt Service Fund to the payment of Bonds on each date on which a payment is to be made. Notwithstanding the foregoing, so long as there is only one Bondowner, the Borrower shall make payments of principal and interest due on the Bonds directly to the Bondowner, without deposit into the Debt Service Fund, by any method to which the Borrower and Bondowner may agree is convenient, and in such event no Debt Service Fund shall be established with the Disbursing Agent, except to the extent necessary in accordance with Section 202.

Section 304. Project Fund.

(a) Establishment; Use of Proceeds. A Project Fund is hereby established with the Disbursing Agent. Proceeds of the Bonds shall be deposited in the Project Fund as provided in Section 302. [The Disbursing Agent will pay without requisition as the Borrower shall direct the Disbursing Agent in writing the respective costs of issuing the Bonds, including the fees and expenses of bond counsel and the Issuer.] The remaining moneys in the Project Fund shall be applied immediately by the Borrower to make the Leverage Loan to the Investment Fund, which will then immediately be used by the Investment Fund to make the CDE Investment, which will then be loaned immediately by the CDEs to the Institution and deposited in accordance with the Disbursement Agreement in the QLICI account of the disbursement fund for the Bonds (the "Disbursement Fund") established under the Disbursement Agreement. Proceeds deposited in the Disbursement Fund will be used to pay costs of the Project. The Disbursement Fund shall not be deemed to be part of the trust estate hereunder.

(b) Completion Certificate. The Borrower shall provide the Disbursing Agent and the Bondowner with a certificate of completion promptly upon completion of the Project. The certificate of completion shall be signed by an Authorized Officer of the Borrower stating that the Project has been completed substantially in accordance with the project specifications and paid for. Such certificate shall also include a final allocation of the proceeds of the Bonds to Project Costs as set forth in the Tax Certificate.

Section 305. Rebate.

(a) Payments of Rebate. No later than thirty (30) days following each Rebate Calculation Date (or any earlier date that may be necessary to make a required payment to the United States under Subsection 305(c)), the Borrower shall compute and certify to the Issuer and

the Bondowner in reasonable detail the amount of the Excess (as defined in Subsection 305(b)), if any, as of each such Rebate Calculation Date.

(b) Excess. “Excess” means the sum of:

A. the aggregate amount earned on all Nonpurpose Investments (other than investments attributable to an excess described in this subparagraph) attributable to the Gross Proceeds of Bonds including those in the Project Fund (but not including those in the Debt Service Fund so long as the conditions described below continue to be met) over

B. the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the yield (determined in accordance with the Rebate Provision) on the Bonds to which such Gross Proceeds are attributable,

plus any income attributable to the Excess.

The amount of any calculated Excess shall be reduced by any payments made to the United States pursuant to Subsection 305(c). The terms “Nonpurpose Investment” and “Gross Proceeds” shall have the meanings given in the Rebate Provision and shall be applied as provided therein. Earnings on amounts deposited in the Debt Service Fund shall be excluded from the calculation of any Excess if the gross earnings on such amounts for each Bond Year are less than \$100,000 (or a pro rata portion of \$100,000 in the case of a short Bond Year). Earnings on amounts deposited in the Debt Service Fund shall be excluded from the calculation of any Excess pursuant to Treasury Regulation 1.148-3(k) because the average annual debt service does not exceed \$2,500,000.

(c) Payment of Rebate to the United States.

(i) No later than fifty (50) days following each Rebate Calculation Date (or any earlier date that may be required to comply with the Rebate Provision), the Borrower shall cause to be paid to the United States on behalf of the Issuer the full amount of rebate then required to be paid under IRC Section 148(f) (the “Rebate Provision”) as certified by the Borrower in accordance with Paragraph 305(c)(ii). No later than forty-five (45) days after the Bonds have been paid in full, the Borrower shall cause to be paid to the United States on behalf of the Issuer the full amount of rebate then required to be paid under the Rebate Provision as certified by the Borrower in accordance with Paragraph 305(c)(ii). Each such payment shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 or any successor location specified by the Internal Revenue Service, accompanied by a Form 8038-T (or other similar information reporting form) prepared by the Borrower.

(ii) No later than fifteen (15) days prior to each date on which a payment could become due under Paragraph 305(c)(i) (a “Rebate Payment Date”), the Borrower shall deliver to the Issuer and the Bondowner a certificate either summarizing the determination that no amount is required to be paid or specifying the amount then required to be paid pursuant to Paragraph 305(c)(i). If the certificate specifies an amount

to be paid, (A) such certificate shall be accompanied by (x) a completed Form 8038-T, which is to be signed by an officer of the Issuer, (y) a certification stating that the Form 8038-T is accurate and complete, and (z) the amount required to be paid.

(d) Records. The Borrower shall keep such records as will enable it to fulfill its responsibilities under this section and the Rebate Provision.

(e) Interpretation of this Section. The purpose of this Section 305 is to satisfy the requirements of the Rebate Provision. Accordingly, this section shall be construed so as to meet such requirements. The Borrower covenants that all action taken under this section shall be taken in a manner that complies with the Rebate Provision and that it shall neither take any action nor omit to take any action that would cause the Bonds to be arbitrage bonds by reason of the failure to comply with the Rebate Provision.

(f) Prompt Expenditure of Proceeds: Rebate Alternative. The Borrower may exclude from its computation of an Excess required by Subsection 305(a) any Gross Proceeds that are not subject to rebate pursuant to IRC Section 148(f)(4)(B) or (C) or Treas. Reg. § 1.148-7.

(g) Compliance by the Borrower. To the extent any payment of rebatable arbitrage is not timely made to the United States, the Borrower shall pay to the United States on behalf of the Issuer any interest, penalty, or other amount necessary to prevent the Bonds from becoming arbitrage bonds within the meaning of IRC Section 148. The Borrower covenants that to the extent necessary it shall obtain the advice and assistance of experts to aid it in complying with the Rebate Provision.

Section 306. Application of Moneys.

If the moneys provided by the Borrower, including any available moneys in the Debt Service Fund, are not sufficient on any day to pay all principal, redemption price and interest on the Outstanding Bonds then due or overdue, such moneys (other than any sum in the Debt Service Fund irrevocably set aside for the redemption of particular Bonds) shall be applied first to the payment of interest, including interest on overdue principal, in the order in which the same became due (pro rata with respect to interest which became due at the same time), and second to the payment of principal and redemption premiums, if any, without regard to the order in which the same became due (in proportion to the amounts due). For this purpose interest on overdue principal shall be treated as coming due on the first day of each month.

Section 307. Loan of Proceeds; Payments by the Borrower.

(a) The Issuer shall loan the proceeds of the Bonds to the Borrower for the purposes of financing Project Costs, in accordance with the provisions of this Agreement. The Borrower shall repay the loan of Bond proceeds at the times and in the amounts to enable the Issuer to make the payments due on the Bonds as set forth in the Form of Bonds in Section 301(b). The Borrower shall pay on or before each Payment Date, either directly to the Bondowner in accordance with the provisions of Section 303, or to the Disbursing Agent for deposit in the Debt Service Fund, a sum equal to all payments due on the Bonds on each such Payment Date, less amounts already on deposit in the Debt Service Fund, if any, and available, for that

purpose. All payment made by the Borrower under this Agreement shall be made in lawful money of the United States of America, in immediately available funds.

(b) The payments to be made under the foregoing subsection shall be appropriately adjusted to reflect any earnings on amounts in the Debt Service Fund, and any purchase or redemption of Bonds.

(c) At any time when any principal of the Bonds is overdue, the Borrower also shall have a continuing obligation to pay an amount equal to interest on the overdue principal, as set forth in the Form of Bonds in Section 301(b). Redemption premiums shall not bear interest.

(d) Any payments by the Borrower to the Disbursing Agent for deposit in the Debt Service Fund under this Agreement shall discharge the obligation of the Borrower to the extent of such payments; provided, that if any moneys are invested in accordance with this Agreement and a loss results therefrom so that there are insufficient funds to pay principal and interest on the Bonds when due, the Borrower shall supply the deficiency.

(e) Within thirty (30) days after notice from the Issuer, the Borrower shall pay to the Issuer all expenditures (except general administrative expenses or overhead) reasonably incurred by the Issuer by reason of this Agreement.

Section 308. Unconditional Obligation.

To the extent permitted by law, the obligation of the Borrower to make payments to the Issuer and the Bondowner under this Agreement shall be absolute and unconditional, shall be binding and enforceable in all circumstances whatsoever, shall not be subject to setoff, recoupment or counterclaim, and shall be a general obligation of the Borrower to which the full faith and credit of the Borrower are pledged. The Borrower shall be obligated to make the payments hereunder whether or not the Project has ceased to exist or to be functional to any extent and from any cause whatsoever. The Borrower shall be obligated to make such payments regardless of whether the Borrower or the Institution is in possession or is entitled to be in possession of the Project or any part thereof.

Section 309. Redemption of the Bonds.

(a) [Special Redemption. If moneys are available to redeem Bonds pursuant to Section 406(c), such moneys (and earnings thereon) shall be used to redeem Bonds within sixty (60) days. The Bonds are subject to redemption pursuant to this subsection as a whole or in part on any Payment Date, at their principal amounts, without premium, plus accrued interest to the redemption date, in inverse order of principal installments or sinking fund installments due; provided that, if less than all of the Bonds outstanding shall be called for redemption, the Bonds to be so redeemed shall be selected by lot.]

(b) Optional Redemption. The Bonds are redeemable prior to maturity at the written direction of the Borrower to the Issuer and the Bondowner. Such redemption shall be in accordance with the terms of the Bonds, as a whole or in part at any time, in inverse order of principal installments due, at the redemption price set forth in the Form of Bonds, plus accrued interest to the redemption date.

(c) Payment of Redemption Price and Accrued Interest. Whenever Bonds are called for redemption, the accrued interest thereon shall become due on the redemption date and shall be paid from the Debt Service Fund to the extent available therein. To the extent not otherwise provided, the Borrower shall pay the redemption price of and accrued interest on the Bonds.

(d) Notice of Redemption. When Bonds are to be redeemed, the Borrower shall give notice to the Issuer and the Bondowner, which notice shall identify the Bonds to be redeemed and state the date fixed for redemption. The notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the redemption price thereof, together with interest accrued to the redemption date, and that upon payment of the same to the Bondowner on such date, from and after such date interest thereon shall cease to accrue. The Borrower shall mail or deliver the redemption notice not less than thirty (30) days prior to the date fixed for redemption. Notwithstanding any provision hereof to the contrary, any notice of redemption given by the Borrower shall be contingent (on such conditions as the Borrower may specify) until such time as there shall be on deposit in the Debt Service Fund an amount sufficient to pay the redemption price due on the Bonds so called for redemption.

Section 310. Investments.

(a) Pending their use under this Agreement, moneys in the Debt Service Fund may be invested by the Disbursing Agent, at the direction of the Borrower, in Permitted Investments (as defined below) maturing or redeemable at the option of the holder at or before the time when such moneys are expected to be needed. Any investments pursuant to this subsection shall be held by the Disbursing Agent as a part of the Debt Service Fund and shall be sold or redeemed to the extent necessary to make payments or transfers or anticipated payments or transfers from such Fund, subject to the notice provisions of the UCC to the extent applicable. The Disbursing Agent shall not be liable for any loss occurring from any investment, sale or conversion to cash made in accordance with the provisions of this Agreement.

(b) Except as set forth below, any interest realized on investments in any Fund and any profit realized upon the sale or other disposition thereof shall be credited to the Fund with respect to which they were earned and any loss shall be charged thereto. Earnings (which for this purpose include net profit and are after deduction of net loss) on amounts deposited in the Debt Service Fund shall be retained therein.

(c) The term "Permitted Investments" means (i) Government or Equivalent Obligations, (ii) "tax exempt bonds" as defined in IRC § 150(a)(6), other than "specified private activity bonds" as defined in IRC § 57(a)(5)(C), rated at least AA or Aa2 by S&P and Moody's, respectively, or the equivalent by any other nationally recognized rating agency, at the time of acquisition thereof or shares of a so-called money market or mutual fund that do not constitute "investment property" within the meaning of IRC § 148(b)(2); provided either that the fund has all of its assets invested in obligations of such rating quality or, if such obligations are not so rated, that the fund has comparable creditworthiness through insurance or otherwise and which fund is rated AAm or AAm-G if rated by S&P, (iii) certificates of deposit of, banker's acceptances drawn on and accepted by, and interest bearing deposit accounts of, a bank or trust company which has a capital and surplus of not less than \$50,000,000, (iv) Repurchase Agreements (as defined below), (v) investment agreements with providers rated at least AA- or

Aa3 by S&P and Moody's, respectively, (vi) money market funds rated at least AAm or AAm-G by S&P, and (vii) any other investment acceptable to the Bondowner. The term "Repurchase Agreement" shall mean a written agreement under which a bank or trust company which has a capital and surplus of not less than \$50,000,000, or a government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, sells to, and agrees to repurchase from the Disbursing Agent, obligations issued or guaranteed by the United States; provided that the market value of such obligations is at the time of entering into the agreement at least one hundred and three percent (103%) of the repurchase price specified in the agreement and that such obligations are segregated from the unencumbered assets of such bank or trust company or government bond dealer; and provided further, that unless the agreement is with a bank or trust company, such agreement shall require the repurchase to occur on demand or on a date certain which is not later than one (1) year after such agreement is entered into and shall expressly authorize the Disbursing Agent to liquidate the purchased obligations in the event of the insolvency of the party required to repurchase such obligations or the commencement against such party of a case under the federal Bankruptcy Code or the appointment of, or taking possession by, a trustee or custodian in a case against such party under the Bankruptcy Code. Any such investments may be purchased from or through the Disbursing Agent.

A. Notwithstanding the immediately preceding paragraph, Permitted Investments shall not include the following:

1. Government or Equivalent Obligations, certificates of deposit and bankers' acceptances, in each case with yields lower than either (x) the yield available on comparable obligations then offered by the United States Treasury, or (y) the highest yield published or posted by the provider of the Permitted Investments to be currently available from the provider on reasonably comparable investments;

2. Any demand deposit or similar account with a bank, trust company or broker, unless (x) the account is used for holding funds for a short period of time until such funds are reinvested or spent, and (y) substantially all the funds in the account are withdrawn for reinvestment or expenditure within fifteen (15) days of their deposit therein; or

3. Repurchase Agreements, unless (x) at least three (3) bids are obtained on the proposed Repurchase Agreement from persons other than those with an interest in the Bonds, (y) the highest yielding Repurchase Agreement for which a qualifying bid is received is purchased, (z) the provider of the Repurchase Agreement certifies that the yield on the Repurchase Agreement is not less than the yield then available from the provider on reasonably comparable repurchase agreements, if any, offered to persons who are purchasing the agreement from a source other than proceeds of tax-exempt bonds, (xx) the terms of the Repurchase Agreement, including collateral requirements, are reasonable, and (yy) a written record of the yield offered by each bidder is maintained.

Notwithstanding the foregoing, any of the requirements of this paragraph A. shall not apply if the Borrower shall have received an Opinion of Bond Counsel regarding the waiver of such requirements. Permitted Investments shall not include any investment that would cause any of the Bonds to be federally guaranteed within the meaning of IRC §149(b).

(d) Any security interest required by Section 310(a) shall be perfected in such manner as may be provided by law. In the case of a Repurchase Agreement, if under applicable law, including the federal Bankruptcy Code, the agreement is recognized as transferring ownership in the underlying securities to the investing party with a right to liquidate the securities and apply the proceeds against the repurchase obligation, all free and clear of the claims of creditors and transferees of the other party, the interest of the investing party shall be regarded as the equivalent of a perfected security interest for the purposes of this subsection. In any case, however, if the underlying securities or the securities subject to the security interest are certificated securities (as opposed to uncertificated or book-entry securities), they shall be delivered to the Disbursing Agent, or to a depository satisfactory to the Disbursing Agent, either as agent for the Disbursing Agent or as bailee with appropriate instructions and acknowledgement, at the time of or prior to the investment, or, if the security interest is perfected without delivery, delivery shall be made within three (3) Business Days. Possession by the Disbursing Agent of the security for an obligation of the Disbursing Agent shall not be deemed to satisfy the requirements of this subsection unless there is an opinion of counsel satisfactory to the Issuer to the effect that such possession satisfies the requirements of this subsection.

(e) The Disbursing Agent may hold undivided interests in Permitted Investments for more than one Fund (for which they are eligible) and may make interfund transfers in kind.

Section 311. Paying Agent.

The Disbursing Agent shall act as paying agent for the Bonds and as Bond registrar and transfer agent.

Section 312. Unclaimed Moneys.

Except as may otherwise be required by applicable law, in case any moneys deposited with the Disbursing Agent for the payment of the principal of, or interest or premium, if any, on any Bond remain unclaimed for three (3) years after such principal, interest or premium has become due and payable, the Disbursing Agent shall pay over to the Borrower the amount so deposited in immediately available funds, without additional interest, and thereupon the Disbursing Agent and the Issuer shall be released from any further liability with respect to the payment of principal, interest or premium, and the owner of such Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Borrower as an unsecured creditor for the payment thereof.

ARTICLE 4
THE PROJECT AND THE PREMISES

Section 401. Borrower's Obligations to Cause Completion of the Project.

(a) Proceeds of the Bonds on deposit in the Project Fund shall be used to pay Project Costs; provided, however, if the moneys in the Project Fund are not sufficient to pay in full all Project Costs, the Borrower agrees, in order to fulfill the purposes of the Act, to pay any such excess Project Costs from its own funds. The Issuer makes no warranty, express or implied, that moneys paid into the Project Fund or otherwise available to complete the Project will be sufficient to pay all Project Costs.

(b) The Borrower shall cause the Project to be completed diligently and continuously and with all reasonable dispatch in accordance with applicable laws, rules, regulations and requirements of all governmental authorities having jurisdiction with respect to the Project. The materials and workmanship shall be of high quality, and no materials, fixtures or equipment intended to become part of the Project shall be purchased by the Borrower or the Institution subject to any lien, encumbrance or claim. The Borrower represents that contracts for carrying out the Project and acquisitions in connection therewith have been and shall be made by the Borrower or the Institution in its own name.

Section 402. Use of Project and Premises.

(a) Compliance with Law. In the maintenance, improvement and operation of the Project and the Premises, the Borrower covenants that the Institution has complied and will comply with any provisions of the Act applicable to the Institution, and all applicable building, zoning, land use, environmental protection, labor and employment, sanitary and safety laws, rules and regulations, and all applicable insurance requirements, and will not permit a nuisance thereon; but it shall not be a breach of this subsection if the Institution fails to comply with such laws, rules, regulations and requirements during any period in which the Institution is diligently and in good faith contesting the validity thereof, provided that the security created or intended to be created hereby is not, in the opinion of the Bondowner, unreasonably jeopardized thereby.

(b) Payment of Lawful Charges. The Borrower or the Institution shall make timely payment of all taxes and assessments and other municipal or governmental charges and all claims and demands for work, labor, services, materials or other objects which, if unpaid, might by law become a lien on the Premises or any part thereof; but it shall not be a breach of this subsection if the Borrower or the Institution fails to pay any such item during any period in which the Borrower or the Institution is diligently and in good faith contesting the validity thereof, provided that the laws applicable to contesting its validity do not require payment thereof and proceedings for a refund, that the security created or intended to be created hereby is not, in the opinion of the Bondowner, unreasonably jeopardized thereby, and that the Borrower or the Institution has posted a bond in the amount of the disputed sum, if so required by applicable law.

(c) Permitted Purposes. The Borrower agrees that the Project shall be used (and shall cause the Institution, the City and the State to use the Project) only for the purposes described in

the Act. The Borrower acknowledges that it is fully familiar with the physical condition of the Project and that it is not relying on any representation of any kind by the Issuer or the Bondowner concerning the nature or condition thereof. Neither the Issuer nor the Bondowner shall be liable to the Borrower, the Institution or any other person for any latent or patent defect in the Project.

Section 403. Repair and Current Expenses.

(a) The Borrower agrees that it will (or will cause the Institution to) maintain and repair the Premises and keep the same in good and serviceable condition and in at least as good condition and repair (reasonable wear and tear and casualty loss excepted) as it was on the date the same was placed in service. In the event of damage to or destruction of all or any material part of the Premises from any casualty, unless the Borrower exercises its right under Section 406(e), the Borrower shall (or shall cause the Institution to) repair, replace, restore or reconstruct the Project to the extent necessary to restore substantially its value and in a manner suitable for its continued use for the purpose for which it was provided; and this obligation shall not be limited by the amount of available insurance proceeds.

(b) The Borrower shall (or shall cause the Institution, the City and the State to, as applicable) pay all costs of maintaining and operating the Project and the Premises.

Section 404. Insurance.

(a) Coverage. The Borrower shall (or shall cause the Institution to) keep the Premises and the Project insured on a full replacement cost basis against fire, lightning and extended coverage perils and against such other risks as are customarily insured against by similar institutions in the area of the Project, including, builders risk insurance during the period of construction in an amount at least equal to the full insurable value of the Project. Such insurance may consist of blanket policies which cover property in addition to the Premises and the Project, provided that the amount allocated to the Premises and the Project under such blanket policies are separately stated.

(b) Policies. All insurance carried under this Section shall be with responsible and reputable companies authorized to transact business in the State of New Hampshire. The Bondowner shall be listed as a certificate holder on all policies of insurance. All policies of insurance shall contain a provision that prior to cancellation of such insurance, the carrier will endeavor to give at least thirty (30) days written notice of the proposed cancellation to the Bondowner. When any insurance is to expire other than by cancellation, the duplicate or certificate of the new policy shall be furnished to the Bondowner at least twenty (20) days before such expiration date.

(c) Evidence of Coverage. The policies shall be open to inspection by the Bondowner at all reasonable times. Certificates of insurance describing the policies shall be furnished by the Borrower to the Bondowner at or prior to the delivery of the Bonds, and a complete list describing the policies and certificates as of each January 1, commencing January 1, 2012, shall be furnished annually within thirty (30) days after January 1 by the Borrower to the Bondowner, together with a certificate of an Authorized Officer of the Borrower certifying that such

insurance meets all the requirements of this Section. In making this certificate such Authorized Officer may rely upon certificates of insurance. If any material change is made in the insurance as to either amount or type of coverage, a description and notice of the change shall be promptly furnished to the Bondowner by the Borrower.

Section 405. Damage to or Destruction or Taking of the Premises.

(a) Recovery of Insurance Proceeds. In the event of damage to or destruction of all or any part of the Premises, the parties shall cooperate in order to recover any applicable proceeds of insurance required under Section 403(a), with the Borrower to have primary responsibility to recover the proceeds. Such proceeds shall be paid to the Disbursing Agent. From such proceeds the Disbursing Agent shall provide for the payment or reimbursement of reasonable expenses of obtaining the recovery. The Disbursing Agent shall then give notice to the Borrower of such expenses and of the amount of the remaining proceeds (the "Net Proceeds").

(b) Payment to Borrower. Subject to the provisions of paragraph (e) below, the Disbursing Agent shall pay to the Borrower the Net Proceeds, or so much thereof as may be needed for the repair, replacement, restoration or reconstruction, at one time or from time to time as directed by the Bondowner, as such funds are required by the Borrower, upon notification by the Borrower as to the amount needed and upon the approval of the Bondowner.

(c) Balance of Net Proceeds. If no repair, replacement, restoration or reconstruction is necessary, or when no further funds are needed for such purposes, the Borrower shall so notify the Disbursing Agent and the Bondowner. Any remaining Net Proceeds shall be applied [to the redemption of Bonds pursuant to Section 309(a)].

(d) Eminent Domain. In the event of a taking of all or any part of the Premises by eminent domain, the parties shall cooperate as provided in Section 406(a) in order to recover any applicable proceeds. Such proceeds shall be paid to the Disbursing Agent. The Disbursing Agent shall make appropriate deductions from such proceeds as in the case of insurance proceeds and give notice to the Borrower of such deductions and of the amount of the Net Proceeds. The Net Proceeds shall be dealt with as in Section 406(c), [unless the Bondowner directs the Borrower or the Borrower elects to defease this Agreement or redeem Bonds pursuant to Section 406(e) with that portion of the Net Proceeds allocable to the Bonds,] or in the case of a partial taking, unless the Borrower, within thirty (30) days after such notification, gives notice to the Disbursing Agent and the Bondowner of its election to repair, replace, restore, or reconstruct the remaining property, subject to the provisions of Section 406(e). In the event of such an election to repair, replace, restore or reconstruct, the foregoing provisions as to insurance proceeds shall apply, and the Borrower shall be obligated to repair, replace, restore or reconstruct the remaining property to the extent necessary to restore the operational utility lost by the taking, and this obligation shall not be limited by the amount of Net Proceeds available.

(e) [Election to Obtain Discharge or Redeem Bonds. With respect to any one casualty or series of related casualties, whenever the Net Proceeds of insurance or condemnation awards resulting from damage to or destruction or a taking of all or a portion of the Project exceeds twenty-five percent (25%) of the then full insurable value of the Project, as determined by a consultant reasonably acceptable to the Bondowner, the Bondowner may direct the Borrower or

the Borrower may elect to use such Net Proceeds (or a portion thereof exceeding twenty-five percent (25%) of such insurable value not used or to be used for partial repair, replacement, restoration or reconstruction of the Project) to redeem Bonds pursuant to the special redemption provisions of Section 309(a). Without limiting the foregoing, if an Event of Default has occurred that has not been waived, the Bondowner may direct the Borrower to apply all insurance or condemnation proceeds to redeem Bonds. In addition, the Borrower may be relieved of its obligation to repair, replace, restore or reconstruct at any time, by taking all action necessary to discharge the lien of this Agreement under Section 202. In order to so redeem Bonds, the Borrower shall give notice of the redemption of Bonds pursuant to Sections 309(a) and (d). In order to discharge the lien of this Agreement as described in this subsection, the Borrower may direct the Disbursing Agent to deposit into the Debt Service Fund all Net Proceeds then held by the Disbursing Agent under this section.]

Section 406. Additions and Alterations.

The Borrower or the Institution may erect additional buildings on the Premises and may alter, remodel or improve the Premises, provided that such alteration or remodeling shall not damage the basic structure thereof or materially decrease its value. Such new buildings, improvements, alterations or remodeling shall be deemed a part of the Premises, but the cost thereof shall be paid by the Borrower. The Borrower shall not take or permit any action which would cause the Premises to violate zoning or other land use regulations.

Section 407. Right of Access to the Premises.

With reasonable notice to the Borrower or the Institution, the City and the State, the Issuer and the Bondowner and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Premises for the purpose of inspection or to carry out their powers hereunder. The Issuer or the Bondowner, with reasonable notice to the Borrower or the Institution, the City and the State, may enter at any time and from time to time during normal business hours pursuant to this section except that, in case of emergency as determined by the Issuer or the Bondowner, as the case may be, the Issuer or the Bondowner may enter at any time.

ARTICLE 5
[RESERVED]

ARTICLE 6
DEFAULT AND REMEDIES.

Section 601. Default by the Borrower.

(a) Events of Default; Default. “Event of Default” in this Agreement means any one of the events set forth below and “default” means any Event of Default without regard to any lapse of time or notice.

(i) Debt Service. Any principal or premium, if any, of or interest on any Bond shall not be paid when the same becomes due and payable, whether at maturity, by

acceleration, upon redemption or otherwise, or the Borrower shall fail to make any payment required of it under Sections 307(a) or (c), or 309(c), when the same becomes due and payable.

(ii) Other Obligations. The Borrower shall fail to make any other required payment required hereunder or the Borrower shall fail to observe or perform any of its other agreements, covenants or obligations under this Agreement, and either such failure is not remedied within ten (10) days after written notice thereof is given by the Bondowner to the Borrower.

(iii) Warranties. There shall be a material breach of warranty or representation made herein by the Borrower as of the date it was intended to be effective.

(iv) Breach of Other Agreements. If (A) an Event of Default shall occur under the Bond Purchase Agreement, or (B) a default shall occur under any other Bond Document or with respect to any Bank Obligation, or (C) a breach shall occur (and continue beyond any applicable grace period) with respect to the payment of other indebtedness of the Borrower for borrowed money in excess of \$1,000,000, or with respect to the performance of any agreement securing such indebtedness or pursuant to which the same was issued or incurred, or an event shall occur with respect to provisions of any such agreement relating to matters of the character referred to in this section, so that a holder or holders of such indebtedness or a trustee or trustees under any such agreement accelerates or is empowered to accelerate any such indebtedness. The Borrower shall notify the Bondowner of any such breach or event immediately upon the Borrower's becoming aware of its occurrence and shall from time to time furnish such information as the Bondowner may reasonably request for the purpose of determining whether a breach or event described in this clause (iv) has occurred.

(b) The Bondowner may exercise all of the rights and remedies of a secured party under the UCC with respect to securities in the Debt Service Fund and the Project Fund, including the right to retain such securities in satisfaction of the obligations of the Borrower hereunder. Notice sent by registered or certified mail, postage prepaid, or delivered during business hours, to the Borrower at least ten (10) days before an event under UCC Section 9-610 or any successor provision of law shall constitute reasonable notification of such event.

Section 602. [Reserved]

Section 603. Remedies for Events of Default.

If an Event of Default occurs and is continuing:

(a) Acceleration. The Bondowner may, by written notice to the Borrower and the Issuer, declare immediately due and payable the principal amount of the Outstanding Bonds and the payments to be made by the Borrower therefor, and accrued interest on the foregoing, whereupon the same shall become immediately due and payable without any further action or notice.

Section 604. Court Proceedings.

The Bondowner may enforce the provisions of this Agreement by legal proceedings for the specific performance of any covenant, obligation or agreement contained herein, whether or not an Event of Default exists, or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Issuer or the Borrower of the provisions of this Agreement, including court costs, reasonable attorneys' fees and other reasonable costs and expenses incurred in enforcing the obligations of the Issuer or the Borrower hereunder.

Section 605. Revenues after Default.

The proceeds from the exercise of any rights pursuant to Section 602 shall be held by the Bondowner. After payment or reimbursement of the reasonable expenses of the Bondowner and the Issuer in connection therewith, the same, together with any other funds held under this Agreement, shall be applied first to the remaining obligations of the Borrower under the Bond Documents (other than obligations to make payments to the Issuer for its own use) in such order as may be determined by the Bondowner in its sole discretion, and second, to any unpaid sums due the Issuer for its own use. Any surplus thereof shall be paid to the Borrower so long as the Bonds and all Bank Obligations have been paid in full.

Section 606. Bondowner May Perform Obligations.

If the Borrower fails to observe or perform any covenant, condition, agreement or provision contained in this Agreement with respect to the Premises (including, without limitation, the insurance, maintenance or repair of the Premises and the payment of taxes or other governmental charges thereon), whether or not there is an Event of Default hereunder, the Bondowner may perform such covenant, condition, agreement or provision in its own name or in the Borrower's name, and is hereby irrevocably appointed the Borrower's attorney-in-fact for such purpose. The Bondowner shall give at least ten (10) days' notice to the Borrower before taking action under this section, except that following an Event of Default or in the case of emergency as reasonably determined by the Bondowner, the Bondowner may act on lesser notice or give the notice promptly after, rather than before, taking the action. The reasonable cost of any such action by the Bondowner shall be paid or reimbursed by the Borrower.

Section 607. Remedies Cumulative.

The rights and remedies under this Agreement shall be cumulative and shall not exclude any other rights and remedies allowed by law. The failure to insist upon a strict performance of any of the obligations of the Borrower or of the Issuer or to exercise any remedy for any violation thereof shall not be taken as a waiver for the future of the right to insist upon strict performance or of the right to exercise any remedy for the violation or any other violation.

ARTICLE 7
THE DISBURSING AGENT.

Section 701. Corporate Organization, Authorization and Capacity.

The Disbursing Agent represents and warrants that it is a Massachusetts chartered bank duly organized and validly existing under the laws of the Commonwealth of Massachusetts, with the capacity to exercise the powers and duties of the Disbursing Agent hereunder, and that by proper corporate action it has duly authorized the execution and delivery of this Agreement.

Section 702. Rights and Duties of the Disbursing Agent.

(a) Moneys to be Held in Trust. All moneys received by the Disbursing Agent under this Agreement (other than amounts received for its own use) shall be held by the Disbursing Agent in trust and applied subject to the provisions of this Agreement.

(b) Accounts. The Disbursing Agent shall keep proper accounts of its transactions hereunder (separate from its other accounts), which shall be open to inspection by the Issuer, the Borrower and the Bondowner and their representatives duly authorized in writing upon reasonable prior written notice to the Disbursing Agent.

(c) Responsibility. The Disbursing Agent shall be entitled to the advice of counsel (who may be counsel for any party) and shall not be liable for any action taken in good faith in reliance on such advice. The Disbursing Agent may rely conclusively on any notice, certificate or other document furnished to it under this Agreement and reasonably believed by it to be genuine. The Disbursing Agent shall not be liable for any action taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or taken by it pursuant to any direction or instruction by which it is governed under this Agreement or omitted to be taken by it by reason of the lack of direction or instruction required for such action, or be responsible for the consequences of any error of judgment reasonably made by it. When any action by the Disbursing Agent is called for by this Agreement, the Disbursing Agent may defer such action pending receipt of such evidence, if any, as it may reasonably require in support thereof. A permissive right or power to act shall not be construed as a requirement to act. The Disbursing Agent shall in no event be liable for the application or misapplication of funds, or for other acts or defaults, by any person, firm or corporation except by its own directors, officers, agents and employees. No recourse shall be had by the Borrower, the Issuer or any Bondowner for any claim based on this Agreement, the Bonds, or any agreement securing the same against any director, officer, agent or employee of the Disbursing Agent unless such claim is based upon the bad faith, fraud or deceit of such person.

(d) Ownership of Bonds. The Disbursing Agent may be or become the owner of or trade in Bonds with the same rights as if it were not the Disbursing Agent.

(e) Surety Bond. The Disbursing Agent shall not be required to furnish any bond or surety.

(f) Financial Obligations. Nothing contained in this Agreement shall in any way obligate the Disbursing Agent to pay any debt or meet any financial obligations to any person in

relation to the Premises except from moneys received under the provisions of this Agreement or from the exercise of the Disbursing Agent's rights hereunder, other than the moneys received for its own purposes in its capacity as Disbursing Agent.

Section 703. Expenses of the Disbursing Agent.

The Borrower shall pay or reimburse the Disbursing Agent for its reasonable expenses and disbursements, including reasonable attorneys' fees, hereunder. Any expenses, reimbursements or other charges which the Disbursing Agent may be entitled to receive from the Borrower hereunder, if not paid within thirty (30) days, shall bear interest at the Default Rate.

Section 704. Resignation or Removal of the Disbursing Agent.

The Disbursing Agent may resign on not less than thirty (30) days' notice given in writing to the Issuer, the Bondowner and the Borrower, but such resignation shall not take effect until a successor has been appointed. The Disbursing Agent will promptly certify to the Issuer that it has mailed such notice to the Bondowner and such certificate will be conclusive evidence that such notice was given in the manner required hereby. The Disbursing Agent may be removed (i) by written notice from the Bondowner to the Disbursing Agent, the Issuer and the Borrower; (ii) for cause by the Borrower with the approval of the Issuer so long as no Event of Default has occurred that has not been waived; or (iii) for cause by the Issuer.

Section 705. Successor Disbursing Agent.

Any corporation or association which succeeds to the business of the Disbursing Agent as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of the Disbursing Agent under this Agreement, without any further act or conveyance.

In case the Disbursing Agent resigns or is removed or becomes incapable of acting, or becomes bankrupt or insolvent, or if a receiver, liquidator or conservator of the Disbursing Agent or of its property is appointed, or if a public officer takes charge or control of the Disbursing Agent, or of its property or affairs, a successor shall be appointed by written notice from the Bondowner, with approval from the Borrower, such approval not to be unreasonably withheld, to the Issuer and to the Borrower. Any such successor Disbursing Agent shall notify the Issuer and the Borrower of its acceptance of the appointment and, upon giving such notice, shall become Disbursing Agent, vested with all the property, rights and powers of the Disbursing Agent hereunder, without any further act or conveyance. Such successor Disbursing Agent shall execute, deliver, record and file such instruments as are required to confirm or perfect its succession hereunder and any predecessor Disbursing Agent shall from time to time execute, deliver, record and file such instruments as the incumbent Disbursing Agent may reasonably require to confirm or perfect any succession hereunder.

ARTICLE 8
THE ISSUER

Section 801. Limited Obligation.

Under no circumstances shall the Issuer be obligated directly or indirectly to pay Project Costs, principal of or premium, if any, and interest on the Bonds, or expenses of operation, maintenance and upkeep of the Project except from Bond proceeds or from funds received under this Agreement, exclusive of funds received hereunder by the Issuer for its own use. This Agreement does not create any debt of the State of New Hampshire with respect to the Project other than a special obligation of the Issuer acting on behalf of the State pursuant to the Act. Nothing contained herein shall in any way obligate the State of New Hampshire to raise any money by taxation or use other public funds for any purpose in relation to the Project. Neither the State or New Hampshire nor the Issuer shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Project except (i) from moneys received or to be received under the provisions hereof or derived from the exercise of the Issuer's right hereunder, other than moneys received for its own purposes, or (ii) as may be required by law other than the provisions of the Act. Nothing contained in this Agreement shall be construed to require or authorize the Issuer to operate the Project itself or to conduct any business enterprise in connection therewith. The Issuer makes no representation or warranty that interest on the Bonds is or will continue to be excludable from gross income for federal income tax purposes or exempt for state income tax purposes.

Section 802. Rights and Duties of the Issuer.

(a) Remedies of the Issuer. Notwithstanding any contrary provision in this Agreement, the Issuer shall have the right to take any action or make any decision with respect to proceedings for indemnity against the liability of the Issuer and for collection or reimbursement from sources other than moneys or property held under this Agreement or subject to the lien thereof. The Issuer may enforce its rights under this Agreement which have not been assigned to the Bondowner by legal proceedings for the specific performance of any obligation contained herein or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Borrower of its obligations to the Issuer under this Agreement, including court costs, reasonable attorney's fees and other costs and expenses incurred in enforcing such obligations.

(b) Limitations on Actions. The Issuer shall not be required to monitor the financial condition of the Borrower, the investment or expenditure of Bond proceeds (and earnings thereon), or the physical condition or use of the Project and, unless otherwise expressly provided, shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder. The Issuer shall not be required to take notice of any breach or default except when given notice thereof by the Bondowner. The Issuer shall not be responsible for the payment of any rebate or yield reduction payments to the United States under Section 148 of the Code but the Issuer shall timely file any reporting forms provided to it by the Borrower pursuant to Section 305. The Issuer shall not be required to take any action unless indemnity reasonably satisfactory to it is furnished for expenses or liability to be incurred therein (other than the giving of notice). The Issuer, upon written request of the Bondowners, or the

Disbursing Agent, and upon receipt of reasonable indemnity for expenses or liability, shall cooperate to the extent reasonably necessary to enable the Bondowner to exercise any power granted to the Bondowner by this Agreement. The Issuer shall be entitled to reimbursement pursuant to Section 803 to the extent that it acts without previously obtaining full indemnity.

(c) Responsibility. The Issuer shall be entitled to the advice of counsel (who may be counsel for any party) and shall be wholly protected as to any action taken or omitted to be taken in good faith in reliance on such advice. The Issuer may rely conclusively on any notice, certificate or other document furnished to it under this Agreement and reasonably believed by it to be genuine. The Issuer shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or in good faith omitted to be taken by it and reasonably believed to be beyond such discretion or power, or taken by it pursuant to any direction or instruction by which it is governed under this Agreement or omitted to be taken by it by reason of the lack of direction or instruction required for such action under this Agreement, or be responsible for the consequences of any error of judgment reasonably made by it. When any payment, consent or other action by the Issuer is called for by this Agreement, the Issuer may defer such action pending such investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof. A permissive right or power to act shall not be construed as a requirement to act, and no delay in the exercise of a right or power shall affect the subsequent exercise thereof. The Issuer shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any person or entity except by its own directors, officers and employees. No recourse shall be had by the Borrower, the Disbursing Agent or the Bondowner for any claim based on this Agreement or the Bonds against any director, officer, employee or agent of the Issuer unless such claim is based upon the bad faith, fraud or deceit of such person. No covenant, obligation or agreement of the Issuer contained in this Agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, employee or agent of the Issuer in his individual capacity, and not person executing a Bond shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 803. Expenses of the Issuer.

The Borrower shall prepay or reimburse the Issuer within thirty (30) days after notice for all expenses (including reasonable attorney's fees) incurred by the Issuer in connection with the issuance and carrying of the Bonds and all expenses reasonably incurred or advances reasonably made in the exercise of the Issuer's right or their performance of its obligations hereunder. Any fees, expenses, reimbursements or other charges which the Issuer may be entitled to receive from the Borrower hereunder, if not paid within ten (10) days of when they are due, shall bear a late charge equal to 5% of the amount overdue, and if not paid within sixty (60) days, shall bear interest at 12% per annum.

Section 804. Matters to be Considered by Issuer.

In approving, concurring in or consenting to action or in exercising any discretion or in making any determination under this Agreement, the Issuer may consider the interests of the public, which shall include the anticipated effect of any transaction on tax revenues and employment, as well as the interests of the other parties hereto; provided, however, nothing

herein shall be construed as conferring on any person other than the other parties any right to notice, hearing or participation in the Issuer's consideration, and nothing in this section shall be construed as conferring on any of them any right additional to those conferred elsewhere herein. Subject to the foregoing, the Issuer will not unreasonably withhold any approval or consent to be given by it hereunder.

Section 805. Actions by Issuer.

Any action which may be taken by the Issuer hereunder shall be deemed sufficiently taken if taken on its behalf by its Chairman, its Vice Chairman or its Executive Director or by any other director, officer or agent whom it may designate from time to time.

Section 806. Bondowner's Rights with Respect to the Loan; Cooperation with Bondowner.

The Issuer agrees that the Bondowner may enforce all rights of the Issuer (except those rights not assigned under this Agreement) and all obligations of the Borrower with respect to the Loan for and on behalf of the Bondowners, whether or not the Issuer is in default hereunder. The Issuer agrees that, except as provided herein, it will not mortgage, encumber or alienate any part of the Gross Revenues.

ARTICLE 9
THE BONDOWNER

Section 901. Action by Bondowner.

If there is at any time more than one Bondowner, any request, authorization, direction, notice, consent, waiver or other action provided by this Agreement to be given or taken by the Bondowner shall, except as otherwise expressly provided, require the concurrence of the registered owners of Bonds representing more than fifty percent (50%) of the principal amount of the Outstanding Bonds and may be contained in and evidenced by one or more writings of substantially the same tenor signed by such Bondowners or their authorized representatives. In taking or refraining from any such actions, each Bondowner may act in its sole discretion.

Section 902. Proceedings by the Bondowner.

The Bondowner may by any available legal proceedings enforce and protect its rights hereunder and under the laws of the State of New Hampshire.

Section 903. Expenses of the Bondowner.

The Borrower will prepay or reimburse the Bondowner within thirty (30) days after notice for any expenses and costs (including reasonable attorney's fees) incurred by it in taking any action hereunder at the request of the Borrower or resulting from the failure of the Borrower to pay or perform any of its obligations hereunder or under any other Bond Document, or incurred in the exercise of its rights while a default or an Event of Default exists. Any expenses

and costs which the Bondowner may be entitled to receive from the Borrower hereunder, if not paid when due, shall bear interest at the Default Rate.

ARTICLE 10 THE BORROWER

Section 1001. Corporate Organization, Authorization, and Powers.

The Borrower represents and warrants that it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of [New Hampshire], with the power to enter into and perform this Agreement, that it is a “commercial facility” within the meaning of the Act, and that by proper corporate action it has duly authorized the execution and delivery of this Agreement. The Borrower further represents and warrants that the execution and delivery of this Agreement and the consummation of the transactions contemplated herein will not conflict with or constitute a breach of or default under any bond, indenture, note or other evidence of indebtedness of the Borrower, the charter or by-laws of the Borrower, any gifts, bequests or devises, pledged to or received by the Borrower, or any contract, lease or other instrument to which the Borrower is a party or by which it is bound, or cause the Borrower to be in violation of any applicable statute or rule or regulation of any governmental authority.

Section 1002. Tax Status.

(a) The Borrower represents and warrants that (i) MEDC is an organization described in Section 501(c)(3) of the IRC and it is not a “private foundation” as defined in Section 509 of the IRC; (ii) MEDC has received letters from the Internal Revenue Service to that effect; (iii) such letters have not been modified, limited, or revoked; (iv) MEDC is in compliance with all terms, conditions and limitations, if any, contained in such letters; (v) the facts and circumstances which form the basis of such letters continue substantially to exist as represented to the Internal Revenue Service; and (vi) MEDC is exempt from federal income taxes under Section 501(a) of the IRC. The Borrower agrees that neither MEDC nor the Borrower will take any action or omit to take any action if such action or omission would cause any revocation or adverse modification of such federal income tax status of MEDC.

(b) The Borrower covenants that none of MEDC, the Institution or the Borrower shall take or omit to take any action if such action or omission (i) would cause the Bonds to be “arbitrage bonds” under Section 148 of the IRC, (ii) would cause the Bonds to not meet any of the requirements of Section 149 of the IRC, or (iii) would cause the Bonds to cease to be “qualified 501(c)(3) bonds” within the meaning of Section 145 of the IRC.

(c) Partly in furtherance of the foregoing, the Issuer, the Borrower and the Institution [and MEDC] are entering into the Tax Certificate with respect to matters of federal tax law pertaining to the Bonds.

(d) The Borrower shall not enter into a Hedge Agreement (as hereinafter defined) or any other hedging transaction with respect to the Bonds, without obtaining an Opinion of Bond Counsel. “Hedge Agreement” shall mean a payment exchange agreement, swap agreement, forward purchase agreement or any other hedge agreement entered into by the Borrower providing for payments between the parties based on levels of, or changes in interest rates, stock

or other indices or contracts to exchange cash flows or a series of payments or contracts, including without limitation, interest rate floors, or caps, options, puts or calls, which allow the Borrower to manage or hedge payment, rate, spread or similar risk with respect to the Bonds.

(e) Notwithstanding the foregoing or any other provision of this Agreement to the contrary, in no event will the occurrence of an Event of Taxability be a default or an Event of Default under this Agreement, provided that upon the occurrence of an Event of Taxability the interest rate in effect on the Bonds shall be the Taxable Rate, in accordance with the provisions of the Form of Bonds in Section 301(b) and in Section 301(d).

Section 1003. Securities Laws.

The Borrower represents and warrants that MEDC is an organization organized and operated exclusively for charitable purposes and not for pecuniary profit; and that no part of its net earnings inure to the benefit of any person, private stockholder or individual, all within the meaning of the Securities Act of 1933, as amended. The Borrower covenants that MEDC shall not take any action or omit to take any action if such action or omission would change its status as set forth in this section.

Section 1004. Maintenance of Corporate Existence.

The Borrower shall maintain its existence as a limited liability company duly organized [in Delaware?] and qualified to do business in the State of New Hampshire, and shall not dissolve, dispose of or spin off all or substantially all of its assets, or consolidate with or merge into another entity or entities, or permit one or more other entities to consolidate with or merge into it, except as provided in the Continuing Covenants Agreement.

Section 1005. Books and Accounts.

The Borrower will keep proper accounts of its transactions hereunder (separate from its other accounts), which shall be open to inspection by the Issuer and the Bondowner and their representatives duly authorized in writing at reasonable times and upon reasonable notice.

Section 1006. Notification of Event of Taxability.

The Borrower will notify promptly the Issuer and the Bondowner in writing of the occurrence of any Event of Taxability or any basis therefor known to it, and of any allegation of which the Borrower has or acquires knowledge by any federal or state agency that any such event has occurred.

Section 1007. Indemnification by Borrower.

The Borrower, regardless of any agreement to maintain insurance, will indemnify the Issuer against (a) any and all claims by any person related to the participation of the Issuer in the transactions contemplated by this Agreement, including without limitation claims arising out of (i) any condition of the Project or the Premises or the construction, use, occupancy or management thereof; (ii) any accident, injury or damage to any person occurring in or about the Premises or as a result of the Project; (iii) any breach by the Borrower of its obligations under

this Agreement; (iv) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees; or (v) the offering, issuance, sale or any resale of the Bonds to the extent permitted by law, and (b) all costs, counsel fees, expenses or liabilities reasonably incurred in connection with any such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against the Issuer by reason of any such claim, the Borrower will defend the same at its expense upon notice from the Issuer, and the Issuer, will cooperate with the Borrower, at the expense of the Borrower, in connection therewith. This indemnification shall survive the termination or defeasance of this Agreement.

The Borrower shall, and hereby agrees to, indemnify the Disbursing Agent and hold it harmless from and against any loss, liability, damage, cost and expense (including reasonable attorney fees expenses) incurred, suffered or paid by the Disbursing Agent in connection with or arising out of the Disbursing Agent's performance of its duties hereunder (including without limitation claims by third parties arising out of (i) any condition of the Project or the construction, use, occupancy or management thereof or of the Premises; (ii) any accident, injury or damage to any person occurring in or about the Premises or as a result of the Project; (iii) any breach by the Borrower of its obligations under this Agreement; (iv) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees; or (v) the offering, issuance, or sale of the Bonds to the extent permitted by law, including but not limited to costs and expenses of defending or preparing to defend against any claim of liability, in each case excluding any such loss, liability, damage, cost or expense caused by the Disbursing Agent's own negligence or willful misconduct. This indemnification shall survive the termination or defeasance of this Agreement.

The Borrower shall, and hereby agrees to, indemnify the Bondowner and hold it harmless from and against any loss, liability, damage, cost and expense (including reasonable attorney fees expenses) incurred, suffered or paid by the Bondowner in connection with or arising out of the Bondowner's initial purchase of the Bonds hereunder (including without limitation claims by third parties arising out of (i) any condition of the Project or the construction, use, occupancy or management thereof of the Premises; (ii) any accident, injury or damage to any person occurring in or about the Premises or as a result of the Project; (iii) any breach by the Borrower of its obligations under this Agreement; (iv) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees; or (v) the offering, issuance, or sale of the Bonds to the extent permitted by law, including but not limited to costs and expenses of defending or preparing to defend against any claim of liability, in each case excluding any such loss, liability, damage, cost or expense caused by the Bondowner's own negligence or willful misconduct. This indemnification shall survive the termination or defeasance of this Agreement.

ARTICLE 11 MISCELLANEOUS

Section 1101. Amendment.

So long as there is only one Bondowner, this Agreement may be amended by the parties only with the written consent of the Bondowner. While the Bonds are held by more than one owner, the Issuer, the Borrower, and the Disbursing Agent may without the consent of, or notice to, any of the Bondowners, enter into agreements supplemental to this Agreement and financing

statements or other instruments evidencing the existence of a lien as shall not, in their opinion, be inconsistent with the terms and provisions hereof for any one or more of the following purposes: (a) to provide for the establishment of a book entry system of registration for the Bonds through a securities depository (which may or may not be DTC); (b) to cure any ambiguity, inconsistency or formal defect or omission in this Agreement; (c) to grant to or confer upon for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners; and (d) to subject to the lien and pledge of this Agreement additional revenues or collateral.

Except as provided in the preceding paragraph, this Agreement may be amended only with the written consent of a majority in principal amount of the Outstanding Bonds; provided, however, that no amendment of this Agreement may be made without the unanimous written consent of the affected Bondowners for any of the following purposes: (1) to extend the maturity of any Bond; (2) to reduce the principal amount or interest rate of any Bond; (3) to make any Bond redeemable or purchasable other than in accordance with its terms; (4) to create a preference or priority of any Bond or Bonds over any other Bond or Bonds; or (5) to reduce the percentage of the Bonds required to be represented by the Bondowners giving their consent to any amendment.

Any amendment of this Agreement shall be accompanied by an opinion of Bond Counsel to the effect that the amendment (i) is permitted by this Agreement, and (ii) unless waived by the Bondowner (while there is only one Bondowner), will not adversely affect the exclusion of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

Section 1102. Successor and Assigns.

The rights and obligations of the parties to this Agreement shall inure to their respective successors and assigns.

Section 1103. Notices.

Unless otherwise expressly provided, all notices to the Issuer, the Disbursing Agent, the Borrower, and the Bondowner shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered during a Business Day as follows: (a) to the Issuer at 2 Pillsbury Street, Suite 201, Concord, New Hampshire, 03301, attention of Executive Director, (b) to the Disbursing Agent at 400 Mystic Avenue, Medford, Massachusetts, 02155, attention of Gerald S. Algere, Senior Vice President, (c) to the Borrower at 51 Railroad Street, Keene, New Hampshire 03431, attention of President, and (d) to the Bondowner at 400 Mystic Avenue, Medford, Massachusetts, 02155, attention of Gerald S. Algere, Senior Vice President, or to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the one giving notice.

Notice hereunder may be waived prospectively or retrospectively by the person entitled to the notice, but no waiver shall affect any notice requirement as to other persons.

Section 1104. Agreement Not for the Benefit of Other Parties.

This Agreement is not intended for the benefit of, and shall not be construed to create rights in, parties other than the Borrower, the Issuer, the Disbursing Agent and the Bondowner.

Section 1105. Severability.

In the event that any provision of this Agreement shall be held to be invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.

Section 1106. Counterparts.

This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

Section 1107. Captions.

The captions and table of contents of this Agreement are for convenience only and shall not affect the construction hereof.

Section 1108. Governing Law.

This instrument shall be governed by the laws of the State of New Hampshire.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed under seal all as of the date first above written.

BUSINESS FINANCE AUTHORITY OF THE
STATE OF NEW HAMPSHIRE

By: _____
Executive Director

33 WINTER ST., LLC

By: _____
Jack Dugan
President

CENTURY BANK AND TRUST COMPANY
as Disbursing Agent

By: _____
Gerald S. Algere
Senior Vice President

CENTURY SUBSIDIARY INVESTMENTS, INC. III
as Bondowner

By: _____
Gerald S. Algere
Senior Vice President

[EXHIBIT A

Construction and Disbursement Requirements]

[TO COME IF NOT CONTAINED IN DISBURSEMENT AGREEMENT AT QALICB
LEVEL]

5017250v.8

A RESOLUTION AUTHORIZING \$5,000,000 BONDS
FOR A PROJECT FOR
MONADNOCK ECONOMIC DEVELOPMENT CORPORATION IN KEENE

WHEREAS, the State of New Hampshire Business Finance Authority (the "Authority") has been requested by the Monadnock Economic Development Corporation (or any subsidiary or affiliate thereof, including 33 Winter St., LLC, the "Borrower") to finance the construction of a court house in the City of Keene (the "Project") by issuing \$5,000,000 of tax-exempt revenue bonds (the "Bonds") under RSA 162-I (the "Act");

WHEREAS, the Authority took official action with respect to the Project by passing a resolution on November 19 , 2012 approving the issue of up to \$5,000,000 of Bonds; and

WHEREAS, the Authority has been furnished with (a) information and materials about the Borrower, the Project and unemployment in the Keene area, (b) evidence that Century Bank and Trust Company (the "Bank") is willing to purchase the Bonds, (c) the proposed LOAN AND SECURITY AGREEMENT dated as of December 1, 2012 (the "Agreement") among the Authority, the Borrower and a trustee to be named therein, which is a combined financing and security document and which will secure the Bonds, and (d) other information, materials and assurances deemed relevant by the Authority;

IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the information, materials and assurances received by the Authority and considered by it at an open meeting, the Authority finds:

(a) Special Findings:

(1) The Project (as completed, the "Facility") consists of a) the acquisition of approximately 0.58 acres of land located at 33 Winter Street, Keene, New Hampshire and the demolition of an existing parking lot thereon; and (b) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County courthouse, to be used by the State of New Hampshire (the "State") for district and superior courts, including a 21-space parking garage to be located on the ground floor thereof and 14 adjacent outdoor parking spaces. The Project is within the definition of "Commercial facility" in the Act and may be financed under the Act; and

(2) The establishment and operation of the Facility will create and preserve employment opportunities directly and indirectly within the State and is of a general benefit to the community as a whole.

(b) General Findings:

- (1) The Project and the proposed financing of the Project are feasible;
- (2) The Borrower has demonstrated the skills and financial resources necessary to operate the Facility successfully;
- (3) The Agreement contains provisions so that under no circumstances will the Authority be obligated directly or indirectly to pay Project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from Bond proceeds or from funds received under the Agreement, exclusive of funds received thereunder by the Authority for its own use;
- (4) The Agreement does not purport to create any debt of the State with respect to the Facility, other than a special obligation of the Authority acting on behalf of the State under the Act; and
- (5) The proposed financing of the Project by the Authority and the continued operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions, and will promote the general welfare of the State's citizens.

Section 2. Determination and Recommendation. The Authority finds that the proposed financing, operation and use of the Facility serves a public use and provides a public benefit and determines that the Authority's financing of the Project will be within the policy of, and the authority conferred by, the Act. The Authority recommends to His Excellency, the Governor, and The Honorable Council that they make findings and a determination similar to those set forth above, and for that purpose the Executive Director is directed to transmit to the Governor and Council copies of this resolution, the materials received by the Authority with respect to the Project and any other documentation and information the Governor and Council may request.

Section 3. Authorization of the Agreement. The Authority shall be a party to the Agreement and the Chairman, Vice Chairman, Treasurer and Executive Director are each authorized to execute and deliver the Agreement on behalf of the Authority substantially in the form presented to this meeting but subject to such changes as the person so signing may approve, his or her signature being conclusive identification of the document as the Agreement (with approved changes, if any) authorized by this resolution.

Section 4. Authorization and Sale of the Bonds. The Authority shall issue the Bonds in the aggregate amount of up to \$5,000,000 as provided in the Agreement; the Chairman, or the Vice Chairman, or the Treasurer, and any other member of the Board or the Executive Director, are authorized to execute the Bonds; and the placement of the Bonds at the price of par and with a floating interest rate to the Bank is hereby authorized and approved.

Section 5. Actions Not to Be Taken Until After Approval by Governor and Council. The actions authorized by Sections 3 and 4 above (meaning specifically the execution of the Agreement and the issue of the Bonds) shall not be taken until such time as the Governor and Council have made the findings and determination required by Section 9 of the Act, it being the intent of the Authority that the various actions on its behalf which are authorized above are subject to the action of the Governor and Council as required by the Act.

Section 6. Bond Proceeds. The proceeds of the Bonds may be deposited with a trustee to be named in the Agreement; and checks, if any, for such Bond proceeds may be appropriately endorsed by the Chairman, Vice Chairman, Treasurer or the Executive Director.

Section 7. Approval of Project. The establishment of the Project, all in accordance with the provisions of the Agreement, is hereby approved for the purposes of, and to the extent required by, the Act.

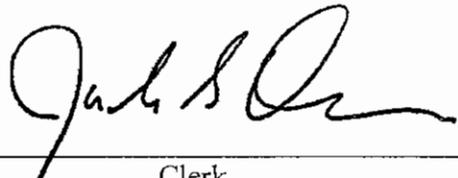
Section 8. Other Actions by Officers. The Chairman, Vice Chairman, Treasurer and the Executive Director are each authorized to take all other actions and execute, deliver or receive such instruments or certificates as they determine are necessary on behalf of the Authority in connection with the whole transaction authorized by the preceding sections of this resolution, but subject in all events to Section 5 hereof. Without limiting the generality of the foregoing, such officers may execute and deliver: receipts; financing statement forms under the Uniform Commercial Code; certificates as to facts, estimates and circumstances; information returns for governmental bond issues for the purposes of federal income taxes; and certificates as to proceedings taken, incumbency of officers or any other facts for any other purposes.

Section 9. Discharge of Lien. The Chairman, Vice Chairman, Treasurer or Executive Director, whenever requested by the owners of the Bonds, may join in the partial release or final discharge of the lien of the Agreement.

Section 10. Authorization of Change of Dates. Without limiting any other discretion conferred in this resolution, the date of the Agreement and the date of the Bonds as executed may be any date or dates acceptable to the Borrower, the Bank and the officers of the Authority executing the Agreement and the Bonds.

Section 11. Effective Date. This resolution shall take effect upon its passage.

Passed: November 19, 2012

Attest: 
Clerk

SUMMARY OF REQUIRED STATUTORY FINDINGS OF THE
GOVERNOR AND COUNCIL UNDER RSA 162-I.

The materials appearing in quotations below are extracts from RSA 162-I:9. Dots indicate deleted provisions relating to pollution control projects or other matters which are not relevant to this transaction.

* * *

Special Findings

“(1) For any project, the governor and council shall specify the type of facility and shall find that the project to be financed is within the definition of the (type of facility) and may be financed under this chapter;”

The Project consists of (a) the acquisition of approximately 0.58 acres of land located at 33 Winter Street, Keene, New Hampshire and the demolition of an existing parking lot thereon; and (b) the design, development, construction, installation, equipping and furnishing of a new 3-story, approximately 45,336 square-foot Cheshire County courthouse, to be used by the State of New Hampshire for district and superior courts, including a 21-space parking garage to be located on the ground floor thereof and 14 adjacent outdoor parking spaces.

The Project is within the definition of “Commercial facility” in the Act and may be financed under the Act; and

* * *

“(2) If the facility is a commercial facility, the governor and council shall find that the establishment and operation of the facility will either create or preserve employment opportunities directly or indirectly within the state and will likely be of general benefit to the community as a whole;”

The Borrower expects the Project to enable it to preserve existing jobs and to create a general benefit to the community as a whole by providing essential community services. (Form BFA-1 under Tab #3) The information from the New Hampshire Employment Security, Economic and Labor Market Information Bureau (Tab #5) shows that there is unemployment in the Keene area.

* * *

General Findings

“For any project, the governor and council shall find that:

- (1) The project and the proposed financing of the project are feasible;”

Century Bank and Trust Company has agreed to purchase the bonds (Tab #4). The application of the Borrower, including financial statements, if any, also supports the finding (Tab #3).

* * *

“(2) The proposed user has the skills and financial resources necessary to operate the facility successfully;”

The materials relating to the Borrower under Tab #3 support this finding.

* * *

“(3) The financing and security documents contain provisions so that under no circumstances will the authority be obligated directly or indirectly to pay project costs, debt service or expenses of operation, maintenance and upkeep of the facility except from bond proceeds or from funds received under the financing or security documents, exclusive of funds received under the documents by the authority for its own use;”

The LOAN AND SECURITY AGREEMENT (the “Agreement”) (Tab #6) is a combined financing and security document. Section 801 of the Agreement contains an express statement to the effect required; Section 307 of the Agreement obligates the Borrower to pay all debt service on the Bonds when due; and Section 402(b) and Section 403 require the Borrower to pay taxes and costs of operation, maintenance and upkeep.

* * *

“(4) Neither the financing document nor the security document purports to create any debt of the state with respect to the facility, other than a special obligation of the authority acting on behalf of the state under this chapter; and”

Express language to this effect is found in the Agreement under Tab #4 in Section 801. Also, see the language in boldface in the Bond form in Section 301.

* * *

“(5) The proposed financing of the project by the authority and the proposed operation and use of the facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the state and one or more of its political subdivisions, and will promote the general welfare of the state’s citizens.”

This finding can be based on all the materials as well as facts which are matters of general knowledge.

* * *

Ultimate Finding and Determination Required by the
First Paragraph of RSA 162-I:9

“ . . . the proposed financing, operation and use of the facility will serve a public use and provide a public benefit and . . . the authority’s financing of the project will be within the policy of, and the authority conferred by, this chapter.”

The materials and information furnished and the preliminary findings described above support, and enable the making of, the ultimate finding and determination.

AM 17784219.1