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nhBFA
New Hampshire Business Finance Authority

August 18, 2021

His Excellency Governor Christopher T. Sununu
and
The Honorable Council

Dear Governor and Councilors:

REQUESTED ACTION

Holding of a public hearing and passage of a Resolution entitled: A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF AN UP TO $13,505,000 LOAN FOR A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY TO THE CITY OF MANCHESTER, NEW HAMPSHIRE, AND THE AWARD OF AN UNCONDITIONAL STATE GUARANTEE OF UP TO $13,505,000 PRINCIPAL AMOUNT REVENUE BOND (For the text of the requested Resolution see Tab #1 below this letter of transmittal.)

The Business Finance Authority (the "Authority") respectfully requests that you hold a hearing, and, if you consider such action appropriate, make the statutory findings under RSA 162-I:9 with respect the proposed financing by the Authority a revenue bond in a principal amount up to $13,505,000 (the "Bond"), supported by the award of a guarantee by the State of New Hampshire (the "State"), and which Bond will be repaid by the City of Manchester, New Hampshire (the "City" or "Borrower") through principal and interest payments made on a bond issued by the City to the Authority (the "Borrower Bond"). The Bond will finance infrastructure improvements of airport facilities at the Manchester-Boston Regional Airport (the "Airport"), consisting of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport (the "Project"), located at 1 Airport Road in the City. The Authority recommends your favorable action and submits in support thereof the following materials with item numbers the same as the tab numbers for the attached documents.

1. A suggested form of resolution for adoption by the Governor and Council.

2. A letter from Hinckley, Allen & Snyder LLP, bond counsel, explaining this transaction.

3. Materials with respect to the Borrower and the facility submitted by the Borrower.

4. The TERMS AND CONDITIONS LETTER from Service Federal Credit Union as to its purchase of the Bond.

5. The proposed GUARANTEE AGREEMENT and the proposed BOND PURCHASE AND LOAN AGREEMENT.

6. The proposed LOAN AND SECURITY AGREEMENT.

7. The proposed SIXTEENTH SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF $12,900,000 CITY OF MANCHESTER, NEW HAMPSHIRE, SUBORDINATED GENERAL AIRPORT REVENUE BOND, SERIES 2021 that provides for the Borrower Bond.

8. The proposed FORM OF BORROWER BOND.

9. Information from the New Hampshire Employment Security, Economic and Labor Market Information Bureau as to unemployment in Manchester.

10. The resolution adopted by the Authority.

11. A summary of required statutory findings of the Governor and Council with reference to materials supporting each finding.

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

Respectfully submitted,

BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE

By: _____
James Key-Wallace
Executive Director

A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY FOR THE CITY OF MANCHESTER, NEW HAMPSHIRE AND THE AWARD OF AN UNCONDITIONAL STATE GUARANTEE OF UP TO $13,505,000 OF PRINCIPAL OF THE FINANCING

WHEREAS, the Governor and Council have received from the Business Finance Authority (the "Authority") its written recommendation that the Governor and Council make certain findings and a determination pursuant to RSA 162-I:9 with respect to the financing of a commercial facility for The City of Manchester, New Hampshire, by the Authority of infrastructure improvements of airport facilities at the Manchester-Boston Regional Airport (the "Airport"), consisting of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport (the "Project"), through the issuance of an up to $13,505,000 revenue bond (the "Bond") under RSA 162-I (the "Act") that will be supported by a State guarantee (the "State Guarantee"), the proceeds of which Bond will be used by the Authority to finance the project (the "Bond"), which Bond shall be taxable under the Act.

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

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

IT IS HEREBY RESOLVED THAT:

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

(a) Special findings:

(1) The Project (as completed, the "Facility") consists of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport located at 1 Airport Road in Manchester (the "Project").

The Project is within the definition of "commercial facility" in the Act and may be financed under the Act.

(2) The establishment and operation of the Facility creates and preserves employment opportunities directly and indirectly within the State of New Hampshire (the "State") and will likely be of general benefit to the community as a whole.

(b) General findings:

(1) The Project and the proposed financing of the Project are feasible;

(2) The Borrower has the skills and financial resources necessary to operate the Facility successfully;

(3) The Bond, the Guarantee Agreement, the Bond Purchase and Loan Agreement and the Loan and Security Agreement (collectively, the "Agreements") contain provisions so that under no circumstances will the Authority be obligated directly or indirectly to pay Project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from Loan proceeds or from funds received under the Agreements, exclusive of funds received thereunder by the Authority for its own use; and

(4) The proposed financing of the Project by the Authority and the proposed operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions, and will promote the general welfare of the State's citizens.

(c) Findings with respect to the State Guarantee:

(1) The award of the State Guarantee will contribute significantly to the success of the financing; and

(2) Reasonable and appropriate measures have been taken to minimize the risk of loss to the State and to ensure that any private benefit from an award of a State Guarantee will be only incidental to the public purpose served thereby.

Section 2. Award of State Guarantee. The Governor and Council hereby award an unconditional guarantee of up to $13,505,000 principal of and interest on the Bond pursuant to RSA 162-I:9-b and authorize the Commissioner of the Treasury or the State Treasurer (hereinafter, the "State Treasurer") to execute by her manual or facsimile signature the endorsement appearing on the Bond Purchase and Guarantee Agreement and the Bond to evidence such guarantee.

Section 3. Authorization of Guarantee Agreement. The State shall be a party to the Guarantee Agreement between the State and the Authority (the "Guarantee Agreement"), and the Governor and the State Treasurer are together authorized to execute and deliver the Guarantee Agreement on behalf of the State substantially in the form presented to this meeting but subject to such changes as the Governor and State Treasurer may approve, their signatures being conclusive identification of the Guarantee Agreement, with approved changes, if any, authorized by this resolution.

Section 4. Ultimate Finding and Determination. The Governor and Council find that the proposed financing, operation and use of the Facility and award of the State Guarantee will serve a public use and provide a public benefit; and the Governor and Council determine that the Authority's financing of the Project and the State's Guarantee of up to $13,505,000 of principal of the Bond will be within the policy of, and the authority conferred by, the Act.

Section 5. Approval. The Governor and Council approve the Authority's, the Governor's and State Treasurer's taking such further action under the Act with respect to the transaction as may be required.

Section 6. Effective Date. This resolution shall take effect upon its passage.

Passed and Agreed to August 18, 2021

_____
Governor Christopher T. Sununu

_____
Councilor Theodore L. Gatsas

_____
Councilor Joseph D. Kenney

_____
Councilor Janet Stevens

_____
Councilor Cinde Warmington

_____
Councilor David K. Wheeler

EXTRACT FROM THE MINUTES OF THE MEETING OF THE GOVERNOR AND COUNCIL HELD ON AUGUST 18, 2021

At 10:00 a.m. the Governor announced that the next matter to be considered would be the financing of a commercial facility by the Business Finance Authority for The City of Manchester, New Hampshire and declared that the public hearing on the subject had commenced. He said that he and the members of the Council had received documentation and information with respect to the project. The Governor said that the meeting would then hear anyone wishing to speak on the subject. James Key-Wallace, Executive Director of the Authority, stated that the Authority had approved the financing and recommended that the Governor and Council make the required findings under RSA 162-I:9 and approve the issuance of the Bond. He also briefly explained the project. The Governor then repeated that the proceedings were a public hearing and asked whether any other person wished to speak; there being none, Councilor _____ introduced a resolution entitled "A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY FOR THE CITY OF MANCHESTER, NEW HAMPSHIRE, AND THE AWARD OF AN UNCONDITIONAL STATE GUARANTEE OF UP TO $13,505,000 OF PRINCIPAL OF THE FINANCING" and moved its adoption, which was seconded by Councilor _____. After discussion of the resolution, the Governor called for a vote on the motion. Those voting in favor were: the Governor and Councilors _____ _____; those abstaining were Councilor(s) _____; and those voting against were Councilor(s) _____. The Governor declared that the resolution was passed.

* * * * * * *

Tab #2

HINCKLEY ALLEN

28 State Street
Boston, MA 02109-1775
p: 617-345-9000 f: 617-345-9020
hinckleyallen.com

August 18, 2021

His Excellency Governor Christopher T. Sununu
and
The Honorable Council

Dear Governor and Councilors:

(BFA – City of Manchester, New Hampshire.)

In this transaction Service Federal Credit Union (the "Lender") will lend up to $13,505,000 via the Business Finance Authority of the State of New Hampshire (the "Authority") to City of Manchester, New Hampshire (the "Borrower") for infrastructure improvements of airport facilities at the Manchester-Boston Regional Airport (the "Airport"), consisting of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport (the "Project"). A revenue bond in the approximate principal amount of up to $13,505,000 (the "Bond") will be issued pursuant to the Loan and Security Agreement (the "Loan Agreement").

The Lender is prepared to purchase the Bond on the terms set forth in the Terms and Conditions Letter, which is included in Tab #4. The Bond will be issued pursuant to and secured by the Loan Agreement and its term will be ten (10) years, depending on market conditions at the time of sale. The Bond is expected to be a fixed interest rate bond, with an anticipated interest rate of two and fifty-hundredths percent (2.50%); interest on the Bond, however, will not exceed ten percent (10.00%). The Authority may prepay principal of the Bond at its option without penalty. The principal of the Bond will be further secured by an unconditional State guarantee.

The Authority's obligation to pay the Bond is actually to be performed by the Borrower, which is unconditionally responsible for that performance. As in all transactions under RSA 162-I, neither the Authority's money nor other public funds (except as expressly provided in the state guarantee) will or can be used to pay the Bond. Provisions appropriate for achieving this result, as required by RSA 162-I, are contained in the Loan Agreement. The Authority is obligated to make payments only to the extent that it receives funds from the Borrower.

Hinckley, Allen & Snyder LLP

HINCKLEY, ALLEN & SNYDER LLP

Jeremy Stanizzi
Senior Credit Officer
NH Business Finance Authority
2 Pillsbury Street, Suite 201
Concord, NH 03301
Direct: 603-415-0192
Mobile: 603-321-3278
www.nhbfa.com

nhBFA
New Hampshire Business Finance Authority

From: jeremys@nhbfa.com <jeremys@nhbfa.com>
Sent: Tuesday, June 15, 2021 4:59 PM
To: jeremys@nhbfa.com
Subject: New Bond Financing Application from Manchester Boston Regional Airport for New Construction

Project Type

What type of project are you inquiring about?

- New Construction

Applicant/Contact Information

Name of Business

Manchester Boston Regional Airport

Address

One Airport Road, Suite 300
Manchester, New Hampshire 03103
United States
Map It

Contact Name

Ted Kitchens

Contact Title

Airport Director

Contact Phone

(603) 624-6539

Contact Email

tkitchens@flymanchester.com

Name of owner of Project (if different)

Ted Kitchens

Address of Owner of Project (if different)

New Hampshire
United States
Map It

Address of Lessees of Project (if different)

New Hampshire
United States
Map It

Project Information

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

Manchester Boston Regional Airport is an Enterprise Fund of the City of Manchester, NH. The 1,200 acre Airport is located in both the City and the Town of Londonderry, NH, approximately six miles south of the downtown area of the City in both Hillsborough and Rockingham Counties. The primary service region of the Airport consists of Hillsborough, Merrimack and Rockingham counties in New Hampshire.

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

Ted Kitchens, A.A.E., Airport Director
Tom Malafronte, A.A.E., Deputy Airport Director
Teresa Avampato, CPA, C.M., Chief Financial Officer
Carlton Braley, A.A.E., Assistant Director, Operations and Facilities
Luis Elguezabal, A.A.E., Assistant Director, Properties and Contracts
Fred Zapp, Assistant Director, Technology and Cybersecurity

Amount of Bond Issue

$16,500,000.00

Address of Project Site

One Airport Road, Suite 300
Manchester, New Hampshire 03103
United States
Map It

Briefly Describe the Project

Design and construction of cargo ramp apron at Manchester Boston Regional Airport and related demolition of existing structure.

Building Construction Estimated Cost

$15,000,000.00

Construction Size (square feet)

388,000

Describe the effect the project has on the environment

Study done determined no environmental impact on environment. CATX categorical exclusion received from FAA.

Estimated Project Start Date

09/01/2021

Estimated Project Completion Date

11/01/2022

Please provide all known names of contractors and subcontractors of the project

Not known.

New Hampshire Employment Impact

Current Number of New Hampshire Employees

70

Estimated Number of New Hampshire Jobs Maintained

70

Estimated Number of New Hampshire Jobs Created

200

Applicant is equal opportunity employer

Yes

Owner is equal opportunity employer

Yes

Lessee is equal opportunity employer

N/A

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

New opportunities for construction of apron and demolition of building. After Cargo ramp is complete and facility is in operation will have additional employment opportunities for pilots, cargo handlers, ramp personnel, administrative staff, maintenance staff and cleaning staff.

SERVICE CREDIT UNION

June 2, 2021

Mr. James Key-Wallace
Executive Director, New Hampshire Business Finance Authority
2 Pillsbury Street, Suite #201
Concord, NH 033010

RE: Purchase of a BFA Bond issued for the benefit of Manchester-Boston Regional Airport

Dear James:

The following is not a commitment to purchase but based our initial discussion with you is an outline of terms and conditions Service Federal Credit Union (the "Buyer") could offer the New Hampshire Business Finance Authority (the "Seller") for the purchase of its Bond to fund improvements at the Manchester-Boston Regional Airport.

Agreement to purchase a BFA Bond is subject to further analysis and the approval of the Credit Union. We will begin our analysis once you agree the proposed terms and conditions are satisfactory. Service Federal Credit Union could withdraw this proposal should any additional due diligence or other conditions warrant.

Seller/Issuer:	New Hampshire Business Finance Authority
Buyer/Investor:	Service Federal Credit Union
Investment Type:	Bond issued by NHBFA for the benefit of the Manchester-Boston Regional Airport
Par Value:	$ 15,000,000
Guarantor:	The State of New Hampshire, approved under the authority of the Governor and Counsel, will provide its 100% guarantee for the subject Bond.
Purpose:	Proceeds of the Bond sale will finance infrastructure improvements, specifically the construction of 'apron & ramp' structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Manchester-Boston Regional Airport.

SERVICE
CREDIT UNION
★★★★★

Coupon Rate: The Bond will carry a fixed interest rate of 2.5% for its life.

Maturity: The term of the Bond will be 10 years.

Bond Repayment: The Buyer/Investor will receive interest payments over the Bond's 10 year term, with a single principal payment due at maturity. However, the Bond may be repaid in full or in part at any time during its term without penalty, and the Seller/Issuer may make principal payments in any amount at any time.

Anticipated Source Of Repayment: The Manchester-Boston Regional Airport is the recipient of an annually awarded federal *Airport Infrastructure Program* (AIP) grant whose proceeds range between $4MM and $5MM. A portion of these funds will be allocated to the repayment of the Bond over the course of its life.

Periodic Reporting: Service Federal Credit Union will require the following information annually:

- CPA prepared, audited, fiscal year-end financial statement for the City of Manchester, Department of Aviation, a/k/a Manchester-Boston Regional Airport
- *Continuing Disclosure Report* for the City of Manchester, Department of Aviation, a/k/a Manchester-Boston Regional Airport
- reconciliation of the uses of the AIP grant proceeds

Additional Condition: The Credit Union will review all Bond documents drawn by the BFA's Bond Counsel prior to their presentment to the Governor and Council.

James, I am pleased to present these terms to you. We are very pleased to work with the New Hampshire Business Finance Authority to support the continued growth of the Manchester-Boston Regional Airport. Please sign and return a copy of this proposal at your convenience, and we will begin the analysis / approval process without delay.

Sincerely,

Earle F. Rosse

Earle F. Rosse
Senior Manager – Commercial Lending

Seller/Issuer: New Hampshire Business Finance Authority

By: _____ Date: 6-7-2021
James Key-Wallace, Executive Director

GUARANTEE AGREEMENT

This Guarantee Agreement dated August 27, 2021 (this "Agreement") is by and between the State of New Hampshire (the "State") and the Business Finance Authority of the State of New Hampshire (with its successors, the "Authority") Pursuant to a Loan and Security Agreement dated as of August 1, 2021 (the "Bond Agreement"), between the Authority and City of Manchester, New Hampshire (the "City"), the Authority is issuing a bond (the "Guaranteed Bond") in the principal amount of $_____, which is being purchased by Service Federal Credit Union (with its successors and assigns, the "Bond Purchaser"), and the City is applying the proceeds of the Guaranteed Bond to finance airport facilities at Manchester-Boston Regional Airport located in Manchester, New Hampshire (the "Project"). The Authority will loan the proceeds of the Guaranteed Bond to the City for the purpose of financing the Project, which loan is evidenced by a Borrower Bond (the "Borrower Bond") from the City to the Authority. Pursuant to the Bond Agreement, the City will make payments to the Authority in amounts sufficient to provide funds to pay the principal of and accrued interest thereon, when due, on the Guaranteed Bond. In order to facilitate the sale of the Guaranteed Bond to the Bond Purchaser, the Authority has requested the State to guarantee payment of the principal of and interest on the Guaranteed Bond pursuant to New Hampshire Revised Statutes Annotated ("RSA") 162-I:9-b (the "State Guarantee"). The State is willing to issue the State Guarantee subject to the terms and conditions of this Agreement.

In consideration of the premises and in order to induce the State to issue the State Guarantee, the parties hereto agree as follows:

SECTION 1. ISSUANCE OF STATE GUARANTEE

1.1 Issuance. The State agrees, on the terms and conditions set forth in this Agreement, to issue the State Guarantee at the time of the closing for the issuance and sale of the Guaranteed Bond, which is August 27, 2021 (the "Closing Date").

1.2 Reimbursement; Interest. To the extent permitted by law and subject to Section 1.3 hereof, the Authority hereby agrees to pay to the State on demand (i) on and after each date on which the State shall make a payment under the State Guarantee, an amount equal to the amount so paid by the State, and (ii) interest on any such amount or any portion thereof remaining unpaid until payment in full, and interest or any other amount that may become payable under this Guarantee Agreement remaining unpaid from the date such amount becomes payable on demand until payment in full, at an interest rate per annum equal to two and one-half percent (2.5%), which is the interest rate payable on the Borrower Bond.

1.3 Borrower Bond; Subrogation; Limitation of Obligation. At any time after the State makes any payments to the Bond Purchaser under the State Guarantee that have not been reimbursed to the State (the "Guaranty Payments"), the State shall be subrogated to the rights of the Authority and Bond Purchaser with respect to such Guaranty Payments. The State recognizes that the City is obligated to make payments to the Authority pursuant to the Borrower

Bond and the Bond Agreement and that the Authority's obligation to make payments to the State pursuant to this Agreement and to the Bond Purchaser pursuant to the Bond Agreement is limited to amounts received by the Authority for such purpose pursuant to the Bond Agreement or the Borrower Bond. In order to secure the obligation to reimburse the State for any Guaranty Payments, the Authority hereby assigns and pledges to the State (i) the Borrower Bond, (ii) all rights to receive payments thereunder and the proceeds of such rights, and (iii) all of its right, title and interest in the Bond Agreement, including enforcement rights and remedies, but excluding certain rights of indemnification and to reimbursement of certain expenses and the rights of the Authority pursuant to provisions for consent, concurrence, approval or other action by the Authority, notice to the Authority or the filing of reports, certificates or other documents with the Authority, all as set forth in the Bond Agreement.

1.4 Obligations Absolute. Subject to Sections 1.2 and 1.3, the obligations of the Authority under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including without limitation the following:

(i) any lack of validity or enforceability of the State Guarantee, the Bond Agreement, the Guaranteed Bond, the Borrower Bond and other documents executed in connection therewith (as such documents are in effect from time to time, the "Financing Documents");

(ii) any amendment or waiver of or any consent to or departure from any Financing Document;

(iii) the existence of any claim, set-off, defense or other right that the Authority may have at any time against the Bond Purchaser, the City, the State, or any other person whether in connection with this Agreement, the transactions contemplated herein or in the Financing Documents, or any unrelated transactions; or

(iv) any payment by the State under the State Guarantee that does not strictly comply with the terms of the State Guarantee

SECTION 2. CONDITIONS OF ISSUANCE

2.1 Conditions Precedent to Issuance of State Guarantee. The obligation of the State to issue the State Guarantee is subject to the conditions precedent that the State shall have received on or before the Closing Date the following, each dated the Closing Date (unless otherwise stated), in form and substance satisfactory to the State:

(a) Fully executed versions of each of the Financing Documents;

(b) The Borrower Bond assigned or endorsed to the State;

(c) An opinion of bond counsel to the City addressed to the State with respect to the validity of the Borrower Bond; and

(d) Such other opinions and documents as the State may reasonably request.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

3.1 Authorization. This Agreement, the Bond Agreement and the Guaranteed Bond are valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms. The execution, delivery and performance of this Agreement, the Bond Agreement and the Guaranteed Bond have been duly authorized by the Authority.

3.2 No Breach. The execution, delivery and performance by the Authority of this Agreement and the other Financing Documents to which it is a party will not violate the provisions of any law, regulation or order of any governmental or regulatory authority applicable to the Authority, or the bylaws of the Authority, and will not result in a breach of, or constitute a default under, or require any consent which has not been obtained or create any lien, charge or encumbrance under, any agreement, instrument or document, or the provisions of any order, writ, judgment, injunction, decree, determination or award of any court, governmental or regulatory authority affecting the Authority or its properties.

3.3 Litigation. There are no suits or proceedings pending or, to the best knowledge of the Authority, threatened against or affecting the Authority or its properties, or by or before any governmental authority which bring into question the validity or enforceability of this Agreement or the Guaranteed Bond or other Financing Documents.

3.4 No Default. No Default or Event of Default has occurred or is continuing hereunder or under any Financing Document.

SECTION 4. AFFIRMATIVE COVENANTS OF THE AUTHORITY

So long as the State Guarantee remains outstanding or the Authority shall have any obligation to pay any amount to the State hereunder, the Authority shall, unless the State Treasurer, on behalf of the State, shall otherwise consent in writing:

4.1 Compliance with Financing Documents. Punctually pay or cause to be paid its obligations hereunder and all amounts to become due in respect of the Guaranteed Bond in strict conformity with the terms of the Guaranteed Bond, the Bond Agreement and this Agreement and it shall perform and comply in all material respects with each and every obligation, covenant and agreement required to be performed or observed by it in or pursuant to the Financing Documents to which it is a party.

4.2 Furnish Documents. Upon request, promptly furnish to the State Treasurer copies of (i) all documents required to be furnished to Bond Purchaser under any Financing Document and (ii) all notices, information or other documents received by it from the City and any other party to any Financing Document.

4.3 Amendments. Not cause or permit the Financing Documents to be amended, modified or otherwise supplemented in a manner that adversely affects the rights, interests, security, remedies or obligations of the State without the prior written consent of the State.

4.4 Insurance. To the extent permitted under the Bond Agreement, cause the City to maintain insurance in such amounts and against such risks as is required by the Bond Agreement or customarily maintained by comparable enterprises operating in the area, and promptly file with the State upon request, from time to time, certificates of all such insurance.

4.5 Maintenance of Properties. To the extent permitted under the Bond Agreement, cause the City to maintain the property and improvements thereon that is the subject of the Project in accordance with the terms of the Bond Agreement and otherwise in good repair.

4.6 Accounting Practices. Keep proper books of account with respect to the transactions contemplated by the Financing Documents in which complete and accurate entries will be made of all transactions.

4.7 Compliance with Laws. Comply with all applicable statutes and regulations of each governmental authority having jurisdiction over it.

4.8 Financial and Other Information. Furnish to the State Treasurer promptly upon request, such information regarding the financial condition, business, properties and operations of the Authority and the City with respect to the Project, as the State may reasonably request from time to time.

4.9 Notice of Default; Actions Following Default. Promptly upon becoming aware of the existence of any condition or event that constitutes an Event of Default under this Agreement, the Borrower Bond or under any other Financing Document, or any condition or event that would upon notice or lapse of time or both constitute such an event, or of any other event or condition that would have a material adverse effect on the ability of the City to satisfy its payment and other obligations under the Borrower Bond in accordance with its terms, give written notice to the State specifying the nature and duration thereof and the action proposed to be taken with respect thereto and it shall further take such action as the State shall direct to enforce the terms of the Borrower Bond or it shall promptly assign the Borrower Bond to the State.

SECTION 5. INDEMNIFICATION

To the extent permitted by law, the Authority hereby indemnifies and holds harmless the State from and against any and all claims, damages, losses, liabilities, costs or expenses, including reasonable attorneys' fees and expenses, that the State may incur or that may be claimed against the State by any person or entity by reason of or in connection with the execution and delivery of this Agreement, the Financing Documents or the State Guarantee, or the issuance, sale or transfer of the Guaranteed Bond; provided, however, that the Authority shall not be required to indemnify the State for any claims, damages, losses, liabilities, costs or expenses to the extent caused by the bad faith, willful misconduct or gross negligence of the State.

SECTION 6. COSTS, EXPENSES AND TAXES

To the extent permitted by law, the Authority agrees to pay on demand all reasonable costs and expenses (including reasonable counsel fees and expenses) incurred by the State in

connection with (i) the enforcement of this Agreement, the Borrower Bond and the Bond Agreement and the other Financing Documents or (ii) any action or proceeding relating to a court order, injunction, or other process or decree restraining or seeking to restrain the State from paying any amount under the State Guarantee. In addition, to the extent permitted by law, the Authority shall pay any and all stamp and other taxes and fees payable in connection with the execution, delivery, filing and recording of this Agreement, the Bond Agreement, the State Guarantee and any other Financing Documents, and agrees to hold the State harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. The Authority hereby agrees to pay to the State on demand any amounts payable under Sections 5 and 6 hereof and interest on any such amount and any other amount that may become payable under Sections 5 and 6 hereof remaining unpaid from the date such amount becomes payable on demand until payment in full, at an interest rate of two and one-half percent (2.5%) per annum (computed on the basis of a year of 365 or 366 days, as the case may be, for the actual days elapsed, including the first day but excluding the last day).

SECTION 7. MISCELLANEOUS

7.1 Amendments and Waivers. No amendment of any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed by the State and the Authority. Any requests for waivers by the State or consents to departure by the City from the terms hereof shall be submitted in writing by the City to the State Treasurer. The State Treasurer shall not unreasonably withhold or delay any such waiver or consent. In the event the State has not responded in writing within twenty (20) Business Days of receipt of a request for consent or waiver, such consent or waiver shall be deemed to have been given. Any waiver or consent given shall be effective only in the specific instance and for the specific purpose for which given.

7.2 No Waiver; Remedies Cumulative. Except as provided in Section 7.1 above, no failure to exercise and no delay in exercising on the part of the State any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

7.3 Notices. All notices and other communications hereunder shall in writing (including telegraphic or telefax communication) and mailed, telegraphed, telefaxed or delivered:

(a) if to the State:
25 Capitol Street
State House Annex, Room 121
Concord, NH 03301
Fax: (603) 271-3922
Attention: Office of the Treasurer

(b) if to the Authority:
2 Pillsbury Street, Suite 201
Concord, NH 03301
Fax: (603) 415-0194
Attention: Executive Director

or, as to each party, at such other address as such party shall designate by written notice to the other party. Except as otherwise specified herein, all such notices or other communications shall be effective upon receipt.

7.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the State and the Authority and their respective successors and assigns.

7.5 Severability. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of any provision in any other jurisdiction.

7.6 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement in electronic (i.e., "pdf" or "tif") form by email shall be effective as delivery of a manually executed counterpart of this Agreement.

7.7 Headings. The headings of the various sections and paragraphs of this Agreement are for convenience of reference only, do not constitute a part hereof and shall not affect the meaning or construction of any provision hereof.

7.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

STATE OF NEW HAMPSHIRE

By:_____
Governor

By:_____
State Treasurer

BUSINESS FINANCE AUTHORITY OF THE THE STATE OF NEW HAMPSHIRE

By:_____
Title: Executive Director

By:_____
Title: Chief Financial Officer or Senior Credit Officer

BOND PURCHASE AND LOAN AGREEMENT

by and between

the BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE, as Borrower and Bond Issuer

- and -

SERVICE FEDERAL CREDIT UNION, as Lender

Dated as of August ___, 2021

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

BOND PURCHASE AND LOAN AGREEMENT

THIS BOND PURCHASE AND LOAN AGREEMENT (as the same may be amended, restated, replaced, supplemented or otherwise modified and in effect from time to time, this "**Agreement**") is made as of this ___ day of December, 2020 (the "**Effective Date**"), between the **BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE**(the **"State"**), a body corporate and politic of the State of New Hampshire with a principal office at 2 Pillsbury Street, Suite 201, Concord, NH 03301 ("**Authority**"), and **SERVICE FEDERAL CREDIT UNION**, a Federal Credit Union, with an address of 3003 Lafayette Road, Portsmouth, New Hampshire, 03801 ("**Lender**").

WHEREAS, the Authority is authorized and empowered under the laws of the State, including New Hampshire RSA Chapter 162-I (the "**Act**"), to enter into financing documents and security documents with respect to indebtedness of the Authority to be used to finance eligible projects as described in the Act;

WHEREAS, in furtherance of the purposes of the Act, the Authority proposes to sell a bond to Lender (the "**Bond**"), in the amount of Fifteen Million and 00/100 ($15,000,000.00) Dollars to assist the Authority's provision of financing of airport facilities for the City of Manchester (the "**City**") at the Manchester-Boston Regional Airport, Manchester, New Hampshire (the "**Airport**" and the "**Project**"), with this Agreement providing terms upon which the Authority will repay the Lender for its purchase ("the **Bond Loan**");

WHEREAS, repayment of the Bond Loan will be backed by a Guarantee from the state

from the State under the Act, as specified below (the "**Guarantee**"); and

WHEREAS, this Agreement shall not be deemed to constitute a debt or liability or moral obligation of the State (except as provided in Section 2.3 hereof) or any political subdivision thereof, or a pledge of the faith and credit or taxing power of the State (except as provided in Section 2.3 hereof) or any political subdivision thereof, but shall be a special obligation of the Authority payable solely from the payments to be made by the City in accordance with the Loan and Security Agreement dated as of August 1, 2021 between the Authority and the City (the "**City Agreement**").

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises contained in this Agreement, the Authority and Lender hereby agree as follows:

1. DEFINITIONS

1.1. **Defined Terms**. As used in this Agreement, unless previously defined above or elsewhere in the body of this Agreement, all capitalized terms shall be as defined in Schedule 1.1 ("**Definitions**"). The Definitions shall be applicable to both the singulars and plurals of the items therein defined.

2. BOND LOAN & BOND

2.1. **The Bond Loan**. Lender hereby agrees, subject to the terms and conditions of this Agreement, to extend to Authority the following commercial credit facility, which together with all of the Bond Loan Documents, and their resulting terms, conditions and requirements constitute the "**Obligations**":

> A commercial term bond loan in the amount of Fifteen Million and 00/100 Dollars ($15,000,000.00), on the terms set forth herein and in Schedule which obligations the Authority, by this Agreement promises to pay.

2.2. **The Bond**. This Bond Loan and the payment obligations thereunder, together with all provisions of this Agreement and the security instruments related thereto, shall, pursuant to the Authority's issuing powers under the Act, be deemed "financing documents," "security documents," and a "bond" as defined in the Act and purchased by and issued for the benefit of Lender, and any references to the Bond Loan in this Agreement or the financing and security instruments related thereto shall be deemed references to the Bond.

2.3 **State Guarantee of Bond**. Pursuant to RSA 162-I:9-b, the State has guaranteed payment of all principal and interest payable under the Bond Loan, which Guarantee is endorsed thereon. Under no circumstances shall the Authority be obligated directly or indirectly to pay expenses of operation, maintenance and upkeep of the Project except from Bond Loan Proceeds, exclusive of funds received hereunder by the Authority for its own use. Except as expressly provided in the Guarantee, this Agreement does not create any debt of the State other than a special obligation of the Authority acting on behalf of the State pursuant to the Act. Except as expressly provided in the Guarantee, nothing contained herein shall in any way obligate the State to raise any money by taxation or use other public funds for any purpose in relation to the Project. Except as expressly provided in the Guarantee, neither the State nor the Authority shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Project except (i) from monies received or to be received under the provisions hereof or derived from the exercise of the Authority's rights under the City Agreement, other than moneys received for its own purposes, or (ii) as may be required by law other than the provisions of the Act. Nothing contained in this Agreement shall be construed to require the Authority to operate the Project itself or to conduct any business enterprise in connection therewith. The Bond Loan is contingent upon the issuance of the State Guarantee.

2.4 **The Project.** It is expressly agreed and understood between the Authority and Lender that Lender shall have not rights or duties with respect to the Project, under the City Agreement or otherwise, including inspections or due diligence or any other follow up. Without limiting

the above, Lender shall have no right to look to the Project for any source of repayment, with the only right being with the Authority under this Agreement and under the Guarantee. Lender shall not be entitled to any assignment of any interest with respect to the Project or the City Agreement and its contents.

3. GENERAL BOND LOAN PROVISIONS

3.1. Bond Loan Account. Lender shall maintain on its books a record of account in which Lender shall make entries for each repayment made in connection with each of the Obligations. Lender shall provide Authority with monthly statements of Authority's account, which statement shall be considered to be correct and conclusively binding on Authority unless Authority notifies Lender to the contrary within thirty (30) days after Authority's receipt of any such statement which Authority deems to be incorrect.

3.2. Advances and Prepayments Made on Business Days. Lender shall, to the extent applicable, not be required to accept any request for any Bond Loan advance except on a Business Day and except in accordance with this Agreement and Bond Loan Documents.

3.3. Auto-Debit of Bond Loan Payments. Authority hereby authorizes Lender to automatically deduct from any deposit account of Authority the amount of any Bond Loan payment ("**Automatic Payments**"). If the funds in the account are insufficient to cover any Automatic Payment, Lender shall not be obligated to advance funds to cover the payment. Lender may terminate Automatic Payments at any time for any reason or for no reason and will give Authority written notice of such termination. The Automatic Payment will be processed on the date Authority's payment is due, but if the due date falls on a non-Business Day, then the Automatic Payment will be processed on the first Business Day AFTER the payment due date. Lender will not process any Automatic Payment if it would cause the Authority's account to become overdrawn. If a line of credit is tied to the Authority's account, the account will not be considered as overdrawn until after the amount available under the line of credit has been fully advanced.

3.4. Application of Payments. All payments shall be applied first to the payment of all fees, reasonable out-of-pocket expenses and other amounts earned, due and owing to the Lender (excluding principal and interest), second to accrued interest and third to outstanding principal balance; provided, however, that following an Event of Default, payments will be applied to the obligations of Authority to Lender as Lender determines in its sole discretion.

3.5. Bond Loan Purpose. No Bond Loan proceeds shall be used for any purpose other than the Authority's funding for the Project.

3.6. Interest Rate Calculation. Interest shall be computed pursuant to a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

3.7. Additional charges for Late Payment. Authority shall pay to Lender, for each payment of principal or interest not paid in full within fifteen (15) days after its due date, a late fee ("**Late**

Fee") equal to five percent (5%) of the amount of such payment. The Late Fee, and the period of time from the due date through fifteen (15) days, shall not be considered a grace period, or a waiver by Lender of any of its other rights with respect to this Agreement and the Bond Loan Documents.

3.8. RSA 399-B Disclosures. Pursuant to RSA 399-B, requiring a written disclosure from Lender to Authority of financing and other loan charges, reference is made to Schedule 2, the other provisions of this Agreement, the Settlement Statement and the Bond Loan Documents. Authority acknowledges that said statutory disclosure requirements have been satisfied, and that Authority has had a full opportunity to review all financing provisions and accepts such. At Closing Authority shall sign a 399-B Disclosure form reflecting the provisions as referenced herein.

3.9. Bond Loan Commitment. The terms of the Terms and Conditions Letter to Authority dated the 2nd day of June, 2021 shall survive the Closing. In the event of any conflict between any provision of the Commitment Letter, this Agreement, and any Bond Loan Document, the provisions of this Agreement and any Bond Loan Document shall control, with this Agreement being primary.

4. REPRESENTATIONS AND WARRANTIES

Authority represents and warrants to Lender (which representations and warranties will survive the Closing) that:

4.1. Existence and Legal Authority. Authority is a statutory agency of the State, validly existing as a body corporate and politic under the laws of the State and has all requisite power and authority under the Act to own property and to carry on its business as now being conducted, to enter into the Bond Loan Documents to which it is a party and the other agreements referred to herein and transactions contemplated thereby, and to carry out the provisions and conditions of such Bond Loan Documents to which it is a party.

4.2. Due Execution and Delivery. The Authority has full power, authority and legal right to incur the obligations provided for herein, and to execute and deliver and to perform and observe the terms and provisions of the Bond Loan Documents to which it is a party, each of which has been duly executed and delivered and authorized by all required action; the Authority has obtained all requisite consents to the transactions contemplated thereby and under any instrument to which it is a party; and the Bond Loan Documents constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by the Act, the Insolvency Laws or other similar laws affecting creditors' rights generally.

4.3. No Breach of Other Instruments. Neither the execution and delivery of the Bond Loan Documents, nor the compliance by Authority with the terms and conditions of the Bond Loan Documents, nor the consummation of the transactions contemplated thereby, will conflict with or result in a breach of the terms, conditions or provisions of any agreement or instrument or law, regulation, rule or order of any governmental body or agency to which Authority is now a party

or is subject to, or the imposition of a lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Authority pursuant to the terms of any such agreement or instrument.

4.4. Government Authorization. Other than the requisite approval of the New Hampshire Governor and Council, or the parties to the City Agreement, no consent, approval, authorization or order of any court or governmental agency or body is required for the consummation by the Authority of the transactions contemplated by the Bond Loan Documents.

4.5. Ownership of Property. Intentionally DELETED

4.6. Absence of Defaults, Etc. Except as previously disclosed to Lender, the Authority is not (i) in material default under any indenture or contract or agreement to which it is a party or by which it is bound, (ii) in violation of the Act, (iii) in default with respect to any order, writ, injunction or decree of any court, or (iv) in default under any order or license of any federal or state governmental department. There exists no condition, event or act which constitutes, or after notice or lapse of time or both would constitute, an Event of Default.

4.7. Financial Condition. Intentionally Deleted.

4.8. Litigation. Except as set forth in Schedule 4.8, there are no actions, suits or proceedings pending, or to the best of Authority's knowledge, threatened against or affecting Authority or its assets in any court, or before or by any federal, state or municipal or other governmental department, commission, board, bureau, agency or other instrumentality, domestic or foreign, and no claim that Authority has asserted against any other party is subject to a counterclaim or cross-claim against Authority.

4.9. Environmental Matters. Intentionally Deleted.

4.10. Solvency. The Authority is not insolvent as defined under any Insolvency Laws, nor will Authority be rendered insolvent by the execution and delivery of this Agreement or any of the Bond Loan Documents to Lender. The Authority is not engaged or about to engage in any business or transaction for which the assets retained by it shall constitute an unreasonably small capital, taking into consideration the obligations to Lender incurred hereunder. Authority does not intend to, nor does it believe that it will, incur debts beyond its ability to pay them as they mature. Authority is not contemplating filing of a petition under any federal or state Insolvency Laws, nor does Authority have any knowledge of any Person contemplating filing any claim against it. If any condition should arise that might render the representations of this Section 4.10 untrue, Authority shall forthwith give Lender notice as to such.

4.11. Federal Reserve Regulations; Use of Bond Loan Proceeds. Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Bond Loan will be used, directly or indirectly, for a purpose which violates any law, rule or regulation of any governmental body, including without limitation the provisions of Regulations T, U, or X of the Board of Governors of the Federal Reserve System, as amended. No part of the proceeds of the Bond Loan will be used, directly or indirectly, to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

4.12. OFAC/USA PATRIOT Act Restrictions. To the best of its knowledge, neither the Authority nor any of its officers:

(a) is in violation of:

(i) any applicable anti-money laundering laws, including, without limitation, those contained in the PATRIOT Act and/or the Bank Secrecy Act (Titles I and II of Pub. L. No. 91-508, 84 Stat. 1114 (1970));

(ii) any applicable economic sanction laws administered by OFAC, including, without limitation, Executive Order No. 13224; or

(iii) any applicable anti-drug trafficking or anti-terrorism laws, civil or criminal; or

(b) is a person that:

(i) is charged with, or has reason to believe that he, she or it is under investigation for, any violation of any such laws;

(ii) has been convicted of any violation of, been subject to civil penalties pursuant to, or had any of its property seized or forfeited under any such laws;

(iii) is named on the list of "Specially Designated Nationals or Blocked Persons" maintained by the OFAC (or any successor U.S. government office or list);

(iv) is otherwise identified by any U.S. government office or legal authority as a person with whom a U.S. person is prohibited from transacting business under any other applicable law;

(v) is owned, controlled by, or affiliated with any person identified in clause (i), (ii), (iii) and/or (iv) hereof; or

(vi) is engaged in any dealings or transactions for or on behalf of or otherwise associated with any person identified in clause (i), (ii), (iii) and/or (iv) hereof.

4.13. Not a Foreign Person. Authority is not a "foreign person" within the meaning of §1445(f)(3) of the Internal Revenue Code and confirms that any affidavit as to such submittal as a Bond Loan Document is true and correct.

4.14. No Bankruptcies or Judgments. The Authority is not currently:

(a) the subject of or a party to any Bankruptcy Event;

(b) preparing or intending to voluntarily commence a Bankruptcy Event; or

(c) the subject of any judgment unsatisfied of record or docketed in any court.

4.15. Broker's Commission. Except as disclosed by Authority to Lender in writing, and in the Settlement Statement, the making, execution or delivery of the Bond Loan Documents, and any funding thereof, will not subject Lender to any claim for a brokerage commission, or any owned fee by any party, and except as disclosed and shown on the Settlement Statement, none is due from Authority or Sig Sauer Real Estate to any person or party. In the event that any claim is made against Lender for a broker's or similar commission arising out of the Obligations, Authority shall defend and hold Lender harmless with respect to any such claims and indemnify, to the extent permitted by law, Lender in full for any and all damages or losses in connection therewith, including costs and attorneys' fees.

5. CONDITIONS OF LENDING

5.1. Bond Loan Funding. The obligation of the Lender to close the transactions contemplated by this Agreement shall be subject to satisfaction of the following conditions, unless waived in writing by the Lender: (a) all legal matters and Bond Loan Documents incident to the transactions contemplated hereby shall be reasonably satisfactory, in form and substance, to Lender's counsel; (b) the Lender shall have received (i) certificates by an authorized officer or representative of Authority upon which the Lender may conclusively rely until superseded by similar certificates delivered to the Lender, certifying (1) that all requisite action taken in connection with the transactions contemplated hereby has been duly authorized and (2) the names, signatures, and authority of Authority's authorized signers executing the Bond Loan Documents, and (ii) such other documents as the Lender may reasonably require to be executed by, or delivered on behalf of, Authority; (c) the Lender shall have received the Bond Loan Documents, with all blanks appropriately completed, executed by an authorized signer for Authority; (d) the Authority shall have paid to the Lender the fee(s) then due and payable under this Agreement and the other Bond Loan Documents, including all filing fees, recording fees, due diligence costs of Lender, and all legal and professional fees associated with the Obligations; (e) Authority shall have maintained its financial condition in a manner satisfactory to the Lender, and no material adverse change shall have occurred in Authority's financial condition or prospects; (f) the Lender shall have received the written opinion(s) of legal counsel for the Authority selected by the Authority and satisfactory to the Lender, dated the date of this Agreement, confirming the validity and enforceability of the Bond Loan Documents (including the Bond) and such other matter(s) as the Lender may reasonably require; and (g) the Lender shall have received written instructions from the Authority with respect to disbursement of the proceeds of the Bond Loan consistent with this Agreement.

5.2. The Bond Loan. The obligation of the Lender to fund the Bond Loan shall be subject to Authority's compliance with Section 5.1 herein and contingent upon (a) there being no Event of

Default and (b) each representation and warranty set forth in Section 4 and elsewhere in this Agreement and the Bond Loan Documents being true and correct.

6. COVENANTS AND CERTAIN REQUIREMENTS

6.1. (a) **Accounting; Financial Statements and Other Information**. As long as credit is available hereunder or until all principal of and interest and costs and charges on the Obligations have been paid, the Authority covenants and agrees that it will comply with the reporting requirements set forth in Schedule 6.1.(a).

(b) **No Assignment**. Authority will not pledge, mortgage or assign this Agreement or the State Guarantee (except for the pledge, mortgage or assignment of rights or privileges not assigned to Lender) or its duties and obligations hereunder to any person, firm or corporation, except as provided under the terms hereof; and

6.2. **Insurance; Maintenance of Properties**.

Intentionally Deleted.

6.3. **Existence; Business**. Authority shall cause to be done all things necessary to preserve and keep in full force and effect its existence and rights as a body politic and agency of the State, to conduct its business in a prudent manner, to maintain in full force and effect, and renew from time to time, all franchises, permits, licenses, and trademarks, if any, that are necessary to operate its business. Authority will comply in all material respects with all valid laws and regulations now in effect or hereafter promulgated by any properly constituted governmental authority having jurisdiction; provided, however, that Authority shall not be required to comply with any law or regulation which it is contesting in good faith by appropriate proceedings as long as either the effect of such law or regulation is stayed pending the resolution of such proceedings or the effect of not complying with such law or regulation would not reasonably be expected to result in a Material Adverse Change.

6.4. **Dispositions**. While the Obligations remain unpaid or unsatisfied Authority shall not move cash balances on deposit with Lender to accounts opened at another financial institution without Lender's prior written consent.

6.5. **Encumbrances**. Intentionally Deleted.

Payment of Taxes. While the Obligations remain unpaid or unsatisfied Authority shall cause to be timely paid all taxes, assessments, and other governmental charges levied upon the Premises, except that no such taxes, assessments, or other charges need be paid if contested in good faith and by appropriate proceedings promptly initiated and diligently conducted and if proper amounts, determined in accordance with GAAP, have been set aside for the payment of all such taxes, charges, and assessments.

6.6. **Adverse Changes**. While the Obligations remain unpaid or unsatisfied Authority shall not fail to notify the Lender in writing of (a) the occurrence of any event which, if it had existed

on the date of this Agreement, would have required qualification of the representations and warranties set forth in Section 3 hereof and (b) any Material Adverse Change.

6.7. Notice of Default. While the Obligations remain unpaid or unsatisfied Authority shall promptly notify Lender of any Event of Default under the Bond Loan Documents.

6.8. Inspection. While the Obligations remain unpaid or unsatisfied Authority shall make available for inspection by duly authorized representatives of the Lender, or its designated agent, Authority's books, records, and properties upon Lender's reasonable request, and shall furnish to Lender such information regarding its business affairs and financial condition within a reasonable time after written request therefor.

6.9. Environmental Matters Intentionally Deleted.

6.10. Health and Safety. Intentionally Deleted.

6.11. Extraordinary Services. In the event extraordinary circumstances arise due to an Event of Default or Lender's reasonable belief that an Event of Default is in prospect which require post-closing Lender follow up, Bond Loan review and monitoring and related due diligence other than routine Bond Loan Servicing ("**Extraordinary Services**"), Lender may conduct or require such for inspections, appraisals, tests or reviews, or other due diligence as it then reasonably deems necessary, upon which Lender may deduct the reasonable expense of such Extraordinary Services ("**Extraordinary Expenses**") from any account maintained by Authority with Lender and available for such purpose, or charge Authority for such, which upon request Authority shall pay in full, or add to the principal of the subject Bond Loan, with such duty to pay Extraordinary Expenses being included in the Obligations.

6.12. Commercial Operating Account. So long as credit is available hereunder or until all principal of and interest on the Bond Loan have been paid in full, the Authority shall, unless waived fully or partially by Lender, maintain with Lender an operating account, which shall include the Bond Loan proceeds, and other funds applicable to the Premises and the Bond Loan, unless waived by Lender. At the option of Lender, all Bond Loan payments and fees will automatically be debited from such operating account and all disbursements of any Bond Loan proceeds shall be made by the Lender's crediting of such disbursements directly into the appropriate Authority's account.

6.13. Membership. To the extent permitted by law, Authority shall take all steps necessary to become a Member of Lender, which the parties agree it is.

6.14. Further Assurances.

(a) Other Documents As Lender May Require. Authority shall execute, acknowledge, and deliver, at its sole cost and expense, all further acts, deeds, conveyances, assignments, estoppel certificates, financing statements, transfers and assurances as Lender may require from time to time in order to better assure, grant, and convey to Lender the rights

intended to be granted, now or in the future, to Lender under this Agreement and the other Bond Loan Documents.

(b) Corrective Actions. Authority shall provide, or cause to be provided, to Lender, at Authority's cost and expense, such further documentation or information deemed necessary or appropriate by Lender in the exercise of its rights under the related commitment letter between Authority and Lender or to correct patent mistakes in the Bond Loan Documents or Bond Loan funding.

6.15. Mortgages, Security Interests and Liens. Intentionally Deleted.

6.16. General Provisions as to Authority. Lender acknowledges that Authority is itself a financing entity. As such, while in the course of its business any action or inaction taken by Authority, in accordance with its authority and procedures, with respect to its borrowers or parties to which it has a lending or contractual relationship shall not create an Event of Default with respect to the provisions of this Agreement or the Bond Loan Documents which might otherwise restrict such action or inaction. Notwithstanding such Authority shall at all times meet its Financial Covenants under Schedule 6.1(b).

7. EVENTS OF DEFAULT

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

7.1. Payments. If (a) the interest on the Bond Note or any commitment or other fee shall not be paid in full punctually when due and payable or within fifteen (15) days thereof, or (b) the principal of the Bond Note shall not be paid in full punctually when due and payable, or within fifteen (15) days thereof.

7.2. Covenants. If Authority fails to materially perform or observe any covenant or agreement contained in this Agreement or in any other of the Bond Loan Documents.

7.3. Representations and Warranties. If any representation, warranty or statement made in or pursuant to this Agreement or any Bond Loan Document or any other material information furnished by Authority shall be false or materially erroneous or fraudulent.

7.4. Validity Of Loan Documents. If (a) any material provision, in the sole opinion of Lender, of any Bond Loan Document shall at any time for any reason cease to be valid, binding and enforceable against Authority; (b) the validity, binding effect or enforceability of any Loan Document against Authority shall be contested by Authority; (c) Authority shall deny that it has any or further liability or obligation thereunder; or (d) any Loan Document shall be terminated, invalidated or set aside, or be declared ineffective or inoperative or in any way cease to give or provide to Lender the benefits contemplated thereby.

7.5. Bond Loan Document Default. If any Event of Default or default shall occur under any other Bond Loan Document, or if under any Bond Loan Document any payment is required to be made by Authority on demand of Lender, and such demand is made.

7.6. **Material Adverse Change.** There shall have occurred any Material Adverse Change without compliance with any notice or consent requirement of this Agreement.

7.7. **Bankruptcy Event.** The occurrence of a Bankruptcy Event.

7.8. **Transfer.** The occurrence of any Transfer not permitted by this Agreement.

7.9. **Fraud; Material Misrepresentation.** Fraud or material misrepresentation or material omission by Authority, or any of its officers, in connection with:

(a) the application for or creation of the Indebtedness;
(b) any financial statement, rent roll, or other report or information provided to Lender during the term of the Indebtedness; or
(c) any request for Lender's consent to any proposed action.

7.10 **Further Default Provision.** If Authority shall be in default of the Bond Loan, beyond any period of grace provided with respect thereto, or in the performance or observance of any other agreement, term or condition contained in any agreement under which such obligation is created, if the effect of such default is to allow the acceleration of the maturity of such Indebtedness or to permit the holder thereof to cause such Indebtedness to become due prior to its stated maturity, Bond Loan shall be deemed in default, and Lender shall have such rights of demand and acceleration with respect to thereto. Notwithstanding the foregoing, in the event that an Event of Default with respect to the Bond Loan authorizes Lender to accelerate the maturity of and demand payment of the Bond Loan and Lender makes such demand, the Authority shall have the right to continue making monthly interest payments on the Bond Note, and provided that such interest payments are timely made, Lender, notwithstanding its right to immediate payment in full of all outstanding principal and interest on the Bond Note pursuant to the State Guarantee, shall defer the exercise of its right to require payment in full of all outstanding principal and interest on the Bond Note until Lender has completed (or has made, in its sole discretion, reasonable efforts to complete) any enforcement action.

7.11 **Insecure.** If as a result of any action or inaction by Authority, or any condition relative to the Obligations, Lender, in good faith, reasonably determines that the Obligations cannot be repaid according to the terms of the Bond Loan Documents, or that such action, inaction or condition renders the Lender insecure as Lender may reasonably determine based upon its review under the then available facts and circumstances of Authority's ability to repay, Lender shall give Authority notice of its determination, with the written basis for such determination and means of curing such, and Authority shall have twenty (20) Business Days to cure such issue or provide information to Lender sufficient to demonstrate said determination is incorrect, or provide a corrective plan, acceptable to Lender, in its reasonable discretion, to cure such issue. If Authority provides such a plan, reasonably acceptable to Lender, the failure of Authority to comply therewith shall be an Event of Default. Upon Lender giving notice as above, Lender shall be entitled to withhold the advance of any Bond Loan funds until the determination of Lender is satisfied by one of the above means. The right to cure in Section 7.12 below shall not apply to this Section 7.11.

7.12 Non-Monetary Default. Any failure by Authority to perform any of its non-monetary obligations under this Agreement (including but not limited to those set forth in Sections 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, and 7.9) as and when required, which failure continues for a period of thirty (30) days after written notice of such failure by Lender to Authority; provided, however, such period may be extended for up to an additional sixty (60) days if Authority, in the discretion of Lender, is diligently pursuing a cure of such; provided, further, however, no such notice, grace period or extension shall apply if, in Lender's discretion, immediate exercise by Lender of a right or remedy under this Agreement is required to avoid actual and material harm to Lender or material impairment of repayment of the Obligation or of the Collateral given as security therefore.

7.13 Subrogation. At any time after the State has made any payments to the Lender under the State Guarantee that have not been reimbursed to the State (the "**Guaranty Payments**"), the State shall be subrogated to the rights of the Lender with respect to such Guaranty Payments, and such Guaranty Payments shall be secured by all Collateral securing the Authority's obligations to the Lender, if any.

8. REMEDIES UPON DEFAULT

8.1. Rights of Lender. If any Event of Default shall occur, Lender may, at its election, and without demand or notice of any kind, do any one or more of the following:

A. Declare all of the Authority's Obligations to Lender to be immediately due and payable, whereupon, subject to Section 7.10 hereof, all unpaid principal, interest and fees in respect of such Obligations, together with all of Lender's costs, expenses and attorneys' fees and professionals related thereto, under the terms of the Bond Loan Documents or otherwise, shall be immediately due and payable;

B. Exercise any and all rights and remedies available to Lender under any applicable law;

C. Exercise any and all rights and remedies granted to Lender under the terms of this Agreement, the Bond Note, or any of the other Bond Loan Documents;

D. Set off the unpaid balance of the Obligations against any debt owing to Authority by Lender, or in any time or demand deposit account maintained by Authority with Lender; and/or

E. Upon an Event of Default occurring, after all cure periods have expired, Lender may charge an additional rate of interest at a default rate of four percent (4%) over the then applicable Interest Rate(s). Failure to add the Default Rate at any one time shall not limit Lender from subsequently applying it.

8.2. **No Waiver**. The remedies in this Section 8 are in addition to, not in limitation of, any other right, power, privilege, or remedy, either in law, in equity, or otherwise, to which the Lender may be entitled. No failure or delay on the part of the Lender in exercising any right, power, or remedy will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. The remedies in this Agreement are in addition to, not in limitation of, any other right, power, privilege, or remedy, either in law, in equity, or otherwise, to which the Lender may be entitled. All Lender's rights and remedies, whether evidenced by this Agreement or by any other agreement, instrument or document shall be cumulative and may be exercised singularly or concurrently.

9. MISCELLANEOUS

9.1. **Remedies; Waiver; Amendments**. No waiver of any provision of this Agreement or the Bond Loan Documents, or consent to departure therefrom, shall be effective unless in writing and signed by the Lender. No such consent or waiver extends beyond the particular case and purpose involved. No amendment to this Agreement is effective unless in writing and signed by the Authority and the Lender, provided, however, that no amendment, modification or waiver of Section 7.13 hereof may occur without the prior written consent of the State. If at any time or times, by assignment or otherwise, Lender transfers any of the Obligations or any part of the Collateral to another person, such transfer shall carry with it Lender's powers and rights under this Agreement with respect to the Obligation or Collateral so transferred and the transferee shall have said powers and rights, whether or not they are specifically referred to in the transfer. To the extent that Lender retains any other of the Obligations or any part of the Collateral, Lender will continue to have the rights and powers with respect to the Obligations and the Collateral as set forth in this Agreement.

9.2. **Expenses, Costs and Taxes**. The Authority shall pay on demand all costs and expenses of Lender, and all Related Expenses, including but not limited to, (a) administration, travel and out-of-pocket expenses, including but not limited to attorneys' fees and expenses, of Lender in connection with the preparation, negotiation and closing of the Bond Loan Documents and the administration of the Bond Loan Documents, the collection and disbursement of all funds hereunder and the other instruments and documents to be delivered hereunder, (b) Extraordinary Expenses of Lender in connection with the administration of this Agreement under Subpart 6.15 above, the Obligations and the other instruments and documents to be delivered hereunder, (c) the reasonable fees and out-of-pocket expenses of counsel for Lender, with respect to the foregoing, (d) all fees due hereunder or in any other Bond Loan Documents, and (e) all costs and expenses, including reasonable attorneys' fees, in connection with the determination of Lender's lien priority in the Collateral securing the Obligations, or the restructuring or enforcement of the Obligations or any other Bond Loan Document. In addition, Authority shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of any Bond Loan Document, and the other instruments and documents to be delivered hereunder, and agrees to hold Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes or fees. Authority after notice of at least five (5) Business Days, and after all right to cure periods

have expired, authorizes Lender to debit such expenses, costs and taxes directly to Authority's Bond Loan accounts or any account Authority maintains with Lender.

9.3. Indemnification and Release. To the extent permitted by law, Authority shall indemnify and hold the Lender harmless against any and all liabilities, losses, damages, costs, and expenses of any kind (including, without limitation, the reasonable fees and disbursements of counsel in connection with any investigative, administrative or judicial proceeding, whether or not the Lender shall be designated a party thereto) which may be incurred by the Lender relating to or arising out of this Agreement or any actual or proposed use of proceeds of any Bond Loan hereunder; provided, that the Lender shall have no right to be indemnified hereunder for its own gross negligence or willful misconduct as determined by a court of competent jurisdiction. Authority agrees that this Agreement and the Bond Loan Documents are the lawful exercise of Lender's rights and conditions with respect to the credit facilities provided and described herein, freely accepted by Authority, and Authority shall make no assertion to the contrary, and hereby releases Lender with respect to any such claim or assertion.

9.4. Jurisdiction; Construction. The provisions of this Agreement and the respective rights and duties of Authority and Lender hereunder shall be governed by and construed in accordance with New Hampshire law and any applicable federal laws. Authority hereby irrevocably submits to the exclusive jurisdiction of any state or federal court sitting in New Hampshire over any action or proceeding arising out of or relating to this Agreement, or any document related to the Obligations, and Authority hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New Hampshire state or federal court. The several captions to different Sections of this Agreement are inserted for convenience only and shall be ignored in interpreting the provisions hereof. In this Agreement, unless the context otherwise requires, words in the singular number include the plural, and in the plural number include the singular.

9.5. Time is of the Essence. Time is of the essence in the performance of the obligations under this Agreement. All grace periods in this Agreement and all other Bond Loan Documents shall run concurrently.

9.6. Notices. All notices, requests, demands or other communications provided for hereunder shall be in writing and, if to Authority, mailed, delivered, or sent via a recognized overnight delivery service to it, addressed to it at the address specified at the beginning of this Agreement, or if to Lender, mailed, delivered, or sent via a recognized overnight delivery service to it, addressed to the address of Lender specified at the beginning of this Agreement. All notices, statements, requests, demands and other communications provided for hereunder shall be deemed to be given or made (i) when delivered by hand, (ii) forty-eight (48) hours after being deposited in the mails with postage prepaid by registered or certified mail, addressed as aforesaid, or (iii) upon recipient's acknowledgement of receipt if sent by facsimile or email.

Notices given shall be in accordance with the following:

If to Lender:

Service Federal Credit Union
3003 Lafayette Road
Portsmouth, NH 03801
Attention: Earle F. Rosse, Senior Manager, Commercial Lending

With a copy to:

Preti, Flaherty, Beliveau & Pachios, PLLP
57 North Main Street, P.O. Box 1318
Concord, NH 03302-1318
Attention: Daniel P. Luker, Esquire

If to Authority:

Business Finance Authority of the State of New Hampshire
2 Pillsbury Street, Ste. 201
Concord, NH 03301
Attention: James Key-Wallace, Executive Director

With a copy to:

Hinckley, Allen & Snyder LLP
28 State Street
Boston, MA 02109
Attention: Kris A. Moussette., Esq

9.7. **Survival of Agreements; Relationship**. All agreements, representations, and warranties made in this Agreement will survive the making of the extension of credit hereunder, and will bind and inure to the benefit of the Authority and the Lender and their respective successors and assigns Lender may transfer and assign this Agreement, and the Obligations, or one or more of them hereunder, and deliver the Collateral to the assignee, who shall thereupon have all of the rights of the Lender, as assigned. Authority may not assign this Agreement or the right to receive any disbursements hereunder or any interest herein. The rights and powers given in this Agreement to the Lender are in addition to those otherwise created or existing in the other Bond Loan Documents. The relationship between the Authority and the Lender with respect to this Agreement, the Obligations and any other Bond Loan Document is and shall be solely that of debtor and creditor, respectively, and not in any other capacity, including as a joint venture, partner or any such similar capacity.

9.8. **Severability**. If any provision of this Agreement or any Bond Loan Document, or any action taken hereunder, or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or the Obligations, each of which shall be construed and enforced without reference to such illegal or

invalid portion and shall be deemed to be effective or taken in the manner and to the full extent permitted by law.

9.9. Entire Agreement. This Agreement and the Bond Loan Documents executed in connection herewith including the Commitment Letter integrate all the terms and conditions mentioned herein or incidental hereto and supersede all oral representations and negotiations and supersede, amend and restate prior writings with respect to the subject matter hereof.

9.10. Participation/Syndication. Authority acknowledges that the Lender reserves the right to syndicate and/or participate its interest in the Bond Loan and Authority agrees to, at Lender's request, execute such additional instruments as may be appropriate to evidence its obligation under the Obligations, or one or more of them to such syndicate Lenders as may commit, in the future, to fund a portion of the Obligations, or one or more of them according to the terms of this Agreement.

9.11. Pledge to Federal Reserve. Lender may at any time pledge all or any portion of its rights under the Bond Loan Documents, including any portion of the Bond Note, to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. § 341. No such pledge or enforcement thereof shall release Lender from its obligations under any of the Bond Loan Documents.

9.12. Waiver of Counterclaims. Authority waives all rights to interpose any claims, deductions, setoffs or counterclaims of any nature (other than compulsory counterclaims) in any action or proceeding with respect to this Agreement, the Obligations, the Collateral or any matter arising therefrom or relating hereto or thereto with respect to the time period prior to the Effective Date.

9.13. Statute of Frauds Notice. The Authority cannot enforce any oral promise unless it is contained in any of the Bond Loan Documents signed by the Lender, nor can any change, forbearance, or other accommodation relating to the Obligations, this Agreement or any of the Bond Loan Documents be enforced unless it is in writing and signed by the Lender.

9.14. Counterparts. This Agreement may be signed in two or more counterparts, including execution by electronic mail or facsimile transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, but Lender shall have the right to insist on original signatures on all Bond Loan Documents.

9.15. Binding Effect. This Agreement shall be binding upon the Authority and upon Authority's respective heirs, legal representatives, successors and assigns, and shall inure to the benefit of the Lender and its successors, endorsees and assigns.

9.16. Amendments. Any amendment hereof must be in writing and signed by the party against whom enforcement is sought. Unenforceability of any provision hereof shall not affect the enforceability of any other provision. A photographic or other reproduction of this Agreement may be made by the Lender, and any such reproduction shall be admissible in

evidence with the same effect as the original itself in any judicial or administrative proceeding, whether or not the original is in existence.

9.17. No Waiver. None of the following will be a course of dealing, estoppel, waiver, or implied amendment on which any party to this Agreement or any Bond Loan Document may rely: (1) Lender's acceptance of one or more late or partial payments; (2) Lender's forbearance from exercising any right or remedy under this Agreement, or any other Bond Loan Document; or (3) Lender's forbearance from exercising any right or remedy under this Agreement or any Bond Loan Document on any one or more occasions. Lender's exercise of any rights or remedies or a part of a right or remedy on one or more occasions shall not preclude Lender from exercising the right or remedy at any other time. Lender's rights and remedies under this Agreement, the Bond Loan Documents, and the law and in equity are cumulative to, but independent of, each other. Authority waives presentment, demand, notice, protest, and all other demands and notices in connection with delivery, acceptance, performance, default, or enforcement of this Agreement.

9.18. Determinations by Lender. Unless otherwise set forth herein, in any instance in this Agreement where the consent or approval of Lender may be given or is required, or where any determination, judgment or decision is to be rendered by Lender under this Agreement, the granting, withholding or denial of such consent or approval and the rendering of such determination, judgment or decision shall be made or exercised by Lender (or its designated representative) in its reasonable discretion.

9.19. Counting of Days. Except where otherwise specifically provided, any reference to a period of "days" means calendar days, not Business Days. If the date on which Authority is required to perform an obligation under this Agreement is not a Business Day, Authority shall be required to perform such obligation by the Business Day immediately preceding such date; provided, however, in respect of any Payment Date, or if the Maturity Date is other than a Business Day, Authority shall by obligated to perform by the Business Day immediately following.

9.20. WAIVER OF JURY TRIAL. AUTHORITY AND LENDER (BY ACCEPTANCE OF THIS INSTRUMENT) MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT TO ANY CLAIM BASED HEREON ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS INSTRUMENT OR ANY OTHER BOND LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH OR ANY COURSE OF CONDUCT, ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF LENDER RELATING TO THE ADMINISTRATION OF THE OBLIGATIONS SECURED HEREBY OR ENFORCEMENT OF THE BOND LOAN DOCUMENTS, AND AGREE THAT NEITHER PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, AUTHORITY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR DAMAGES OTHER THAN, OR IN ADDITION TO,

ACTUAL DAMAGES. AUTHORITY CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY FOR LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT LENDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR LENDER TO ACCEPT THIS INSTRUMENT AND MAKE THE OBLIGATIONS SECURED HEREBY.

9.21. CAUTION. READ BEFORE SIGNING.

GREAT EFFORT HAS BEEN SPENT TO MAKE SURE THAT THIS AGREEMENT AND THE BOND LOAN DOCUMENTS FULLY AND ACCURATELY DOCUMENT THE UNDERSTANDINGS BETWEEN THE PARTIES. IF YOU BELIEVE THAT YOU HAVE AN IMPLICIT OR ORAL UNDERSTANDING OR AGREEMENT NOT FULLY AND ACCURATELY SET FORTH IN THIS AGREEMENT, DO NOT SIGN IT.

YOU SHOULD ALSO UNDERSTAND THAT NO OFFICER OR EMPLOYEE OF LENDER HAS ANY AUTHORITY TO MODIFY, ALTER OR AMEND THIS AGREEMENT OR THE BOND LOAN DOCUMENTS ORALLY. RATHER, ANY AND ALL CHANGES WOULD HAVE TO BE PUT IN WRITING AND APPROVED BY APPROPRIATE OFFICIALS AT THE LENDER. IF AT SOME FUTURE DATE YOU BELIEVE THAT ANY BOND LOAN DOCUMENT PROVISION NEEDS TO BE CHANGED IN ANY RESPECT, INSIST THAT THE CHANGE BE IN WRITING AND SIGNED BY AN APPROPRIATE OFFICER OF LENDER; OTHERWISE, MISUNDERSTANDINGS MIGHT OCCUR.

FINALLY, ALL SIGNATORIES TO THIS AGREEMENT ARE URGED TO HAVE THEIR OWN LEGAL COUNSEL REVIEW IT ON THEIR BEHALF.

9.22. Notice. The Authority cannot enforce any oral promise unless it is contained in any of the Bond Loan Documents signed by the Lender, nor can any change, forbearance, or other accommodation relating to the Bond Loan, this Agreement or any other Bond Loan Documents be enforced unless it is in writing and signed by the Lender. Authority also understands that all future promises, contracts or agreements of the Lender relating to any other transaction between Authority and Lender cannot be enforced in court unless they are in writing and signed by the Lender.

[NO FURTHER TEXT. SIGNATURE PAGES, SCHEDULES AND EXHIBITS FOLLOW.]

IN WITNESS WHEREOF, the Authority and the Lender have each caused this Agreement to be executed by their duly authorized officers on the date first set forth above, as of the Effective Date.

BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE

_____
Witness

By:_____
Name: Dick Anagnost
Its: Chairman, Duly Authorized

_____
Witness

By:_____
Name: James Key-Wallace
Its: Executive Director, Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

August ___, 2021

On this ___ day of August , 2021 before me, the undersigned notary public, personally appeared Dick Anagnost as the Chairman of the Business Finance Authority of the State of New Hampshire, proved to me through satisfactory evidence of identification, which were _____ (source of identification) to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, in said capacity.

_____
Notary Public/Justice of the Peace
Name: _____
My Commission Expires:

SEAL

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

August ___, 2021

On this ___ day of August, 2021 before me, the undersigned notary public, personally appeared James Key-Wallace as the Executive Director of the Business Finance Authority of the State of New Hampshire, proved to me through satisfactory evidence of identification, which were _____ (source of identification) to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, in said capacity.

_____
Notary Public/Justice of the Peace
Name: _____
My Commission Expires: _____

SEAL

IN WITNESS WHEREOF, the Authority and the Lender have each caused this Bond Loan Agreement to be executed by their duly authorized officers on the date first set forth above.

LENDER:
SERVICE FEDERAL CREDIT UNION

_____
Witness

By: _____
Name: Earle F. Rosse
Title: Senior Manager, Commerical Lending
Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF

August ___, 2021

Then personally appeared the above-named Earle F. Rosse, being the duly authorized Senior Manager, Commercial Lending of Service Federal Credit Union, known to me or satisfactorily proven to be the same, who executed the above as his free act and deed, on behalf of Service Federal Credit Union, for the purposes stated therein. Before me,

_____
Notary Public/Justice of the Peace
Name:
My Commission Expires:

The State of New Hampshire hereby acknowledges and agrees to the provisions of Section 7.13 of this Agreement.

_____

Commissioner of the Treasury,
State of New Hampshire

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK August ___, 2021

Then personally appeared the above-named _____, being the duly-authorized Commissioner of the Treasury of the State of New Hampshire, known to me or satisfactorily proven to be the same, who executed the above as his free act and deed, on behalf of the State of New Hampshire, for the purposes stated therein. Before me,

_____

Notary Public/Justice of the Peace
Name:
My Commission Expires:

SCHEDULE 1.1

Definitions

1.1.1 "Affiliate" of any specified entity means any other entity directly or indirectly controlling or controlled by or under direct or indirect common control with such specified entity and "control", when used with respect to any specified entity, means the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

1.1.2 "Bankruptcy Event" means any one or more of the following:

(a) the commencement, filing or continuation of a voluntary case or proceeding under one or more of the Insolvency Laws by Authority or Guarantor;

(b) the acknowledgment in writing by Authority or Guarantor (other than to Lender in connection with a workout) that it is unable to pay its debts generally as they mature;

(c) the making of a general assignment for the benefit of creditors by Authority or Guarantor;

(d) the commencement, filing or continuation of an involuntary case or proceeding under one or more Insolvency Laws against Authority or Guarantor; or

(e) the appointment of a receiver, liquidator, custodian, sequestrator, trustee or other similar officer who exercises control over Authority or Guarantor or any substantial part of the assets of Authority or Guarantor;

provided, however, that any proceeding or case under (d) or (e), above, shall not be a Bankruptcy Event until the ninetieth (90th) day after the filing thereof (if not earlier dismissed) so long as such proceeding or case occurred without the consent, encouragement or active participation of Authority, Guarantor, Key Principal, Principal or any Authority Affiliate (in which event such case or proceeding shall be a Bankruptcy Event immediately).

1.1.3 "Bank Secrecy Act" means the Bank Secrecy Act of 1970, as amended (e.g., 31 U.S.C. Sections 5311-5330).

1.1.4 "Bond Loan" means the credit facility extended to the Authority by the Lender in accordance with this Agreement.

1.1.5 "Bond Loan Documents" means the collective reference to this Agreement and all other instruments, agreements and documents entered into from time to time, evidencing or securing the Obligations or any obligation of payment thereof or performance of Authority's or Guarantor's obligations in connection with the transaction contemplated hereunder, each as amended, including as set forth in the Closing Agenda.

1.1.6 "Bond Note"Intentionally Deleted

1.1.7 **"Business Day"** means a day of the year on which banks are not required or authorized to close in Portsmouth, New Hampshire; provided, however, that the term "Business Day" shall not include a day on which Lender is not actually open for business.

1.1.8 **"Collateral"** Intentionally Deleted

1.1.9 **"Closing Agenda"** means the document listing the parties, the Bond Loan Documents, and other documents and materials Lender includes as necessary to the Obligations.

1.1.10 **"Environmental Law"** means any federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability upon a Person in connection with the use, release or disposal of any hazardous, toxic or dangerous substance, waste or material.

1.1.11 **"Event of Default"** means any one or more of the occurrences described in Section 7 hereof.

1.1.12 **"Financial Statements"** means all financial records and analysis, prepared by or for the Authority, as may be submitted to Lender, in support of the Obligations.

1.1.13 **"GAAP"** means generally accepted accounting principles as in effect, which shall include the official interpretations thereof by the Financial Accounting Standards Board, consistently applied.

1.1.14 **"Indebtedness"** shall mean, for any Person (excluding in all cases trade payables payable in the ordinary course of business by such Person), (a) all obligations to repay borrowed money, direct or indirect, incurred, assumed, or guaranteed, (b) all obligations for the deferred purchase price of capital assets, (c) all obligations under conditional sales or other title retention agreements, (d) all obligations (contingent or otherwise) under any letter of credit, banker's acceptance, currency swap agreement, or Interest Rate Agreement, (e) all synthetic leases, (f) all lease obligations that have been or should be capitalized on the books of such Person in accordance with GAAP, (g) all obligations of such Person with respect to asset securitization financing programs to the extent that there is recourse against such Person or such Person is liable (contingent or otherwise) under any such program, (h) all obligations to advance funds to, or to purchase assets, property or services from, any other Person in order to maintain the financial condition of such Person, and (i) any other transaction (including forward sale or purchase agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements.

1.1.15 **"Insolvency Laws"** means the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq., together with any other federal or state law affecting debtor and creditor rights or relating to the bankruptcy, insolvency, reorganization, arrangement, moratorium, readjustment of debt, dissolution, receivership, liquidation or similar laws, assignment for the benefit of creditors, or other proceedings or equitable remedies affecting the enforcement of creditors' rights.

1.1.16 **"Insolvency Proceeding"** shall mean (a) any voluntary or involuntary case or proceeding under Insolvency Laws respect to the Authority.

1.1.17 "Insolvent" means:

(a) that the sum total of all of a specified Person's liabilities (whether secured or unsecured, contingent or fixed, or liquidated or unliquidated) is in excess of the value of such Person's non-exempt assets (i.e., all of the assets of such Person that are available to satisfy claims of creditors); or

(b) such Person's inability to pay its debts as they become due.

1.1.18 "Key Principal" means, collectively:

(a) the natural person(s) or entity that controls and manages Authority that Lender determines is critical to the successful operation and management of Authority and the Collateral; or

(b) any natural person or entity who becomes a Key Principal after the date of this Agreement and is identified as such in an assumption agreement, or another amendment or supplement to this Agreement.

1.1.19 "Lease" Intentionally Deleted.

1.1.20 "Lender Affiliate" means any one or more bank or non-bank subsidiaries of Lender and its successors.

1.1.21 "Lessee" Intentionally Deleted.

1.1.22 "Lien" means any mortgage, security interest, lien, charge, encumbrance on, pledge or deposit of, or conditional sale or other title retention agreement with respect to any property or asset.

1.1.23 "Lien Enforcement Action" shall mean (a) any action by Lender to foreclose on the Property under a Mortgage or exercise rights against a tenant under the Lease or exercise any right of repossession, levy, attachment, setoff or liquidation against the Property or Lease, (b) any action by the Lender to take possession of, sell or otherwise realize (judicially or non-judicially) upon all or a material portion of the Property subject to the Mortgage or Lease, (c) the commencement by the Lender of any legal proceedings against the Authority with respect to the Mortgage or against any lessee to facilitate the actions described in (a) or (b) above, or (d) any action to seek or request relief from or modification of the automatic stay or any other stay in any Insolvency Proceeding, or to recover from the proceeds of the Lease

1.1.24 "Material Adverse Change" shall mean (i) an Event of Default, (ii) the termination of any material agreement to which the Authority is a party which has a material adverse effect on the operations or condition of the Authority, taken as a whole, or (iii) material impairment of the validity or enforceability of the rights of, or the benefits available to, the holder of the Bond Loan. A Material Adverse Change shall be deemed to have occurred if the cumulative effect of an individual event and all other then-existing events would result in a Material Adverse Change.

1.1.25 "**Mortgage**" Intentionally Deleted.

1.1.26 "**Obligation**" or "**Obligations**" means, collectively, (a) all Indebtedness and other obligations incurred by Authority to Lender pursuant to this Agreement and includes the principal of and interest on the Bond Note; (b) each extension, renewal or refinancing thereof in whole or in part; (c) the commitment and other fees, and any prepayment fees payable under this Agreement or any other Bond Loan Document; (d) every other liability, now or hereafter owing to Lender or any Lender Affiliate by Authority, and includes, without limitation, and every other liability, whether owing by only Authority or by Authority with one or more others in a several, joint or joint and several capacity, whether owing absolutely or contingently, whether created by note, overdraft, guaranty of payment or other contract or by quasi-contract, tort, statute or other operation of law, whether incurred directly to Lender or any Lender Affiliate or acquired by Lender or any Lender Affiliate by purchase, pledge or otherwise and whether participated to or from Lender or any Lender Affiliate in whole or in part; and (e) all Related Expenses.

1.1.27 "**Obligor**" shall mean (a) a Person whose credit or any of whose property is pledged to the payment of the Obligations and includes, without limitation, any Guarantor, and (b) any signatory to a Bond Loan Document.

1.1.28 "**Organization**" means a corporation, government or government subdivision or agency, business trust, estate, trust, partnership, limited liability company, association, two or more Persons having a joint or common interest, and any other legal or commercial entity.

1.1.29 "**Permitted Encumbrances**" means, as of any particular time, (a) liens for ad valorem taxes and special assessments not then delinquent, (b) this Agreement, and any security interest or other lien created thereby, (c) any Permitted Encumbrances defined in any of the Bond Loan Documents, including, without limitation, as defined in any Security Instrument, (d) any liens permitted by Section 5.15 hereof, and (e) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property similar in character to the Collateral and as do not materially interfere with or impair the use or value of the property affected thereby.

1.1.30 "**Person**" means an individual or an Organization.

1.1.31 "**Potential Default**" means any condition, action, or failure to act which, with the passage of time, service of notice, or both, will constitute an Event of Default under this Agreement.

1.1.32 "**Project**" means the Project hereinabove defined.

1.1.33 "**Quarters**" or "**Quarterly**" means Authority's fiscal quarters, being each of the periods ending March 31, June 30, September 30 and December 31 of each fiscal year.

1.1.34 "**Related Expenses**" means any and all costs, liabilities, and expenses (including, without limitation, losses, damages, penalties, claims, actions, reasonable attorney's fees, legal expenses, judgments, suits and disbursements) reasonably incurred by, or imposed upon, or asserted against, Lender in any attempt by Lender:

A. to obtain, preserve, perfect, or enforce any security interest evidenced by (i) this Agreement, or (ii) any other pledge agreement, mortgage, deed of trust, hypothecation agreement, guaranty, security agreement, assignment, or security instrument executed or given by Authority to or in favor of Lender;

B. to obtain payment, performance, and observance of any and all of the Obligations;

C. to maintain, insure, audit, inspect, collect, preserve, repossess, and dispose of any of the Collateral, including, without limitation, costs and expenses for appraisals, assessments, and audits of Authority or the Collateral; or

D. incidental or related to (a) through (c) above, including, without limitation, interest thereupon from the date incurred, imposed, or asserted until paid at the rate payable as set forth in the Bond Note, but in no event greater than the highest rate permitted by law.

1.1.35 "Settlement Statement" means the Bond Loan Documents consisting of a summary of settlement charges necessary to the Obligations, as of Closing, along with flow of funds, and authorization by the parties.

1.1.36 "Transfer" means:

(a) a sale, assignment, transfer or other disposition (whether voluntary, involuntary, or by operation of law);

(b) a granting, pledging, creating or attachment of a lien, encumbrance or security interest (whether voluntary, involuntary, or by operation of law);

(c) an issuance or other creation of a direct or indirect ownership interest;

(d) a withdrawal, retirement, removal or involuntary resignation of any owner or manager of a legal entity; or

(e) a merger, consolidation, dissolution or liquidation of a legal entity.

The foregoing definitions shall be applicable to the singulars and plurals of the foregoing defined terms.

Schedule 2
Bond Loan Terms

1.1. Terms and Conditions. This Schedule to the Bond Loan Agreement sets forth the terms and conditions for the Bond Loan in the principal amount of up to Fifteen Million and 00/100 Dollars ($15,000,000.00), which as of this Agreement the Authority promises to pay to Lender.

1.2. Bond Loan Terms.

As of Closing, the total Bond Loan Amount shall be advanced as shown on the Settlement Statement, with the repayment terms for the Bond Loan being as set forth in the Bond Note, which is by reference incorporated herein and includes the following provisions.

i. Bond Loan Amount: Fifteen Million and 00/100 Dollars ($15,000,000.00).

ii. Bond Loan Purpose: The Bond Loan is to provide funding to the Authority for the Project.

iii. Maturity Date: The Maturity Date or Bond Loan Term shall be the ten (10) year anniversary of the Effective Date.

iv. Interest Rate: From the Effective Date until the Maturity Date or payment in full, whichever first occurs, interest on the Bond Loan, while not in an Event of Default, shall be 2.50%, fixed. Interest for the Bond Loan, after an Event of Default uncured after the expiration of any applicable cure period shall be 4% above the Interest Rate.

v. Advances: The Bond Loan, at the time of the Closing Date shall be advanced, as shown in the Settlement Statement, and as authorized by the Bond Note and Bond Loan Documents.

vi. Repayment: Authority shall make semi-annual payments of Interest only. At the Maturity Date Authority shall make a balloon payment of all unpaid principal, accrued interest, and other costs and charges then due, so the Bond Loan is then paid in full.

vii. Bond Loan Fees:

1. Bond Loan Fees are waived but are not in limitation of all other fees shown on the Settlement Statement, and required under this Agreement.

viii. Prepayment Penalty: The Bond Loan may be prepaid fully or partially prepaid in increments of $10,000.00, at any time, without penalty.

ix. Late Charge. Any payment received more than fifteen (15) days after the due date shall include a late charge of 5% of the amount then due.

1.3. Source of Repayment.

It is anticipated that the source of repayment shall be from the proceeds of an Airport Infrastructure Program (AIP) grant renewed annually by the city from the United States. Failure of such payments to the Authority shall not operate to waive or terminate any obligations of the Authority under this Agreement.

_____
Initial

_____
Initial

SCHEDULE 6.1

(a) **Accounting; Financial Statements and Other Information**. As long as credit is available hereunder or until all principal of and interest and costs and charges on the Obligations have been paid, the Authority covenants and agrees that it will comply with the reporting requirements set forth as follows:

Financial Reporting:

(a) CPA prepared, audited fiscal year-end financial statement for the City, Department of Aviation, a/k/a Manchester-Boston Regional Airport, to be obtained and provided by the Authority..

(b) Continuing disclosure from the City, obtained by the Authority, as Lender may reasonably require.

(c) Provision to Lender from the Authority reconciliation reports from the City with respect to AIP grant proceeds.

(d) Upon request of Lender, updated financial information from Authority as Lender may reasonably request.

(b) **Financial Covenants**. Intentionally Deleted.

_____
Initial

_____
Initial

SCHEDULE 6.30
N/A

_____
Initial

_____
Initial

LOAN AND SECURITY AGREEMENT

Between

BUSINESS FINANCE AUTHORITY OF THE STATE
OF NEW HAMPSHIRE

And

CITY OF MANCHESTER, NEW HAMPSHIRE

Dated as of August 1, 2021

$_____ Business Finance Authority
of the State of New Hampshire
Airport Facility Revenue Bond
(City of Manchester, New Hampshire Project) Series 2021A (Federally Taxable)
dated as of their date of delivery

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ARTICLE I

INTRODUCTION AND DEFINITIONS

Section 101. Description of the Agreement and the Parties. This Loan and Security Agreement (the "Agreement") dated as of August 1, 2021 is between the Business Finance Authority of the State of New Hampshire (the "Authority"), a body corporate and politic created under New Hampshire RSA 162-A:3 and the City of Manchester, New Hampshire (the "Borrower"). This Agreement is a financing document combined with a security document as one instrument in accordance with the Act and provides for the following transactions:

(a) the Authority's issue of the Bond;

(b) the Authority's loan of the proceeds of the Bond to the Borrower for the purpose of financing the Project in exchange for and as such loan is evidenced by the Borrower Bond;

(c) the Borrower's repayment of the loan of Bond proceeds from the Authority through payment of the Borrower Bond to the Bondowner;

(d) the Borrower's delivery to the Authority of the $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A, authorized by Section 201 of the Supplemental Resolution and issued under the Borrower Resolution;

(e) the Authority's assignment to the Bondowner, for the benefit and security of the Bondowner, of the Authority's rights under the Borrower Bond and this Agreement and the amounts payable under the Borrower Bond, except as otherwise provided herein;

In consideration of the mutual agreements contained in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the Borrower, the Authority and the Bondowner agree as set forth herein.

Section 102. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Borrower Resolution or the Supplemental Resolution. In addition to terms defined elsewhere herein, the following terms have the following meanings in this Agreement, unless the context otherwise requires:

(a) "Act" means New Hampshire RSA 162-I, as amended.

(b) "Agreement Event of Default" shall have the meaning set forth in Section 602 of this Agreement.

(c) "Airport Property" has the meaning set forth in the Borrower Resolution.

(d) "Bond Counsel" means a firm of nationally recognized attorneys-at-law experienced in legal work relating to the financing of governmental facilities.

(e) "Bond Documents" means, collectively, this Agreement, the Borrower Bond, the Borrower Resolution and the Supplemental Resolution.

(f) "Bond" means the $____ Business Finance Authority of the State of New Hampshire Airport Facility Revenue Bond (City of Manchester, New Hampshire Project) Series 2021A (Federally Taxable), dated their date of delivery, and any bond or bonds duly issued in exchange or replacement therefor.

(g) "Bondowner" means Service Federal Credit Union as the initial registered owner of the Bond and any subsequent registered owners of the Bond from time to time.

(h) "Borrower Bond" means the $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A, authorized by Section 201 of the Supplemental Resolution and issued under the Borrower Resolution.

(i) "Borrower Resolution" means the General Airport Revenue Bond Resolution of the Borrower adopted as of October 1, 1998, as amended.

(j) "Electronic Means" means facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including telephone communication confirmed by any other method set forth in this definition.

(k) "Event of Default" has the meaning stated in the Borrower Resolution.

(l) "Maturity Date" means _____, ___.

(m) "Outstanding" means the principal amount of the Bond issued under this Agreement, excluding the principal amount of the Bond that has: (i) been exchanged or replaced, in which case any bond issued in exchange for a principal amount of the Bond shall be deemed an Outstanding Bond under this Agreement; (ii) been paid in full; or (iii) become due and for the payment of which moneys have been duly provided.

(n) "Project" means the financing of airport facilities at Manchester-Boston Regional Airport (the "Airport") located at 1 Airport Rd, Manchester, New Hampshire 03103, including infrastructure improvements, specifically the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport.

(o) "Project Fund" means the Project Fund established under the Borrower Resolution.

(p) "Service Fee" shall have the meaning described in Section 302(a) hereof.

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

(r) "State Guarantee" shall means the state guarantee referred to in Section 301(c) hereof.

(s) "Supplemental Resolution" means the Sixteenth Supplemental Resolution of the Borrower adopted on the date hereof.

Section 103. Number and Gender, Connectives and Disjunctives. Wherever appropriate (1) the singular and plural forms of words, (2) words of different gender and (3) the words "and" and "or" shall, within those respective classifications, be deemed interchangeable.

ARTICLE II

THE ASSIGNMENT AND PLEDGE

Section 201. Assignment and Pledge of the Authority. The Authority, for consideration paid as hereinabove acknowledged, assigns and pledges to the Bondowner (i) all of the Authority's rights to the Borrower Bond and all amounts received thereunder, and (ii) all of the Authority's rights under this Agreement, but not including the Service Fee and other funds received by the Authority for its own use, whether as the Authority's reimbursement or the rights thereto.

Section 202. Limitations on Obligations of the Borrower. Notwithstanding anything in this Agreement to the contrary, Borrower's obligations under this Agreement shall be limited to amounts available under the Borrower Resolution, but only as provided and subject to the limitations therein, and shall not be general obligations of the City and the full faith and credit of the City are not pledged for the payment of amount payable under this Agreement. Neither the State nor any other political subdivision thereof shall be obligated to pay any amounts payable under this Agreement and neither the faith and credit nor the taxing power of the State or of any political subdivision thereof is pledged to the payment any amounts payable under this Agreement.

Section 203. Authority Not Responsible for Project. The Borrower hereby acknowledges that the Authority shall have no responsibility, financial or otherwise, relating to: any and all claims by any person arising out of the participation of the Authority, the Borrower or Bondowner in the transactions contemplated by this Agreement, including without limitation claims arising out of any condition of the Project or the construction, use, occupancy or management thereof; any accident, injury or damage to any person occurring in or about the Project site; any breach by the Borrower of its obligations under this Agreement or any other Bond Document; any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees relative to this Agreement or the Project; or the offering, issuance, sale or any resale of the Bond to the extent permitted by law. The provisions of this section shall survive the termination of this Agreement and the payment of the Bond.

ARTICLE III

THE BORROWING

Section 301. The Bond.

(a) Issue, Execution and Delivery and Form of Bond. Upon execution and delivery of this Agreement, the Authority will issue, execute and deliver the Bond in substantially the following form: [*NOTE, MAY NEED TO UPDATE PER BONDOWNER*]

THIS BOND MAY ONLY BE TRANSFERRED TO (I) AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF 501(a) OF REGULATION D UNDER THE SECURITIES ACT OF 1933 (THE "1933 ACT"), OR (II) A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE 1933 ACT, AND AS PROVIDED IN THE LOAN AND SECURITY AGREEMENT DESCRIBED HEREIN.

$_____ No. AR-1

The State of New Hampshire
BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE
AIRPORT FACILITY REVENUE BOND
(City of Manchester, New Hampshire Project) Series 2021A (Federally Taxable)

REGISTERED OWNER:	SERVICE FEDERAL CREDIT UNION
PRINCIPAL AMOUNT:	_____ DOLLARS
INTEREST RATE:	TWO AND ONE HALF PERCENT (2.5%)
MATURITY DATE:	_____ 1, 20__
DATE OF REGISTRATION:	August 27, 2021
DATE OF THIS BOND:	August 27, 2021 (Date as of which the bond of this issue was initially issued)
INTEREST PAYMENT DATES:	_____ 1 and _____ 1 (but not before _____ 1, 202__)

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

The Business Finance Authority of the State of New Hampshire (the "Authority"), for value received, promises to pay to the Registered Owner or registered assigns, but only from the amounts paid under the Borrower Bond as hereinafter described, upon presentation and surrender hereof, in lawful money of the United States of America, the Principal Amount on the Maturity Date, with interest (computed on the basis of a 360-day year consisting of twelve 30-day months) from the most recent Interest Payment Date to which interest has been paid, or duly provided for or, if no interest has been paid from the Date of this Bond, at the Interest Rate, payable semiannually on the Interest Payment Dates, until the date on which this bond becomes due, whether at maturity, upon redemption, or otherwise. From and after that date, any unpaid principal will bear interest at the interest rate until paid or duly provided for. The principal or redemption price, if any, of, and interest on, this bond is payable in immediately available funds.

The record date for payment of interest is the fifteenth (15th) day of the month preceding the date on which the interest is to be paid, provided that, with respect to overdue interest or interest payable on redemption of this bond other than on an Interest Payment Date or interest on any overdue amount, the Authority may establish a special record date. The special record date shall be not more than twenty (20) days before the date set for payment. The Authority will advise the Registered Owner of a special record date by Electronic Means at least ten (10) days before the special record date.

This bond (the "Bond") represents a borrowing of $_____ issued under New Hampshire RSA 162-I, and pursuant to a Loan and Security Agreement (the "Agreement") dated as of Augsut 1, 2021 between the Borrower and the Authority. The Borrower has delivered to the Authority in exchange for the proceeds of the Bond its $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A (the "Borrower Bond") issued pursuant to a General Airport Revenue Bond Resolution of the Borrower adopted as of October 1, 1998, as amended and supplemented, including (without limitation) by the Sixteenth Supplemental Resolution, dated as of _____, 2021 and executed by the Borrower (collectively, the "Resolution"). Amounts payable under the Borrower Bond will be applied to pay interest on the Bond, principal of the Bond on the Maturity Date and the redemption price of the Bond redeemed at the option of the Borrower prior to the Maturity Date. Pursuant to the Agreement, the Authority has pledged such Borrower Bond and any funds derived thereunder to the Registered Owner. Reference is hereby made to the Agreement for the provisions thereof with respect to the rights, limitations of rights, duties, obligations and immunities of the Borrower, the Authority, and the Registered Owner hereof. The Agreement may be amended to the extent and in the manner provided therein. Reference is made to the Resolution and Borrower Bond for the provisions thereof with respect to the issuance of obligations thereunder and the parties obligated thereunder and the rights, limitations of rights, duties, obligations and immunities of the Borrower and the Authority, including provisions with respect to the incurring of additional indebtedness, the order of payments in the event of insufficient funds and the restrictions on the rights of the Authority to bring suit. The Resolution and Borrower Bond may be amended as provided in the Resolution.

The principal of this bond is subject to redemption at the option of the Authority upon direction of the City prior to the Maturity Date, in whole or in part on any date, at a redemption price of 100% of the principal amount of such bond to be redeemed, plus accrued interest to the date fixed for redemption from funds received under the Borrower Resolution or otherwise from

the Borrower. The principal of this bond is also subject to redemption at the option of the Authority prior to the Maturity Date, in whole or in part on any date, at a redemption price of 100% of the principal amount of such bond to be redeemed, plus accrued interest to the date fixed for redemption from any other funds legally available to the Authority (the "Authority Redemption"). Any Authority Redemption shall not reduce the obligations evidenced by the Borrower Bond.

Notice of the call for any redemption of this bond prior to the Maturity Date shall be given to the Registered Owner by Electronic Means at least twenty (20) days prior to the date fixed for redemption. Any notice of redemption may be conditional.

If this bond is of a denomination in excess of one hundred thousand dollars ($100,000), portions of the principal amount in the amount of one hundred thousand dollars ($100,000) or any multiple thereof may be redeemed. If less than all of the principal amount is to be redeemed, upon surrender of this bond to the Authority, there will be issued to the Registered Owner at its option, without charge, a new bond or bonds for the unredeemed principal amount.

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

This bond is transferable by the Registered Owner, in person or by its attorney duly authorized in writing, on the records of the Authority, upon surrender of this bond to the Authority for cancellation. Upon the transfer, a new bond or bonds of the same aggregate principal amount will be issued to the transferee at the same office. No transfer will be effective unless represented by such surrender and reissue. This bond may also be exchanged at the bond register of the Authority for a new bond or bonds of the same aggregate principal amount without transfer to a new Registered Owner. Exchanges and transfers will be without expense to the owner except for applicable taxes or other governmental charges, if any.

The Authority may treat the Registered Owner as the absolute owner of this bond for all purposes, notwithstanding any notice to the contrary.

No director, officer, employee or agent of the Authority nor any person executing this bond shall be personally liable, either jointly or severally, hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

IN WITNESS WHEREOF, the Business Finance Authority of the State of New Hampshire has caused its seal to be affixed hereto and this bond to be signed by its authorized officers.

BUSINESS FINANCE AUTHORITY OF THE
STATE OF NEW HAMPSHIRE

(Seal)

By: _____
Chairman

By: _____
Executive Director

STATE GUARANTEE

The State of New Hampshire (the "State") hereby unconditionally guarantees the payment of _____ Dollars ($_____) and all interest thereon in accordance with the terms of this Bond, the Bond Purchase Agreement of even date herewith and the Loan and Security Agreement dated August 1, 2021, and for the performance of such guarantee the full faith and credit of the State are hereby pledged.

_____
Commissioner of the Treasury,
State of New Hampshire

STATE OF NEW HAMPSHIRE

COUNTY OF MERRIMACK August ___, 2021

Then personally appeared the above-named _____, being the duly-authorized Commissioner of the Treasury of the State of New Hampshire, known to me or satisfactorily proven to be the same, who executed the above as his free act and deed, on behalf of the State of New Hampshire, for the purposes stated therein. Before me,

_____
Notary Public/Justice of the Peace
Name:
My Commission Expires:

Assignment

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

_____
(Name and Address of Assignee)

_____

(Social Security or Other Identifying Number of Assignee)

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

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

Date:

Signature Guaranteed:

Participant in a Recognized
Signature Guarantee Medallion
Program

By:_____
Authorized Signature

[END OF BOND FORM]

(b) Details of the Bond. The Bond shall be issued in fully registered form and shall be numbered from R-1, or in any other manner determined by the Authority. The Bond shall be in the denomination of one hundred thousand dollars ($100,000) or any integral multiple thereof and shall bear interest at a rate of 2.5% per annum. The Bond shall be dated its date of delivery. The interest on the Bond until it comes due shall be payable on ____ 1 and ____ 1 of each year, beginning on ____ 1, 202__. Interest on the Bond shall be included in income for federal tax purposes.

In case any officer of the Authority whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until after such delivery. Additional details of the Bond shall be as stated in the Bond form in Subsection 301(a).

The Bond shall mature on the Maturity Date.

(c) Application of Bond Proceeds. The Authority shall loan the proceeds of the Bond to the Borrower to be applied as described in the Supplemental Resolution.

(d) State Guarantee of Bond. Pursuant to RSA 162-I:9-b, the State has guaranteed payment of all principal and interest payable under the Bond, which guarantee (the "State Guarantee") is endorsed thereon. Under no circumstances shall the Authority be obligated directly or indirectly to pay expenses of operation, maintenance and upkeep of the Project except from proceeds of the Bond, exclusive of funds received hereunder by the Authority for its own use. Except as expressly provided in the State Guarantee, this Agreement does not create any debt of the State with respect to the Project other than a special obligation of the Authority acting on behalf of the State pursuant to the Act. Except as expressly provided in the State Guarantee, nothing contained herein shall in any way obligate the State to raise any money by taxation or use other public funds for any purpose in relation to the Project. Except as expressly provided in the State Guarantee, neither the State nor the Authority shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Project except (i) from monies received or to be received under the provisions hereof or derived from the exercise of the Authority's rights under the Borrower Bond, other than moneys received for its own purposes, or (ii) as may be required by law other than the provisions of the Act. Nothing contained in this Agreement shall be construed to require the Authority to operate the Project itself or to conduct any business enterprise in connection therewith. The issuance of the Bond is contingent upon the issuance of the State Guarantee.

(e) Exchange and Replacement Bond. The Bond may be exchanged as provided in the Bond form in Subsection 301(a), and exchange Bond shall be issued in fully-registered form substantially as set forth therein. A replacement Bond shall be issued pursuant to applicable law as a result of the destruction, loss, wrongful taking or mutilation of the Bond. The costs of a replacement shall be paid or reimbursed by the registered owner of the replacement Bond, who shall indemnify the Authority and the Borrower in such manner as they may require against all liability and expense in connection therewith.

Section 302. Payments.

(a) Debt Service. The Authority and Borrower acknowledge and agree that payments under the Borrower Bond provide for payments by the Borrower at such times and in such amounts as are necessary in order to pay the debt service on the Bond. Payments of debt service on the Borrower Bond shall be paid directly to the Authority and shall be applied by the Authority to pay interest on the Bond, principal of the Bond on the Maturity Date and the redemption price of any Bond redeemed at the option of the Borrower prior to the Maturity Date. The Authority and the Borrower further acknowledge that interest on the Bond shall be calculated and paid a rate of 2.5% per annum by the Authority to the Bondowner and that interest on the Borrower Bond shall calculated and paid at a rate of 3.5% per annum by the Borrower to the Authority. The Authority shall retain for its own purposes the amount (such amount being referred to herein as the "Service Fee") represented by the difference between the interest component of the debt service on the Bond and the interest component of the debt service on Borrower Bond.

(b) Additional Payments. The Borrower will pay to the Authority and the Bondowner when due all reasonable expenses in connection with any default under, and any waiver, amendment or enforcement of any provisions of this Agreement or the Borrower Resolution.

Section 303. Unconditional Obligation. Subject to Section 202 hereof, the obligations of the Borrower to make all payments under Section 302(b) and Section 1005(b) of the Borrower Resolution shall be unconditional and shall be binding and enforceable in all circumstances whatsoever as provided in the Act and shall not be subject to setoff, recoupment or counterclaim. The Borrower shall be obligated to make the payments under Section 302(b) and Section 1005(b) of the Borrower Resolution whether or not the Project has come into existence or become functional and whether or not the Project has ceased to exist or to be functional to any extent and from any cause whatsoever. The Borrower shall be obligated to make such payments regardless of whether the Borrower is in possession or is entitled to be in possession of the Project or any part thereof.

Section 304. Redemption of the Bond. The principal of the Bond is subject to redemption at the option of the Authority upon the direction of the Borrower prior to the Maturity Date, in whole or in part on any date, at a redemption price of 100% of the principal amount of such Bond to be redeemed, plus accrued interest to the date fixed for redemption, but only if the City has irrevocably designated amounts on deposit in the Grant Receipts Account or in the Series 2021A Subaccount of the Interest Account, the Series 2021A Subaccount of the Principal Account or the Series 2021A Subaccount of the Redemption Account in the Subordinated Debt Service Fund to pay such redemption price prior to giving notice of redemption from funds received under the Borrower Resolution or otherwise from the Borrower. The principal of this Bond is also subject to redemption at the option of the Authority prior to the Maturity Date, in whole or in part on any date, at a redemption price of 100% of the principal amount of the Bond to be redeemed, plus accrued interest to the date fixed for redemption from any other funds legally available to the Authority (the "Authority Redemption"). Any Authority Redemption shall not reduce the obligations evidenced by the Borrower Bond.

ARTICLE IV

THE PROJECT

Section 401. Application of Bond Proceeds. The proceeds of the Bond will be paid to the Borrower and deposited in the Project Fund and applied in accordance with the provisions of Section 503 of the Borrower Resolution to pay the Costs of the Project.

Section 402. Insurance. The Borrower will maintain insurance as required by the Borrower Resolution.

Section 403. Right of Access to the Project. The Authority and its respective duly authorized agents shall have the right at all reasonable times upon reasonable notice to enter upon the Project for the purpose of inspection or to carry out its powers hereunder.

Section 404. Operation and Maintenance Expenses of the Project. The Borrower shall pay the Operation and Maintenance Expenses of the Project in accordance with the Borrower Resolution.

Section 405. Condition of the Project. The Borrower acknowledges that it is fully familiar with the physical condition of the Project and is not relying on any representation of any

kind by any other party hereto or the Bondowner as to the nature or the condition thereof. No other parties hereto nor the Bondowner shall be liable to the Borrower or to any other person for any latent or patent defect in the Project.

ARTICLE V

COVENANTS OF THE BORROWER

Section 501. Financial Statements. The Borrower shall provide the following to the Authority and the Bondowner:

(a) At the applicable time specified therein, the annual report required to be provided to the Trustee (as defined in the Borrower Resolution) pursuant to Section 713(b) of the Borrower Resolution;

(b) So long as the Continuing Disclosure Agreement, dated as of June 20, 2012 (the "Continuing Disclosure Agreement"), by and between the City and The Bank of New York Mellon, as trustee, remains in effect, notice of any filings made pursuant to Sections 1.2, 1.3 and 1.4 thereof, and pursuant to any subsequent continuing disclosure undertaking or amendment thereto, executed or agreed to by the City from time to time in connection with the issuance of any Secured Bonds, including but not limited to:

(i) The Annual Financial Information (as defined in the Continuing Disclosure Agreement) and the Audited Financial Statements (as defined in the Continuing Disclosure Agreement) at the times provided in such Continuing Disclosure Agreement; and

(ii) Following the occurrence of a Notice Event (as defined in the Continuing Disclosure Agreement), written notice of such Notice Event;

(c) On October 1, 2026 and on October 1, 2027, the amount of AIP Entitlement Grant reimbursements received by the City in the prior federal fiscal year and the amount of such reimbursements deposited to the Grant Receipts Account and the General Fund.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Events of Default. The rights and remedies under the Borrower Bond, the Borrower Resolution and the Supplemental Resolution upon the occurrence and continuation of an Event of Default shall be governed solely by the provision of Article X of the Borrower Resolution. Authority and Bondowner acknowledge and agree that, except as specifically provided in Article X, the rights and remedies under Article X of the Borrower Resolution are exercised by the Trustee and that the rights and remedies as a holder or collateral assignee of the Borrower Bond are subject to the limitations provided in Section 1005 of the Borrower Resolution. So long and the State Guarantee is in effect and the State is not failed to make a payment thereunder, the rights and remedies with respect to the Borrower Bond under Article X

of the Borrower Resolution shall be exercised by or pursuant to directions made to the Trustee by the Authority.

Section 602. Agreement Event of Default. The occurrence of any of the following shall constitute an "Agreement Event of Default" under this Agreement:

(a) An Event of Default; or

(b) If the City fails to make or cause to be made any payment to the Authority required to be made pursuant to the terms of this Agreement; or

(c) If the City shall fail to perform or observe any other provision, covenant, or agreement contained in this Agreement and such failure remains unremedied for sixty (60) calendar days after the Bondowner shall have given written notice thereof to the City.

Section 603. Remedies upon Agreement Event of Default. The following provisions shall apply in the event an Agreement Event of Default occurs and is continuing; provided, however, that nothing herein shall confer upon the Authority or the Bondowner any additional rights or remedies with respect to an Event of Default which shall be limited to the rights of a holder of a Bond under the provisions of Article X of the Borrower Resolution; provided further, that in the event of a conflict between the exercise of remedies by the Trustee under Article X of the Borrower Resolution and this Section 603, such remedies shall be exercised by the Trustee pursuant to the Borrower Resolution. An Agreement Event of Default does not constitute an Event of Default and the following provisions shall not apply to an Event of Default.

(a) The Authority may enforce its rights under this Agreement which have not been assigned to the Bondowner by legal proceedings for the specific performance of any obligation contained herein or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Borrower of its obligations to the Authority under this Agreement, including court costs, reasonable attorney's fees and other costs and expenses incurred in enforcing such obligations.

(b) Any Agreement Event of Default and the consequences thereof, may be waived by the Authority, provided that no such waiver shall affect the right of the Authority to enforce any of its rights hereunder which have not been assigned to the Bondowner.

(c) The rights and remedies under this Agreement shall be cumulative and shall not exclude any other rights and remedies allowed by law, provided there is no duplication of recovery. The failure to insist upon a strict performance of any obligation of the Borrower or to exercise any remedy for any violation thereof shall not be taken as a waiver for the future of the right to insist upon strict performance by the Borrower or of the right to exercise any remedy for the same or any other violation.

Section 604. No Acceleration. Authority and Bondowner acknowledge and agree that the Borrower Bond is not subject to acceleration under the Borrower Resolution and that the Bond shall not be subject to acceleration hereunder.

ARTICLE VII

THE BORROWER

Section 701. Existence and Power. The Borrower is a political subdivision of the State with the full power to enter into or adopt and perform its obligations under the Bond Documents.

Section 702. Corporate Authority. The Borrower has the power and authority to enter into or adopt and perform the Bond Documents and to incur the obligations provided for therein. The adoption, execution, delivery and performance of the Bond Documents have been duly authorized on the part of the Borrower by all necessary action, and the adoption, execution, delivery and performance thereof will not (immediately or with the passage of time, the giving of notice, or both): (a) violate the Charter of the Borrower or Chapter 33-B of the New Hampshire Revised Statutes, as amended, or (b) violate any other applicable law, or result in a default under any contract, agreement, or instrument to which the Borrower is a party or by which the Borrower or its property is bound; or (c) result in the creation or imposition of any subordinated security interest in, or lien or encumbrance upon, the Revenues (as defined in the Borrower Resolution, the "Revenues"), except in favor of the Authority or the Bondowner.

Section 703. Binding Effect. The Bond Documents are the legal, valid and binding obligations of the Borrower and are enforceable against the Borrower in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally from time to time in effect and to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing), regardless of whether considered in a proceeding in equity or at law and the availability of the remedy of specific performance.

Section 704. Financial Statements. The Borrower has delivered to the Authority financial statements of the Borrower and of its Department of Aviation, including statements of financial position, as of June 30, 2020 (the "FY20 Financials"), and the related statements of activities and statements of cash flows for the fiscal year then ended, audited by _____. Such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved and are correct and complete and fairly present the financial condition and the results of operations of Borrower and its Department of Aviation at the dates and for the periods indicated. As of June 30, 2020, the Borrower had no material liabilities, contingent or otherwise, except as set forth on such statements, and since such date there has been no material adverse change in the financial condition, operations or properties of the Airport Property and no material liabilities have been incurred by the Borrower with respect to the Airport Property, the Revenues or the Grant Receipts Account]

Section 705. Indebtedness. The Borrower is not in default with respect to any existing indebtedness.

Section 706. Litigation. There are no suits or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower, the Airport Property, the

Revenues or the Grant Receipts Account, or by or before any court or governmental authority that reasonably could have a Material Adverse Effect on the Airport Property, the Revenues or the Grant Receipts Account that have not been disclosed in writing to the Authority and the Bondowner. "Material Adverse Effect" means a change or effect (or a series of related changes or effects) which could reasonably be expected to result in a material adverse effect on (i) the ability of the Borrower to perform its obligations under this Agreement or the other Bond Documents, including payment of the Borrower Bond, or (ii) the validity or enforceability of this Agreement or the other Bond Documents.

Section 707. Compliance with Applicable Laws; Permits. The Borrower is not in default under any order or decree of any court or governmental authority, and the Borrower is complying in all material respects with all applicable statutes and regulations, relating or applicable to the Airport Property. The Borrower has all permits necessary or desirable for the operation of the Airport Property. The Borrower has not received any notice, not heretofore complied with, from any governmental authority or any licensing, accreditation or inspection body that any of the Airport Property fails to comply in any material respect with any applicable law, regulation or any other requirement of any such authority or body. No authorization, consent, approval, license, exemption of or filing or registration with any governmental authority is or will be necessary to the valid execution or delivery of, or for the performance by the Borrower of the Bond Documents or any other instrument provided for or contemplated by this Agreement.

Section 708. Financial Condition of Borrower. After giving effect to the transactions contemplated hereby and by the Supplemental Resolution, the Borrower (a) will be able to pay its debts with respect to the Airport Property as they become due, (b) will have funds and capital sufficient to operate the Airport Property as now operated and as intended to be operated, and (c) the Airport Property is not insolvent and does not expect to be rendered insolvent as determined by applicable law.

Section 709. Event of Default. No default or Agreement Event of Default exists.

Section 710. Environmental Matters. (a) To the Borrower's knowledge, the Borrower has complied in all material respects with all environmental laws regarding transfer, construction on and operation of the Airport Property, including but not limited to notifying authorities, observing restrictions on use, transferring, modifying or obtaining permits, licenses, approvals and registrations, making required notices, certifications and submissions, complying with financial liability requirements, managing hazardous substances, and responding to the presence or release of hazardous substances connected with the Airport Property; and (b) the Borrower has not received any notice regarding a violation of the same from any regulatory body that has not been remedied.

Section 711. Survival. All of the representations and warranties set forth in this Article VII shall be as of the date hereof and shall survive until the Borrower Bond has been paid in full and there remain no outstanding obligations of the Borrower to the Bondowner under any of the Bond Documents.

ARTICLE VIII

THE AUTHORITY

Section 801. Limited Obligation. Under no circumstances shall the Authority be obligated directly or indirectly to pay principal of and interest on the Bond, or expenses of operation, maintenance and upkeep of the Project except from Bond proceeds or from funds received under this Agreement, exclusive of funds received hereunder by the Authority for its own use. This Agreement does not create any debt of the State with respect to the Project other than a special obligation of the Authority acting on behalf of the State pursuant to the Act. Nothing contained herein shall in any way obligate the State to raise any money by taxation or use other public funds for any purpose in relation to the Project. Neither the State nor the Authority shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Project except (i) from moneys received or to be received under the provisions hereof or derived from the exercise of the Authority's rights hereunder, other than moneys received for its own purposes, or (ii) as may be required by law other than the provisions of the Act. Nothing contained in this Agreement shall be construed to require or authorize the Authority to operate the Project itself or to conduct any business enterprise in connection therewith.

Section 802. Rights and Duties of the Authority.

(a) Limitations on Actions. The Authority shall not be required to monitor the financial condition of the Borrower or the physical condition of the Project and, unless otherwise expressly provided, shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder. The Authority shall not be required to take notice of any breach or default except when given notice thereof by the Bondowner. Except with respect to the State Guarantee, the Authority shall not be required to take any action unless indemnity reasonably satisfactory to it is furnished for expenses or liability to be incurred therein (other than the giving of notice). The Authority shall be entitled to reimbursement to the extent that it acts without previously obtaining full indemnity.

(b) Responsibility. The Authority shall be entitled to the advice of counsel (who may be counsel for any party or for the Bondowner) and shall be wholly protected as to any action taken or omitted to be taken in good faith in reliance on such advice. The Authority may rely conclusively on any notice, certificate or other document furnished to it under this Agreement and reasonably believed by it to be genuine. The Authority shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or in good faith omitted to be taken by it and reasonably believed to be beyond such discretion or power, or taken by it pursuant to any direction or instruction by which it is governed under this Agreement or omitted to be taken by it by reason of the lack of direction or instruction required for such action under this Agreement, or be responsible for the consequences of any error of judgment reasonably made by it. When any payment, consent or other action by the Authority is called for by this Agreement, the Authority may defer such action pending such investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof. A permissive right or power to act shall not be construed as a requirement to act, and no delay in the exercise of a right or power shall affect the subsequent exercise thereof. The Authority shall

in no event be liable for the application or misapplication of funds, or for other acts or defaults by any person or entity except by its own directors, officers and employees. No recourse shall be had by the Borrower or the Bondowner for any claim based on this Agreement or the Bond against any director, officer, employee or agent of the Authority unless such claim is based upon the bad faith, fraud or deceit of such person. No covenant, obligation or agreement of the Authority contained in this Agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, employee or agent of the Authority in his individual capacity, and no person executing a Bond shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 803. Matters to be Considered by Authority. In approving, concurring in or consenting to action or in exercising any discretion or in making any determination under this Agreement, the Authority may consider the interests of the public, which shall include the anticipated effect of any transaction on tax revenues and employment, as well as the interests of the other parties hereto and the Bondowner; provided, however, nothing herein shall be construed as conferring on any person other than the other parties and the Bondowner any right to notice, hearing or participation in the Authority's consideration, and nothing in this section shall be construed as conferring on any of them any right additional to those conferred elsewhere herein. Subject to the foregoing, the Authority will not unreasonably withhold any approval or consent to be given by it hereunder.

Section 804. Actions by Authority. Any action which may be taken by the Authority hereunder shall be deemed sufficiently taken if taken on its behalf by its Chairman, its Vice Chairman or its Executive Director or by any other member, officer or agent whom it may designate from time to time.

ARTICLE IX

THE BONDOWNER

Section 901. Action by Bondowner. Any request, authorization, direction, notice, consent, waiver or other action provided by this Agreement to be given or taken by the Bondowner shall be in writing signed by the Bondowner or their authorized representatives. In taking or refraining from any such actions, the Bondowner may act in its sole and absolute discretion. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, shall be sufficient for any purpose of this Agreement (except as otherwise herein expressly provided) if made in the following manner, but the Authority may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(i) The fact and date of the execution by the Bondowner or his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Authority or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

(ii) The authority of the person or persons executing any such instrument on behalf of the Bondowner may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its clerk or secretary or an assistant clerk or secretary.

The ownership of Bond and the amount, numbers and other identification, and date of holding the same shall be proved by the records of the Authority.

Any request, consent or vote of the owner of the Bond shall bind all future owners of such Bond. A Bond owned or held by or for the account of the Authority or the Borrower shall not be deemed an Outstanding Bond for the purpose of any consent or other action by the Bondowner.

ARTICLE X

MISCELLANEOUS

Section 1001. Amendment. This Agreement may be amended by the parties but without Bondowner consent for any of the following purposes: (a) to add to the obligations of the Borrower or to surrender or limit any right or power of the Borrower; or (c) to cure any ambiguity or defect, or to add provisions which are not inconsistent with this Agreement and which in either case do not materially adversely affect the interests of the Bondowner.

Except as provided in the foregoing sentence, this Agreement may be amended by the parties only with the written consent of the Bondowner.

In connection with any amendment entered into pursuant to this Section 1001, the Authority shall receive a legal opinion from Bond Counsel, upon with the Authority, Bondowner and Borrower may conclusively rely, that the amendment entered into is authorized or permitted by the terms of this Agreement in compliance with all conditions precedent.

Section 1002. Successors and Assigns. The rights and obligations of the parties to this Agreement shall inure to and be binding upon their respective successors and permitted assigns; provided, however, the Authority may not assign its rights or obligations under this Agreement without the written consent of the City.

Section 1003. Notices. Any request, authorization, direction, notice, consent, waiver or other document provided by this Agreement shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered during business hours in person or by Electronic Means, as follows: (i) to the Authority at Two Pillsbury Street, Suite 201, Concord, New Hampshire 03301-4954, attention of Executive Director, and (ii) to the Borrower at Department of Finance, City Hall, One City Hall Plaza, Manchester, New Hampshire 03101, Attention:_____, or, as to all of the foregoing, to such other address as the addressee shall have given in writing to the one giving notice. Notice hereunder may be waived prospectively or retroactively by the person entitled to the notice, but no waiver shall affect any notice requirement as to other persons. All notices shall be effective upon receipt.

Section 1004. Agreement Not for the Benefit of Other Parties. This Agreement is not intended for the benefit of and shall not be construed to create rights in parties other than the Authority, the Borrower and the Bondowner.

Section 1005. Severability. In case any provision of this Agreement or the Bond shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1006. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original; but such counterparts together shall constitute one and the same instrument.

Section 1007. Captions. The captions and table of contents of this Agreement are for convenience only and shall not affect the construction hereof.

Section 1008. Governing Law. This Agreement shall be governed by the laws of the State.

[Remainder of Page Intentionally Left Blank]

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

BUSINESS FINANCE AUTHORITY OF THE STATE OF NEW HAMPSHIRE

By:_____
Title: Executive Director

CITY OF MANCHESTER, NEW HAMPSHIRE

By:_____
Title:

SIXTEENTH SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF $12,900,000 CITY OF MANCHESTER, NEW HAMPSHIRE, SUBORDINATED GENERAL AIRPORT REVENUE BOND, SERIES 2021A

Adopted as of August 27, 2021

SIXTEENTH SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF $12,900,000 CITY OF MANCHESTER, NEW HAMPSHIRE, SUBORDINATED GENERAL AIRPORT REVENUE BOND, SERIES 2021A

WHEREAS, the City of Manchester, New Hampshire (hereinafter sometimes referred to as the "City") has determined that it is necessary and desirable at this time to issue its Bonds pursuant to Chapter 33-B of the New Hampshire Revised Statutes, as amended (the "Enabling Act") and the General Airport Revenue Bond Resolution of the City adopted as of October 1, 1998, as amended (the "General Resolution"), to finance the Costs of Projects;

NOW, THEREFORE, BE IT RESOLVED by the City, acting by and through its Mayor and Finance Officer, pursuant to the Enabling Act and authorizing resolutions of the Board of Mayor and Aldermen of the City, as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 101. Definitions. (a) Capitalized terms used herein and not otherwise defined shall have the respective meanings accorded such terms in the General Resolution.

(b) The following terms shall have the following meanings herein unless the context otherwise requires:

"AIP Entitlement Grant" means the Airport Improvement Program (AIP) airport grants apportioned to the City each FFY pursuant to 49 U.S. Code § 47114 to be applied for reimbursement of qualifying improvements to the Airport Property.

"Apron Project" means the new west apron and ramp to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport Property.

"Bond Year" shall have the meaning set forth in Section 202 hereof.

"Electronic Means" means facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including telephone communication confirmed by any other method set forth in this definition.

"FAA" means the Federal Aviation Administration.

"FFY" means a Federal fiscal year (October 1 through September 30).

"Grant Receipts Account" means the Grant Receipts Account established pursuant to Section 303(a) hereof.

"Interest Payment Date" shall mean July 1 and January 1 of each year commencing January 1, 2022.

"Interest Rate" means three and a half per cent (3.5%) per annum. No interest rate on the Series 2021 Bond shall exceed the maximum rate permitted by law.

"Issue Date" means August 27, 2021.

"Lender" means the Business Finance Authority of the State of New Hampshire, its successors and assigns.

"Maturity Date" means [July 1, 2031].

"Minimum Grant Receipts Account Balance" means an amount on deposit in the Grant Receipts Account equal to (a) as of September 30, 2024, $4,300,000, (b) as of September 30, 2025, $8,600,000, and (c) as of September 30, 2026, $12,900,000. The amounts in (a), (b) and (c) shall each be reduced by any reductions of the Principal Amount of the Series 2021 Bond pursuant to Section 208 hereof.

"Principal Amount" means $12,900,000 as the same may be reduced pursuant to Section 208 hereof.

"Priority Project" means any Project that qualifies for the reimbursement of costs with AIP Entitlement Grants that the City and the FAA jointly determine shall have priority over the Apron Project and other Projects to seek reimbursement of costs from AIP Entitlement Grants.

"Series 2021 Bond" means the $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A, authorized by Section 201 of this Sixteenth Supplemental Resolution and issued to the Lender.

"Sixteenth Supplemental Resolution" means this Sixteenth Supplemental Resolution Authorizing the Issuance of $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A.

"Subordinated Bond Coverage Requirement" means 100% of the Required Subordinated Debt Service Fund Deposits on all then-Outstanding Subordinated Bonds.

"Required Subordinated Debt Service Fund Deposits" shall mean for, any period of time, all deposits required to be made to the Principal and Interest Accounts of the Subordinated Debt Service Fund for such period whether pursuant to Section 505(a)(iv), 519(b) (including earnings retained in the Subordinated Debt Service Fund pursuant to such Section) or any other provision of this Resolution; provided, however, that such deposits shall not include (a) amounts transferred or expected to be transferred from the Capitalized Interest Account, from interest or other investment earnings on the Project Fund (as provided pursuant to Section 519(b) hereof) or from amounts paid from other funds of the City that are not Revenues and are not transferred from other Funds or Accounts established hereunder, or (b) amounts transferred or

irrevocably committed by resolution or other action of the Governing Body to be transferred from the LOI Revenues Account or the PFC Revenues Account or the Grant Receipts Account.

Notwithstanding the foregoing, (a) for purposes of computing the Required Subordinated Debt Service Fund Deposits of Subordinated Bonds which constitute Synthetic Fixed Rate Debt, the interest rate payable thereon shall, if the City so elects, be that rate as provided for by the terms of the Swap or the net interest rate payable pursuant to offsetting indices, as applicable, and (b) for purposes of computing the Required Subordinated Debt Service Fund Deposits of Subordinated Bonds with respect to which a Qualified Swap has been entered into whereby the City has agreed to pay the floating variable rate thereunder, if the City so elects, no fixed interest rate amounts payable on the Subordinated Bonds to which such Swap pertains shall be included and the interest rate payable thereon shall be that rate as provided by the terms of the Swap, except that for any future period such rate shall be estimated in the manner provided for estimating interest on Variable Rate Indebtedness in the definition of "Debt Service" in the General Resolution.

In addition, for purposes of computing the Required Subordinated Debt Service Fund Deposits of any Series of Subordinated Bonds as to which interest is deferred and compounded rather than being paid currently during any period of calculation required by the General Resolution, such calculation shall be made as if interest on such Subordinated Bonds accrued and was deemed paid at a rate determined on the date of such calculation by a nationally known investment banking firm or municipal advisor selected by the City (which firm may be an owner or underwriter of any Subordinated Bonds) to be the rate which, if earnings at such rate were compounded on the initial public sale price as set forth in the Supplemental Resolution authorizing such Subordinated Bonds in the manner required by the terms of such Subordinated Bonds through the maturity date or earlier date on which such compounding is scheduled to cease, would produce the amount of such Subordinated Bonds scheduled to mature on such maturity date or the accrued value of such Subordinated Bonds scheduled to exist on such earlier date, as the case may be. For purposes of computing Required Debt Service Fund Deposits at any time with respect to any such Series of Subordinated Bonds then Outstanding, such calculation shall be made in accordance with the provisions of the Supplemental Resolution authorizing the issuance of such Series of Subordinated Bonds.

Section 102. Authority for this Supplemental Resolution. This Sixteenth Supplemental Resolution is adopted pursuant to the provisions of the General Resolution.

ARTICLE II

THE SERIES 2021 BOND

Section 201. Principal Amount, Designation and Series. Pursuant to the provisions of the General Resolution, one Subordinated Bond entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of $12,900,000. Such Subordinated Bond shall be designated as and shall be distinguished from the Bonds and Subordinated Bonds of all other Series by the title "Subordinated General Airport Revenue Bond, Series 2021A" (the "Series 2021 Bond").

Section 202. Subordinated Bonds. The Series 2021 Bond shall be and constitute for all purposes of the General Resolution Subordinated Bonds.

Section 203. Bond Year. The Bond Year for the Series 2021 Bond shall be the one-year period commencing each July 1.

Section 204. Purposes. The Series 2021 Bond is issued for the purposes of (i) financing the Project, and (ii) paying the Costs of Issuance of the Series 2021 Bond.

Section 205. Date, Maturities and Interest Rate. The Series 2021 Bond shall be dated, and shall bear interest from, the Issue Date. The Series 2021 Bond shall mature in the Principal Amount on the Maturity Date and shall bear interest on the Outstanding principal balance of the Series 2021 Bond at the Interest Rate payable on each Interest Payment Date until the Maturity Date on the Outstanding Principal Amount of the Series 2021 Bond or earlier redemption. Interest on the Series 2021 Bond will be calculated based on a 360-day year based on twelve 30 day months.

Section 206. Form. The Series 2021 Bond shall be issued in the form of a fully registered bond issued to the Lender.

Section 207. Place of Payment and Paying Agent. The Trustee is hereby appointed the Paying Agent for the Series 2021 Bond. The principal or Redemption Price, if any, of the Series 2021 Bond shall be payable in immediately available funds to the Lender. Interest on the Series 2021 Bond will be payable by the Trustee in immediately available funds to the Lender.

Section 208. Optional Redemption. The principal of the Series 2021 Bond is subject to redemption at the option of the City prior to the Maturity Date, in whole or in part on any date, at a Redemption Price of 100% of the principal amount of such Series 2021 Bond to be redeemed, plus accrued interest to the date fixed for redemption.

Section 209. Notice of Redemption of Series 2021 Bond. Notice of the call for any redemption of the Series 2021 Bond prior to the Maturity Date shall be given to the Lender by Electronic Means at least twenty (20) days prior to the date fixed for redemption. The City may provide that, if at the time of giving of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem the principal amount of the Series 2021 Bond called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than the scheduled redemption date, and such notice shall be of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit on the required date, then the redemption shall be canceled and on such cancellation date notice shall be given by Electronic Means to the holders of the principal amount of the Series 2021 Bond, to be redeemed in the manner provided in this Section.

Section 210. Form of Series 2021 Bond. The Series 2021 Bond, including the Trustee's certificate of authentication thereon, shall be in substantially the form of Exhibit A attached hereto and by this reference incorporated as if set forth in full herein.

Section 211. Exchange and Transfer. The Series 2021 Bond is subject to exchange or transfer in whole or in part in a principal amount of at least $100,000.

ARTICLE III

DETERMINATIONS PURSUANT TO GENERAL RESOLUTION; APPLICATION OF PROCEEDS

Section 301. Establishment of Accounts and Subaccounts. Pursuant to Section 502(c) of the General Resolution, there are hereby established within the Funds and Accounts heretofore established under the General Resolution, the following subaccounts:

(1) In the Subordinated Debt Service Fund:
  (A) Series 2021A Subaccount of the Principal Account
  (B) Series 2021A Subaccount of the Interest Account
  (C) Series 2021A Subaccount of the Redemption Account
(2) In the Subordinated Debt Service Reserve Fund:
  (A) Series 2021A Special Account
(3) In the Project Fund:
  (A) Series 2021A Project Account

Section 302. Establishment of Special Account. There shall be established with respect to the Series 2021 Bond a Special Account in the Subordinated Debt Service Reserve Fund pursuant to Section 502(d) of the General Resolution, which shall be designated the "Series 2021 Special Account". The amount required to be maintained in the 2021 Special Account shall be zero. No amounts shall be deposited in the Series 2021 Special Account from the proceeds of the Series 2021 Bond.

Section 303. Grant Receipts Account.

(a) Establishment. Pursuant to Sections 709(b)(i) and 522 of the General Resolution, there is hereby established a separate account to hold certain Grant Receipts consisting of AIP Entitlement Grant reimbursements received pursuant to this Section 303 and earnings thereon (the "Grant Receipts Account") to be held by the City and applied as set forth in this Section 303.

(b) Pledge. Pursuant to Section 709(b)(i) of the General Resolution and the last paragraph of Section 709(b) of the General Resolution, there is hereby pledged as additional security for payment of Debt Service on the Series 2021 Bond (but not any other Series of Secured Bonds) the amounts on deposit in the Grant Receipts Account.

(c) Covenant to Seek Reimbursements. The City hereby covenants that, to the extent that the AIP Entitlement Grant program is authorized and money appropriated therefor by the U.S. Congress, appropriated amounts are allocated and available to the City, and amounts on deposit in the Grant Receipts Account are less than the Minimum Grant Receipts Account Balance, the City shall, in each FFY commencing with FFY 24, submit invoices to the FAA for the maximum amount available for reimbursement from AIP Entitlement Grants for qualifying

costs paid to contractors for any Projects that qualify for reimbursement from AIP Entitlement Grants, including, but not limited to, any Priority Project and the Apron Project.

(d) Required Deposits of Reimbursement Amounts.

(i) On or before October 1, 2023 the City shall transfer $4,300,000 from any amounts available in the General Fund (other than in the Coverage Account or the Revenue Credit Account) to the Grant Receipts Account.

(ii) Any AIP Entitlement Grant reimbursements received by the City in a FFY from invoices submitted pursuant to Section 303(c) shall be deposited in the Grant Receipts Account until there is on deposit therein the Minimum Grant Receipts Account Balance and any reimbursements in excess of the Minimum Grant Receipts Account Balance may be deposited in the General Fund. To the extent that the amounts on deposit in the Grant Receipts Account are less than the Minimum Grant Receipts Account Balance other than as the result of advances made from the Grant Receipts Account to fund a Priority Project pursuant to Section 303(e)(iii), the City will transfer any deficiency from any amounts available in the General Fund (other than in the Coverage Account or the Revenue Credit Account) for deposit in the Grant Receipts Account.

(e) Application of Deposits of Reimbursement Amounts.

(i) Amounts on deposit in the Grant Receipts Account pursuant to Section 303(d)(i) and Section 303(d)(ii):

(A) may be applied to the payment of principal of and interest on the Series 2021 Bond at the option of the City pursuant to Section 208 hereof. On the Business Day prior to the redemption date, the City shall transfer from amounts on deposit in the Grant Receipts Account to the Series 2021A Subaccount of the Redemption Account in the Subordinated Debt Service Fund such amount as the City shall elect. To the extent amounts transferred from the Grant Receipts Account are or are reasonably expected to be not sufficient to pay the Redemption Price of all or that portion of the Series 2021 Bond called for redemption pursuant to Section 208 hereof, the City shall make an additional deposit to the Series 2021A Subaccount of the Redemption Account in the Subordinated Debt Service Fund from any amounts available in the General Fund (other than in the Coverage Account or the Revenue Credit Account) or pursuant to Section 505(a)(iv) of the General Resolution in an amount such that the amount on deposit in the Series 2021A Subaccount of the Redemption Account in the Subordinated Debt Service Fund will be sufficient to pay the Redemption Price of all or that portion of the Series 2021 Bond called for redemption.

(B) shall be applied on the Maturity Date to pay principal of and interest on the Series 2021 Bond. On the Business Day prior to the Maturity Date, the City shall transfer amounts on deposit in the Grant Receipts Account to the Series 2021A Subaccount of the Principal Account and Series 2021A Subaccount of the Interest Account in the Subordinated Debt Service Fund, an amount which, together with other amounts on deposit in the Series 2021A Subaccount of the Principal Account and Series 2021A Subaccount of the Interest Account in the Subordinated Debt Service Fund, shall equal the principal of and interest due on the Series 2021 Bond on the Maturity Date to the extent not already paid. To the extent amounts transferred from the Grant Receipts Account, together with other amounts on deposit in the Series 2021A Subaccount of the Principal Account and Series 2021A Subaccount of the Interest Account in the Subordinated Debt Service Fund, are or are reasonably expected to be insufficient to pay the Debt Service due on the Series 2021 Bond on the Maturity Date, the City shall make an additional deposit to the Series 2021A Subaccount of the Principal Account and Series 2021A Subaccount of the Interest Account in the Subordinated Debt Service Fund from any amounts available in the General Fund (other than in the Coverage Account or the Revenue Credit Account) or pursuant to Section 505(a)(iv) of the General Resolution such that the amount on deposit in the Series 2021A Subaccount of the Principal Account and Series 2021A Subaccount of the Interest Account in the Subordinated Debt Service Fund will be sufficient to pay the principal of and interest due on the Series 2021 Bond on the Maturity Date.

(ii) Amounts on deposit in the Grant Receipts Account pursuant to Section 303(d)(i) may not be applied to pay invoices for a Priority Project.

(iii) Amounts on deposit in the Grant Receipts Account pursuant to Section 303(d)(ii) may also be applied to pay invoices for a Priority Project.

(iv) In accordance with Section 505(a)(iv) of the General Resolution, the amount transferred pursuant this Section 303(e) shall not exceed the amount permitted by applicable law and provided further that the amount so transferred shall not be less than the amount, if any, provided in the current Operating Budget of the City.

(f) Excess and Remaining Amounts. Amounts in excess of the Minimum Grant Receipts Account Balance and amounts remaining in the Grant Receipts Account after the Series 2021 Bond is no longer outstanding shall be transferred to the General Fund.

Section 304. Refundable Principal Installments. Pursuant to Section 206(c)(xiv) of the General Resolution, it is hereby determined that none of the Principal Installments for the Series 2021 Bond shall be Refundable Principal Installments.

Section 305. Application of Proceeds of Series 2021 Bond. The City hereby directs that the proceeds of sale of the Series 2021 Bond shall be deposited as directed by a Certificate of an Authorized Representative delivered on or before the Issue Date, who shall direct that such moneys shall be applied to fund the Series 2021A Project Account in the Project Fund in the respective amount determined by the Authorized Representative.

ARTICLE IV

DOCUMENT AUTHORIZATIONS

Section 401. Loan and Security Agreement. The City hereby authorizes the execution and delivery by the Mayor and the Finance Officer of the City of Loan and Security Agreement, dated as of August 1, 2021, among the Lender and the City thereunder (the "Loan Agreement") in such form and containing such terms and conditions as may be deemed necessary or desirable by the Mayor and the Finance Officer of the City, the definitive form of such Loan Agreement to be evidenced conclusively by the execution thereof by the Mayor and the Finance Officer of the City. The Mayor and the Finance Officer of the City are hereby authorized to approve any and all of the terms of such sale and such approval shall be evidenced conclusively by the execution of the Loan Agreement by the Mayor and the Finance Officer of the City. The sale of the Series 2021 Bond to the Lender, on the terms and conditions so approved by the Mayor and the Finance Officer of the City, is hereby approved.

ARTICLE V

MISCELLANEOUS

Section 501. Effect of Section Headings and Table of Contents. The headings or titles of the several Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Sixteenth Supplemental Resolution.

Section 502. Further Actions. The Mayor and the Finance Officer of the City are hereby authorized and directed to do all matters and to execute all documents necessary, useful, convenient or desirable to accomplish the issuance and delivery of the Series 2021 Bond in accordance with the provisions of this Sixteenth Supplemental Resolution and the General Resolution, including without limitation the execution of an arbitrage and use of proceeds certificate and any contract relating to the investment of monies held in any fund, account or subaccount under the General Resolution.

Section 503. Effective Date. This Sixteenth Supplemental Resolution shall be fully effective in accordance with its terms upon the filing with the Trustee of a copy hereof certified by either of the Mayor or the Finance Officer of the City acting singly with such

changes and insertions as may be approved by such officer, the filing of such certified copy to be conclusive evidence of approval.

The foregoing Sixteenth Supplemental Resolution is hereby adopted on behalf of the City of Manchester, New Hampshire, by the Mayor and the Finance Officer of the City as of this 27th day of August, 2021.

CITY OF MANCHESTER, NEW HAMPSHIRE

By: _____
Joyce Craig
Mayor

By: _____
Sharon Wickens
City Finance Officer

[Signature page of Sixteenth Supplemental Resolution]

EXHIBIT A

FORM OF SERIES 2021 BOND

UNITED STATES OF AMERICA
THE STATE OF NEW HAMPSHIRE

CITY OF MANCHESTER, NEW HAMPSHIRE,
SUBORDINATED GENERAL AIRPORT
REVENUE BOND, SERIES 2021A

FOR VALUE RECEIVED, THE CITY OF MANCHESTER, NEW HAMPSHIRE (the "City"), hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Business Finance Authority of the State of New Hampshire as registered owner (the "Registered Owner"), on the Maturity Date (subject to the right of prior redemption hereinafter mentioned), the Principal Amount, and to pay to the Registered Owner interest on the balance of said Principal Amount from time to time remaining unpaid, from August 27, 2021 (the "Dated Date"), at the Interest Rate per annum specified in the Sixteenth Supplemental Resolution (as defined below), payable on each Interest Payment Date, until payment in full of the balance of said Principal Amount, except as the provisions hereinafter set forth with respect to redemption prior to the Maturity Date may become applicable hereto. Principal and redemption price, if any, of this Series 2021 Bond shall be payable by The Bank of New York Mellon, as successor trustee (the "Trustee"), in immediately available funds, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; and payment of the interest hereon shall be made to the Registered Owner and shall be paid in immediately available funds to the Registered Owner. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolutions (hereinafter defined).

THE RESOLUTIONS (HEREINAFTER DEFINED) PROVIDE THAT THE SERIES 2021 BOND, INCLUDING THIS BOND, SHALL NOT BE GENERAL OBLIGATIONS OF THE CITY AND THE FULL FAITH AND CREDIT OF THE CITY ARE NOT PLEDGED FOR THE PAYMENT OF THE SERIES 2021 BOND. THIS SERIES 2021 BOND SHALL BE SECURED EQUALLY AND RATABLY WITH ALL OTHER SUBORDINATED BONDS ISSUED ON A PARITY HEREWITH PURSUANT TO THE GENERAL RESOLUTION (AS HEREINAFTER DEFINED) BY A SUBORDINATED LIEN ON CERTAIN OF THE REVENUES OF THE CITY DERIVED FROM ITS AIRPORT PROPERTY AND ON AMOUNTS IN THE GRANT RECEIPTS ACCOUNT. NEITHER THE STATE OF NEW HAMPSHIRE NOR ANY OTHER POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM OR INTEREST ON THE SERIES 2021 BOND AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW HAMPSHIRE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM OR INTEREST ON THE SERIES 2021 BOND.

This bond is issued under and by virtue of Chapter 33-B of the New Hampshire Revised Statutes, as amended, and under and pursuant to the General Airport Revenue Bond Resolution duly adopted by the City as of October 1, 1998 (the "General Resolution"), as the same from time to time may be amended or supplemented by further resolutions of the City, including but not limited to a sixteenth supplemental resolution (the "Sixteenth Supplemental Resolution") duly adopted by the City as of August 27, 2021 (collectively, the "Resolutions"), for the

purposes of (i) paying the cost of the Project (as defined in the Resolutions) and (ii) paying the Costs of Issuance (as defined in the Resolutions) of this Series 2021 Bond.

This bond is designated as "City of Manchester, New Hampshire, Subordinated Airport Revenue Bond, Series 2021A" issued in the aggregate principal amount of $12,900,000 and duly issued under and pursuant to the Resolutions (the "Series 2021 Bond"). Copies of the Resolutions are on file at the office of the City Clerk of the City, in Manchester, New Hampshire, and at the corporate trust office of the Trustee. The Series 2021 Bond shall be and constitute for all purposes of the General Resolution Subordinated Bonds as such term is defined in the General Resolution. The Series 2021 Bond is additionally secured by amounts on deposit in the Grant Receipts Account.

Reference to the Resolutions is hereby made for a description of the pledge and covenants securing the Series 2021 Bond and a statement of the rights, duties, immunities and obligations of the City and of the Trustee and a statement of the rights of the owner hereof. Such pledge and other obligations of the City under the Resolutions may be discharged at or prior to the Maturity Date or redemption of the Series 2021 Bond upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolutions. Additional Bonds and additional Subordinated Bonds may be issued from time to time pursuant to the General Resolution and additional supplemental resolutions in one or more series and in various principal amounts. The aggregate principal amount of Bonds as such term is defined in the General Resolution that may be issued thereunder is not limited, and all Bonds issued thereunder may be equally and ratably secured by the pledge and covenants made in the General Resolution. The aggregate principal amount of Subordinated Bonds which may be issued under the General Resolution (collectively, including the Series 2021 Bond, the "Subordinated Bonds") is not limited, and all Subordinated Bonds issued thereunder may be equally and ratably secured by the pledge and covenants made in the General Resolution subject and subordinated to the Bonds.

To the extent and in the respects permitted by the Resolutions, the Resolutions may be modified or amended by action on behalf of the City taken in the manner and subject to the conditions and exceptions prescribed in the Resolutions. The owner of this Series 2021 Bond shall have no right to enforce the provisions of the Resolutions or to institute an action with respect to an event of default under the Resolutions (an "Event of Default") or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Resolutions. The Resolutions do not provide for acceleration of the maturity of the principal of this Series 2021 Bond upon an Event of Default.

This Series 2021 Bond is transferable, in whole or in part, in a principal amount of at least $100,000, as provided in the Resolutions, only upon the books of the City kept for that purpose at the corporate trust office of the Trustee, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Owner or his duly authorized attorney. Upon transfer of a principal amount of this Series 2021 Bond, there shall be issued in the name of the transferee a new registered Series 2021 Bond of the same tenor and Maturity Date, all as provided in the Resolutions and upon the payment of the changes therein prescribed. The City, the Trustee and any paying agent may treat and consider the person in whose name a principal amount of this Series 2021 Bond is registered as the absolute owner

hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest hereon and for all other purposes whatsoever, irrespective of any notice to the contrary.

This Series 2021 Bond is subject to redemption at the option of the City prior to the Maturity Date at the times and at the redemption prices as provided in the Sixteenth Supplemental Resolution. Notice of redemption shall be given to the Registered Owner in accordance with in the Sixteenth Supplemental Resolution.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as assigned to such words and phrases in the Resolutions.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution or statutes of the State of New Hampshire and by the Resolutions to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Series 2021 Bond exist, have happened and have been performed and that the issuance of the Series 2021 Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution and statutes.

This bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, THE CITY OF MANCHESTER, NEW HAMPSHIRE has caused this Series 2021 Bond to be signed in its name and on its behalf by its Mayor or Finance Officer and attested by its City Clerk (which signatures of said Mayor or Finance Officer and City Clerk may be by facsimile), and has caused its corporate seal to be affixed or reproduced hereon, and said officials by the execution hereof do adopt as and for their own proper signatures the signatures appearing on the Series 2021 Bond, all as of the Dated Date specified above.

CITY OF MANCHESTER, NEW HAMPSHIRE

By: _____
Joyce Craig
Mayor

By: _____
Sharon Wickens
Finance Officer

(SEAL)

ATTEST:

Matthew Normand
City Clerk

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Resolutions and is the Subordinated General Airport Revenue Bond, Series 2021A, of the City of Manchester, New Hampshire.

THE BANK OF NEW YORK MELLON, as successor Trustee

By_____
Authorized Officer

Date of Authentication: August 27, 2021

CERTIFICATE REGARDING THE SIXTEENTH SUPPLEMENTAL RESOLUTION

I, **SHARON WICKENS**, Finance Officer of the City of Manchester, New Hampshire (the "City"), **HEREBY CERTIFY** that attached hereto is a true, correct and complete copy of a resolution adopted on behalf of the City by the undersigned and the Mayor of the City as of August 27, 2021, entitled "Sixteenth Supplemental Resolution Authorizing the Issuance of $12,900,000 City of Manchester, New Hampshire, Subordinated General Airport Revenue Bond, Series 2021A" (the "Sixteenth Supplemental Resolution"), that the Sixteenth Supplemental Resolution is, in the form attached hereto, in full force and effect on the date hereof and that the Sixteenth Supplemental Resolution has not been amended or supplemented prior to the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of August, 2021.

By: _____
Sharon Wickens
Finance Officer

UNITED STATES OF AMERICA
THE STATE OF NEW HAMPSHIRE

CITY OF MANCHESTER, NEW HAMPSHIRE,
SUBORDINATED GENERAL AIRPORT
REVENUE BOND, SERIES 2021A

FOR VALUE RECEIVED, THE CITY OF MANCHESTER, NEW HAMPSHIRE (the "City"), hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Business Finance Authority of the State of New Hampshire as registered owner (the "Registered Owner"), on the Maturity Date (subject to the right of prior redemption hereinafter mentioned), the Principal Amount, and to pay to the Registered Owner interest on the balance of said Principal Amount from time to time remaining unpaid, from August 27, 2021 (the "Dated Date"), at the Interest Rate per annum specified in the Sixteenth Supplemental Resolution (as defined below), payable on each Interest Payment Date, until payment in full of the balance of said Principal Amount, except as the provisions hereinafter set forth with respect to redemption prior to the Maturity Date may become applicable hereto. Principal and redemption price, if any, of this Series 2021 Bond shall be payable by The Bank of New York Mellon, as successor trustee (the "Trustee"), in immediately available funds, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; and payment of the interest hereon shall be made to the Registered Owner and shall be paid in immediately available funds to the Registered Owner. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolutions (hereinafter defined).

THE RESOLUTIONS (HEREINAFTER DEFINED) PROVIDE THAT THE SERIES 2021 BOND, INCLUDING THIS BOND, SHALL NOT BE GENERAL OBLIGATIONS OF THE CITY AND THE FULL FAITH AND CREDIT OF THE CITY ARE NOT PLEDGED FOR THE PAYMENT OF THE SERIES 2021 BOND. THIS SERIES 2021 BOND SHALL BE SECURED EQUALLY AND RATABLY WITH ALL OTHER SUBORDINATED BONDS ISSUED ON A PARITY HEREWITH PURSUANT TO THE GENERAL RESOLUTION (AS HEREINAFTER DEFINED) BY A SUBORDINATED LIEN ON CERTAIN OF THE REVENUES OF THE CITY DERIVED FROM ITS AIRPORT PROPERTY AND ON AMOUNTS IN THE GRANT RECEIPTS ACCOUNT. NEITHER THE STATE OF NEW HAMPSHIRE NOR ANY OTHER POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM OR INTEREST ON THE SERIES 2021 BOND AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW HAMPSHIRE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM OR INTEREST ON THE SERIES 2021 BOND.

This bond is issued under and by virtue of Chapter 33-B of the New Hampshire Revised Statutes, as amended, and under and pursuant to the General Airport Revenue Bond Resolution duly adopted by the City as of October 1, 1998 (the "General Resolution"), as the same from time to time may be amended or supplemented by further resolutions of the City, including but not limited to a sixteenth supplemental resolution (the "Sixteenth Supplemental Resolution") duly adopted by the City as of August 27, 2021 (collectively, the "Resolutions"), for the

purposes of (i) paying the cost of the Project (as defined in the Resolutions) and (ii) paying the Costs of Issuance (as defined in the Resolutions) of this Series 2021 Bond.

This bond is designated as "City of Manchester, New Hampshire, Subordinated Airport Revenue Bond, Series 2021A" issued in the aggregate principal amount of $12,900,000 and duly issued under and pursuant to the Resolutions (the "Series 2021 Bond"). Copies of the Resolutions are on file at the office of the City Clerk of the City, in Manchester, New Hampshire, and at the corporate trust office of the Trustee. The Series 2021 Bond shall be and constitute for all purposes of the General Resolution Subordinated Bonds as such term is defined in the General Resolution. The Series 2021 Bond is additionally secured by amounts on deposit in the Grant Receipts Account.

Reference to the Resolutions is hereby made for a description of the pledge and covenants securing the Series 2021 Bond and a statement of the rights, duties, immunities and obligations of the City and of the Trustee and a statement of the rights of the owner hereof. Such pledge and other obligations of the City under the Resolutions may be discharged at or prior to the Maturity Date or redemption of the Series 2021 Bond upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolutions. Additional Bonds and additional Subordinated Bonds may be issued from time to time pursuant to the General Resolution and additional supplemental resolutions in one or more series and in various principal amounts. The aggregate principal amount of Bonds as such term is defined in the General Resolution that may be issued thereunder is not limited, and all Bonds issued thereunder may be equally and ratably secured by the pledge and covenants made in the General Resolution. The aggregate principal amount of Subordinated Bonds which may be issued under the General Resolution (collectively, including the Series 2021 Bond, the "Subordinated Bonds") is not limited, and all Subordinated Bonds issued thereunder may be equally and ratably secured by the pledge and covenants made in the General Resolution subject and subordinated to the Bonds.

To the extent and in the respects permitted by the Resolutions, the Resolutions may be modified or amended by action on behalf of the City taken in the manner and subject to the conditions and exceptions prescribed in the Resolutions. The owner of this Series 2021 Bond shall have no right to enforce the provisions of the Resolutions or to institute an action with respect to an event of default under the Resolutions (an "Event of Default") or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Resolutions. The Resolutions do not provide for acceleration of the maturity of the principal of this Series 2021 Bond upon an Event of Default.

This Series 2021 Bond is transferable, in whole or in part, in a principal amount of at least $100,000, as provided in the Resolutions, only upon the books of the City kept for that purpose at the corporate trust office of the Trustee, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Owner or his duly authorized attorney. Upon transfer of a principal amount of this Series 2021 Bond, there shall be issued in the name of the transferee a new registered Series 2021 Bond of the same tenor and Maturity Date, all as provided in the Resolutions and upon the payment of the changes therein prescribed. The City, the Trustee and any paying agent may treat and consider the person in whose name a principal amount of this Series 2021 Bond is registered as the absolute owner

hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest hereon and for all other purposes whatsoever, irrespective of any notice to the contrary.

This Series 2021 Bond is subject to redemption at the option of the City prior to the Maturity Date at the times and at the redemption prices as provided in the Sixteenth Supplemental Resolution. Notice of redemption shall be given to the Registered Owner in accordance with in the Sixteenth Supplemental Resolution.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as assigned to such words and phrases in the Resolutions.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution or statutes of the State of New Hampshire and by the Resolutions to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Series 2021 Bond exist, have happened and have been performed and that the issuance of the Series 2021 Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution and statutes.

This bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, THE CITY OF MANCHESTER, NEW HAMPSHIRE has caused this Series 2021 Bond to be signed in its name and on its behalf by its Mayor or Finance Officer and attested by its City Clerk (which signatures of said Mayor or Finance Officer and City Clerk may be by facsimile), and has caused its corporate seal to be affixed or reproduced hereon, and said officials by the execution hereof do adopt as and for their own proper signatures the signatures appearing on the Series 2021 Bond, all as of the Dated Date specified above.

CITY OF MANCHESTER, NEW HAMPSHIRE

By: _____
Joyce Craig
Mayor

By: _____
Sharon Wickens
Finance Officer

(SEAL)

ATTEST:

_____
Matthew Normand
City Clerk

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Resolutions and is the Subordinated Airport Revenue Bond, Series 2021A, of the City of Manchester, New Hampshire.

THE BANK OF NEW YORK MELLON, as successor Trustee

By_____
Authorized Officer

Date of Authentication: August 27, 2021

NOT SEASONALLY ADJUSTED ESTIMATES BY PLACE OF RESIDENCE

Labor Force Estimates

New Hampshire	Apr-21	Mar-21	Apr-20
Total Civilian Labor Force	743,540	749,470	728,130
Employed	723,510	725,780	610,560
Unemployed	20,030	23,690	117,570
Unemployment Rate	2.7%	3.2%	16.1%

United States (# in thousands)	Apr-21	Mar-21	Apr-20
Total Civilian Labor Force	160,379	160,397	155,830
Employed	151,160	150,493	133,326
Unemployed	9,220	9,905	22,504
Unemployment Rate	5.7%	6.2%	14.4%

Unemployment Rates by Area

Counties	Apr-21	Mar-21	Apr-20
Belknap	2.9%	3.5%	18.5%
Carroll	3.3%	3.9%	21.7%
Cheshire	3.0%	3.2%	13.9%
Coös	3.8%	4.2%	20.2%
Grafton	2.7%	2.9%	15.0%
Hillsborough	2.8%	3.2%	16.3%
Merrimack	2.4%	2.9%	14.1%
Rockingham	2.6%	3.1%	17.1%
Strafford	2.5%	2.9%	15.2%
Sullivan	2.6%	2.8%	12.1%

Map Key	Labor Market Areas	Apr-21	Mar-21	Apr-20
1	Colebrook, NH-VT LMA, NH Portion	4.5%	4.2%	22.7%
2	Littleton, NH-VT LMA, NH Portion	3.3%	3.7%	19.6%
3	Berlin NH Micropolitan NECTA	3.8%	4.4%	20.2%
4	Haverhill, NH LMA	3.9%	4.0%	14.4%
5	Conway, NH-ME LMA, NH Portion	3.4%	3.9%	25.7%
6	Plymouth, NH LMA	2.6%	2.9%	19.1%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	2.3%	2.4%	10.0%
8	Meredith, NH LMA	2.5%	3.0%	17.6%
9	Wolfeboro, NH LMA	3.2%	4.0%	17.9%
10	Franklin, NH LMA	3.2%	4.0%	19.6%
11	Laconia, NH Micropolitan NECTA	3.2%	3.8%	19.8%
12	Expanded Claremont, NH estimating area	2.5%	2.9%	12.9%
13	New London, NH LMA	2.2%	2.6%	12.3%
14	Concord, NH Micropolitan NECTA	2.3%	2.8%	13.6%
15	Belmont, NH LMA	2.7%	3.5%	17.1%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	2.5%	2.9%	15.2%
17	Charlestown, NH LMA	3.3%	3.1%	11.3%
18	Hillsborough, NH LMA	2.6%	3.0%	12.9%
19	Raymond, NH LMA	2.3%	2.9%	15.5%
20	Manchester, NH Metropolitan NECTA	2.7%	3.1%	16.2%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	2.4%	2.9%	15.8%
22	Keene, NH Micropolitan NECTA	2.9%	3.2%	14.3%
23	Peterborough, NH LMA	2.4%	2.9%	12.3%
24	Nashua, NH-MA NECTA Division, NH Portion	2.7%	3.2%	16.6%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.9%	3.6%	18.8%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	5.7%	4.5%	20.0%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	3.1%	3.8%	18.5%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	3.2%	3.7%	19.6%

Unemployment Rates by Region

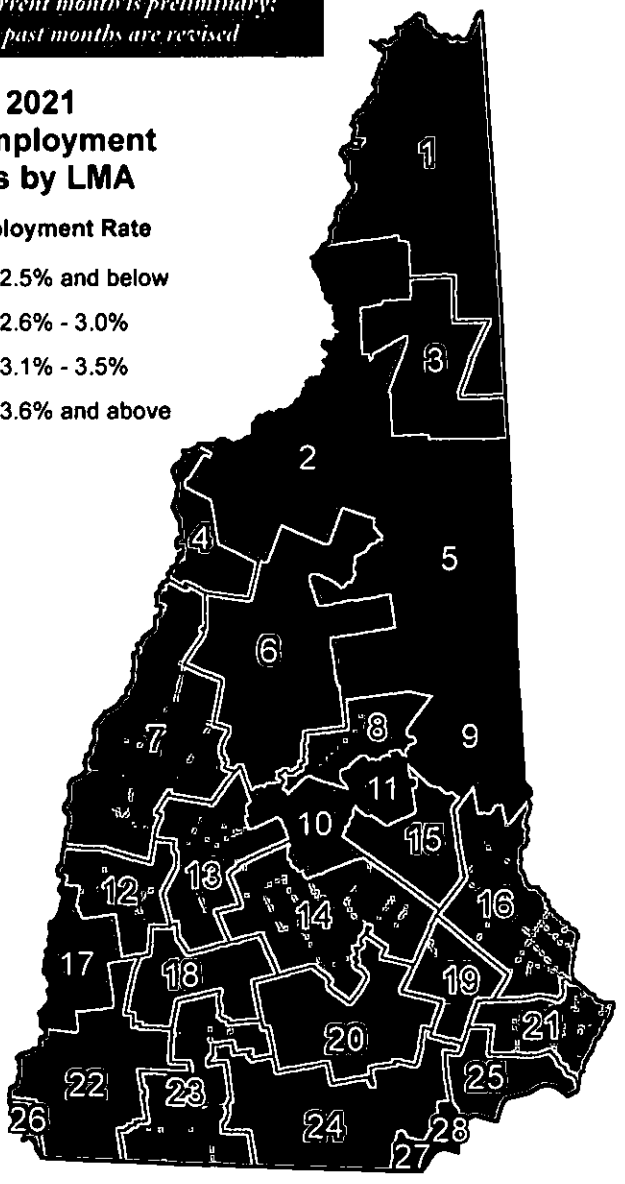
Not Seasonally Adjusted	Apr-21	Mar-21	Apr-20
United States	5.7%	6.2%	14.4%
Northeast	6.8%	7.5%	15.5%
New England	5.7%	6.4%	13.8%
Connecticut	7.6%	8.2%	8.4%
Maine	5.3%	5.4%	9.8%
Massachusetts	5.9%	6.6%	16.3%
New Hampshire	2.7%	3.2%	16.1%
Rhode Island	5.1%	7.2%	17.5%
Vermont	3.0%	3.2%	15.0%
Mid Atlantic	7.2%	7.9%	16.2%
New Jersey	7.2%	7.8%	16.4%
New York	7.8%	8.4%	16.2%
Pennsylvania	6.1%	7.3%	15.9%

Current month is preliminary; past months are revised

April 2021 Unemployment Rates by LMA

Unemployment Rate

- 2.5% and below
- 2.6% - 3.0%
- 3.1% - 3.5%
- 3.6% and above



A RESOLUTION AUTHORIZING UP TO $13,505,000 BOND FOR A PROJECT
FOR MANCHESTER-BOSTON REGIONAL AIRPORT
IN THE CITY OF MANCHESTER, NEW HAMPSHIRE

WHEREAS, the Business Finance Authority (the "Authority") of the State of New Hampshire (the "State") has been requested by the City of Manchester, New Hampshire (with any successors or assigns, the "Borrower") to finance airport facilities at the Manchester-Boston Regional Airport, 1 Airport Road, Manchester, New Hampshire (the "Airport"), consisting of infrastructure improvements consisting specifically of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport (the "Project"), by providing financing through the issuance of an up to $13,505,000 revenue bond (the "Bond") that will be supported by a State guarantee, the proceeds of which Bond will be used by the Authority to finance the project. The Bond shall be taxable under RSA 162-I (the "Act");

WHEREAS, the Authority has been furnished with (a) information and materials about the Borrower and the Project, the Project and unemployment in the Manchester area, (b) evidence that Service Federal Credit Union (together with other financial institutions, the "Lender" or the "Purchaser") is willing to purchase the Bond, and (c) the proposed LOAN AND SECURITY (the "Agreement") between the Authority and the Borrower pursuant to which the Borrower is obligated to make debt service payments to the Authority in amounts sufficient to repay the Bond. In addition, the Authority expects to enter into a BOND PURCHASE AND GUARANTEE AGREEMENT (the "Guarantee Agreement," and together with the Agreement, the "Agreements") by and among the State, the Authority and the Purchaser, other financing documents and security agreements necessary to evidence the Bond, and such other information, materials and assurances deemed relevant by the Authority; and

WHEREAS, the Bond will constitute evidence of indebtedness of the Authority under the Act to finance the Project, which will be repaid to the Authority by the Borrower under the Agreement;

IT IS HEREBY RESOLVED THAT:

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

(a) Special Findings:

(1) The Project (as completed, the "Facility") consists of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Airport in Manchester, New Hampshire. The Project is within the definition of "commercial facility" within the Act and may be financed under the Act; and

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

(b) General Findings:

(1) The Project and the proposed financing of the Project are feasible;

(2) The Borrower has the skills and financial resources necessary to operate the Facility successfully;

(3) The Agreements contain provisions so that under no circumstances will the Authority be obligated directly or indirectly to pay Project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from Bond proceeds or from funds received under the Agreements, exclusive of funds received thereunder by the Authority for its own use;

(4) The Agreements do not purport to create any debt of the State with respect to the Facility, other than a special obligation of the Authority acting on behalf of the State under the Act and except for the requested State guarantee; and

(5) The proposed financing of the Project by the Authority and the proposed operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions, and will promote the general welfare of the State's citizens.

Section 2. Determination and Recommendation. The Authority finds that the proposed financing, operation and use of the Facility will serve a public use and provide a public benefit and determines that the Authority's financing of the Project will be within the policy of, and the authority conferred by, the Act. The Authority recommends to His Excellency, the Governor, and The Honorable Council that (i) the State provide its guarantee on the Bond pursuant to RSA Section 162-I:9-b and (ii) they make findings and a determination similar to those set forth above and those required by RSA Section 162-I:9-b to provide a State guarantee, and for that purpose the Executive Director is directed to transmit to the Governor and Council copies of this resolution, the materials received by the Authority with respect to the Project and any other documentation and information the Governor and Council may request.

Section 3. Authorization of the Agreements. The Authority shall be a party to the Agreements and the Chairman, Vice Chairman, Treasurer and Executive Director are each authorized to singly (except as otherwise required by the Act) execute and deliver (i) the Agreement on behalf of the Authority and (ii) the Guarantee Agreement, but subject to such changes as the person so signing may approve, his or her signature being conclusive identification of the documents as the Agreements (with approved changes, if any) authorized by this resolution.

Section 4. Actions Not to Be Taken Until After Approval by Governor and Council. The actions authorized by Section 3 above (meaning specifically the execution of the Agreements) shall not be taken until such time as the Governor and Council have made the findings and determination required by Section 9 of the Act, it being the intent of the Authority that the

various actions on its behalf that are authorized above are subject to the action of the Governor and Council as required by the Act.

Section 5. Bond Proceeds. The proceeds of the Bond shall be deposited in accordance with the Agreements, and checks, if any, for such Bond proceeds may be appropriately endorsed by the Chairman, Vice Chairman, Treasurer or the Executive Director.

Section 6. Approval of Project. The establishment of the Project, all in accordance with the provisions of the Agreements, is hereby approved for the purposes of, and to the extent required by, the Act.

Section 7. Other Actions by Officers. The Chairman, Vice Chairman, Treasurer and the Executive Director are each singly (except as otherwise required by the Act) authorized to take all other actions and execute, deliver or receive such instruments or certificates as they determine are necessary on behalf of the Authority in connection with the whole transaction authorized by the preceding sections of this resolution, but subject in all events to Section 5 hereof. Without limiting the generality of the foregoing, such officers may execute and deliver: receipts; financing statement forms under the U.C.C.; certificates as to facts, estimates and circumstances; information returns for governmental bond issues for the purposes of federal income taxes; and certificates as to proceedings taken, incumbency of officers or any other facts for any other purposes.

Section 8. Discharge of Lien. The Chairman, Vice Chairman, Treasurer or Executive Director, whenever requested by the owners of the Bond, may join in the partial release or final discharge of the lien of the applicable Agreements.

Section 9. Authorization of Change of Dates. Without limiting any other discretion conferred in this resolution, the date of the Agreements as executed may be any date or dates acceptable to the Borrower, the State and the Purchaser and the officers of the Authority executing the Agreements.

Section 10. Effective Date. This resolution shall take effect upon its passage.

Passed: July 19, 2021

Attest: _____
Clerk

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

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

* * *

Special Findings

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

The Project consists of the construction of an "apron and ramp" structure to accommodate cargo jet parking adjacent to a to-be-built cargo terminal at the Manchester-Boston Regional Airport located at 1 Airport Road in the City of Manchester, New Hampshire (the "Project"). The Project is within the definition of "commercial facility" in the Act and may be financed under the Act; and

* * *

"(2) If the facility is a commercial facility, the governor and council shall find that the establishment and operation of the facility will create or preserve employment opportunities directly or indirectly within the state. . ."

The Borrower expects the Project to enable it to preserve/create 270 existing and new jobs. (Please see Tab #3.) The information from the New Hampshire Employment Security, Economic and Labor Market Information Bureau (Tab #9) shows that there is unemployment in the Manchester area.

* * *

General Findings

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

(1) The project and the proposed financing of the project are feasible;" Service Federal Credit Union has agreed to purchase the bond (Tab #4 and Tab #5). The application of the Borrower also supports the finding (Tab #3).

* * *

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

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

* * *

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

The Bond Purchase and Loan Agreement (Tab #5) and the Loan and Security Agreement (together, the "Agreement") (Tab #6) comprise a combined financing and security document. Section 203 of the Loan and Security Agreement contains an express statement to the effect required; Section 302 of the of the Loan and Security Agreement obligates the Authority to pay all debt service on the bond when due from borrower bond proceeds or from funds received under the Agreement or proceeds of the State guarantee;

* * *

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

Express language to this effect is found in the of the Loan and Security Agreement under Tab #6 in Section 801.

* * *

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

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

* * *

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

<u>". . . the proposed financing, operation and use of the facility will serve a public use and provide a public benefit and . . . the authority's financing of the project will be within the policy of, and the authority conferred by, this chapter."</u>

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

Special Findings Required by RSA 162-I:9-b with respect to a State guarantee

"The award of a State guarantee will contribute significantly to the success of the financing; and

...Reasonable and appropriate measures have been taken to minimize the risk of loss to the State and to ensure that any private benefit from the award of a State guarantee will be only incidental to the public purpose served thereby."

The Borrower has requested the State guarantee as an essential part of the structure of the financing. The Agreement and the Guarantee Agreement are responsive to the requirement to minimize the risk of loss.

Ultimate Finding and Determination Required by RSA 162-I: 9-b

"...such guarantee will serve a public use and provide a public benefit and ...the authority's financing of the project and the State's guarantee of the bonds will be within the policy of, and the authority conferred, by this chapter."

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