

CREDIT ENHANCEMENT AGREEMENT

HAMPDEN BUSINESS PARK OMNIBUS TIF CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT, dated this ____ day of _____, 2017, is made by and between the **Town of Hampden**, a municipal corporation organized and existing under the laws of the State of Maine (hereinafter the “Town”), **Sargent Corporation**, a business corporation organized and existing under the laws of the State of Maine; **SSR, LLC**, a limited liability company organized and existing under the laws of the State of Maine; and **SSR II, LLC**, a limited liability company organized and existing under the laws of the State of Maine (hereinafter collectively referred to as “Sargent”),

WITNESSETH:

WHEREAS, on or about April 24, 2014, the Town and Sargent entered into a certain Development Agreement for completion of infrastructure improvements in the Town-owned Hampden Business and Commerce Park (hereinafter the “Park”), a true copy of which Development Agreement is attached to this Credit Enhancement Agreement as **Exhibit A** (hereinafter the “Development Agreement”);

WHEREAS, as partial consideration for Sargent’s completion of infrastructure improvements in the Park, section II(5) of the Development Agreement obligates the Town to designate a development district and tax increment financing (TIF) district for the Park, and to enter into a credit enhancement agreement with Sargent with respect to certain lots in the Park as specified in the Development Agreement; and

WHEREAS, on February _____, 2017, the Town designated the Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District (hereinafter the “District”), consisting of lots 001, 002 and 004 through 038, including roads contained therein, as depicted on Map 10-B of the Town of Hampden Assessor’s tax maps, in accordance with Chapter 206 of Title 30-A, Maine Revised Statutes, as amended, by vote of the Hampden Town Council (the “Vote”); and

WHEREAS, on the same date, the Council adopted a development program and financial plan (the “Development Program”) for the District; and

WHEREAS, on the same date, the Council approved the execution and delivery of a credit enhancement agreement with Sargent; and

WHEREAS, the Town and Sargent desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated and described in the Development Program and in section II(5) of the Development Agreement;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows.

ARTICLE I DEFINITIONS

Section 1.1 Definitions. For the purposes of this Credit Enhancement Agreement, the following terms shall have the meanings specified herein unless the context clearly requires otherwise:

"Agreement" or "Credit Enhancement Agreement" shall mean this Credit Enhancement Agreement between the Town and Sargent.

"Assessment Date" means April 1st of each calendar year, the date fixed by Maine law for valuation and municipal tax liability with respect to the ensuing Tax Year.

"Captured Assessed Value" means that portion of the Increased Assessed Value that is annually retained within the District for the purpose of funding the District Development Program, as provided in the approved Development Program for the District. For the purposes of the District and this Credit Enhancement Agreement, Captured Assessed Value does not include the taxable value of personal property and equipment located within the District. As provided in the Financial Plan of the Development Program, the Captured Assessed Value shall be equal to one hundred percent (100%) of the Increased Assessed Value for each of the thirty (30) Tax Years beginning July 1, 2017 and ending June 30, 2047.

"Current Assessed Value" means the taxable value of all real estate located within the District as of the annual Assessment Date. For the purposes of the District and this Credit Enhancement Agreement, Current Assessed Value does not include the taxable value of personal property and equipment located within the District.

"Development Agreement" means the agreement between the Town and Sargent dated April 24, 2014, for completion of infrastructure improvements in the Hampden Business Park, a true copy of which is attached to this Credit Enhancement Agreement as **Exhibit A**.

"Development Program" means the development program for the District adopted by the Hampden Town Council on February _____, 2017.

"Development Program Fund" means the development program fund described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article II hereof.

"District" means the Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District designated by the Town pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, adopted by the Hampden Town

Council on February _____, 2017. The District consists of the property described in section II(A)(1) and Exhibit A-2 of the Development Program and depicted in **Exhibit B** to this Credit Enhancement Agreement.

"Financial Plan" means the financial plan described in the "Financial Plan" section of the Development Program.

"Fiscal Year" (sometimes abbreviated "FY") means July 1 to June 30 each year or such other fiscal year as the Town may establish from time to time.

"Increased Assessed Value" means the amount, in any Tax year, by which the Current Assessed Value in the District exceeds the Original Assessed Value. If the Current Assessed Value within the District does not exceed the Original Assessed Value in any Tax Year, there is no Increased Assessed Value for that Tax Year.

"Original Assessed Value" means \$6,957,600.00, the assessed value of taxable real property and facilities located within the District, excluding taxable personal property and equipment, as of March 31, 2016 (= April 1, 2015).

"Project" means Sargent's completion of infrastructure development within the Park in accordance with the Development Agreement and as described in section I(A) of the Development Plan.

"Project Cost Account" means the Project Cost Account described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article IV hereof.

"Property Taxes" means any and all ad valorem property taxes in excess of any county, state or special district taxes, levied, charged or assessed against real estate and facilities located in the District by the Town or on its behalf.

"Qualified Investments" shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law.

"Retained Tax Increment Revenues" means, in each Tax Year this Agreement remains in effect, the amount of Property Taxes assessed and collected with respect to the Captured Assessed Value in the District pursuant to the terms of the Development Program, for the purpose of funding the Development Program.

"Retained Tax Increment Revenues – Developer's Share" means, in each Tax Year that this Agreement remains in effect, the percentages of Retained Tax Increment Revenues to be returned to Sargent in accordance with this Credit Enhancement Agreement, for the purpose of defraying the Developer's costs of developing and building the Project, which may include Sargent's financing costs.

As provided in section II(5) of the Development Agreement, "Retained Tax Increment Revenues – Developer's Share" shall consist of fifty percent (50%) of the Retained Tax Increment Revenues from new taxable development (site improvements and building development) on Lots 17 and 19 through 37 as depicted in the final subdivision plan for the Hampden Business and Commerce Park, as amended, as referenced in the first recital of the Development Agreement; said Lots also being designated as Tax Map 10-B, Lots 017 and 019 through 037 in the Hampden Assessor's tax maps. Payment of Retained Tax Increment Revenues – Developer's Share to Sargent shall be for the periods, and subject to the prior conditions, set out in section II(5) of the Development Agreement. Incremental new taxes resulting from changes in land value not associated with site improvements and building development will accrue to the Town portion of Retained Tax Increment.

"Tax Payment Date" means the later of the date(s) on which Property Taxes assessed by the Town against Real Estate located in the District are due and payable or are actually paid.

"Tax Year" means the Town's annual July 1st through June 30th fiscal year.

Section 1.2 Interpretation and Construction. In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Except as expressly provided herein, and except in regard to the District approval dates and effective dates as provided in the Development Agreement, nothing in this Credit Enhancement Agreement shall be deemed to alter, modify or excuse performance of Sargent's or the Town's obligations under the Development Agreement. In the event of any ambiguity in the provisions of this Credit Enhancement Agreement relating to annual payments of tax increment revenues by the Town to Sargent, the provisions concerned shall be construed in a manner consistent with the terms and conditions of the Development Agreement and specifically section II(5) thereof.

(e) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall

they affect its meaning, construction or effect.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1 Creation of Development Program Fund. The Town hereby confirms the creation and establishment of a segregated fund in the name of the Town designated as the "Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District Development Program Fund" (the "Development Program Fund") pursuant to, and in accordance with, the terms and conditions of the Development Program and Development Agreement. The Development Program Fund shall consist of a single Project Cost Account, which shall include a Developer Project Cost Sub-account and a Town Project Cost Sub-account.

Section 2.2 Deposits into Development Program Fund. The Town shall deposit into the Developer Project Cost Sub-account of the Development Program Fund within ten (10) days after each payment of Property Taxes with respect to Real Estate located in the District, an amount equal to that portion thereof constituting Retained Tax Increment Revenues - Developer's Share for the period to which the payment relates. The Town shall allocate the amounts so deposited to fund fully and pay the payments due to Sargent under section II(5) of the Development Agreement and Article III of this Credit Enhancement Agreement, both past due, if any, and coming due within the following 12 months. After payment by the Town of the amount(s) due to Sargent for each fiscal year, any revenue resulting from the investment of monies in the Developer Project Cost Sub-account that remains in the Sub-account at the end of the applicable fiscal year shall be transferred by the Town to the Town Project Cost Sub-account.

Section 2.3 Use of Monies in Developer Project Cost Sub-account. Monies deposited in the Developer Project Cost Sub-account shall be used and applied exclusively to fund the Town's payment obligations described in Article III hereof.

Section 2.4 Monies Held in Trust. All monies required to be deposited with or paid into the Developer Project Cost Sub-account of Development Program Fund to fund payments to Sargent under the provisions hereof and the provisions of the Development Program, but excluding any investment earnings thereon, shall be held by the Town in trust, for the benefit of Sargent.

Section 2.5 Investments. The monies in the Developer Project Cost Sub-account not immediately paid to Sargent shall be invested and reinvested in Qualified Investments as determined by the Town. The Town shall have discretion regarding the investment of such monies, provided such monies are invested in Qualified Investments. As and when any

amounts thus invested may be needed for disbursements, the Town shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The Town shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Developer Project Cost Sub-account.

Section 2.6 Liens. The Town shall not create any liens, encumbrances, or other interests of any nature whatsoever, nor shall it hypothecate the Developer Project Cost Sub-account of the Development Program Fund or any funds therein, other than the interest granted to Sargent hereunder in and to the amounts on deposit.

ARTICLE III PAYMENT OBLIGATIONS

Section 3.1 Credit Enhancement Payments. The Town agrees to pay to Sargent within thirty (30) days following each Tax Payment Date all amounts then on deposit in the Developer Project Cost Sub-account, excluding earnings thereon; provided however, that all payments made hereunder shall be used only to pay Sargent's Project Costs directly or to reimburse Sargent for payment of Project Costs (including payment or reimbursement of debt service on indebtedness incurred to finance such Project Costs).

Such reimbursement payments shall be made by the Town for a maximum of ten (10) tax years as to each qualifying lot, during the twenty (20) year period beginning with the Tax year starting July 1, 2018, and ending no later than June 30, 2038, subject to the requirements of section II(5)(b) of the Development Agreement. The Town shall make all such payments with respect to the District to Sargent, its successors and assigns. The obligation of the Town to make such payments shall be a limited obligation payable solely out of monies actually on deposit in the Developer Project Cost Sub-account of the Development Program Fund and shall not constitute a general debt or obligation on the part of the Town or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine or any political subdivision thereof.

Section 3.2 Failure to Make Payment. In the event the Town should fail to or be unable to make any of the payments required under Section 3.1 hereof, the item or installment so unpaid shall continue from year-to-year as a limited obligation of the Town under the terms and conditions hereinafter set forth until the unpaid amount shall have been fully paid. In the event of such default by the Town, Sargent shall also have the right to initiate and maintain an action to specifically enforce the Town's obligations hereunder, including without limitation, the Town's obligation to deposit all Retained Tax Increment Revenues – Developer's Share to the Developer project Cost Sub-account of the Development Program Fund and to make payments to Sargent.

Section 3.3 Manner of Payments. The payments provided for in this Article III shall be paid in immediately available funds directly to Sargent in the manner provided hereinabove for its own use and benefit.

Section 3.3A Developer's Payment Obligations. Sargent agrees that during the term of this Agreement it shall pay, when due, all amounts lawfully assessed by the Town against Sargent as Property Taxes against Real Estate located in the District. Notwithstanding this obligation, the parties acknowledge that the intention of the parties' Development Agreement is that the Town shall continue to hold title to all unbuilt lots in the park until such time as they are sold to a third party or Sargent exercises its option to purchase the lot(s) concerned in accordance with the Development Agreement. Accordingly, Sargent shall become liable for payment of Property Taxes only with respect to those lots as to which it has exercised its option to purchase and has taken title from the Town, and continues to hold title as of April 1st prior to the Tax Year concerned.

If otherwise eligible to receive tax reimbursements with respect to any lot under the Development Agreement and this Credit Enhancement Agreement, Sargent shall not lose its eligibility on account of payment of the underlying property taxes by a third party purchaser of the lot(s) concerned. Provided, however, that Sargent may assign its right to receive tax reimbursements as to any lot to a third party purchaser of that lot, as an inducement to sale and development of the lot concerned, as provided in Article VII below.

In the event that Sargent or a third party purchaser of the lot concerned shall fail, for any reason, to pay the full amount of any such lawful Property Tax assessment when due, amounts actually paid by Sargent or such third party shall be applied as follows:

First, to payment of Property Taxes assessed against that portion of Real Estate located in the District constituting the Original Assessed Value of the District;

Second, to payment the Town's portion of Retained Tax Increment Revenues on Real Estate located in the District; and

Third, to payment of Retained Tax Increment Revenues – Developer's Share.

Section 3.3B Property Tax Valuation Appeals. Nothing in this Agreement shall be deemed to waive Sargent's right to appeal the Town's valuation or assessment of Real Estate or other Property located in the District and assessed against Sargent for tax purposes, in the same manner as provided by law for assessment and valuation appeals. Provided however, that in the event of a successful valuation appeal with respect to Real Estate located in the District, all amounts due to Sargent under this Agreement as property tax reimbursements shall be based upon the final valuation and tax amount actually paid for the Tax Year concerned, as determined through the appeals process.

Section 3.4 Obligations Unconditional. Except as directly provided herein, the obligations of the Town to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against Sargent. Except as otherwise expressly provided herein, the Town shall not suspend or discontinue any such payment or terminate this Agreement for any cause, including without limitation, any acts

or circumstances that may constitute failure of consideration or frustration of purpose or any damage to or destruction of the Project or any change in the tax or other laws of the United States, the State of Maine or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Development Program.

Section 3.5 Limited Obligation. The Town's obligations of payment hereunder shall be limited obligations of the Town payable solely from monies on deposit in the Developer Project Cost Sub-account of the Development Program Fund, pledged therefor under this Agreement. The Town's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from Retained Tax Increment Revenues – Developer's Share payable to Sargent hereunder, whether or not actually deposited into the Developer Project Cost Sub-account of the Development Program Fund. This Agreement shall not directly or indirectly or contingently obligate the Town, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation or to levy or to make any appropriation for their payment, excepting the Town's obligation to levy property taxes upon the Project and the pledge of the Retained Tax Increment Revenues, and earnings thereon, established under this Agreement.

Section 3.6 Indemnity. Sargent agrees to defend, indemnify, pay, reimburse and hold the Town, its councilors, officers, agents and employees harmless from and against any and all claims, suits, liabilities, actions, proceedings and expenses, including, without limitation, attorneys fees and expenses and accountant's fees and expenses, arising out of this Agreement, the Development Program or any claim of illegality or invalidity of the Agreement or the Development Program or the Town's approval of the District, this Agreement or the Development Program or out of the Town's preparation and participation in this Agreement or the Development Program. Provided, however, that these indemnification provisions shall apply only to matters directly related to the validity of this Agreement or to the validity of payments to Sargent by the Town in accordance with this Agreement. The Town shall indemnify Sargent for same if Sargent is successful in any such claim of illegality or invalidity.

ARTICLE IV PLEDGE AND SECURITY INTEREST

Section 4.1 Pledge of Developer Project Cost Sub-account. In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to Sargent by the Town, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the Town's covenants and agreements contained herein, the Town does hereby grant a security interest in and pledge to Sargent the Developer Project Cost Sub-account of the Development Program Fund to the extent of Sargent's rights under this Agreement to receive funds from such Project Cost Account and all sums of money and other securities and investments now or hereafter therein.

Section 4.2 Perfection of Interest. The Town shall cooperate with Sargent in causing appropriate financing statements and continuation statements naming Sargent as pledge of all amounts from time to time on deposit in the Developer Project Cost Sub-account of the Development Program Fund to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

Section 4.3 Further Instruments. The Town shall, upon the reasonable request of Sargent, at Sargent's sole expense, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall impose any obligation or expense on the Town additional to the obligations and expenses contained elsewhere herein or constitute a pledge of the credit of the Town.

Section 4.4 No Disposition of Developer Project Cost Sub-account. Except as permitted hereunder, the Town shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Developer Project Cost Sub-account of the Development Program Fund and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part hereof not permitted hereby.

Section 4.5 Access to Books and Records. All books, records and documents in the possession of the Town relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Development Program Fund shall at all reasonable times be open to inspection by Sargent, its agents and employees.

ARTICLE V DEFAULTS AND REMEDIES

Section 5.1 Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default:"

- (a) any failure by the Town to pay any amounts due to Sargent when the same shall become due and payable;
- (b) any failure by the Town to make deposits into the Development Program Fund and/or the Project Cost Account as and when due;
- (c) any failure by the Town or Sargent to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town or Sargent to be observed or performed, provided, however, that failure of Sargent to pay Property Taxes when due shall not constitute an event of default hereunder; or
- (d) if a decree or order of a court or agency or supervisory authority having jurisdiction in the

premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Town's affairs shall have been entered against the Town or the Town shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Town or of or relating to all or substantially all of its property, including without limitation, the filing of a voluntary petition in bankruptcy by the Town or the failure by the Town to have a petition in banking dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Town.

Section 5.2 Remedies on Default. Whenever any Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps:

- (a) The non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and
- (b) Sargent shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine.

Section 5.3 Remedies Cumulative. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the Town with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

Section 5.4 Agreement to Pay Attorneys' Fees and Expenses. Notwithstanding the application of any other provision hereof, in the event any party should default under any of the provisions of this Agreement and the non-defaulting party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Town or Sargent herein contained, the defaulting party shall, on demand thereof, pay to the non-defaulting party the reasonable costs and expenses so incurred by the non-defaulting party.

Section 5.5 Waiver of Sovereign Immunity. The Town hereby waives its sovereign immunity with respect to any actions or suits undertaken by Sargent, its successors or assigns, arising out of, resulting from or involving any alleged default by the Town hereunder or failure by the Town to observe or perform any of its obligations hereunder, it being understood and agreed that such waiver is a material inducement to Sargent entering into this Agreement and continuing its pursuit of the Project.

ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1 Effective Date and Term. This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire upon the payment of all amounts due to Sargent hereunder and the performance of all obligations on the part of the Town and Sargent hereunder.

Section 6.2 Cancellation and Expiration of Term. At the termination or other expiration of this Agreement and following full payment of all amounts due and owing to Sargent hereunder or provision for payment thereof and of all other fees and charges having been made in accordance with the provisions to this Agreement, the Town and Sargent shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1 Consent to Collateral Pledge and/or Assignment. The Town hereby acknowledges that it is the intent of Sargent to pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on Sargent to make such assignment or pledge. Recognizing this intention, the Town hereby consents and agrees to the pledge and assignment of any or all of Sargent's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Sargent hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof. For this purpose, the Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledge or assignee, including without limitation, recognition of the pledge or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledge or assignee the position of such assignee or pledge and the irrevocable and binding nature of this Agreement and provide to the pledge or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

The Town further consents to an assignment by Sargent of its right to receive tax reimbursements under this Agreement with respect to any particular lot or lots, to a third party purchaser or developer, as an inducement to said third party's purchase or development of the lot

or lots concerned, and subject to all provisions of the Development Agreement and this Credit Enhancement Agreement concerning eligibility for such tax reimbursement payments.

Section 7.2 Conditions of Assignments.

- (a) Except to the extent provided in section 7.1, Sargent shall not have the right to transfer or assign all or any portion of its rights in, to and under this Agreement, without the consent of the Town, which consent may be withheld at the discretion of the Town.
- (b) Any assignment by Sargent will require the Assignee to be bound by the terms and conditions of this Agreement. Prior to giving consent to any proposed assignment, documentation showing that the Assignee has agreed to this requirement shall be submitted to the Town.

**ARTICLE VIII
MISCELLANEOUS**

Section 8.1 Successors. The covenants, stipulations, promises and agreements set forth herein shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 8.2 Parties in Interest. Except as otherwise expressly provided herein, nothing in this Agreement is intended or shall be construed to confer upon any person, firm or corporation, other than the Town and Sargent any right, remedy or claim; it being intended that this Agreement shall be for the sole and exclusive benefit of the Town and Sargent and their respective successors and assigns.

Section 8.3 Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4 No Personal Liability of Officials of the Town. No covenant, stipulation, obligation or agreement of the Town contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the Town in his or her individual capacity and neither the members of the Town Council of the Town nor any official, officer, employee or agent of the Town shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6 Governing Law. The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.7 Notices. All notices, certificates, requests, requisitions or other communications by the Town or Sargent pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:

Town Manager
Town of Hampden
106 Western Avenue
Hampden, Maine 04444

If to Sargent:

Herbert R. Sargent, President
378 Bennoch Road / PO Box 435
Stillwater, ME 04489

Any of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8 Amendments. This Agreement may be amended only with the concurring written consent of the parties hereto.

Section 8.9 Net Agreement. This Agreement shall be deemed and construed to be a "net agreement," and the Town shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, deductions or setoffs.

Section 8.10 Benefit of Assignees or Pledges. The Town agrees that this Agreement is executed in part to induce assignees or pledges to provide financing for the Project and accordingly all covenants and agreements on the part of the Town as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledge from time to time of Sargent's right, title and interest herein.

Section 8.11 Valuation Agreement. The Development Program makes certain assumptions and estimates regarding valuation, depreciation of assets, tax rates and estimated costs. The Town and Sargent hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) prejudice the rights of any party to be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise in connection with valuation of or

abatement proceedings relating to Sargent's property for purposes of ad valorem property taxation or (b) vary the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

Section 8.12. Development Agreement. The Development Agreement (**Exhibit A**), Development Program and Financial Plan for the District (**Exhibit B**) as approved by the Town shall be deemed to be part of and incorporated in this Agreement. Provided however, that in the event of any conflict between this Agreement and the Development Program or Financial Plan, the Development Agreement and this Agreement shall control, to the extent permitted by law, over any such inconsistent provisions of the Development Program or Financial Plan.

Section 8.13 Integration. This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, written or oral, between the Town and Sargent relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, the Town and Sargent have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS:

TOWN OF HAMPDEN

By: Angus Jennings
Its: Town Manager

SARGENT CORPORATION
SSR, LLC
SSR II, LLC

By: Herbert R. Sargent
President, Sargent Corporation
Managing Member, SR, LLC
Managing Member, SR II, LLC