

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “Agreement”), dated as of December 17, 2020 (the “Effective Date”), is entered into by and between 201 MAIN STREET FINANCING CORP., a New Hampshire nonprofit corporation (“Borrower”), and CITY OF NASHUA, a New Hampshire municipal corporation (“Lender”).

RECITALS

A. Borrower has requested that Lender provide a loan (the “Loan”) in the aggregate original principal amount of \$7,108,850.00.

B. Concurrently with the execution of this Agreement, Borrower is executing and delivering to Lender that certain Promissory Note for the original principal amount of \$7,108,850.00 (as the same may be amended, assigned, restated, modified, or supplemented from time to time, the “Note”). The Note evidences the Loan.

C. Concurrently with the execution of this Agreement, Lender and Borrower are entering into that certain Security/Pledge Agreement (as the same may be amended, assigned, restated, modified, or supplemented from time to time, the “Pledge Agreement”). The Pledge Agreement secures the payment and performance of Borrower’s obligations under this Agreement. The Note, Pledge Agreement and this Agreement are collectively referred to as the “Loan Documents.”

D. Borrower will use the proceeds of the Loan to make a loan to NPAC Investment Fund, LLC (the “Fund”) in the amount of \$7,108,850.00 (the “Fund Loan”). The Fund Loan will be evidenced by a Fund Promissory Note from the Fund to Borrower, by a Fund Loan Agreement between Borrower and the Fund and by a Fund Pledge Agreement between the Fund and the Borrower (collectively, the “Fund Loan Documents”).

E. Lender has agreed to make the Loan to Borrower upon and subject to all of the terms, conditions, covenants and agreements of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. LOAN TERMS.

Section 1.1 Definitions. All capitalized terms listed in the introductory paragraph and Recitals to this Agreement have the meanings assigned to them therein, and all capitalized terms not otherwise expressly defined herein have the meanings assigned to them in the Fund loan Documents. In addition, the following terms have the following meanings in this Agreement: “Agreement” has the meaning set forth in the preamble hereto.

- (b) “Amortization Period Commencement Date” means January 1, 2028.
- (c) “Anti-Terrorism Laws” means all laws relating to terrorism or money laundering, including, without limitation, the Executive Order and the Bank Secrecy Act, as amended by the USA Patriot Act.
- (d) “Borrower” has the meaning set forth in the preamble hereto.
- (e) “Business Day” has the meaning set forth in the Note.
- (f) “Code” has the meaning set forth in the Recitals.
- (g) “Default Rate” means the greater of: the Interest Rate otherwise in effect plus 500 basis points; or, twelve percent (12%) per annum.
- (h) “Dollars” and “\$” means the lawful currency of the United States.
- (i) “Effective Date” has the meaning set forth in the preamble hereto.
- (j) “Event of Default” means any of those events set forth in Section 5.1.
- (k) “Executive Order” means Executive Order No. 13224 on Terrorist Financing, effective September 23, 2001, including the Annex thereto, as amended from time to time.
- (l) “Financial Projections” means the financial projections dated on or about the Effective Date, compiled and certified by Baker Tilly US, LLP, in connection with the transactions contemplated by the Borrower OA and the CDE OA, including, without limitation, the Project Loans.
- (m) “Forbearance Termination Date” has the meaning set forth in Section 5.3(a).
- (n) “GAAP” means generally accepted accounting principles in the United States of America applied on a basis consistent with the accounting practices applied in the financial statements of Borrower, except for any change in accounting practices to the extent that, due to a promulgation of the Financial Accounting Standards Board changing or implementing any new accounting standard, Borrower either (i) is required to implement such change, or (ii) for future periods will be required to and for the current period may in accordance with generally accepted accounting principles implement such change, for its financial statements to be in conformity with generally accepted accounting principles.
- (o) “Governmental Authority” means any, federal, state, local, municipal, or other governmental or quasi-governmental authority or self-regulatory organization of any nature (including any agency, authority, branch, department, board, commission, court, tribunal or other entity, instrumentality or body politic exercising governmental or quasi-governmental powers) or exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, enforcement, regulatory or taxing authority or power.
- (p) “Interest Rate” means the applicable rate of interest set forth in the Note.

(q) “Laws” means, collectively, all federal, state and local laws, statutes, codes, ordinances, orders, rules and regulations, including judicial opinions or precedential authority, in the applicable jurisdiction.

(r) “Lender” has the meaning set forth in the preamble hereto.

(s) “Loan” has the meaning set forth in the Recitals.

(t) “Loan Documents” means, collectively, the Note, Pledge Agreement, this Agreement, and all other documents that evidence, secure, and govern the Loan, as the same may be amended, modified, extended, or restated from time to time.

(u) “Maturity Date” shall mean December 31, 2050.

(v) [Reserved.]

(w) “Note” has the meaning set forth in the Recitals.

(x) “OFAC” means the Office of Foreign Asset Control of the U.S. Treasury Department and shall be deemed to include any successor agency thereof.

(y) “Permitted Liens” has the meaning set forth in the Pledge Agreement.

(z) “Person” means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, government, or any agency or political division thereof, or any other entity.

(aa) “Pledge Agreement” has the meaning set forth in the Recitals.

(bb) “Pledged Collateral” has the meaning set forth in the Pledge Agreement.

(cc) “Prohibited Person” means any of the following:

(i) a Person that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with whom Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) a Person who or that commits, threatens, or conspires to commit or supports “terrorism,” as defined in the Executive Order; or

(v) a Person that is named as a “specially designated national and blocked person” on the most current list published by OFAC at its official web site or any replacement website or other replacement official publication of such list.

(dd) [Reserved.]

(ee) “QALICB NMTC Indemnity” means that certain QALICB Indemnification Agreement, dated as of the Effective Date, by and among Project Borrower, Lender, City of Nashua, New Hampshire and 201 Main Street Real Estate Corp. (as the “Indemnitors” thereunder) and Investor, as the same may be amended, assigned, restated, modified, or supplemented.

(ff) “Recapture Event” means any reduction, loss, recapture or disallowance of any New Markets Tax Credits under Section 45D of the Code.

(gg) [Reserved.]

(hh) “Treasury Regulations and Guidance” means and includes any temporary or final regulations promulgated under the Code and any guidance, rule, or procedure published by the CDFI Fund, as amended from time to time.

(ii) “USA Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001), as amended from time to time.

Section 1.2 Accounting Terms. All accounting terms not specifically defined herein will be construed in accordance with GAAP.

Section 1.3 Computation of Time. In this Agreement, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the word “to” means “to but excluding.”

Section 1.4 Loan Amount. On the basis of the representations, warranties, and covenants of Borrower contained herein and subject to the terms and conditions set forth herein and in the other Loan Documents, on the Effective Date, Lender agrees to lend to Borrower, and Borrower agrees to borrow from Lender, the Loan, which will be disbursed in full on the Effective Date.

Section 1.5 Loan Disbursement. Following the satisfaction of all applicable conditions precedent set forth in Section 3, Lender will fully disburse the Loan as set forth in Section 1.4 to Borrower. The Loan is evidenced by the Note and the other Loan Documents and secured by the Pledged Collateral.

Section 1.6 Interest Rate. Section 4 of the Note is incorporated herein by reference and made a part hereof.

Section 1.7 Payment Terms.

(a) On the Effective Date, Borrower shall make a payment of interest accrued and to be accrued for the period starting on the Effective Date and through and including December 31, 2020.

(b) From January 1, 2021 through and including December 31, 2027, interest accrued through the last day of each calendar quarter shall be due and payable by Borrower, partially in arrears and partially in advance, on each March 10, June 10, September 10 and December 10 (or the next succeeding Business Day) of each calendar quarter (each, a “Payment Date”), with the first such payment commencing on March 10, 2021; provided, that the interest payment due on December 10, 2027 shall be for interest accrued from October 1, 2027 through December 15, 2027 and Borrower shall make a final interest only payment on December [31], 2027 for the interest accrued from December 16, 2027 through December 31, 2027.

(c) Commencing with the first Payment Date following the Amortization Period Commencement Date, which Payment Date is March 10, 2028, and on each Payment Date thereafter until the Maturity Date, quarterly payments of principal and interest in the amount of \$[86,592.63] shall be due and payable by Borrower.

(d) A final payment of the unpaid principal balance of the Loan, all accrued and unpaid interest thereon, and any other amounts payable by Borrower to Lender under the Loan Documents shall be due and payable on the Maturity Date.

Section 1.8 Maturity. The entire outstanding principal balance under the Note plus all accrued and unpaid interest thereon will be due and payable on the Maturity Date.

Section 1.9 [Reserved]

Section 1.10 Loan as Indebtedness. Lender and Borrower shall treat the Loan as indebtedness for all purposes, and shall not take any positions contrary to such treatment.

Section 2. REPRESENTATION AND WARRANTIES OF BORROWER. To induce Lender to enter into this Agreement, and to make the Loan to Borrower, Borrower represents and warrants to Lender, as of the Effective Date, as follows:

Section 2.1 Organizational Status; Authorizations. Borrower is duly formed, validly existing and in good standing as a limited liability company under the laws of the State of New Hampshire, with full power and authority to consummate the transactions contemplated hereby. Borrower has full power and authority to execute, deliver and perform all of the Loan Documents, and such execution, delivery and performance have been duly authorized by all requisite action on the part of Borrower. Borrower is duly authorized to (a) acquire and own the CDE Interest, (b) enter into the transactions contemplated by the Loan Documents, the Fund Loan Documents, and (c) pledge and assign and grant liens and security interests as contemplated by the Loan Documents. This Agreement and the other Loan Documents and the

provisions contained herein and therein are and will be the valid and legally enforceable obligations of Borrower in accordance with their terms.

Section 2.2 No Actions. There are no actions, suits or proceedings pending or, to the knowledge of Borrower, threatened in writing against or affecting Borrower, before or by a Governmental Authority, and, to Borrower's knowledge, it is not in default with respect to any order, writ, injunction, decree or demand of any court or any Governmental Authority, which could have a material adverse impact on Borrower or involve the validity or enforceability of the Loan Documents.

Section 2.3 No Breach. The consummation of the transactions hereby contemplated and performance of this Agreement will not result in any breach of, or constitute a default under, any deed to secure debt, mortgage, deed of trust, indenture, security agreement, lease, bank loan or credit agreement, contract, articles of organization, operating agreement, joint venture agreement, partnership agreement or other instruments to which Borrower is a party or by which Borrower may be bound.

Section 2.4 Anti-Terrorism Laws. Borrower represents and warrants to Lender that:

- (a) Borrower is not in violation of any Anti-Terrorism Law;
- (b) No action, proceeding, investigation, charge, claim, report, or notice has been filed, commenced, or threatened against Borrower alleging any violation of any Anti-Terrorism Law; and
- (c) Borrower has no knowledge or notice of any fact, event, circumstance, situation, or condition which could reasonably be expected to result in:
 - (i) any action, proceeding, investigation, charge, claim, report, or notice being filed, commenced, or threatened against it alleging any violation of, or failure to comply with, any Anti-Terrorism Law; or
 - (ii) the imposition of any civil or criminal penalty against Borrower for any failure to so comply.

Section 2.5 Prohibited Person. Borrower is not a Prohibited Person, and has provided Lender with sufficient information (including names, addresses and, where applicable, jurisdiction of formation or organization) to reasonably permit Lender to verify the foregoing representation. Borrower does not:

- (a) conduct any business or engage in making or receiving any contribution of funds, goods, or services to or for the benefit of any Prohibited Person;
- (b) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked under the Executive Order; or

(c) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

Section 2.6 Ownership of Property; No Liens. Borrower owns the Pledged Collateral, free and clear of all liens, claims, charges and encumbrances of every type or nature, except for the liens and security interests created by the Loan Documents and Permitted Liens.

Section 3. CONDITIONS PRECEDENT TO LENDER'S OBLIGATION TO MAKE THE LOAN. Lender will not be obligated to make the Loan hereunder unless the following conditions precedent have been satisfied (and the funding of the Loan by Lender will constitute Lender's acknowledgement of the satisfaction of all such conditions precedent):

Section 3.1 Loan Documents. Lender has received each of the Loan Documents executed by Borrower.

Section 3.2 Governing Instruments. Lender has received from Borrower a copy of each of the Borrower Organizational Documents, including the articles of organization of Borrower, the Borrower OA, and such other documents, instruments, agreements and certificates as Lender reasonably requested with respect to Borrower.

Section 3.3 Financial Projections. Lender has received and approved the Financial Projections based upon income and expense numbers acceptable to Lender.

Section 3.4 No Default or Event of Default. There is (a) no default or Event of Default under this Agreement or any of the other Loan Documents and (b) no event which with notice or the passage of time, or both, would constitute a default or Event of Default under this Agreement or any of the other Loan Documents has occurred or is in existence.

Section 3.5 Fund Loan Documents. The Borrower and the FUnd have executed and delivered all of the Fund Loan Documents, and all conditions to the funding of the Fund Loan thereunder have been satisfied (or waived by the Borrower).

Section 4. COVENANTS OF BORROWER. Borrower (in addition to and not in derogation of its covenants contained in any of the other Loan Documents) covenants and agrees, from the Effective Date and for so long as the Loan or any portion thereof is outstanding:

Section 4.1 Prohibition of Transfers. Borrower will not convey or further encumber the Pledged Collateral or any portion thereof in any way. Borrower will keep the Pledged Collateral free and clear of all security interests and encumbrances other than the Pledge Agreement and Permitted Liens and will not sell, assign, convey, contribute, pledge, hypothecate, encumber, or otherwise transfer in any manner, whether voluntarily or involuntarily, all or any portion of the Pledged Collateral, nor take any action (or fail to take any action) that may result in any charge, lien, or impairment of the Pledged Collateral, whether by agreement with any Person, or by operation of law, including, but necessarily limited to, any transfer by direct assignment, merger, consolidation or conversion transaction.

Section 4.2 Conduct of Business. Borrower will maintain in full force and effect (a) its organizational existence, and (b) all licenses, bonds, franchises, leases, patents, contracts and other rights necessary to the conduct of its business. Borrower will exercise good faith in all activities relating to the conduct of the business of Borrower.

Section 4.3 [Reserved.]

Section 4.4 Amendment of Borrower Organizational Documents. Borrower will not cause or permit any material modification, amendment, waiver or termination of any Borrower Organizational Documents to occur without the prior written consent of Lender, if such modification, amendment, waiver or termination would (a) preclude Borrower from using payoff proceeds of the Fund Loan to pay amounts due and owing under the Loan, except if an Event of Default (as defined in the Project Loan Agreement) has occurred and is continuing, (b) impair Lender's security interest in the Pledged Collateral securing the Loan, (c) impair Lender's rights and remedies under the Loan Documents, or (f) otherwise impair Borrower's ability to satisfy its payment obligations hereunder.

Section 4.5 Other Indebtedness. Borrower will not incur any indebtedness other than the Loan to be made pursuant to this Agreement as evidenced by the Note, and trade payables and administrative costs incurred by Borrower in the ordinary course of business.

Section 4.6 Inspection. Lender, or any Person designated by Lender, will have the right, from time to time hereafter upon ten (10) Business Days prior written notice to Borrower, to call at Borrower's place or places of business (or any other place where the Pledged Collateral or any information relating thereto is kept or located) during reasonable business hours and without hindrance or delay by Borrower, so that Lender may, at Lender's own expense, (a) inspect, audit, check and make copies of and extracts from Borrower's books, records, journals, orders, receipts, correspondence and other data relating to Borrower's business or to any transactions between the parties hereto and regardless of whether such items or data are maintained in accordance with Borrower's standard operating procedures or pursuant to this Agreement; (b) verify such matters concerning the Pledged Collateral as Lender may consider reasonable under the circumstances; and (c) discuss the affairs, finances and business of Borrower with any officers, employees or directors of Borrower; provided, however, that Lender shall treat all such books and records confidential and shall only be permitted to disclose the information contained therein to its legal counsel, its independent public accountants, any participating lenders, or in connection with any action to collect on the Note or to enforce this Agreement or the documents related hereto, or as otherwise permitted or required by law. Within 10 Business Days of request therefor, Borrower will deliver to Lender, at Lender's own expense, any instruments necessary to obtain records from any Person maintaining the same.

Section 4.7 Anti-Terrorism Laws.

(a) Borrower covenants and agrees with Lender that Borrower will not: (i) conduct any business or engage in making or receiving any contribution of funds, goods, or services to or for the benefit of any Prohibited Person; (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or any other Anti-Terrorism Law; or (iii) engage in, or conspire to engage in, any transaction that

evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(b) Before any changes in the direct ownership of Borrower to a Person other than an Affiliate of Investor, Borrower will give a written notice to Lender: (i) advising Lender in reasonable detail as to the proposed ownership change and (ii) reaffirming that the representations and warranties herein contained will remain true and correct notwithstanding such change in ownership.

Section 4.8 Single Purpose Entity Provisions. Borrower (i) will conduct business only in its own name, (ii) will not engage in any business or have any assets unrelated to its business purpose, (iii) will not have any indebtedness other than as permitted by this Agreement, (iv) will have its own separate accounts (with no commingling of assets), (v) will hold itself out as being an entity separate and apart from any other Person, (vi) will observe limited liability company formalities independent of any other Person, and (vii) will not change its name, or form of entity, unless Borrower has obtained the prior written consent of Lender to such change, and has taken all actions necessary or requested by Lender to file or amend any financing statement or continuation statement to assure perfection and continuation of perfection of security interests under the Loan Documents.

Section 4.9 Use of Loan Proceeds. The proceeds of the Loan will be used solely to make the Fund Loan and to pay certain fees and expenses and establish certain reserves.

Section 4.10 Records. Borrower will keep and maintain satisfactory and complete records of the Pledged Collateral, including but not limited to the record of all distributions and dividends received.

Section 4.11 No Default or Event of Default. No default or Event of Default under this Agreement or any of the other Loan Documents, and no event which with notice or the passage of time, or both, would constitute a default or Event of Default under this Agreement or any of the other Loan Documents has occurred or is in existence at the time of execution of this Agreement.

Section 4.12 Compliance. Borrower shall comply with all applicable state and federal statutory and regulatory provisions applicable to Borrower.

Section 5. EVENTS OF DEFAULT AND REMEDIES.

Section 5.1 Events of Default. Each of the following will constitute an Event of Default hereunder:

(a) If Borrower fails to make payment when due of any principal, interest or other payment obligation under the Note, this Agreement or any of the other Loan Documents and such failure remains more than 10 Business Days after written notice of non-payment is given by Lender to Borrower;

(b) If Borrower fails to comply in any material respect with any non-monetary covenant made by it hereunder or under the Pledge Agreement, or any of the other Loan

Documents (other than a failure which would be an Event of Default under another subparagraph of this Section 5.1) to Lender's satisfaction within 60 calendar days after receipt of written notice of such default from Lender; *provided, however*, that if such default is of a type that is susceptible to cure but cannot reasonably be cured within such 60 calendar day period, such failure will not be an Event of Default if Borrower commences to cure such default within such 60 calendar day period and thereafter diligently prosecutes such cure to completion;

(c) If any representation or warranty of Borrower in this Agreement or in any of the other Loan Documents is established to have been incorrect in any material respect when made; *provided*, that if Borrower did not have actual knowledge that the representation or warranty was incorrect when made and if the circumstances resulting in the inaccuracy of such representation or warranty are reasonably susceptible to being corrected so as to make such representation or warranty correct within the cure period applicable to covenant defaults under Section 5.1(b), Borrower will be entitled to cure the violation of such representation or warranty within the cure period applicable under Section 5.1(b);

(d) If Borrower assigns this Agreement or any interest herein, in any way other than as herein permitted, or if the CDE Interest is conveyed, assigned, pledged or encumbered in any way other than as herein permitted, without the prior written consent of Lender, or Borrower engages in or causes or permits any transfer prohibited under Section 4.1; *provided, however*, that it will in no event be an Event of Default if Investor assigns or transfers all or any portion of its Interest (as defined in the Put/Call Agreement) in Borrower in accordance with the Put/Call Agreement;

(e) If Borrower fails to comply in any material respect with Section 4.3 or Section 4.4 of this Agreement;

(f) Any transfer of any ownership interest in Borrower without Lender's prior written consent, except to an Affiliate of Investor or in accordance with the Put/Call Agreement; *provided, however*, nothing in this Agreement shall in any way limit or prohibit any transfer of any ownership interest in Investor; and

(g) If Borrower makes a general assignment for the benefit of creditors; or if any proceeding is instituted by Borrower seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or similar official for it or for any substantial part of its property; or if any proceeding is instituted against Borrower seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or similar official for it or for any substantial part of its property and any such proceeding is not dismissed within 90 calendar days after the commencement of such proceeding; or if Borrower takes any action to authorize any of the actions set forth in this Section 5.1(e).

Section 5.2 Remedies.

(a) Subject in all instances to Section 5.3, upon the occurrence of any Event of Default, Lender, in addition to all remedies conferred upon Lender by law and by the terms of the Loan Documents or any other documents serving as security for Borrower's indebtedness, may accelerate maturity of the Note, and demand payment of the principal sums due thereunder with interest, advances and costs, and in default of said payment or any part thereof, may exercise the power of sale, if given and available, and pursue any or all of its other rights and remedies under the Pledge Agreement and the other Loan Documents.

(b) Subject in all instances to Section 5.3, upon the occurrence of any Event of Default, Lender may seek to enforce the terms of the Note and this Agreement by declaratory judgment, specific performance, or by way of injunction or equitable remedies.

(c) The remedies and rights of Lender hereunder are cumulative and not exclusive of any other remedies of Lender under any other provision of this Agreement or under any other instrument or at law or in equity. Lender is privileged and has the absolute right, subject in all instances to Section 5.3, to resort to any one or more or all of said remedies, none to the exclusion of the others, concurrently or successively, in such order as Lender may select. Any additional funds advanced in connection with Lender's exercises of its remedies will be secured by the lien of the Pledge Agreement and will be considered a part of the Loan as though initially included therein.

Section 5.3 [Reserved.]

Section 5.4 Lender Assignment or Transfer. Lender may not assign or otherwise transfer all or a portion of its rights and/or obligations under this Agreement or any other Loan Documents (including, without limitation, all or any portion of the Loan) to any Person without the prior written consent of Borrower (such consent in Borrower's sole and absolute discretion). An assignment or transfer in violation of this provision shall be invalid and of no force or effect.

Section 6. MISCELLANEOUS. The following conditions shall be applicable throughout the term of this Agreement:

Section 6.1 No Waiver. No course of dealing on the part of Lender or its officers, employees, consultants or agents, nor any failure or delay by Lender with respect to exercising any of its rights, powers or privileges under the Loan Documents will operate as a waiver thereof.

Section 6.2 Notices. Any notice, request, demand, consent, approval, direction, agreement, or other communication (any "notice") required or permitted hereunder shall be in writing and shall be validly given if (a) sent by a nationally-recognized courier that obtains receipts, (b) delivered personally by a courier that obtains receipts, or (c) mailed by United States certified mail (with return receipt requested and postage prepaid, addressed to the applicable party at the address set forth on Schedule A to this Agreement. Each notice shall be effective upon being so sent, delivered, or mailed, but the time period for response or action shall run from

the date of receipt as shown on the delivery receipt, as applicable. Refusal to accept delivery or the inability to deliver because of a changed address for which no notice was given shall be deemed receipt. Any party may periodically change its address for notice (including different or additional addresses for copies) by giving the other party at least 10 calendar days' prior notice in accordance with the foregoing provisions.

Section 6.3 Entire Agreement; No Oral Amendments. This Agreement (including without limitation the Recitals and Schedule A, which are incorporated herein by reference and made a part hereof), together with the other Loan Documents, constitutes the entire agreement between Lender and Borrower (and any affiliates of Borrower) and supersedes all agreements previously made between the parties relating to its subject matter. There are no other understandings or agreements between them relating to such subject matter. Neither this Agreement nor any provision hereof (or of any of the other Loan Documents) may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought.

Section 6.4 Additional Remedies. The remedies herein provided shall be in addition to and not in substitution for the rights and remedies which would otherwise be vested in Lender in any Loan Document or at law or in equity, all of which rights and remedies are specifically reserved by Lender, subject in all instances to Section 5.3. The remedies herein provided or otherwise available to Lender shall be cumulative and may be exercised concurrently, subject in all instances to Section 5.3. The failure to exercise any of the remedies herein provided shall not constitute a waiver thereof, nor shall use of any of the remedies hereby provided prevent the subsequent or concurrent resort to any other remedy or remedies. It is intended that, subject in all instances to Section 5.3, all remedies herein provided for or otherwise available to Lender shall continue and be available to Lender until all sums due it by reason of this Agreement or any of the other Loan Documents have been paid to it in full.

Section 6.5 No Partnership. The relationship between Lender, on the one hand, and Borrower, on the other, will be solely that of lender and borrower, and such relationship will not, under any circumstances whatsoever, be construed to be a joint venture, joint adventure, or partnership.

Section 6.6 Usury Savings. Section 12 of the Note is incorporated herein by reference and made a part hereof.

Section 6.7 Additional Documents. Borrower agrees upon demand to do any act or execute any additional documents as may be reasonably required by Lender to secure the Note with the Pledged Collateral or to confirm the liens of the Pledge Agreement. All of said documents shall be in form and substance prepared by or acceptable to Lender.

Section 6.8 Binding Effect; Continuing Agreement. The terms, conditions, covenants, agreement, powers, privileges, notices and authorizations herein contained shall extend to, be binding upon and available to the heirs, executors, administrators, successors and, to the extent permitted hereunder, the assigns of each of the respective parties hereto.

Section 6.9 Headings. The titles and headings of the Sections of this Agreement have been inserted for convenience of reference only and are not intended to summarize or otherwise describe, or limit, modify or expound upon the subject matter of such Sections.

Section 6.10 CHOICE OF LAW; WAIVER OF JURY TRIAL AND CERTAIN OTHER RIGHTS; SUBMISSION TO JURISDICTION; SERVICE OF PROCESS.

(a) THE VALIDITY OF THE LOAN, THIS AGREEMENT, OR ANY OF THE OTHER LOAN DOCUMENTS, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW HAMPSHIRE WITHOUT GIVING EFFECT TO CONFLICT OR CHOICE OF LAW PRINCIPLES.

(b) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER AND LENDER (i) AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF NEW HAMPSHIRE AND (ii) WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 6.10.

(c) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER AND LENDER WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS. EACH PARTY (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.10.

(d) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER AND LENDER AGREES THAT ANY PROCESS OR NOTICE OF MOTION OR OTHER APPLICATION TO ANY SUCH COURT IN CONNECTION WITH ANY ACTION OR PROCEEDING MAY BE SERVED UPON SUCH PARTY BY

REGISTERED OR CERTIFIED MAIL TO OR BY PERSONAL SERVICE AT THE LAST KNOWN ADDRESS OF BORROWER OR LENDER, AS APPLICABLE, WHETHER SUCH ADDRESS BE WITHIN OR OUTSIDE THE JURISDICTION OF ANY SUCH COURT.

(e) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LENDER SHALL NOT ASSERT, AND HEREBY WAIVES, ANY CLAIM AGAINST BORROWER, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS AGREEMENT, THE OTHER LOAN DOCUMENTS, OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY AND/OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6.11 Reserved.

Section 6.12 Enforcement Costs. In the event of any action at law or in equity to enforce the provisions of this Agreement or the other Loan Documents or to secure relief or damages for the breach of this Agreement or the other Loan Documents, the prevailing party shall be entitled to payment or reimbursement, as applicable, of its costs, expenses and fees (including without limitation reasonable attorneys', accountants', experts', and consultants' costs, expenses and fees, court costs and investigative expenses prior to trial, at trial and on appeal) incurred in such proceedings from the non-prevailing party.

Section 6.13 Duration of Agreement. Borrower's agreements, obligations, covenants, representations and warranties hereunder shall remain in effect after the Loan is fully disbursed so long as any amounts under the Note are outstanding.

Section 6.14 Interpretation of Agreement. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa. The words "hereof", "herein", and "hereunder", and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words "including" or "include" shall mean including or include by way of example and not limitation (regardless of whether the words "without limitation" or words of similar import are used in conjunction therewith), unless otherwise expressly stated. References in this Agreement to Sections are intended to refer to Sections of this Agreement, unless otherwise specifically stated. Each party to this Agreement has been represented by counsel and has participated in the drafting of this Agreement and the other Loan Documents; accordingly, any rule of construction to the effect that the document is to be construed against a party that prepared or drafted a document shall be inapplicable.

Section 6.15 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn, if a narrower construction would avoid such invalidity, illegality, or unenforceability or, if that is not possible, such provision shall, to the extent of such invalidity, illegality, or unenforceability, be severed, and the remainder of this Agreement and the application thereof shall not be affected and shall be

enforceable to the fullest extent permitted by law. Notwithstanding the foregoing, the provisions of Section 5.3 shall be deemed integral to this Agreement and shall not be severable from the remainder of this Agreement.

Section 6.16 Time of the Essence. Time shall be of the essence with respect to all of Borrower's obligations under this Agreement and the other Loan Documents.

Section 6.17 Counterparts. This Agreement may be executed in multiple counterparts, any one of which shall be deemed an original, and all of which taken together shall be treated as one document. Faxed, scanned or photocopied signatures shall be deemed equivalent to original signatures.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

Borrower hereby acknowledges receipt, at the time of execution, of a copy of this Agreement and all other documents executed by Borrower in connection with the Loan.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES TO FOLLOW.]

COUNTERPART SIGNATURE PAGE

TO

LOAN AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused the above-referenced document to be executed by their respective duly authorized signatories as of the day and year written above.

201 MAIN STREET FINANCING CORP.
a New Hampshire nonprofit corporation

By: _____

Richard G. Lanham, President

COUNTERPART SIGNATURE PAGE

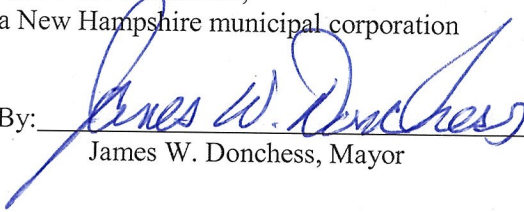
TO

LOAN AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused the above-referenced document to be executed by their respective duly authorized signatories as of the day and year written above.

CITY OF NASHUA,
a New Hampshire municipal corporation

By: _____


James W. Donchess, Mayor

SCHEDULE A

Notice Addresses of Parties

If to Borrower:	201 Main Street Financing Corp., LLC c/o City of Nashua 229 Main Street Nashua, NH 03060 ATTN: Timothy Cummings, Economic Development Director
With a copy to:	Drummond Woodsum 84 Marginal Way, Suite 600 Portland, ME 04101-2480 Attention: John Kaminski Email: JKaminski@dwmlaw.com
If to Lender:	City of Nashua 229 Main Street Nashua, NH 03060 ATTN: Timothy Cummings, Economic Development Director
With a copy to:	Drummond Woodsum 84 Marginal Way, Suite 600 Portland, ME 04101-2480 Attention: John Kaminski Email: JKaminski@dwmlaw.com