CDFA
Community Development Finance Authority
Strengthening New Hampshire's Communities

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Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Requested Action – Award a Grant

Authorize the Community Development Finance Authority (CDFA), under the Community Development Block Grant (CDBG) program, to award a grant to the Town of Bartlett, 56 Town Hall Road, Intervale, New Hampshire, in the amount of $120,000.00 for the purpose of assisting Ragged Mountain Equipment, Inc. with the purchase of equipment and for working capital, upon Governor and Council approval for the period effective April 9, 2014 through December 31, 2015. **100% federal funds.**

Explanation

The Town of Bartlett on behalf of the Mountain Washington Valley Economic Council (MWVEC), is requesting $120,000 in CDBG funds to provide Ragged Mountain Equipment Corporation with a loan of $100,000 to purchase equipment and to provide working capital. The Ragged Mountain Equipment Corporation is a manufacturer and retailer of clothing, rock climbing equipment and outdoor sporting gear. If approved, MWVEC will use CDBG funds to make a $100,000 loan to the business, and North Country Council will make a separate $120,000 loan to the business for total new loans of $220,000. These funds will allow the company to retain 10 specific jobs and create 4 new ones. At least 12 (86%) of those combined jobs will be filled by low- and moderate-income people. The town will retain $17,500 for administration.

This Agreement allocates a portion of the Community Development Block Grant (CDBG) funds provided to New Hampshire by the U. S. Department of Housing and Urban Development (HUD). CDFA is administering this program as provided by RSA 162-L. The funds for this contract are from the Community Development Block Grant Fund, which is intended to help municipalities solve development problems.

Sincerely,

Thaddeus Kuchinski
Chief Financial Officer and
Interim Executive Director

TK/KEM:ml
Attachments

FORM NUMBER P-37 (version 1/09)

Subject: Town of Bartlett/Mount Washington Valley Economic Council–Ragged Mountain Equipment, Inc.

Grant No. 13-013-CDED

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Community Development Finance Authority		1.2 State Agency Address 14 Dixon Ave., Suite 102 Concord, NH 03301	
1.3 Contractor Name Town of Bartlett		1.4 Contractor Address 56 Town Hall Road Intervale, NH 03845	
1.5 Contractor Phone Number 603-356-2950	1.6 Account Number N/A	1.7 Completion Date December 31, 2015	1.8 Price Limitation $120,000
1.9 Contracting Officer for State Agency Janet Ackerman, Chairman, Board of Directors		1.10 State Agency Telephone Number 603-226-2170	
1.11 Contractor Signature		1.11 Name and Title of Contractor Signatory Gene G. Chandler, Chairman of the Board of Selectmen	

1.13 Acknowledgement: State of NH, County of Carroll

On 2/24/14, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

[Seal]

1.13.2 Name and Title of Notary or Justice of the Peace

Lynn P. Jones, Notary Public My commission expires 9/18/2018

1.14 State Agency Signature	1.15 Name and Title of State Agency Signatory ~~Katharine Bogle Shields~~, Executive Director INTERIM THADDEUS KUCHINSKI, CHIEF FINANCIAL OFFICER

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: On: 3-20-14

1.18 Approval by the Governor and Executive Council

By: On:

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State") or ("CDFA"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the CDFA or State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the CDFA or State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the CDFA or State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the CDFA or State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The CDFA or State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the CDFA or State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The CDFA or State shall have no liability to the Contractor other than the contract price.
5.3 The CDFA or State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the CDFA, the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials _____
Date 2/24/17

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, CDFA or the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the CDFA or the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the CDFA or State may owe to the Contractor any damages the CDFA or State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data which has been received from the CDFA or purchased with funds provided for that purpose under this Agreement, shall be the property of the CDFA, and shall be returned to the CDFA upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the CDFA or the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the CDFA or the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the CDFA. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State and CDFA.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the CDFA and the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the CDFA or the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the CDFA and the State, which immunity is hereby reserved to the CDFA and the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per occurrence; and
14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 100% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.
14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of

Contractor Initials CSR
Date 2/24/12

insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.
15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation").*
15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The CDFA or State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the CDFA or State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the CDFA or State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials _____
Date _____

EXHIBIT A

GRANT ACTIVITIES

1. PROJECT DESCRIPTION AND PURPOSE.

1.1 This project shall consist of the awarding of $120,000 in Community Development Block Grant (CDBG) funds to the Town of Bartlett ("Grantee"), of which $102,500 is to be subgranted to the Mount Washington Valley Economic Corporation (MWVEC) ("Subrecipient"). Subgranted funds will be used to provide Ragged Mountain Equipment, Inc. with a loan of $100,000 to purchase equipment and for working capital in order to retain and create jobs at its current location in Bartlett, NH.

The Grantee will retain $17,500 of the grant funds for administrative costs associated with management of the grant. The Subrecipient will retain $2,500 of the subgranted funds for loan delivery costs.

1.2 Consistent with the National Objectives of the Community Development Block Grant Program under Title I of the Housing and Community Development Act of 1974, as amended, the Parties agree that the Business will retain at least ten (10) specific jobs and create at least four (4) new full time jobs. Of these fourteen (14) total jobs, twelve (12) of said jobs are or will be filled by low- and moderate-income persons, as that term is defined in Cdfa 302.33 of the State's Administrative Rules.

1.2.1 Twelve (12) of the fourteen (14) jobs will be available to low- and moderate-income persons. Job types include: a design and production assistant, manufacturing stitchers, an internet technician, a marketing person, a manufacturing production manager, a manufacturing cutter, a manufacturing inspector, a retail purchaser, and a retail salesperson.

1.2.2 The benefits plan being offered by the Business, as set forth in the application for funding includes the following:

5 paid holidays (FT & PT)
health insurance (FT) (company pays 25% of individual or family premium)
dental insurance (FT) (company pays 25% of individual premium)
3% company-matched simple IRA (FT&PT earning minimum of $5000 in calendar year)
100% company-paid accident (disability) insurance (FT)
3 sick/personal days (FT)
vacation time (FT) (5 days after 1 year, 10 days after 3 years)
employee purchase discounts (FT & PT)
3-day bereavement leave (FT)
50% paid job training & clinics
Up to $.50 per hour child care reimbursement (FT)

2. GRANT ADMINISTRATION.

2.1 Grantee shall perform all activities as necessary to administer the CDBG funds in accordance with the provisions of this Agreement.

2.2 Grantee has agreed to an Implementation Schedule, which will provide for the completion of all grant activities, prior to the Grant Completion Date. All work shall be completed prior to the Grant Completion Date as set forth in Section 1.7 of the General Provisions. All employment commitments shall be accomplished by that date.

2.3 Grantee shall be permitted to request up to $17,500 of CDBG funds for reimbursement of administrative Project Costs. In no event shall administrative costs reimbursable with Grant funds exceed fifteen percent (15%) of the total Grant Funds. Administrative costs shall be limited to the allowable costs as specified in OMB Circular A-87, "Principles for Determining Costs applicable to Grants and Contracts with the State, Local and Federally Recognized Indian Tribal Governments," as the same may be amended

from time to time. Such costs include but are not limited to: preparation of environmental review, recordkeeping, reporting, audits and oversight of Project construction and compliance with all federal, state and local laws, rules and regulations.

2.4 Grantee shall enforce the terms and conditions of its Subrecipient and Business and Employment Commitment Agreement, and shall cause Subrecipient to enforce the terms and conditions of the Loan Agreement, as provided herein. Grantee shall promptly notify Subrecipient in writing in the event of a default under the Subrecipient Agreement and shall aggressively pursue its remedies under said agreement for the benefit of the State.

2.5 Grantee shall send, at a minimum, its grant administrator, or a designated representative who is a full-time permanent employee involved in the administration of this Grant, to the next CDBG Grant Administration Workshop to be offered by the Community Development Finance Authority.

2.6 Grantee shall submit to the CDFA all required reports as specified in this Agreement and shall monitor and enforce the reporting requirements of the Subrecipient as provided in this Agreement or any Exhibits or Attachments hereto.

2.7 Grantee shall provide such training as is necessary to the Subrecipient or Business to secure satisfactory performance of its duties and responsibilities under the Subrecipient Agreement or Business & Employment Commitment Agreement.

2.8 Grantee shall enter into a Closeout Agreement with the Subrecipient and CDFA, as required by CDFA.

2.9 Any construction undertaken in connection with the Project shall comply with all applicable state and local design, construction, building and safety codes.

3. FEDERAL COMPLIANCE

3.1 Grantee shall comply, and shall require any Subrecipient, contractor and subcontractor to comply, with the following federal and state laws and all applicable standards, rules, orders, or regulations issued pursuant thereto:

3.1.1 The Copeland "Anti-Kickback" Act, as amended (118 USC 874) as supplemented in Department of Labor regulations (41 CFR Chapter 60).

3.1.2 Nondiscrimination, Title VI of the Civil Rights Act of 1974 (PL 88- 352), as amended, (42 USC 2000d) the Fair Housing Act of 1968 (PL 90-284), Executive Orders 11063 and 12259, and the requirements imposed by the Regulations of the Department of Housing and Urban Development (24 CFR 107 and 24 CFR 570.496) issued pursuant to that Title.

3.1.3 Labor Standards. Davis-Bacon Act, as amended (40 USC 276a-276a-7), the Contract Work Hours and Safety Standards Act (40 USC 327-333).

3.1.4 The Flood Disaster Protection Act of 1973 (PL 93-234), as amended, regulations issued pursuant to that act, and Executive Order 11985.

3.1.5 Architectural Barriers Act (PL 90-480), 42 USC 4151, as amended, and the regulations issued or to be issued thereunder, including uniform accessibility standards (24 CFR 40) for public buildings with 15 or more residential units. RSA 275-C:10 and the New Hampshire Architectural Barrier Free Design Code (Han 100, et. seq.) also applies.

3.1.6 Rehabilitation Act of 1973, 29 USC 794, Sections 503 and 504, Executive Order 11914 and U.S. Department of Labor regulations issued pursuant thereto.

3.1.7 The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646), as amended, 15 CFR Part 916 including amendments thereto and regulations thereunder.

3.1.8 The National Environmental Policy Act of 1969 (PL 90-190): the National Historic Preservation Act of 1966 (80 Stat 915, 116 USC 470); and Executive Order No. 11593 of May 31, 1971, as specified in 24 CFR 58.

3.1.9 The Clean Air Act, as Amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.

3.1.10 RSA 354 and rules of the New Hampshire Human Rights Commission (HUM 100, et. seq.) on discrimination in employment, membership, accommodations, and housing.

3.1.11 The Age Discrimination Act of 1975 as amended (42 USC 6101, et. seq.) and implementing regulations.

3.1.12 The lead paint requirements (24 CFR 35) of The Lead-Based Paint Poisoning Prevention Act (42 USC 4821, et. seq.).

3.1.13 The NH State Energy Code (RSA 155-D).

3.1.14 The NH State Life Safety Code (RSA 155:1) and rules of the NH State Fire Marshall.

3.1.15 Citizen Participation Requirements. The 1987 amendments to the Housing and Community Development Act of 1974, stated in Section 508.

3.1.16 Affirmative Action Requirements. In furtherance of its covenant Grantee shall:

(1) take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, age, sex, or national origin; such action shall be taken in conjunction with any of the Grantee's acts in the capacity of an employer including, but not limited to: employment of individuals, upgrading, demotions or transfers, recruitment or recruitment advertising; layoffs or terminations; changes in rates of pay or other forms of compensation; selection for training, including apprenticeship, and participation in recreational and educational activities;

(2) post in conspicuous places available to employees and applicants, employment notices, to be provided by CDFA, setting forth the provisions of this non-discrimination clause; the Grantee will, in all solicitations or advertisements for employees, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, creed, age, sex or national origin;

(3) keep all such information, records and reports as may be required by the rules, regulations or orders of the Secretary of Labor and furnish or submit the same at such times as may be required; the Grantee shall also permit CDFA, or the Secretary of Labor or any of their designated representatives to have access to any of the Grantee's books, records and accounts for the purpose of investigation to ascertain compliance with the aforesaid rules, regulations and orders and covenants and conditions herein contained;

(4) during the term of this agreement, shall not discriminate among participants under this agreement on the basis of race, color, religion, sex, handicap or national origin. For the purpose of this agreement, distinctions on the grounds of the following: denying a participant any service or benefit or availability of a facility; providing any service or benefit to a participant which is different, or is provided in a different manner or at a different time from that provided to other participants under this agreement; subjecting a participant to segregation or separate treatment in any matter related to his receipt of any service;

restricting a participant in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; treating a participant differently from others in determining whether he satisfies any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of race, color, religion, sex, or national origin of the participants to be served.

3.1.17 Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u) as amended by the Housing and Community Development Act of 1974 (42 USC 5301). The contractor will ensure that to the greatest extent feasible, opportunities for training and employment arising in connection with this CDBG-assisted project will be extended to lower income project area residents. Further, the contractor will, to the greatest extent feasible, utilize business concerns located in or substantially owned by residents of the project area, in the award of contracts and purchase of service and supplies.

3.1.18 Drug-Free Workplace Act of 1988 (42 USC. 701). In carrying out this agreement, the contractor agrees to comply with the requirements of the Drug-Free Workplace Act of 1998 (42 U.S.C. 701) and to certify that contractor will comply with drug-free workplace requirements in accordance with the Act and with HUD rules found at 24 CFR part 24, subpart F.

3.1.19 Federal Funding Accountability and Transparency Act (FFATA). As applicable to this grant, and for all subcontracts exceeding $25,000, Grantee shall require that the Subgrantee or Subrecipient shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to Part 25 of the Financial Assistance Use of Universal Identifier and Central Contractor Registration, 75 Fed. Reg. 55671 (Sept. 14, 2010)(to be codified at 2 CFR part 25) and Appendix A to Part 170 of the Requirements for Federal Funding Accountability and Transparency Act Implementation, 75 Fed. Reg. 55663 (Sept. 14, 2010)(to be codified at 2 CFR part 170). For additional information on FFATA reporting and the FSRS system, please visit the www.fsrs.gov website, which includes FFATA legislation, FAQs and OMB guidance on subaward and executive compensation reporting.

3.1.20 Women- and Minority-Owned Businesses (W/MBE). As applicable to this grant, Grantee and Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

4. SUBRECIPIENT AND BUSINESS & EMPLOYMENT COMMITTMENT AGREEMENTS.

4.1 Grantee shall enter into a Subrecipient Agreement and a Business & Employment Commitment Agreement with the Subrecipient and Business in a form satisfactory to CDFA and meeting the requirements of Attachment II, "Subrecipient Agreement, Minimum Terms and Conditions" and the requirements of Attachment III, "Business & Employment Commitment Agreement, Minimum Terms and Conditions", attached hereto and incorporated herein by reference.

4.2 The Subrecipient and The Business & Employment Commitment Agreement shall provide for the subgranting of $102,500 in CDBG funds for the purposes described herein and consistent with the terms and conditions of this Agreement.

4.3 Grantee shall provide to CDFA for its review and approval a proposed Subrecipient and A Business & Employment Commitment Agreement prior to its execution. Prior to the disbursement of grant funds, but not more than thirty (30) days following the Effective Date of this Agreement, Grantee shall provide to CDFA an executed copy of said Subrecipient and Business & Employment Commitment Agreement. No grant funds shall be disbursed until an executed agreement has been received and approved by CDFA.

4.4 Grantee shall cause all applicable provisions of this Exhibit A to be inserted in all Subrecipient agreements, contracts and subcontracts for any work or project activities covered by this Agreement so that the provisions will be binding on each Subrecipient, contractor and subcontractor; provided, however, that the foregoing provisions shall not apply to contracts for standard commercial supplies or raw materials. Grantee shall take such action with respect to any Subrecipient agreement, contract or subcontract as the State, or, where applicable, the United States, may direct as a means of enforcing such provisions, including sanctions for noncompliance.

4.5 If the employment commitment of the grant has not been fully satisfied by the Business, the Grantee shall contact CDFA in writing to determine the best course of action in satisfying the job creation commitments.

5. PROJECT MATCHING FUNDS; ADDITIONAL FINANCING.

5.1 The Parties agree that the CDBG funds to be awarded pursuant to this Agreement shall be matched with non-CDBG funds in an amount of not less than $120,000 in additional financing for the Grant Project.

The following funding sources represent those as presented in the application, and as represented herein as Attachment I. If the funding sources become subject to change, substitute funding must be sufficient to satisfy the minimum match requirement cited for the project, and be acceptable to CDFA, whose approval will not be unreasonably withheld. The Grantee must ensure that the funding sources are documented and are made available as follows:

5.1.1 North Country Council loan in the amount of $120,000 to be used for equipment purchases and working capital.

5.2 Grant funds shall not be released or disbursed to Grantee unless and until the additional financing and matching requirements have been obtained and documented to CDFA's satisfaction.

6. GRANT PERFORMANCE: SECURITY.

6.1 Prior to release of grant funds, the Business, via the Subrecipient's Loan shall provide for a shared third position UCC filing on equipment and all business assets and the personal guarantees of owners, Rob Nadler and Cort Hansen.

In addition, Mount Washington Valley Economic Council's Board of Directors has committed a 100% guarantee from its loan loss reserve. MWVEC shall provide minutes as evidence of this commitment.

Subrecipient shall ensure that the loans documents shall provide for recovery of the CDBG funds from the business in the event said employment commitments are not achieved. In accordance with the terms of the Business and Employment Commitment Agreement, the Business shall provide said UCC lien to Grantee and on behalf of CDFA, in the amount of $100,000.

As stated, the liens on all equipment and business assets, personal guarantees and MWVEC guarantee provide a secured guarantee of the performance of the job creation commitment by the Business. If the Grantee and the Business wish to propose an alternative form of collateral of similar value, the CDFA will consider its proposal, if it provides a similar level of security.

All security instruments shall be submitted to CDFA for its approval. Grantee shall submit to CDFA documentation of the lien recording.

6.2 Any CDBG funds returned to Grantee pursuant to enforcement of the security lien shall be returned to CDFA.

7. LOAN AGREEMENT.

7.1 Within sixty (60) days of execution of the Subrecipient Agreement and prior to approval by CDFA of release of funds, Grantee shall provide CDFA with a copy of the Loan Agreement, for its approval.

7.1.1 The $100,000 loan from the Subrecipient to the Business shall be amortized over a ten (10) year period with a fixed interest rate of seven percent (7%). The first year payments shall be interest-only and payments of principal and interest shall commence in the second year. The loan will have a shared 3rd position UCC lien and personal guarantees of Rob Nadler and Cort Hansen.

7.1.2 Subrecipient has committed 100% loan loss reserve to this project.

8. ADDITIONAL GRANT REQUIREMENTS.

8.1 Grantee shall prepare and adopt a written Code of Ethics governing the performance of its employees engaged in the procurement of supplies, equipment, construction and services consistent with the requirements of 24 CFR 85.36(b)(3). The Code of Ethics shall be prepared in the form shown in the CDBG Implementation Guide, and shall be formally adopted prior to requesting Grant funds. The Grantee shall also comply with the conflict of interest policy consistent with the requirements of 24 CFR 570.489(h) and approved by CDFA.

8.2 Grantee shall prepare and adopt a financial management plan, approved by CDFA, which describes Grantee's system for receiving and expending the grant funds including the internal controls, which shall ensure compliance with Section 11 of this Exhibit. The plan shall be formally adopted prior to requesting Grant funds.

8.3 Grantee shall submit to CDFA, documentation of employment and expenditures received from the Business at the time of Grant Agreement Effective Date, with each Semi-annual Report and on the Grant Completion Date. Employment information shall be provided on the "Periodic Progress Report", as found in the most current copy of the CDFA Grant Implementation Guide.

8.4 In the event Grantee fails to enforce the provisions of either the Subrecipient or Business & Employment Commitment Agreement or fails to cure any event of default under the Subrecipient or Business & Employment Commitment Agreement, Grantee shall, upon demand by CDFA, assign and convey all or part of its rights, title and interest, or delegate all or any of its obligations under the Subrecipient or Business & Employment Commitment Agreement to CDFA. Such assignment or delegation is to be effective only in the event of default in the Business' obligations to Grantee, under the terms and conditions of the Subrecipient or Business & Employment Commitment Agreement.

8.5 CDFA shall have the right to terminate all or part of its obligations under this Agreement in the event that any official, employee, architect, engineer, attorney or inspector of, or for Grantee, or any government official or representative becomes directly or indirectly interested financially in the acquisition of any materials or equipment, or in any construction of the Project, or in the furnishing of any service to, or in connection with the Project, or any benefit arising therefrom.

8.6 Excessive Force by Law Enforcement Agencies. Grantee certifies that it has adopted and enforces a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against

any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-144.

8.7 Lobbying. Grantee certifies that:

8.7.1 No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

8.7.2 If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

8.7.3 The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

8.8 Notice To Prospective Subcontractors Of Requirement For Certifications Of Nonsegregated Facilities. Certification of Nonsegregated Facilities as required by the May 9, 1967, Order of the Secretary of Labor (32 FR 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor. The Certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

Prior to the award of any construction contract or subcontract exceeding $10,000, which is not exempt from the provisions of the Equal Opportunity clause, Grantee shall require the prospective prime contractor and each prime contractor shall require each subcontractor to submit the following certification:

8.8.1 By the submission of this bid, the bidder, offer or, applicant or subcontractor certifies that he/she does not maintain or provide for his/her employees any segregated facilities at any of his/her establishments, and that he/she does not permit his/her employees to perform their services at any location, under his/her control where segregated facilities are maintained.

8.8.2 He/she certifies further that he/she will not maintain or provide for his/her employees any segregated facilities at any of his/her establishments, and that he/she will not permit his/her employees to perform their services at any location, under his/her control, where segregated facilities are maintained. The bidder, offer or, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color or national origin, because of habit, local custom, or otherwise. He/she further agrees that (except where he/she has obtained identical certifications from proposed subcontractors for specific time periods) he/she will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause: that he/she will retain such certifications in his/her files: and that he/she will forward the following notice to

such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTE: The penalty for making false statements in offers is prescribed in 18 USC 1001.

8.9 Publicity and Signage.

8.9.1 Public Relations. The Grantee shall grant CDFA the right to use the Grantee's name, likeness, and logo in any public relations or publicity efforts. This shall include, but not be limited to, press releases, media interviews, website, publications, brochures, etc. CDFA's publicity efforts may also include details about Grantee's project, contract, or other publically available information.

8.9.2 Reciprocal Publicity. The Grantee also shall acknowledge CDFA appropriately in all organizational and public forums as to the support, financial and otherwise, that has been provided to the project. This recognition shall include, but not be limited to, print/electronic media, publications, interviews, brochures, website, etc.

8.9.3 Project Signage. For construction/renovation projects – CDFA logo must be included in signage at the job worksite. CDFA logo may not be any smaller that 50% of the size of the largest logo displayed. This requirement can be waived if no other partner/entity requires worksite signage and creating signage solely for CDFA poses a hardship. Alternative – If none of these are applicable/feasible, an alternative display of the CDFA logo or public recognition agreeable to CDFA.

8.10 In the event Grantee fails to enforce the provisions of the Subrecipient Agreement or fails to cure an Event of a Default under the Subrecipient Agreement, Grantee shall, upon demand by CDFA, assign and convey all or any part of its rights, title and interest or delegate all or any of its obligations under the Subrecipient Agreement or the Mortgage to CDFA, such assignment or delegation to be effective only in the event of a default in Subrecipient's obligation to Grantee under the terms of the Subrecipient Agreement or Mortgage. In such event, Grantee agrees to pay and shall pay all reasonable costs and expenses incurred by CDFA in the enforcement of the Subrecipient or Mortgage obligations or in curing any Event of Default thereunder.

9. CONSTRUCTION CONTRACTING, BIDS, BONDS, INSPECTION AND CERTIFICATION (FOR CONSTRUCTION PROJECTS ONLY)

9.1 Prior to execution of the construction contract or contracts, Grantee shall submit the proposed contract(s) for the Improvements to CDFA for its review and approval to determine compliance with all applicable federal and state requirements. CDFA approval shall not abrogate its rights to enforce any part of this Agreement or constitute a waiver of any provision of this Agreement.

9.2 Grantee shall require all contractors and subcontractors to comply with all applicable requirements of federal, state, and local laws and regulations.

9.3 Grantee shall furnish and maintain competent technical supervision of the Project site throughout the construction of the Improvements to assure that the work conforms to the Plans, specifications, and schedules approved by CDFA for the Project.

9.4 Grantee shall provide CDFA reasonable notice of all preconstruction conferences to be scheduled in connection with the Grant Activities and afford CDFA the option of participating in such conferences.

9.5 Bid Guarantees: A bid guarantee from each bidder equivalent to five percent (5%) of the bid price shall apply to this contract and shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, executed such contractual documents as may be required within the time specified.

9.6 Bonds Required: Grantee covenants that each of its officials or employees having custody of the Grant funds during acquisition, construction, development, and operation of Grant Activities shall be bonded at all times in accordance with RSA 41:6 and rules adopted thereunder by the Department of Revenue Administration.

9.7 Subcontracts, Bonds Required: When Grantee and/or Subrecipient awards a contract or subcontract exceeding $100,000 in amount for the construction, alteration or repair of any public building or other public improvement or public work, including highways, the Grantee and/or Subrecipient shall, as a minimum, require each contractor and subcontractor to carry payment and performance bonds for 100% of the value of the contract.

9.8 Upon completion in full of the Improvements, Grantee and/or Subrecipient shall promptly deliver to CDFA: (a) a written certificate of Grantee's or Subrecipient's inspector, who shall be a licensed professional engineer, that the construction of the Project has been fully completed in a good and workmanlike manner and in accordance with the Plans, (b) a copy of the permanent certificate of occupancy or other such applicable certificates, licenses, consents and approvals issued by governmental authorities with respect to the Project.

9.9 All work under this Project shall be completed prior to Completion Date, as specified in Section 1.7 of the General Provisions.

10. GRANTEE FINANCIAL MANAGEMENT SYSTEM.

10.1 Except where inconsistent with federal requirements, state procedures and practices will apply to funds disbursed by CDFA, and local procedures and practices will apply to funds disbursed by units of local government.

10.2 Cash Advances: Cash advances to Grantee shall be approved only to the extent necessary to satisfy the actual, immediate cash requirements of Grantee in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by Grantee for direct program costs and the proportionate share of any allowable indirect costs. Cash advances made by Grantee to subrecipients shall conform to the same standards of timing and amount as apply to advances to Grantee including the furnishing of reports of cash disbursements and balances.

10.3 Fiscal Control: Grantee must establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required non-federal expenditures. This responsibility applies to funds disbursed by subrecipients and contractors as well as to funds disbursed in direct operations of Grantee. Grantee shall be required to maintain a financial management system which complies with 24 CFR 85.20 or such equivalent system as CDFA may require. Requests for payment shall be made according to CDFA's CDBG Implementation Guide.

11. PROCUREMENT. Grantee and any Subrecipient procurement procedures shall be in accordance with state and local procurement practices and regulations, provided that procurements made with Grant Funds adhere, as a minimum, to the standards set forth in 24 CFR 85.36. Grantee shall not use debarred, suspended or ineligible contractors or subrecipients as provided in 24 CFR 570.489 (l).

12. REPORTS AND CLOSE OUT

12.1 Semi-Annual progress reports which identify the status of Grant Activities performed, the outlook for completion of the remaining Grant Activities prior to the Completion Date and the changes, if any, which need to be made in the Project or Grant Activities, shall be submitted by the 15th of the month in January and July.

12.2 Two (2) copies of Financial reports, including a statement detailing all Grant or Project Costs (as hereinafter defined) which have been incurred since the prior request for reimbursement, shall be submitted with each request for reimbursement and with the Closeout Report. Financial Reports shall be submitted on forms provided by CDFA.

12.3 Within thirty (30) days after the Completion Date, two (2) copies of Closeout Report shall be submitted which summarizes the results of the Grant Activities, showing in particular how the Grant Activities have been performed. The Closeout Report shall be in the form required or specified by CDFA.

12.4 The Audited Financial Reports shall be prepared in accordance with the regulations (24 CFR Part 44) which implement OMB Circular A-133. Two (2) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to CDFA.

12.5 Where the Grantee is not subject to the requirements of OMB Circular A-133, one of the following options will be chosen by CDFA:

12.5.1 Within ninety (90) days after the Completion or Termination Date two (2) copies of an audited financial report shall be submitted to CDFA. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions" by the Comptroller General of the United States.

12.5.2 CDFA will conduct a financial Review-in-Lieu of Audit within ninety (90) days after the Completion Date of the Project.

12.6 Where the length of the grant period exceeds twenty-four (24) months, there shall be an interim audit performed and submitted.

13. RECORDS AND ACCOUNTS; ACCESS

13.1 During the performance of the Project Activities and for a period of three (3) years after the Completion Date or the date of the final audit approval by CDFA, whichever is later, the Grantee shall keep, and shall require any Subrecipient to keep, the following records and accounts:

13.1.1 Records of Direct Work: Detailed records of all direct work performed by its personnel under this Agreement.

13.1.2 Fiscal Records: Books, records, documents and other statistical data evidencing, and permitting a determination to be made by CDFA of all Project Costs and other expenses incurred by the Grantee and all income received or collected by the Grantee, during the performance of the Project Activities. The said records shall be maintained in accordance with accounting procedures and practices acceptable to CDFA, and which sufficiently and properly reflect all such costs and expenses, and shall include, without limitation, all ledgers, books, audits, records and original evidence of costs such as purchase requisitions and orders, invoices, vouchers, bills, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls and other records requested or required by CDFA.

13.1.3 Contractor and Subcontractor Records: The Grantee shall, and where applicable,

Subrecipient shall, establish, maintain and preserve, and require each of its contractors and subcontractors to establish, maintain and preserve property management, project performance, financial management and reporting documents and systems, and such other books, records, and other data pertinent to the project as the CDFA may require. Such records shall be createed for a period of three (3) years following completion of the project and receipt of final payment by the Grantee, or until an audit is completed and all questions arising therefrom are resolved, whichever is later.

14. TERMINATION; REMEDIES

14.1 Inability to Perform; Termination by Grantee. As a result of causes beyond its control, and notwithstanding the exercise of good faith and diligence in the performance of its obligations hereunder, if it shall become necessary for Grantee to terminate this Agreement, Grantee shall give CDFA fifteen (15) days advance written notice of such termination, in which event the Agreement shall terminate at the expiration of said fifteen (15) days.

14.2 Termination Without Default. In the event of termination without default and upon receipt, acceptance and approval by CDFA of the Termination Report, as referenced in the General Provisions, Grantee shall receive payment for all Project Costs incurred in the performance of Grant Activities completed up to and including the date of termination and for which payment had not previously been made including, but not limited to, all reasonable expenses incurred in the preparation of the Termination Report; provided, however, that in the event that any payments have been made hereunder in excess of Project Costs incurred up to and including the date of termination of the Agreement, CDFA shall offset any payments to be made hereunder against such payments, and if applicable, Grantee shall refund to CDFA the amount of any excess funds it retains after such offset.

14.3 Termination for Default. In the event of termination for default or other violation of Program requirements, CDFA shall, upon receipt, acceptance and approval of the Termination Report submitted by Grantee, pay Grantee for Project Costs incurred up to and including the date of termination (subject to off-set against funds paid to Grantee hereunder and to the refund of any excess funds); provided, however, that in such event the amount of such payment shall be determined solely by CDFA; and provided, further, that in no event shall the making of any such payments relieve Grantee of any liability for damages sustained or incurred by CDFA as a result of Grantee's breach of its obligations hereunder, or relieve Grantee of responsibility to seek return of Grant Funds from any Subrecipient or Beneficiary where applicable.

14.4 Limitation on Grantee Liability for Subgranted Funds. Notwithstanding anything in this Agreement to the contrary and absent the presence of fraud or negligence on the part of Grantee in enforcing its rights and obligations under the terms of any subrecipient agreement, the sole obligation of Grantee with respect to the return of Grant Funds, in the event of default on a grant condition or other termination of the Project or event requiring return of Grant Funds, shall be to make a good faith effort to return to the State of New Hampshire all grant funds paid to Subrecipient through Grantee. Grantee shall make good faith efforts to enforce the legal obligations entered into with the Subrecipient as provided herein, to call upon the collateral held by itself or others, and exercise due diligence in its efforts in bringing about the satisfaction of the grant obligations and, having done so, it shall not be required to look to any other funds or its tax base to recoup grant funds not recovered from the Subrecipient.

14.5 Assignment to CDFA and Payment of Expenses and Costs. Grantee hereby agrees that, in the event it fails to enforce the provisions of any Subrecipient Agreement or fails to cure an Event of Default resulting in termination of this Agreement or the Project, Grantee shall, upon demand by CDFA, assign and convey to CDFA all or any of its rights, title and interest, or delegate to CDFA all or any of its obligations under the Subrecipient Agreement and any Mortgage, Promissory Note, Security Agreement or other agreement as applicable. Such delegation or assignment shall be effective only in the event of a default by Subrecipient or Beneficiary in its or their obligations under the Subrecipient Agreement or other agreement.

In the event that CDFA assumes any of the obligations of Grantee as provided herein, Grantee shall pay all costs and expenses incurred by CDFA in the enforcement of the Subrecipient Agreement, collection upon any loan, mortgage or other security, or in curing any Event of Default.

Where the Grant Agreement or Subrecipient Agreement is terminated or the Project is otherwise terminated due to a default, inability to perform, or reason other than project completion and Grant Funds are required to be returned by Grantee, the disposition of Grant Funds to be returned shall be determined solely by CDFA.

EXHIBIT B

PROJECT COSTS; METHOD AND TERMS OF PAYMENT

1. PROJECT COSTS; PAYMENT SCHEDULE; REVIEW BY CDFA.

1.1 Project Costs: As used in this Agreement, the term "Project Costs" shall mean all reimbursable costs incurred in performance of the Grant activities. "Administrative Project Costs" shall mean all expenses directly or indirectly incurred by Grantee in the performance of the Project Activities, as determined by CDFA to be eligible and allowable for payment in accordance with allowable administrative project cost standards set forth in OMB Circular A-87 as revised from time to time, and with the rules, regulations and guidelines established by CDFA. Administrative project costs include but are not limited to: preparation of environmental review, record keeping, reporting, audits and oversight of Project construction and compliance with all federal, state and local laws, rules and regulations and this contract. In no event shall Administrative Project Costs exceed fifteen (15) percent of the total Grant funds allowed. With respect to a non-profit subrecipient, such subrecipient shall meet the requirements of OMB Circular A-122.

1.2 Delivery Costs: As used in this Agreement, the term "Delivery Costs" shall mean all reimbursable costs incurred by a Subrecipient, as stated in the application and in connection with a regional revolving loan fund that are directly related to the preparation and execution of loan documents and to the monitoring and administration of the loan provisions, and which are allowable by the New Hampshire Community Development Block Grant program rules.

1.3 Payment of Project Costs: Subject to the terms and conditions of this agreement, CDFA agrees to pay Grantee all Project Costs, provided, however, that in no event shall the total of all payments made by CDFA pursuant to this Agreement exceed the Grant Amount as set out in Paragraph 1.8 of the General Provisions, and provided further that all Project Costs shall have been incurred prior to the Completion Date, except for reasonable approved Project Costs incurred within 90 days after the Completion Date and in connection with closeout requirements as provided in Cdfa Administrative Rule Pln 311.01(c)(4).

1.4 Review by CDFA; Disallowance of Costs: At any time during the performance of the Project Activities, and upon receipt of the Progress Reports, Closeout Report or Audited Financial Report, CDFA may review all Project Costs incurred by Grantee or any Subrecipient and all payments made to date. Upon such review, CDFA shall disallow any items of expense which are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform Grantee of any such disallowance. If CDFA disallows costs for which payment has not yet been made, it shall refuse to pay such costs. If payment has been made with respect to costs which are subsequently disallowed, CDFA may deduct the amount of disallowed costs from any future payments under this Agreement or require that Grantee refund to CDFA the amount of the disallowed costs.

2. METHOD AND TERMS OF REIMBURSEMENT FOR PROJECT COSTS.

2.1 CDFA shall not disburse any funds for the purposes of this Project until such time as all agreements specified in Exhibit A and any other agreements or documents specified pursuant to this Agreement are fully executed and received, and where applicable, are reviewed and approved in writing by CDFA. Agreements and documents may include:

2.1.1 A Subrecipient or Business & Employment Commitment Agreement, as applicable;

2.1.2 Documentation of other committed match funds or additional financing necessary as defined in Attachment I, "Sources and Uses", no earlier than date of application, as approved by CDFA, or date of Governor and Council approval;

2.1.3 Copies of required certificates of insurance from all parties to this agreement;

2.1.4 Certified payrolls documenting employment and positions in all U.S. operations and facilities, (a) no earlier than the date of application, as approved by CDFA, or (b) the date of Governor and Council approval;

2.1.5 Any lease and loan documents, mortgages, liens, security instruments, municipal bonds, and similar agreements used in connection with the enforcement of beneficiary requirements, as well as any other related documents as requested by CDFA.

2.2 Timing of Payments. Upon thirty (30) days of the receipt, review, and approval by CDFA of financial reports and requests for reimbursement from Grantee specifying all Project Costs incurred, CDFA agrees to reimburse Grantee for Project Costs, except that reimbursement may be withheld until CDFA determines that a particular project activity or portion of the project activity hereunder has been satisfactorily completed.

2.3 Disbursement of funds by CDFA does not constitute acceptance of any item as an eligible Project Cost until all Project Costs have been audited and determined to be allowable costs.

3. REQUIRED DOCUMENTATION FOR DISBURSEMENT OF GRANT FUNDS.

3.1 Reimbursement requests for all Project Costs, including Administrative Project Costs, Delivery Costs and Subrecipient costs, shall be accompanied by proper supporting documentation in the amount of each requested disbursement along with a payment request form as supplied by CDFA, which shall be completed and signed by Grantee. Documentation may include invoices and receipts for supplies, equipment, services, contractual services and, where applicable, a report of salaries paid or to be paid.

4. LIMITATIONS ON USE OF FUNDS.

4.1 Grant funds are to be used in a manner consistent with the State of New Hampshire Community Development Block Grant Program as approved by the U.S. Department of Housing and Urban Development.

4.2 Grant funds are to be used only in accordance with procedures, requirements and principles specified in 24 CFR 85.

4.3 Grant funds may not, without advance written approval by CDFA, be obligated prior to the Effective Date or subsequent to the Completion Date of the grant period. Obligations outstanding as of the Completion Date shall be liquidated within ninety (90) days. Such obligations must be related to goods or services provided during the grant period, except that reasonable costs associated solely with grant closeout, (e.g., audits, final reports) may be incurred within ninety (90) days after the Completion Date. The funding assistance authorized hereunder shall not be obligated or utilized for any activities requiring a release of funds under the Environmental Review Procedure for the Community Development Block Grant Program at 24 CFR Part 58, until such release is issued in writing by CDFA.

4.4 Changes In Funding Project Activities: Grantee may submit a written request for the authority to transfer up to ten (10) percent of the full value of the grant from one approved activity to another listed in Exhibit A herein or from an approved activity within the approved project area to an approved activity located outside the project area and the Director of CDFA may approve the requested transfer.

4.5 Transfers over ten percent of the full value of the grant from one approved activity to other approved activities or outside the target area, or the addition of one or more new activities requires an amendment to this grant agreement. Grantee shall hold a public hearing in accordance with RSA 4: C: 14 II(b) submitting a request for an amendment involving twenty-five (25) percent or more of the full value of the grant.

4.6 Up to $17,500 of Grant Funds may be applied by the Grantee for administrative costs in carrying out the requirements of this Agreement.

4.7 Up to $102,500 of grant funds may be subgranted to Subrecipient for the purpose of making a loan to the Business as described herein pursuant to the requirements of this Agreement.

5 PERFORMANCE OF SERVICES BY GRANTEE PRIOR TO EFFECTIVE DATE; PAYMENT BY CDFA. Any Grant Activities performed by Grantee with non-CDBG funds prior to the Effective Date shall be performed at the sole risk of Grantee, and in the event that this Agreement shall not become effective, CDFA shall be under no obligation to pay Grantee for any costs incurred in connection with any Grant Activities, or to otherwise pay for any Activities performed during such period.

6 PROGRAM INCOME.

6.1 Program Income: All program income earned during the term of this Agreement shall be retained by Grantee or, in projects involving the administration of a revolving loan fund by the Subrecipient.

6.2 When Used For Project Activities: When program income becomes available, Grantee and, where applicable, Subrecipient shall use it for Grant Activities contained in the Project Description before drawing down additional funds unless the program income is deposited in a revolving loan account with prior approval by CDFA.

6.3 When Used For Eligible Activities: After completion of the Grant Activities specified in this Agreement, Grantee and, where applicable, Subrecipient shall use program income only for eligible activities which benefit primarily people from low- and moderate-income families, with prior approval by CDFA as specified in the Closeout Agreement between CDFA and Grantee and, where applicable, Subrecipient.

ATTACHMENT I

SOURCES AND USES BUDGET

Community Development Block Grant Program

Sources and Uses

	CDBG Loan	NCC Loan		
Uses				**Total Uses $**
Machinery/Equipment	$10,000	$120,000		$130,000
Working Capital	$90,000			$90,000
Delivery Costs – RDC	$2,500			$2,500
Municipal Administration	$17,500			$17,500
Total	**$120,000**	**$120,000**		**$240,000**

ATTACHMENT II

SUBRECIPIENT AGREEMENT
MINIMUM TERMS AND CONDITIONS

Town of Bartlett ("Grantee") hereby warrants and agrees that the Subrecipient Agreement with Mount Washington Valley Economic Council (MWVEC) ("Subrecipient") to be executed in conformance with the requirements of Exhibit A of the Grant Agreement shall be subject to approval by CDFA. The Subrecipient Agreement shall incorporate the entire Grant Agreement and shall include it as an attachment, and shall contain at a minimum the following terms and conditions:

1. REPRESENTATIONS AND WARRANTIES. Mt. Washington Valley Economic Council (MWVEC) ("Subrecipient") shall represent and warrant:

1.1 Subrecipient is a duly organized and validly existing New Hampshire nonprofit corporation in good standing under the laws of this State. Subrecipient has the power and authority to undertake the grant activities as provided in the Grant Agreement. Subrecipient has the power and authority to own its properties, to conduct business as it is now being conducted, has the power to execute and deliver and perform its obligation under the Subrecipient Agreement and all other documents as applicable to this grant agreement.

1.2 The Subrecipient Agreement is the legal, valid and binding obligation of Subrecipient enforceable against Subrecipient, in accordance with each document's respective terms.

1.3 Subrecipient has complied in all material respects with all applicable federal, state and local laws, statues, rules and regulations pertaining to the grant activities.

1.4 No application, exhibit, schedule, report or other written information provided by Subrecipient or its agents in connection with the grant application knowingly contained, when made, any material misstatement of fact or knowingly omitted to state any material fact necessary to make the statements contained therein not misleading, in light of the circumstances under which they were made.

2. PROJECT DESCRIPTION AND SUBGRANT ACTIVITIES.

2.1 Project Description.

This project shall consist of the awarding of $120,000 in Community Development Block Grant (CDBG) funds to the Town of Bartlett ("Grantee"), of which $102,500 is to be subgranted to the Mount Washington Valley Economic Corporation (MWVEC) ("Subrecipient"). Subgranted funds will be used to provide Ragged Mountain Equipment, Inc. with a loan of $100,000 to purchase equipment and for working capital in order to retain and create jobs at its current location in Bartlett, NH to retain ten (10) specific jobs and create four (4) new jobs.

2.2 Employment Benefits to Persons from Low- and Moderate-Income Households.

The general purpose of the project is to principally benefit Low- and Moderate-Income Persons as that term is defined in the Grant Agreement: "those persons whose income falls at or below the "low income" level as referenced in Appendix 2 of Chapter 300 Cdfa CDBG Rules, and as determined by the U. S. Department of Housing and Urban Development (HUD) for the State of New Hampshire. Appendix 2 contains HUD's "low- and moderate-income levels" for its various programs and is updated on an annual basis. The most current HUD Income Limits may be found at CDFA's website at www.nhcdfa.org

2.2.1 Job Creation requirements The Grantee and Subrecipient agree that the primary purpose of the Project is the retention of ten (10) specific jobs and creation of four (4) new jobs, of which 86%, or twelve (12) jobs, shall be available to persons from low- and moderate-income, using the income limits as described in Section 2.2, and as provided in Attachment V, "Family Income Verification Form". Subrecipient agrees to require the Business to maintain and provide documentation that it

has complied with the income limits requirement using Income Verification Forms provided by the Grantee.

2.2.2 Business & Employment Commitment Agreement. The Grantee is required by CDFA to enter into an employment commitment agreement with the Business, in the form of a "Business & Employment Commitment Agreement", as provided in Attachment III, to document the jobs created and retained by the Business.

The Business & Employment Commitment Agreement allows the Grantee to collect CDBG funds for reimbursement directly from the employer, if Subrecipient is unable to do so for reasons beyond its control.

2.3 Grant of Funds/Matching Funds

Subrecipient shall use the Grant funds subgranted to it solely for the purposes described herein and consistent with the required terms and conditions of the Grant Agreement and Subrecipient Agreement.

2.3.1 Subrecipient shall be subgranted a total of $102,500 of the CDBG funds, in order to assist the Business with an equipment and working capital loan.

2.3.2 Subrecipient shall retain $2,500 for delivery costs associated with the loan activities.

2.3.3 The Grantee shall retain $17,500 of the total grant of $120,000 for administrative costs associated with management of the Grant.

2.3.4 The required match for the CDBG funds will be not less than $120,000, for the costs associated with the Project Activities as set forth in Attachment I, Sources and Uses.

3. SUBRECIPIENT REQUIREMENTS.

3.1 Loan Agreement.

Subrecipient shall enter into a Loan Agreement with the Business to provide $100,000 in CDBG funds in order to satisfy employment commitments for the Project Activities, as stated in Attachment III, "Business & Employment Commitment Agreement". The Loan Agreement to be entered into shall securitize the CDBG funds in a form satisfactory to CDFA.

The "Required Loan Provisions", included as Attachment IV shall contain, at a minimum, the following terms and conditions as specified herein:

3.1.1 Terms of Loan. The $100,000 loan from the Subrecipient to the Business shall provide for the execution of a Promissory Note.

3.1.2 Repayment Terms. The $100,000 loan from the Subrecipient to the Business shall be amortized over a ten (10) year period with a fixed interest rate of seven percent (7%). The first year payments shall be interest-only and payments of principal and interest shall commence in the second year.

3.1.3 Collateral/Security. The CDBG Loan will be secured with a shared 3rd position UCC filing on the equipment and Business' assets, as well as guarantees of the owners, Rob Nadler and Cort Hansen. In addition, MWVEC has provided a 100% guarantee.

Subrecipient shall provide a security instrument on the loan, for the Grantee and on behalf of CDFA, which shall provide for a recovery of the $100,000 in CDBG funds invested in the Project, in the event that the employment commitments as provided herein are not achieved.

3.2 Use of Loan Proceeds by Subrecipient. The long-term benefit of the project for low- and moderate-income persons is achieved by the capitalization of Subrecipient's CDBG Revolving Loan Fund. Principal repayments, plus 5% of income from loan fees and interest to a loan loss reserve set aside, from the loan shall be deposited in the CDBG Revolving Loan Fund and the Loan Loss Reserve, operated by the Subrecipient, and designated for the use of the Subrecipient's lending activities. Subsequent uses of the funds shall be for activities eligible under the Housing and Community Development Act of 1974, as amended, that demonstrates a financial need and primarily benefits people from low- and moderate-income families.

3.2.1 Payments of interest on the loan may be used for administrative activities of Subrecipient in accordance with the By-Laws of Subrecipient.

3.2.2 Principal payments shall be deposited into the Revolving Loan Fund and into the Loan Loss Reserve of the Subrecipient in accordance with its By-Laws.

3.3 Duty to Enforce. Subrecipient has a duty to enforce the terms of the Loan Agreement, including seeking reimbursement of the CDBG funds if the Business fails to meet its employment commitments or is otherwise in default of the Loan Agreement.

3.4 Assignment of Loan Agreement to Grantee. Subrecipient agrees that, if it is unable to enforce the terms of its Loan Agreement for reasons that are beyond its control, it will assign all of its rights under the Loan Agreement to the Grantee.

3.5 Compliance with Laws. Subrecipient shall comply with all applicable federal, state, and local laws, statutes, executive orders and rules as they relate to the application, acceptance and use of funds for this Project, including, but not limited to, the requirements as specified in the Grant Agreement.

3.6 Disbursement of Grant Funds. Upon compliance with, and subject to the provisions of this Agreement and provided there shall exist no Event of Default under this Agreement, the Grant Agreement or any other agreements, in connection with the Project, and no condition or event which, with the giving of notice or lapse of time would constitute such an Event of Default, the Grantee shall, upon submittal of written requests for payment accompanied by invoices and other documentation or supporting documents as required by the Grantee, make disbursements of grant funds. Disbursement of grant funds shall be in accordance with the terms of the Grant Agreement, including Exhibit B.

Disbursement of funds by the Grantee does not constitute acceptance by the Grantee or CDFA of any item as an eligible Project cost until all Project costs have been audited and determined to be allowable costs. Upon the expiration of the Grant Agreement, or other termination of the project, Subrecipient shall transfer to the Grantee any Grant funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

4. SCHEDULE

4.1 Implementation Schedule. The Grantee, Subrecipient, and the Business have agreed to an Implementation Schedule, which will provide for the completion of all grant activities, prior to the Grant Completion Date. A schedule of major milestones shall be provided within the Subrecipient Agreement, and shall serve as a basis for enforcement of the Agreement.

4.2 Grant Completion Date. All work shall be completed prior to the Grant Completion Date as outlined in Section 1.7 of the General Provisions. All employment commitments shall be accomplished by that date. This date may be extended only with the permission of the Grantee, CDFA, and the Governor and Council.

5. INSURANCE AND TAXES

5.1 Subrecipient's Liability Insurance. Subrecipient shall, at its sole expense, obtain and maintain in

force insurance in such amounts and covering such risks as are customary for entities engaged in the same or similar business to include, where applicable, comprehensive general liability covering any property development/construction activities and landlord insurance. At a minimum, this shall include insurance against all claims of bodily injury or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per incident.

All policies shall name the Grantee and CDFA as additional insureds. Subrecipient shall provide the Grantee with certificates of insurance satisfactory to the Grantee, which evidences compliance with this Section.

5.2 Business' Insurance Requirements. Subrecipient shall ensure that the Business obtains and maintains in force comprehensive general liability insurance against all claims of bodily injury or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per incident. This insurance shall be at Business' sole expense.

If applicable, Subrecipient shall also require that the Business, at its sole expense, obtain and maintain in force fire and extended coverage insurance covering all real property or assets purchased with Grant funds in an amount not less than 100% of the whole replacement value of the property.

All policies shall name the Grantee, Subrecipient, and CDFA as additional insureds. Subrecipient shall provide the Grantee with certificates of insurance satisfactory to the Grantee, which evidences compliance with this Section. Subrecipient shall require that the Business provide the Grantee with certificates of insurance satisfactory to the Grantee, which evidences compliance with this Section.

5.3 Insurance Standards. The policies described in this section shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. All policies shall be on an "occurrence" basis. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than thirty (30) days after written notice thereof has been received by the Grantee and CDFA.

5.4 Taxes. If applicable, Subrecipient shall require that the Business pay all taxes, assessments, charges, fines and impositions attributable to the Property, which is the responsibility of the Business. Any alternative arrangements will require the approval of CDFA, whose consideration will not be unreasonably withheld.

6. REPORTING REQUIREMENTS: PERIODIC AND CLOSEOUT AGREEMENTS.

6.1 Business & Employment Commitment Agreement Reporting to Grantee. The Business is required to submit job creation information to the Grantee, with the assistance of the Subrecipient, as necessary.

6.2 Closeout Agreement. Subrecipient shall enter into a Closeout Agreement with the Grantee and CDFA, which shall specify the reporting and other requirements applicable to the closing out of this Project.

6.3 Subrecipient Financial Reporting. Subrecipient shall submit to the Grantee and to CDFA its annual audited financial statements, within 90 days of its fiscal year end.

6.4 Subrecipient shall provide CDFA with a loans receivable report on a semi-annual basis, which details all loans made with CDBG funds.

7. ACCOUNTING, AUDIT, AND RECORD KEEPING REQUIREMENTS

7.1 Accounting Records. Subrecipient shall keep all Project-related accounts and records, which fully disclose the amount and disposition by Subrecipient of the grant funds, the total cost of the Project, and the amount and nature of any portion of the Project cost supplied by other sources, and such other financial records pertinent to the Project. Accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984. Records to be

maintained shall include Project fiscal records consisting of all books, documents, ledgers, systems and expenses incurred, including, but not limited to, purchase, requisitions, orders, invoices, vouchers, bills and receipts, inventories, and all lien documents.

7.2 Time Period. All of the records, documents, and data described above and all income verification information shall be kept during the performance of the project, and for three (3) years after its completion or until the satisfactory completion of an audit, whichever is later.

7.3 Availability of Records. Subrecipient shall make available to the Grantee, CDFA, and HUD or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of Subrecipient pertinent to this Agreement.

8. INDEMNIFICATION

Subrecipient shall defend, indemnify and hold harmless the Grantee, the State of New Hampshire, and the CDFA, their officers and employees, from and against any and all losses suffered by the Grantee, the State, or CDFA, their officers or employees, and any and all claims, liabilities or penalties asserted against the Grantee, the State or CDFA, their officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of or claimed to Subrecipient out of the acts or omissions of Subrecipient .

Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State or the Grantee, which immunity is hereby reserved to the State and the Grantee. This covenant shall survive the termination or expiration of this Agreement.

9. MAINTENANCE OF CORPORATE EXISTENCE

9.1 Corporate Existence. Subrecipient shall both preserve and maintain the legal existence and good standing of its nonprofit corporation status and its registration in New Hampshire as required to do business.

9.2 Scope of Mission. Subrecipient and Grantee agree that the Subrecipient's Articles of Incorporation and Corporate Bylaws ("Bylaws") as submitted with the Project application and incorporated herein by reference, provide an adequate administrative mechanism for assuring the Subrecipient's mission of for providing employment opportunities for Low- and Moderate-Income Persons, during the Grant Period, as required pursuant to this agreement.

10. EVENTS OF DEFAULT

The occurrence of any of the following events shall constitute an Event of Default under this Agreement:

(a) Any Event of Default under the Grant Agreement, and related documents including, but not limited to, the failure of the Business to accomplish the required job creation and benefit to low- and moderate-income persons;

(b) Failure of Subrecipient to complete the Project satisfactorily in accordance with the approved Plans or on schedule or failure to submit any report, documentation or other instrument under this Agreement;

(c) Subrecipient attempts to assign its rights under this Agreement or any advance made or to be made hereunder or any interest therein, or if the Property or any portion thereof is conveyed or encumbered in any way without the prior written consent of the Grantee;

(d) Any survey, report or examination discloses that the Project or Property or any portion thereof encroaches upon or projects over a street or upon or over adjoining property or violates any setback or other restriction, however created, or any zoning regulations or any building restriction

of any governmental authority having jurisdiction with respect to the Property;

(e) The Property or Project are materially damaged or destroyed by fire or other casualty or cause and the insurance proceeds therefrom are inadequate to rebuild or restore the Project or Property to their condition immediately prior to such casualty;

(f) Any representation or warranty made herein or in any report, certification, or other instrument furnished in connection with this Agreement or any advances of Grant funds made hereunder, by or in behalf of Subrecipient, shall prove to be false or misleading in any material respect;

(g) Any mechanics', laborers', materialmen's or similar statutory liens, or any notice thereof, shall be filed against the Property and/or the Project and shall not be discharged within thirty (30) days of such filing;

(h) Subrecipient shall default in the due observance or performance of any covenant, condition, assurance or agreement to be observed or performed by Subrecipient under this Agreement;

(i) Any cessation occurs at any time in construction of the Project for more than one (1) week except for causes beyond the control of Subrecipient, or if any substantial change is made in the schedule for the construction or in the approved Plans without the prior approval of the Grantee and CDFA;

(j) Subrecipient shall (i) apply for or consent to the appointment of a receiver, trustee, or liquidator of it or any of its property, (ii) admit in writing its inability to pay its debts as they mature, (iii) make a general assignment for the benefit of creditors, (iv) be adjudicated as bankrupt or insolvent or (v) file a voluntary petition in bankruptcy, or a petition or answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law;

(k) A petition, order, judgment, or decree shall be entered, without the application, approval or consent of Subrecipient by any court of competent jurisdiction, approving a petition seeking reorganization or approving the appointment of a receiver, trustee or liquidator of Subrecipient of all or a substantial part of its assets, and such order judgment or decree shall continue unstayed and in effect for any period of thirty (30) days;

(l) The dissolution, termination of existence, merger or consolidation of Subrecipient or a sale of assets of Subrecipient out of the ordinary course of business without the prior written consent of the Grantee and CDFA; and

(m) Failure to remedy an ineligible expenditure of grant funds or to reimburse the Grantee for any ineligible costs, which are paid from grant funds.

11. GRANTEE'S RIGHTS AND REMEDIES UPON DEFAULT.

11.1 Remedies upon Default. Upon the occurrence of any Event of Default, the Grantee may take any one, or more, or all, of the actions described below. Prior to taking any of the following actions, the Grantee will give Subrecipient a written notice of default specifying the Event of Default and requiring it to be remedied within thirty (30) days from the date of notice. The following actions may be taken only if Subrecipient has not remedied the Event of Default in a timely manner.

(a) In the event Grantee fails to enforce the provisions of either the Subrecipient or Business & Employment Commitment Agreement or fails to cure any event of default under the Subrecipient or Business & Employment Commitment Agreement, Grantee shall, upon demand by CDFA, assign and convey all or part of its rights, title and interest, or delegate all or any of its obligations under the Subrecipient or Business & Employment Commitment Agreement to CDFA.

(b) Terminate this Agreement, effective immediately upon giving notice of termination;

(c) Suspend all payment of grant funds to be made pursuant to this Agreement until such time as the Grantee determines the Event of Default has been cured;

(d) Set off against any other obligations the Grantee may owe to Subrecipient for any damages the Grantee may suffer by reason of any Event of Default;

(e) Treat the Agreement as breached and pursue any of its remedies at law or in equity or both;

(f) Foreclose under any available security instrument created under this agreement; and

(g) Assume the right to seek full reimbursement of CDBG funds from the Business and the right to call on any collateral pledged under the loan with the Business.

11.2 Judicial Enforcement. Subrecipient agrees that the Grantee and CDFA have a right to seek judicial enforcement with regard to any matter arising with respect to this Agreement, to include the assurances, covenants and other conditions, which extend beyond the completion date under this Agreement.

11.3 Disposition of Funds. Where the Grant Agreement or Subrecipient Agreement is terminated or the Project is otherwise terminated due to a default, inability to perform or reasons other than project completion, Grant funds are required to be returned. The disposition of Grant Funds to be returned shall be determined solely by CDFA.

12. ADDITIONAL REPRESENTATIONS AND WARRANTIES. Subrecipient represents and warrants:

(a) Subrecipient will require the Business to obtain all necessary approvals of the Plans and all necessary permits for the operation of its business from all governmental authorities having jurisdiction over the Project.

(b) Construction of the project will not violate any zoning, environmental, subdivision, or land use ordinance, regulation or law; the Property conforms and complies in all material respects with all covenants, conditions, restrictions, reservations and zoning, environmental land use, and other applicable ordinances, laws, rules and regulations, federal, state, or local, affecting the Property.

(c) No litigation, claims, suits, orders, investigations or proceedings are pending or threatened against Subrecipient or affecting the Property or the Project at law or in equity or before or by any federal, state, municipal or other governmental instrumentality; there are no arbitration proceedings pending under collective bargaining agreements or otherwise; and to the knowledge of Subrecipient, there is no basis for any of the foregoing. Any exceptions to this section shall be explained in an Exhibit, attached to this agreement.

(d) Subrecipient has filed all federal, state and local tax returns required to be filed and has paid or made adequate provision for the payment of all federal, state or local taxes, charges and assessments.

(e) The execution and delivery and performance by Subrecipient of its obligations under this Agreement and the loan documents have been duly authorized by all requisite corporate action and will not violate any provision of law, any order of any court or other agency of government, or any indenture, agreement or other instrument to which Subrecipient is a party, or by which it is bound, or be in conflict with, result in a breach of, or constitute a default under, or except as may be provided in this Agreement, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Subrecipient pursuant to any such indenture, agreement or instrument. Subrecipient is not required to obtain any consent, approval or authorization from, or to file any declaration or statement with, any governmental instrumentality or other agency in connection with or as a condition to the

execution, delivery or performance of this Agreement and all other related documents.

(f) Subrecipient is not contemplating either the filing of a petition under any state or federal bankruptcy or insolvency laws or the liquidating of all or a major portion of its properties, and has no knowledge of any person contemplating the filing of any such petition against it.

(g) No statement of fact made by or on behalf of Subrecipient in any of the agreement or related documents or in any certificate, exhibit or schedule furnished to the Grantee pursuant thereto, contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained therein or herein not misleading. There is no fact or circumstance presently known to Subrecipient that has not been disclosed to the Grantee that materially affects adversely, nor as far as Subrecipient can foresee, will materially affect adversely Subrecipient, operations or considerations (financial or otherwise) of Subrecipient.

(h) Subrecipient has complied in all material respects with all applicable statutes, regulations, and rules of federal, state, and local governments in respect to the conduct of its business and operations, including without limitation all applicable environmental statutes.

(i) No Event of Default has occurred and is continuing under this Agreement or the loan documents and no event or condition which would, upon notice of expiration of any applicable cure, constitute an Event of Default has occurred and is continuing; Subrecipient is not in default under any note or other evidence of indebtedness or other obligation for borrowed money or any mortgage, deed to trust, indenture, lease agreement or other agreement relating thereto. Any exceptions to this section shall be explained in an Exhibit, attached to this agreement.

Subrecipient warrants that each of the foregoing representations and warranties is true and correct as of the date of this Agreement and Subrecipient shall indemnify and hold harmless the Grantee, State and CDFA from and against any loss, damage, or liability attributable to the breach thereof, including any and all fees and expenses incurred in the defense or settlement of any claim arising therefrom against the Grantee, State or CDFA.

13. MISCELLANEOUS PROVISIONS.

13.1 Compliance with Laws. Subrecipient shall comply with all applicable federal, state and local laws, statues, regulation, executive orders and rules as they relate to the application, acceptance and use of funds for this project, including, but not limited to, the requirements as specified in the Grant Agreement.

13.2 Compliance with OMB Circular A-122. Subrecipient acknowledges that it shall meet the requirements of OMB Circular A-122, to ensure compliance with Administrative Cost Standards.

13.3 No assignment. Subrecipient shall not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Grantee and CDFA, and any attempted assignment or transfer shall be ineffective, null, void, and of no effect.

13.4 Amendments. No amendment or modification of any provision of this Agreement shall be effective unless it is in writing and executed by both parties and approved by CDFA.

13.5 Maintenance of Project. Subrecipient shall require that the Business maintain, keep, and preserve in good working order and condition all of its property and assets necessary or useful in the proper conduct of its business and operation of the Project. This shall include all property improvements made as a result of this Project.

13.6 Governing Law. The Subrecipient Agreement shall be governed by and construed in accordance with laws of the State of New Hampshire.

13.7 No failure on the part of Grantee or CDFA to exercise, and no delay in exercising, any right, power, or remedy under this Agreement or any other agreement contemplated herein shall operate as a waiver thereof; nor shall any single or partial exercise of any right under any such agreements preclude

any other or further exercise thereof or the exercise of any other right. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

13.8 This Agreement, together with all attachments, schedules and exhibits thereto, contains the full, final and exclusive statement of the agreement of the parties and supersedes all prior understandings, representations or agreements, whether written or oral, with respect to such subject matter.

14. PUBLICITY AND SIGNAGE.

14.1 Public Relations. The Subrecipient shall grant CDFA the right to use the Subrecipient's name, likeness, and logo in any public relations or publicity efforts. This shall include, but not be limited to, press releases, media interviews, website, publications, brochures, etc. CDFA's publicity efforts may also include details about Grantee's project, contract, or other publically available information.

14.2 Reciprocal Publicity. The Subrecipient also shall acknowledge CDFA appropriately in all organizational and public forums as to the support, financial and otherwise, that has been provided to the project. This recognition shall include, but not be limited to, print/electronic media, publications, interviews, brochures, website, etc.

14.3 Project Signage. For construction/renovation projects – CDFA logo must be included in signage at the job worksite. CDFA logo may not be any smaller that 50% of the size of the largest logo displayed. This requirement can be waived if no other partner/entity requires worksite signage and creating signage solely for CDFA poses a hardship. Alternative – If none of these are applicable/feasible, an alternative display of the CDFA logo or public recognition must be approved by CDFA.

ATTACHMENT III

BUSINESS & EMPLOYMENT COMMITMENT AGREEMENT

MINIMUM TERMS AND CONDITIONS

Grantee hereby warrants and agrees that the Business & Employment Commitment Agreement to be executed in conformance with the requirements of Exhibit A of the Grant Agreement shall be subject to approval by CDFA and shall contain at a minimum the following terms and conditions:

1. REPRESENTATION AND WARRANTIES. Ragged Mountain Equipment, Inc. (the "Business") shall represent and warrant:

   1.1 That the Business is a duly organized and validly existing New Hampshire corporation in good standing under the laws of the State of New Hampshire. The Business has the power and authority to carry on the business to be conducted as part of the Grant Activities and has the power to execute and deliver and perform its obligations under the Business & Employment Commitment Agreement and Loan Agreement.

   1.2 This Business & Employment Commitment Agreement and the Loan Agreement are legal, valid and binding obligations of the Business, enforceable against the Business in accordance with their terms.

   1.3 The Business shall comply in all material respects with all applicable statutes, regulations and rules of federal, state and local governments in respect to the conduct of its business and operations, including without limitation all applicable environmental statutes, regulations and rules and all statutes, pertaining to the manufacturing of its products.

   1.4 No application, exhibit, schedule, report or other written information provided by the business or its agents to Grantee or CDFA in connection with the negotiation, execution and closing of the Grant Agreement, the Loan Agreement or this Business & Employment Commitment Agreement knowingly contained when made any material misstatement of fact, or knowingly omitted to state any material fact necessary to make the statements contained therein not misleading in light of the circumstances under which they were made.

2. PURPOSE OF BUSINESS & EMPLOYMENT COMMITMENT AGREEMENT: PROJECT ACTIVITIES.

   2.1 The purpose of the project, which is the subject of this Business & Employment Commitment Agreement, is the grant of CDBG funds is to be used for a loan in the amount of $100,000 from Mount Washington Valley Economic Council (MWVEC) to purchase equipment and for working capital to the Business located in Bartlett, NH.

   2.2 As a result of the direct benefit from the Loan to the Business, the Business has agreed to enter into a specific employment commitment, requiring the creation of jobs to be available to individuals of Low- and Moderate-Income.

   2.2.1 In compliance with the State CDBG administrative standards for evaluating the Public Benefit of the Project activity, the Grantee and Business understand that the standard for measuring the maximum allowable Grant funds for any project is $20,000, for each permanent full-time equivalent job created.

   2.3 In carrying out the purpose of the project, the Business agrees to retain ten (10) specific jobs and create four (4) new permanent full-time-equivalent jobs.

   2.3.1 Of these full-time-equivalent jobs, a minimum of twelve (12) said jobs will available to low- and moderate-income persons.

2.3.2 The job functions will consist of: a design and production assistant, manufacturing stitchers, an internet technician, a marketing person, a manufacturing production manager, a manufacturing cutter, a manufacturing inspector, a retail purchaser, and a retail salesperson.

2.3.3 The benefits plan being offered by the Business include:

5 paid holidays (FT & PT)
health insurance (FT) (company pays 25% of individual or family premium)
dental insurance (FT) (company pays 25% of individual premium)
3% company-matched simple IRA (FT&PT earning minimum of $5000 in calendar year)
100% company-paid accident (disability) insurance (FT)
3 sick/personal days (FT)
vacation time (FT) (5 days after 1 year, 10 days after 3 years)
employee purchase discounts (FT & PT)
3-day bereavement leave (FT)
50% paid job training & clinics
Up to $.50 per hour child care reimbursement (FT)

2.4 The Business shall enter into a Business & Employment Commitment Agreement with the Grantee, meeting the terms and conditions as required herein, which shall provide that the Business, its successors and assigns shall create the full-time equivalent jobs at the project property, as set forth in paragraph 2.3.1 and 2.3.2.

2.5 The Business and Employment Commitment Agreement shall stipulate that the Business shall provide the benefits as set forth in paragraph 2.3.3.

3. SECURITY: MORTGAGE LIEN

3.1 The Business shall provide, via the Subrecipient's Loan, a shared third position UCC filing on equipment and all business assets and the personal guarantees of owners, Rob Nadler and Cort Hansen.

In addition, Mount Washington Valley Economic Council's Board of Directors has committed a 100% guarantee from its loan loss reserve. MWVEC shall provide minutes as evidence of this commitment.

Subrecipient shall ensure compliance with the terms of the loan documents, which shall provide for recovery of the CDBG funds to the Grantee and on behalf of CDFA, in the event that the employment commitments as provided herein are not achieved. In such an event of default the amount of CDBG funds subject to recovery in accordance with this paragraph shall be no more than $100,000.

As stated, lien on all equipment and business assets provides a secured guarantee of the performance of the job creation commitment by the Business. If the Grantee and the Business wish to propose an alternative form of collateral of similar value, the CDFA will consider its proposal, provided it offers a similar level of security.

The mortgage or other acceptable lien shall be submitted to CDFA for its approval. Grantee shall submit to CDFA documentation of the mortgage or other lien recording.

3.2 Any CDBG funds returned to Grantee pursuant to enforcement of the security lien shall be returned to CDFA.

4. MATCH REQUIREMENTS.

4.1 The agreement shall require that the Grantee ensure that the required match for the CDBG funds of not less than $120,000 in additional financing for the Project Activities will be documented and submitted to CDFA as follows:

4.1.1 A loan from North Country Council in the amount of $120,000;

5. INITIAL DOCUMENTATION

5.1 To document the existing employees of the Business at the start of this Project, The Business shall provide to the Grantee, directly or via Subrecipient as applicable, certified payrolls documenting the number of full-time and full-time equivalent employees and position titles in all US operations, no earlier than the date of application of October 29, 2013, as approved by CDFA.

5.2 To document the permanent, full time positions to be created, the Business shall provide the Grantee, directly or via Subrecipient, as applicable, with a listing, by job title, of the total jobs to be created, indicating: (a) which jobs will be available to low- and moderate-income persons; (b) which jobs will require special skills or education; and (c) which jobs will be part-time. This listing should be no different from the information for said jobs, as provided at the time of application.

5.3 Implementation Schedule. All parties to this grant have agreed on an implementation schedule, which will provide for the completion of all grant activities, prior to the grant completion date. A schedule of major milestones shall be provided, and shall serve as a basis for enforcement of the Agreement.

5.5 Grant Completion Date. All work shall be completed prior to the Grant Completion Date as outlined in Section 1.7 of the General Provisions. All employment commitments shall be accomplished by that date.

5.5.1 Project Delays. Should the Project encounter delays relating to financing, construction or other events that may affect the Business' ability to create the jobs within the specified Grant Completion Date, the Business and Grantee shall submit a written request for a time extension to CDFA, describing the reason for delay. Grant completion time extension requests shall then be forwarded to Governor and Council for final approval.

5.6 Business Insurance Requirements. Grantee shall ensure that the Business obtains and maintains in force comprehensive general liability insurance against all claims of bodily injury or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per incident. This insurance shall be at Business' sole expense. All policies shall name Grantee, Subrecipient (if applicable) and CDFA as additional insureds. The Business shall provide the Grantee with certificates of insurance, which evidences compliance with this section.

Furthermore, the Grantee shall require that the Business obtain and maintain in force, at its sole expense, insurance coverage for all real property or assets purchased with grant funds, as applicable to the project activities.

All policies described in this section shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. All policies shall be on an "occurrence" basis. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than thirty (30) days after written notice thereof has been received by the Grantee and CDFA.

5.7 Taxes. The Business shall certify that it has paid all taxes, assessments, charges, fines and impositions attributed to all real property or assets of the Business, as applicable.

6. REPORTING REQUIREMENTS:

6.1 Semi Annual reports shall be submitted by the Grantee, not less than five (5) business days prior to the semi-annual submission date, that is, no later than July 10, for the period of January 1 through June 30 and no later than January 10, for the period of July 1 through December 31 of each year. The reporting period shall begin on the date of Governor and Council approval and end on the Completion Date specified in Section 1.7 of the General Provisions of the contract between the Grantee and CDFA.

6.2 Responsibilities of the Grantee For both Semi-annual reporting and Closeout reporting, the Grantee shall be responsible for obtaining, preparing and submitting the following documentation:

6.2.1 The "Periodic Progress Report", which includes the Beneficiary Characteristics and data. For each reporting period, the report shall indicate the number and percentage of new persons hired for the specified positions from Low- and Moderate-Income families benefiting from this project, as well as the minority status or protected class status information. The data is derived from the Family Income Verification Form.

6.2.2 Semiannual and closeout documentation to be submitted to CDFA shall also include:

a. Copies of the Family Income Verification forms signed by all new hires, from the Business. The Family Income Verification form documents family income status and the designation of beneficiary minority or protected class status. The Family Income Verification form for new job beneficiaries is provided in Attachment V;

b. Copies of current company payrolls, certified by an authorized officer of the Business, listing names of all employees and job titles; and

c. A list of all employees hired since the last reporting period, from the Business, documenting actual job creation/retention which includes: employee name, job title, date of hire, income classification and beneficiary characteristics, that is minority or protected class status. See Attachment 1-C, from application.

6.3 Responsibilities of the Business In order to comply with the required reports, the Business is responsible for providing to the Grantee a variety of information, which allows for the verification and documentation of family income status and of minority or protected class status for new employees and applicants, in accordance with the federal regulations set forth in Exhibit A of the Grant Agreement. The specific data to be provided by the Business is:

a. Copies of the Family Income Verification forms signed by all new hires, for the current positions being created are to be provided on a semi-annual basis to the Grantee. The Family Income Verification form documents family income status and the designation of beneficiary minority or protected class status. The Family Income Verification form for job applicants and beneficiaries is provided in Attachment V;

b. Copies of current company payrolls, certified by an authorized officer of the Business, listing names of all employees and job titles; and

c. A list of all employees hired since the last reporting period, from the Business, documenting actual job creation/retention which includes: employee name, job title, date of hire, income classification and beneficiary characteristics, that is minority or protected class status. See Attachment 1-C, from application.

7. OTHER EMPLOYMENT CONDITIONS.

7.1 The parties acknowledge that the obligation of the Business to create the specified minimum number of jobs for Low- and Moderate-Income Persons is an essential component of the Grantee's willingness to enter into the grant and into this Business and Employment Commitment Agreement with the Business, upon the terms and conditions set forth in such agreements, or other documents. The Business agrees that it shall exercise good faith at all times in its hiring practices in order to achieve its job commitments.

7.2 In the event that the Business fails to create the minimum number of jobs required to be filled with persons from Low- and Moderate-Income Families or other employment commitments as provided in this Agreement, then the Business shall confer forthwith with the Grantee, and the Subrecipient, as applicable, and CDFA to develop a mutually acceptable plan pursuant to which it will rectify any employment shortfalls and maintain the required minimums. In such event, the Business shall also provide Grantee with monthly updates containing information in a form reasonably satisfactory to the Grantee or the Subrecipient, as applicable, in order for the Grantee and Subrecipient to determine whether it is in compliance with such plan and its employment obligations as provided herein. Said monthly reports to continue until the employment commitments are achieved.

7.3 The continued failure of the Business to achieve its employment commitments as required herein for ninety (90) days following the date specified for such requirement shall constitute an event of default under this Business and Employment Commitment Agreement, which may give rise to any of the remedies available to the Grantee, or Subrecipient, if applicable, as set forth therein.

7.4 In any other agreement entered into between the Grantee, the Subrecipient, and the Business, the Grantee shall include, as an event of default, the failure to meet the employment commitments and reporting requirements as provided herein. Upon breach of the employment commitments or reporting requirements giving rise to an event of default, the Grantee, with the Subrecipient if applicable shall undertake efforts to result in a cure of the default or shall, where applicable, terminate the loan or other agreement and seek damages or other relief as appropriate.

8. ACCOUNTING, AUDIT AND RECORD KEEPING REQUIREMENTS.

8.1 All of the records, documents and data described required to provide all employment verification information shall be kept during the performance of the Project and for three (3) years after its completion or until the satisfactory completion of an audit, whichever is later.

8.2 The Business shall make available to Grantee, CDFA and HUD or any of their duly authorized representatives, for the purpose of audit and examination, its audit and any books, documents, papers, and records pertinent to this Project.

9. INDEMNIFICATION.

9.1 The Business shall indemnify, defend and hold harmless Subrecipient, Grantee and CDFA against and from any and all claims, judgments, damages, penalties, fines, assessments, costs and expenses, liabilities and losses (including without limitation damages for the loss or restriction on the use of the Property, sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees) resulting or arising during the term of this Business and Employment Commitment Agreement or the loan:

9.1.1 from any condition of the Property, including any building structure or improvement thereon;

9.1.2 from any breach or default on the part of the Business in the performance of any mortgage lien or agreement to be performed pursuant to the terms of the loan, or from any act or omission of the Business or any of their agents, contractors, servants, employees, subloans, licensees or invitees; or

9.1.3 from any accident, injury or damage whatsoever caused to any person occurring during the term of the loan, on the Property or areas adjacent thereto.

10. EVENTS OF DEFAULT. The occurrence of any one or more of the following events shall constitute an Event of Default under the Agreement:

10.1 The Business's failure to meet the employment commitments as specified herein;

10.2 The Business's failure to comply with the employment reporting requirements as specified herein;

10.3 The premises of the Business are materially damaged or destroyed by fire or other casualty or cause and the insurance proceeds therefrom are inadequate to rebuild or restore the Premises to their condition immediately prior to such casualty;

10.4 If the Business shall (i) apply for or consent to the appointment of a receiver, trustee or liquidator of it or any of its property, (ii) admit in writing its inability to pay its debts as they mature, (iii) make a general assignment for the benefit of creditors, (iv) be adjudicated as bankrupt or insolvent or (v) file a voluntary petition in bankruptcy, or a petition or answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in an proceeding under any such law;

10.5 A petition, order, judgment or decree shall be entered, without the application, approval or consent of the Business by any court of competent jurisdiction, approving a petition seeking reorganization or approving the appointment of a receiver, trustee or liquidator of the Business of all or a substantial part of its assets, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) days;

10.6 The dissolution, termination of existence, merger or consolidation of the Business or a sale of its assets out of the ordinary course of business without the prior written consent of Grantee;

10.7 Any mechanics', laborers', materialmen's or similar statutory lien, or any notice thereof, shall be filed against the Business and shall not be discharged within thirty (30) day of such filing;

10.8 Failure to remedy an ineligible expenditure of grant funds or to reimburse Subrecipient, Grantee or CDFA for any ineligible costs which are paid from Grant funds.

11. REMEDIES UPON DEFAULT.

11.1 In the event that the Business shall default in its commitment to create the required number of employment positions as provided in the Agreement or shall otherwise default under the terms of the Agreement and such default results in the required return of Grant Funds to CDFA, Grantee shall obtain, through its own remedy, a reimbursement of grant fund expenditures from the Business.

11.2 In such an event of default, the amount of CDBG funds subject to recovery in accordance with this paragraph shall be no more than the CDBG loan amount, and shall be based upon the following calculation: The difference between the original number of jobs contained in Paragraph 2.3, less the actual jobs created, multiplied by the minimum standards as stated in Paragraph 2.2.1.

12. ADDITIONAL REPRESENTATIONS AND WARRANTIES.

12.1 The Business has obtained or will obtain all necessary approvals of the plans and all necessary permits for the operation of its business from all governmental authorities having jurisdiction over the Project.

12.2 Construction of any improvements for the Project will not violate any zoning, environmental, subdivision, or land use ordinance, regulation or law; the Property conforms and complies in all material respects with covenants, conditions, restrictions, reservations and zoning, environmental land use, and other applicable ordinances, laws, rules and regulations, federal, state or local, affecting the Property.

12.3 No litigation, claims, suits, orders, investigations or proceedings are pending or threatened against the Business or affecting the Property or the Project at law or in equity or before or by any federal, state, municipal or other governmental instrumentality; there are no arbitration proceedings pending under collective bargaining agreements or otherwise; and to the knowledge of the Business there is no basis for any of the foregoing.

12.4 The Business has filed all federal, state and local tax returns required to be filed and has paid or made adequate provision for the payment of all federal, state and local taxes, charges and assessments.

12.5 The Business is not contemplating either the filing of a petition under any state or federal bankruptcy or insolvency laws or the liquidating of all or a major portion of its property, and has no knowledge of any person contemplating the filing of any such petition against it.

12.6 The Business shall comply with all federal, state and local laws, regulations, and standards relating to protection or preservation of the environment that are or may become applicable to its activities at the Project Property.

12.7 The Business, and any sub-lessee or assignee of the Business shall be solely responsible for obtaining, at their cost and expense, any environmental permits required for their operations.

13. MISCELLANEOUS PROVISIONS.

13.1 The Business shall preserve and maintain the legal existence and good standing of its status and its registration in New Hampshire.

13.2 The Business shall not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of CDFA, and any attempted assignment or transfer without such consent shall be ineffective, null, void, and of no effect.

13.3 No amendment or modification of this Business & Employment Commitment Agreement shall be effective unless it is in writing and executed by all parties and approved by CDFA.

ATTACHMENT IV

REQUIRED LOAN PROVISIONS
MINIMUM TERMS AND CONDITIONS

Town of Bartlett ("Grantee") and Mount Washington Valley Economic Council (MWVEC) ("Subrecipient") hereby warrant and agree that Subrecipient, in its Loan Agreements with Ragged Mountain Equipment, Inc. ("Business"), and in any future agreements conveying or transferring property interests in the Project Property shall include the following required minimum terms and conditions providing for the performance of grant-related activities and commitments.

1. PURPOSE OF THE PROJECT

This project shall consist of the awarding of $120,000 in Community Development Block Grant (CDBG) funds to Grantee, of which $102,500 is to be subgranted to the Subrecipient.

Of the subgranted funds, the Subrecipient shall loan the Business $100,000 to purchase equipment and to provide working capital for its facility in Bartlett, NH.

Grantee will retain $17,500 of the grant for administrative costs associated with management of the grant and for the costs related to grant writing.

The Subrecipient shall retain $2,500 for delivery costs relating to the Loan activities.

2. LOAN TERMS.

The loan shall provide that the Subrecipient shall lend, and the Business shall borrow, in total $100,000, as part of the financing package to provide a loan for equipment to the Business.

2.1 The Loan Agreement shall provide for the execution of a promissory note, with interest on the outstanding loan balance accruing at a fixed rate of seven percent (7%).

2.2 The first year payments shall be interest-only and payments of principal and interest shall commence in the second year. Loan payments shall be based on a 10-year amortization, with monthly payments of principal and interest.

2.3 The collateral for the CDBG funds loaned will be a shared 3rd position UCC filing on the Business' equipment and assets as well as personal guarantees of Rob Nadler and Cort Hansen. In addition, the Subrecipient has committed 100% loan loss reserve to this project.

2.4 The Business shall enter into a Promissory Note wherein it agrees to pay to the Subrecipient the principal and interest as provided above. It shall require that the Business pay on demand all reasonable costs of collection, including court costs, service fees and attorneys fees, whether or not any foreclosure or other action is instituted by the holder in its discretion; and late charges in the event of any installment payment is not received within the terms set by the Subrecipient.

2.5 The Business shall enter into a Security Agreement with Subrecipient, establishing the Subrecipient's collateral position.

2.3 Final signed Loan agreements, approved by CDFA, are a condition of the grant.

2.4 The Loan Agreement with the Business shall include the Business & Employment Commitments described below in Paragraph 3.

3. EMPLOYMENT COMMITMENTS.

3.1 As a condition of the Loan from Subrecipient to the Business, the Business will implement the expansion of the Business, which in turn will retain ten (10) specific jobs and create four (4) full-time equivalent jobs. Of these jobs, twelve (12) will be available to low and moderate-income persons, as outlined in Attachment III, Business & Employment Commitment Agreement.

3.2 The Business shall offer the employee benefits as outlined in Attachment III, Business and Employment Commitment Agreement.

4. BUSINESS & EMPLOYMENT COMMITMENT AGREEMENT.

As a condition of the Loan, the Business shall enter into an agreement with the Grantee, as outlined in Attachment III, "Business & Employment Commitment Agreement, Minimum Terms and Conditions", in order to carry out the purpose of the Project Activities.

5. BUSINESS REPRESENTATIONS AND WARRANTIES – LOAN DOCUMENTS.

In addition to the inclusion of Business Representations and Warranties in the agreement between Grantee and Business, as outlined in Attachment III, "Business & Employment Commitment Agreement", the Business shall also represent and warrant:

5.1 The execution and delivery and performance by the Business of its obligations under the Loan Documents have been duly authorized by all requisite corporate action and will not violate any provision of law, any order of any court or other agency of government, or any indenture, agreement or other instrument to which the Business is a party, or by which they are bound, or be in conflict with result in a breach of, or constitute a default under, or, except as may be provided therein, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of both the Business pursuant to any such indenture, agreement or instrument. The Business is not required to obtain any consent, approval or authorization from, or to file any declaration or statement with, any governmental instrumentality or other agency in connection with or as a condition to the execution, delivery or performance of the Loan Documents;

5.2 No Event of Default has occurred and is continuing under the Loan Documents and no event or condition which would, upon notice of expiration of any applicable cure, constitute an Event of Default has occurred and is continuing; the Business is not in default under any not or other evidence of indebtedness or other obligations for borrowed money or any mortgage, deed to trust, indenture, loan agreement or other agreement relating thereto; and

5.3 All representations, warranties and obligations of the Business as provided in any Loan documents to include the employment commitments shall be applicable to their successors and assigns.

Each of the foregoing representations and warranties is true and correct as of the date of the Loan Documents and the Business shall indemnify and hold harmless Grantee and CDFA from and against any loss, damage, or liability attributable to the breach thereof, including any and all fees and expenses incurred in the defense or settlement of any claim arising therefrom against Grantee or CDFA.

6. EVENTS OF DEFAULT – LOAN DOCUMENTS.

In addition to the inclusion of Events of Default in the agreement between Grantee and Business, as outlined in Attachment III, "Business & Employment Commitment Agreement", the following Events of Default shall be included as part of this Loan Agreement:

6.1 A default by the Business under its Loan Agreement with the Subrecipient;

6.2 Any attempt by the Business to assign its rights under the Loan Documents or any advance made or to be made hereunder or any interest therein, or if the Secured Property is conveyed or encumbered in any way without the prior written consent of Grantee and CDFA;

6.3 Any representation or warranty made herein or in any report, certification, or other instrument furnished in connection with the Loan Documents or any advances of Grant funds made hereunder, by or in behalf of the Business shall prove to be false or misleading in any material respect;

ATTACHMENT V

FAMILY INCOME VERIFICATION FORM

(See Attached)

ECONOMIC DEVELOPMENT

Carroll County FAMILY INCOME VERIFICATION FORM - 2013

MUNICIPALITY:_____ APPLICANT NAME: _____
NAME OF BUSINESS:_____ POSITION BEING APPLIED FOR: _____
ADMINISTRATOR:_____ CURRENTLY EMPLOYED? YES _____ NO _____

The Above Business has benefited from funding provided to the Municipality, above, by the Community Development Block Grant (CDBG) program. The program requires that all applicants must complete the following verification. If you have questions, contact the Grant Administrator, listed above. Your assistance in the completion of this form is greatly appreciated. It will be held in **strict confidence**, and used only to verify that we are meeting the requirements of the grant program.

Please complete all fields above and both portions of the form – Part I and Part II

PART I — INCOME AND HOUSEHOLD DATA

Please choose the row that represents your family size and circle the Income Category that best describes your family income. Family income includes wages and salaries, interest, net business income, social security, pensions, alimony received, VA benefits, and educational benefits received by all family members living at home. Alimony paid may be deducted. This verification form should reflect your current family income. This data is required by the CDBG program.

Number of Persons in Family	Income Category A	Income Category B	Income Category C	Income Category D
1	$0 to $14,550	$14,551 to $24,200	$24,201 to $38,750	$38,751 +
2	$0 to $16,600	$16,601 to $27,650	$27,651 to $44,250	$44,251 +
3	$0 to $18,700	$18,701 to $31,100	$31,101 to $49,800	$49,801 +
4	$0 to $20,750	$20,751 to $34,550	$34,551 to $55,300	$55,301 +
5	$0 to $22,450	$22,451 to $37,350	$37,351 to $59,750	$59,751 +
6	$0 to $24,100	$24,101 to $40,100	$40,101 to $64,150	$64,151 +
7	$0 to $25,750	$25,751 to $42,850	$42,851 to $68,600	$68,601 +
8	$0 to $27,400	$27,401 to $45,650	$45,651 to $73,000	$73,001 +

PART II — RACE, ETHNICITY AND HOUSEHOLD DATA

Data with regard to (1) Household Status; (2) Racial Characteristics and (3) Ethnicity information – in expanded categories – is being requested, in order to measure the impact of the program on the diverse population of the U.S.

Please circle the appropriate racial, ethnic, familial status, age, and handicapped category that applies to you. A number of categories may apply to you. Please note this information will be used for analysis purposes only. We ask you to provide this information on a voluntary basis. If you do not wish to provide the information, you may refuse to do so.

CIRCLE ALL IN EACH CATEGORY THAT APPLY

RACE

White
Black or African American
Asian
American Indian or Alaska Native
Native Hawaiian or Other Pacific Islander

American Indian or Alaska Native & White
Asian & White
Black or African American & White
American Indian or Alaska Native & Black or African American

ETHNICITY

AND Hispanic or Latino
NOT Hispanic or Latino

HOUSEHOLD

Elderly (62 + years)
Handicapped
Female Head of Household
Not Applicable

_____ Signature _____ Printed Name _____ Date

Effective 3/1/13 and subject to change without notice - ED - 2013

CERTIFICATE OF COVERAGE

This certificate evidences the limits of liability in effect at the inception of the Coverage Agreement(s) (also known as the Member Agreement(s)) described below. This certificate is issued as a matter of information only and confers no rights on the certificate holder and does not amend, extend, or alter the coverage afforded by the Member Agreement(s) except to the extent provided in the Additional Covered Party box or Loss Payee box below, if checked.

THIS IS TO CERTIFY THAT THE ENTITY NAMED BELOW HAS BEEN ISSUED THE MEMBER AGREEMENT(S) FOR THE AGREEMENT TERM(S) INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM, OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE MEMBER AGREEMENT(S) IS SUBJECT TO ALL THE EXCLUSIONS, EXTENSIONS, TERMS, AND CONDITIONS OF SUCH MEMBER AGREEMENT(S). AGGREGATE LIMITS MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Participating Entity: Town of Bartlett ***Participant Number:*** 101-032787 - 14	***Company Affording Coverage (the "Company"):*** HealthTrust, Inc. PO Box 617, Concord, NH 03302-0617

Coverage (Occurrence basis only):	***Effective Date (mm/dd/yy)***	***Expiration Date (mm/dd/yy)***	***Limits (subject to applicable NH statutory limits)***	
☑ General Liability (Member Agreement Section III.A)	7/1/2013	6/30/2014	Each Occurrence	$ 5,000,000
			General Aggregate	$
			Personal & Adv Injury	$
			Med Exp (any one person)	$
			Products –Comp/Op Agg	$
			Fire Damage (each fire)	$
☑ Automobile Liability (Member Agreement Section III.A) ☐ Any Auto ☐ All Owned Autos ☐ Scheduled Autos ☐ Hired Autos ☐ Non-Owned Autos ☐ Other _____	7/1/2013	6/30/2014	Each Occurrence	$ 5,000,000
			Bodily Injury (per person)	$
			Bodily Injury (per accident)	$
			Property Damage (per accident)	$
☐ Excess Liability			Each Occurrence	$ N/A
			Aggregate	$ N/A
☑ Property (All Risk including Theft) (Member Agreement Section I) Deductible: $1,000	7/1/2013	6/30/2014		$Per scheduled limits and Member Agreement
☐ Workers' Compensation (Coverage A) Employers' Liability (Coverage B)			Coverage A:	Statutory
			Cov. B: Each Accident	$ 2,000,000
			Disease – Each Employee	$ 2,000,000
			Disease – Policy Limit	$ 2,000,000

Description: Proof of Coverage

CANCELLATION: If any of the above coverages under the Member Agreement are cancelled before the expiration date, the Company will endeavor to mail 30 days written notice to the Certificate Holder named below, but failure to mail such notice shall impose no obligation or liability of any kind upon the Company.

☑ **Additional Covered Party** ☐ **Loss Payee, as his, her or its interests appear**

Coverage for the Additional Covered Party is limited to "bodily injury" or "property damage" caused by, and only to the extent of, the sole negligence of the Participating Entity, and no protection is available for the negligence of others, including the Additional Covered Party and its directors, officers, employees, or agents. Available limits of coverage are shared between the Participating Entity and the Additional Covered Party.*

****Terms in quotes are defined in the Member Agreement.***

Certificate Holder:	**Company**	
Community Development Finance Authority 14 Dixon Avenue, Suite 102 Concord NH 03301	By: Wendy W Parker Authorized Representative **Date Issued:** 3/17/2014	*Please direct inquiries to:* Debra A. Lewis 603.230.3332

Primex³
NH Public Risk Management Exchange

CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex³) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex³ is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex³ is entitled to the categories of coverage set forth below. In addition, Primex³ may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex³, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex³ Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only, Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex³. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

Participating Member:	*Member Number:*	*Company Affording Coverage:*
Town of Bartlett 56 Town Hall Road Intervale, NH 03845	114	NH Public Risk Management Exchange - Primex³ Bow Brook Place 46 Donovan Street Concord, NH 03301-2624

Type of Coverage	Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply, If Not	
☐ **General Liability (Occurrence Form)** ☐ **Professional Liability (describe)** ☐ Claims Made ☐ Occurrence			Each Occurrence	$
			General Aggregate	$
			Fire Damage (Any one fire)	$
			Med Exp (Any one person)	$
☐ **Automobile Liability** Deductible Comp and Coll: ☐ Any auto			Combined Single Limit (Each Accident)	
			Aggregate	
X **Workers' Compensation & Employers' Liability**	1/1/2014	1/1/2015	X Statutory	
			Each Accident	$2,000,000
			Disease – Each Employee	$2,000,000
			Disease – Policy Limit	$
☐ **Property (Special Risk includes Fire and Theft)**			Blanket Limit, Replacement Cost (unless otherwise stated)	

Description: Proof of Primex Member coverage only.

CERTIFICATE HOLDER:	☐ Additional Covered Party	☐ Loss Payee	Primex³ – NH Public Risk Management Exchange
CDFA 14 Dixon Ave – Suite 102 Concord, NH 03301	Workers Comp		By: Tammy Denver Date: 2/25/2014 tdenver@nhprimex.org Please direct inquires to: **Primex³ Claims/Coverage Services** **603-225-2841 phone** **603-228-3833 fax**

CERTIFICATE

I, Leslie Mallett, Town Clerk of Bartlett, New Hampshire do hereby certify that: (1) at the public hearing held on August 2, 2013, the Office of the Selectmen voted to submit an application for Community Development Block Grant funds and if awarded: (2) enter into a contract with the Community Development Finance Authority and further authorize the Chairman of the Board of Selectmen to execute any documents which may be necessary to effectuate this contract or any amendments thereto; (3) I further certify that this authorization has not been revoked, annulled or amended in any manner whatsoever, and remains in full force and effect as of the date hereof; and (4) the following person has been appointed to and now occupies the office indicated under item (2) above:

Gene G. Chandler, Chairman of the Board of Selectmen
Name and Title of Officer Authorized to Sign

IN WITNESS WHEREOF, I have hereunto set my hand as the Town Clerk of Bartlett, New Hampshire this 25th day of February, 2014.

Leslie Mallett

Name: Leslie Mallett, Town Clerk

CERTIFICATION OF GRANTEE'S ATTORNEY

I, John J. Rodgers acting as Attorney for the Town of Bartlett, New Hampshire do hereby certify:

That in my opinion the Grantee is empowered to enter into the foregoing Grant Agreement under the laws of the State of New Hampshire. Further, I have examined the foregoing Grant Agreement and the actions taken by said Grantee and have determined that Grantee's official representative has been duly authorized to execute this Grant Agreement and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and applicable federal laws. In addition, for grants involving projects to be carried out on property not owned by Grantee, there are no legal impediments that will prevent full performance by the Grantee. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of Grantee in accordance with the terms thereof.

Dated at Exeter NH this 7th day of February 2014.

Signature of Grantee's Attorney

APPLICATION FROM TOWN OF BARTLETT/ MOUNTAIN WASHINGTON VALLEY ECONOMIC COUNCIL/ RAGGED MOUNTAIN EQUIPMENT CORPORATION

Project Description

The Town of Bartlett, on behalf of the Mountain Washington Valley Economic Council (MWVEC), is requesting $120,000 in CDBG funds to provide Ragged Mountain Equipment Corporation with a loan of $100,000 to purchase equipment and to provide working capital. The Ragged Mountain Equipment Corporation is a manufacturer and retailer of clothing, rock climbing equipment and outdoor sporting gear.

If approved, MWVEC will use CDBG funds to make a $100,000 loan to the business, and North Country Council will make a separate $120,000 loan to the business for total new loans of $220,000. These funds will allow the company to retain 10 specific jobs and create 4 new ones. At least 12 (86%) of those combined jobs will be filled by low- and moderate-income people. The town will retain $17,500 for administration.

In order to be awarded CDBG funds for a job retention project, the company has to show that jobs would be lost without the CDBG loan. According to the company owner, if Ragged Mtn. does not upgrade their equipment, they will be forced to downsize in order to stay in business. This will result in the loss of 10 FTE jobs out of their current workforce of 19 people (full and part time).

Sources and Uses

	CDBG Loan	NCC Loan	
Uses			**Total Uses $**
Machinery/Equipment	$10,000	$120,000	$130,000
Working Capital	$90,000		$90,000
Delivery Costs – RDC	$2,500		$2,500
Municipal Administration	$17,500		$17,500
Total	$120,000	$120,000	$240,000

Proposed New Project and Cost

The company is proposing to borrow $220,000 to increase production capacity to create new product, which they expect will expand its customer base and they also plan to increase productions of their own Ragged Mountain label which carries a higher profit margin. Specifically, Ragged Mtn. will use the loan as follows:

1. $130,000 to purchase high-technology manufacturing equipment for design, cutting and fabrication of apparel and equipment.

2. $90,000 for working capital for labor costs, inventory, and attendance at marketing shows and a new computer program for inventory control, purchasing and receiving, which will make the company more efficient.

In addition to the new products, the company will be redesigning its website to increase the selection of products available online. The company currently employees 21 people and they expect that these new investments will allow them to retain 10 jobs and create 4 new jobs within 12-18 months.

Financing

The total loans are $220,000, the details are:

1. The North Country Council (NCC) RLF loan made a loan of $120,000 with a 10 year term at 7.0%. It is interest only for the first year. The loan is secured with a shared third position lien on the equipment that is being purchased and a shared third position lien on all other business assets and a personal guarantee by the owners.

2. The CDBG grant to the Town of Bartlett will be sub granted to MWVEC, who will make a loan to the business. MWVEC loan is a $100,000 loan with a 10 year term at 7.0%. It will be interest only for the first year. MWVEC's loan will be secured with a shared third position lien on equipment to be purchased and a shared third position lien on all other business assets and a personal guarantee by the owners. The Board of Directors of MWVEC has mitigated the risk of this loan to the Town of Bartlett and CDFA by approving a 100% loan loss reserve dedicated to this project.

Benefits of the Project

The company provides full time jobs in a region where the majority of employment is seasonal or part time in the retail. The project will benefit 14 people by retaining 10 jobs and creating 4 new jobs. The company offers benefits to all full time employees and some benefits are available to part time employees. The company considers anyone working 35 hours or more to be a full-time employee.

Newly created positions include:

- 1 – Design and production assistant, 40 hour week/ full time, $14/ an hour
  This wage per hour is 16% higher than the Labor Market Area (LMA) average.

- 2 – Manufacturing stitchers, 40 hour week/ full time, $11 / an hour
  This wage per hour is 7% higher than the LMA average.

- 1 – Internet Technician, 40 hour week/ full time, $12 / an hour
  This wage per hour is 16% lower than the LMA average.

Retained positions include:

- 1 – Marketing, 40 hour week/ full time, $19/ an hour
- 3 – Manufacturing stitchers, 40 hour week/ full time, $11 / an hour

- 1 – Manufacturing production manager, 40 hour week/ full time, $17.50 / an hour
- 1 – Manufacturing cutter, 40 hour week/ full time, $10/ an hour
- 2 – Manufacturing inspector, part time, $10/ an hour
- 1 – Retail purchasing, 40 hour week/ full time, $12/ an hour
- 1 – Retail sales, 40 hour week/ full time, $10/ an hour
- 1 – Retail sales, part time, $9.59/ an hour

Administration Costs and Breakdown

There is $17,500 in CDBG administrative costs as follows:

Grant Administrator	$ 12,000
Advertising	$500
Legal	$1,000
Application Writing	$4,000
Total	**$ 17,500**

The application was written by a staff member at North Country Council but they will not respond to the RFP to administer the loan because North Country Council will be providing a complementary loan to the CDBG loan and it could be considered a conflict of interest.

Summary

- The company is well established and well respected in the Mt. Washington Valley area and has shown a strong commitment to its employees. The application received 6 letters of support based on the commitment of the business to the area.

- They are forecasting that the project will retain 10 jobs and create 4 new jobs with benefits and 86% will be available to low- and moderate-income individuals.

- The manufacturing jobs are unique for the Mount Washington Valley, an area that is dominated by retail and tourism jobs. The employees are: able to gain unique skills in manufacturing, paid above average wages compared to similar industries and are offered a comprehensive benefit package.

- The last three months of financial history for the Company has shown modest gains in sales and the owners project that the new equipment will further these improvements.

- Though the company is in a weak financial position and it is uncertain whether they will meet the hiring