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February 19, 2020

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-A:17 AWARDED AN UNCONDITIONAL STATE GUARANTEE OF THE PRINCIPAL AND INTEREST ON UP TO \$20,000,000 OF BONDS TO BE ISSUED BY THE BUSINESS FINANCE AUTHORITY (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-A:17 with respect to the award of a State Guarantee of the principal and interest on up to \$20,000,000 Taxable State Guaranteed Bonds (the "Bonds") to be issued by the Business Finance Authority of the State of New Hampshire (the "Authority") pursuant to RSA 172-A:15 and to fund various programs created by Chapter 262 of the Laws of 1992, as amended. The Bond proceeds will be used to: (a) provide aid to local or regional development organizations (RSA 162-A:7); (b) make temporary loans to businesses (RSA 162-A:9); (c) provide loan guarantees and direct loans to small businesses and agricultural entities for energy efficiency improvements (RSA 162-A:9-a); (d) establish a secondary market for loans made by local development organizations (RSA 162-A:10); (e) fund a loan reserve fund (RSA 162-A:11); (f) make contributions to CAP funds (RSA 162-A:12); and (g) pay costs and expenses of the Authority, including costs of issuance of the Bonds. The purpose of the Bond issue is to refund and/or defease certain State guaranteed bonds previously issued by the Authority, which were used for the purposes described in this paragraph.

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. The proposed TRUST INDENTURE.

Financing for New Hampshire's Future

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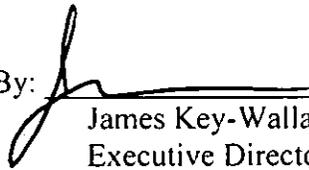
His Excellency Governor Christopher T. Sununu
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The Honorable Council
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4. The proposed REIMBURSEMENT AGREEMENT .
5. The proposed OFFICIAL NOTICE OF SALE for the competitive sale of the Bonds.
6. The resolution adopted by the Authority.

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

#59600937

A RESOLUTION UNDER RSA 162-A:17 AWARDED AN UNCONDITIONAL STATE GUARANTEE OF THE PRINCIPAL AND INTEREST ON UP TO \$20,000,000 OF BONDS TO BE ISSUED BY THE BUSINESS FINANCE AUTHORITY

WHEREAS, the Governor and Council have received from the Business Finance Authority of the State of New Hampshire (the "Authority") its written recommendation that the Governor and Council award an unconditional State guarantee of principal of and interest on up to \$20,000,000 of bonds (the "Bonds") to be issued by the Authority to provide for the refunding of certain State guaranteed bonds previously issued by the Authority pursuant to RSA 162-A:15, the proceeds of which financed various programs of the Authority under RSA 162-A (the "Act");

WHEREAS, if the State guarantee is called upon, it may be necessary under certain circumstances for the Governor and the State Treasurer to act quickly to honor the State guarantee in a timely manner;

WHEREAS, in order to provide a potential source of repayment in the event the State guarantee is called upon, it is desirable for the State to enter into a Reimbursement Agreement;

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) The award of the State guarantee of the principal of and interest on the Bonds will contribute significantly to the success of the bond issue and the Authority's programs under the Act.

(b) 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 the guarantee shall be only incidental to the public purpose served thereby.

(c) The issuance of the Bonds and the award of the State guarantee are consistent with and carry out the purposes of the Act, which are to provide for the preservation, establishment and redevelopment of business and industry, together with adequate transportation, water, sewage and other necessary facilities, so as to provide and encourage orderly development, create or preserve employment opportunities, protect the physical environment,

preserve or increase the social welfare or economic prosperity of the State or its political subdivisions and promote the general welfare of the State's citizens.

(d) The award of the State guarantee of the principal and interest on the Bonds will not cause (i) the unified contingent credit limit under Section 22 of the Act to be exceeded, (ii) the total amount of other guarantees in force under RSA 162-A:7-a, RSA 162-A:8, RSA 162-A:10, III, RSA 162-A:13, RSA 162-A:13-a, RSA 162-A:13-b, RSA 162-A:13-c, RSA 162-A:17, or RSA 162-I:9-b to exceed \$115,000,000 or to exceed \$30,000,000 under RSA-162-I:9-a, or (iii) the total outstanding amount of bonds guaranteed by the State under RSA 162-A:17 to exceed in the aggregate at any time \$25,000,000 plus interest.

Section 2. Award of State Guarantee. In view of the general public benefits expected to be derived from the Authority's continued activities under the Act, and their contribution to the social welfare and economic prosperity of the State and its political subdivisions, the Governor and Council hereby award an unconditional guarantee of the principal of and interest on the Bonds pursuant to Section 17 of the Act and authorize the State Treasurer to execute by his manual or facsimile signature the endorsement appearing on the Bonds to evidence such guarantee. The effective date of the State Guarantee shall be the redemption date of the bonds to be refunded with the proceeds of the Bonds.

Section 3. Authorization of Warrants and Issuance of Notes. In view of the possible need for the Governor to draw a warrant quickly in order to honor on a timely basis the State guarantee of the Bonds, the Governor is hereby authorized to draw his or her warrant for such sum as may be necessary to honor the State guarantee from time to time from moneys in the Treasury not otherwise appropriated. If on or before any day that the State guarantee might be called upon the State Treasurer determines that available moneys in the Treasury are not or might not be sufficient to honor the State guarantee, the State Treasurer is authorized to borrow under RSA 6:13 the amount of the actual or estimated deficiency, provided that at no time shall the aggregate outstanding principal amount of such borrowing exceed \$2,000,000.

Section 4. Authorization of Reimbursement Agreement. The State shall be a party to the Reimbursement Agreement between the Authority and the State (the "Reimbursement Agreement") and the Governor and the State Treasurer are together authorized to execute and deliver the Reimbursement 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 Reimbursement Agreement, with approved changes, if any, authorized by this resolution.

Section 5. Ultimate Finding and Determination. The Governor and Council find that the proposed refinancing of the Bonds and the 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 its programs and the State's Guarantee of up to \$20,000,000 of principal of and interest on the Bonds will be within the policy of, and the authority conferred by, the Act.

Section 6. 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 February 19, 2020.

Governor Christopher T. Sununu

Councilor Michael J. Cryans

Councilor Andru Volinsky

Councilor Russell E. Prescott

Councilor Theodore L. Gatsas

Councilor Debora B. Pignatelli



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February 19, 2020

His Excellency Governor Christopher T. Sununu
and
The Honorable Council

Dear Governor and Councilors:

\$20,000,000
Business Finance Authority of the State of New Hampshire
Taxable State Guaranteed Bonds, 2020 Series

In this transaction the Authority proposes to issue \$20,000,000 of State guaranteed bonds (the "Bonds") in order to refund or defease certain State guaranteed bonds previously issued by the Business Finance Authority of the State of New Hampshire (the "Authority") that provided funds for the Authority's various programs. These programs, which were established by Chapter 262 of the Acts of 1992, as amended, include aid to local or regional development organizations, temporary loans to businesses, the energy conservation program, secondary market for loans made by local development organizations, the capital access program, the guarantee of loans to small businesses and agricultural entities, the working capital loan guarantee program and the capital asset-backed guarantee program.

The Bonds will be issued as fixed rate bonds under the Trust Indenture (Tab #3) and will be general obligations of the Authority. If the State guarantee is ever called upon to pay the Bonds, the Authority will be obligated to repay the State under the Reimbursement Agreement (Tab #4).

The Bonds will be sold to purchasers by means of a competitive sale, as determined in accordance with a Notice of Sale (Tab #5), and the Authority will be a party to a certificate of award for the Bonds between the Authority and the purchasers of the Bonds.


HINCKLEY, ALLEN & SNYDER LLP

TRUST INDENTURE

Between

BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE

And

THE BANK OF NEW YORK MELLON, as Trustee

Dated as of March 1, 2020

And Providing for the Issue of:

\$20,000,000

Business Finance Authority of the State of New Hampshire
Taxable State Guaranteed Bonds, Series 2020

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ARTICLE 1: INTRODUCTION AND DEFINITIONS

Section 101. Description of the Indenture and the Parties.

This TRUST INDENTURE (the “Indenture”) is entered into as of March 1, 2020 by the Business Finance Authority of the State of New Hampshire (with its successors, the “Authority”), a body corporate and politic created under RSA Chapter 162-A:3 and The Bank of New York Mellon, a [New York banking corporation], as Trustee (with its successors, the “Trustee”). This Indenture is a security document as described in RSA Chapter 162-A:15, II.

This Indenture provides for the following transactions:

- (a) the Authority’s issuance of the Bonds;
- (b) the Authority’s payment of all amounts necessary to pay the Bonds;
- (c) the State’s guarantee of the principal of and interest on the Bonds as set forth herein;

and

- (d) the Authority’s pledge for the benefit and security of the Bondowners of any and all fees to be received by the Authority in connection with bonds issued under RSA Chapter 162-I.

In consideration of the mutual promises contained in this Indenture, the rights conferred and the obligations assumed hereby, and other good and valuable consideration, the receipt of which is hereby acknowledged, each of the Authority and the Trustee agree, assign, covenant, grant, pledge, promise, represent and warrant as set forth herein for their own benefit and for the benefit of the Bondowners.

Section 102. Definitions.

(a) Words. In addition to terms defined elsewhere herein, the following terms have the following meanings in this Indenture, unless the context otherwise requires:

- (1) “Act” means RSA Chapter 162-A.
- (2) “Additional Bonds” means Bonds issued pursuant to Article IV hereof.
- (3) “Bond Counsel” means Hinckley, Allen & Snyder LLP or such other nationally recognized bond counsel selected by the Authority and reasonably satisfactory to the Trustee.
- (4) “Bond Fund” means the fund established pursuant to Section 304.

(5) “Bondowners”, “owners” or words of similar import means the registered owners of the Bonds from time to time as shown in the books kept by the Paying Agent as bond registrar and transfer agent.

(6) “Bonds” means the 2020 Bonds, any Additional Bonds and any bond or bonds duly issued in exchange or replacement therefor.

(7) “Business Day” means a day on which banking institutions in both of the cities in which the principal Corporate Trust Office of the Trustee and the Paying Agent are located are not required or authorized to remain closed.

(8) “Corporate Trust Office” means the principal office of the Trustee or the Paying Agent at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 500 Ross Street, 12th Floor, Pittsburgh, PA 15262, Attention: Corporate Trust Department, or such other address as the Trustee may designate from time to time by notice to the Bondowners and the Authority, or the principal corporate trust office of any successor Trustee or Paying Agent (or such other address as such successor Trustee or Paying Agent may designate from time to time by notice to the Bondowners and the Authority).

(9) “Default” has the meaning given such term in Section 501.

(10) “Escrow Agreement” means that certain Escrow Deposit Agreement dated March 10, 2020 between the Authority and the Trustee.

(11) “Escrow Fund” means the escrow fund established under the Escrow Agreement.

(12) “Event of Default” has the meaning given such term in Section 501.

(13) “Government Obligations” means obligations issued by, or the full and timely payment of which are guaranteed by, the United States.

(14) “Maturity Date” means February 1, 2030.

(15) “Moody’s” means Moody’s Investors Service, Inc.

(16) “Outstanding,” when used to modify Bonds, refers to Bonds issued, authenticated and delivered under this Indenture, excluding: (i) Bonds that have been exchanged or replaced; (ii) Bonds that have been paid; (iii) Bonds that have become due and for the payment of which moneys have been duly provided; and (iv) Bonds with respect to which this Indenture has been defeased pursuant to Section 203.

(17) “Paying Agent” means The Bank of New York Mellon or any successor or successors designated from time to time pursuant to Section 309.

(18) “Permitted Investments” has the meaning given such term in Section 311.

(19) The word “person” means any individual or entity so recognized by law.

(20) "Prior Bonds" means, collectively, the Authority's \$10,000,000 Taxable State Guaranteed Bonds, 2002 Series A and \$10,000,000 Taxable State Guaranteed Bonds, 2002 Series B.

(21) "Prior Bonds Redemption Date" means April __, 2020, which date is thirty (30) days following the issuance of the 2020 Bonds.

(22) "Reimbursement Agreement" means the Reimbursement Agreement dated as of March 1, 2020 between the Authority and the State.

(23) "RSA" means New Hampshire Revised Statutes Annotated, as amended from time to time.

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

(25) "State Account" has the meaning set forth in Section 508(c).

(26) "State Guarantee" means the State's full faith and credit pledge and unconditional guarantee of the payment of the principal of and interest on the 2020 Bonds, as set forth herein, and, to the extent provided for, any Additional Bonds, pursuant to Section 17 of the Act.

(27) "Trustee" means The Bank of New York Mellon, as trustee under this Indenture and its successors in such capacity.

(28) "UCC" means the New Hampshire Uniform Commercial Code (RSA Chapter 382-A).

(29) "2020 Bonds" means the \$20,000,000 Business Finance Authority of the State of New Hampshire Taxable State Guaranteed Bonds, Series 2020.

Except in the Bonds, the use of words such as "hereby," "herein," "hereof" or "hereunder" or words of similar import means this Indenture as a whole rather than the particular section, subsection, paragraph, subparagraph, clause or subclause in which the word appears; and in the Bonds it refers thereto.

(b) Number and Gender. Wherever appropriate (1) the singular and plural forms of words and (2) words of different gender shall, within those respective classifications, be deemed interchangeable.

(c) Use of Examples. When a condition, class, category, circumstance or other concept is described in general terms herein and a list of possible examples of components of what has been described generally is associated with that description, and regardless of whether the words "include" or "including" or the like are also used, the listing shall be deemed illustrative only and shall not be construed as excluding other possible examples or components or as otherwise limiting the generality of the description in any way.

ARTICLE II: THE ASSIGNMENT AND PLEDGE

Section 201. Assignment and Pledge of the Authority. The Authority, for consideration received as hereinabove acknowledged, hereby irrevocably assigns and pledges to the Trustee in trust for the security of the Bondowners and the State upon the terms hereof all the Authority's right, title and interest in (i) all moneys and securities held by the Trustee for deposit in, or deposited in, the Bond Fund and investment earnings thereon, and (ii) any collateral security for, and all proceeds of, any of the foregoing (collectively, the "Pledged Security"). The Trustee shall hold (a) all the rights, title and interest received under this Section and (b) all revenues (exclusive of funds to which the Trustee is entitled in its own right as fees, reimbursement, indemnity or otherwise) received from the Authority (which shall include all payments under Subsection 306(a)) in trust for the security of the Bondowners and the State in accordance with the provisions hereof.

Notwithstanding anything herein to the contrary, through and including the retirement of the Prior Bonds on the Prior Bonds Redemption Date, the 2020 Bonds shall have no right to be paid from and shall not be secured by the Pledged Security or the State Guarantee, but shall be secured by and be payable solely from the moneys deposited in the Escrow Fund established under the Escrow Agreement.

Section 202. Further Assurances. The Authority shall from time to time execute, deliver and record and file such instruments as the Trustee may reasonably require to confirm, perfect or maintain the security created hereby and the assignment and pledge of rights hereunder.

Section 203. Defeasance. When there are in the Bond Fund sufficient funds, or non-callable and non-prepayable Government Obligations in such principal amounts, bearing interest at such rates and with such maturities as will provide, without reinvestment, sufficient funds to pay the principal of, premium, if any, and interest on the Bonds in full as and when such amounts become due, and when all the rights hereunder of the Trustee have been provided for (1) the Bondowners will cease to be entitled to any right, benefit or security under this Indenture except the right to receive payment of the funds deposited and held for payment and other rights set forth below or which by their nature cannot be satisfied prior to or simultaneously with termination of the lien hereof, (2) the security interests created by this Indenture (except in funds or Governmental Obligations held in the Bond Fund) shall terminate, (3) the State Guarantee shall terminate and (4) the Trustee shall execute and deliver such instruments as may be necessary to discharge the lien and security interests created hereunder; provided, however, that if any such Bonds are to be redeemed prior to the maturity thereof, such Bonds shall have been duly called for redemption or irrevocable instructions for such a call shall have been given to the Trustee. The Trustee shall cause to be mailed to all Bondowners within fifteen (15) days of the conditions of this Section being met in the matter herein specified for redemption of Bonds a notice stating that such conditions have been met and that the lien of this Indenture has been discharged, and, if the Bonds are to be redeemed prior to maturity, specifying the date of redemption and the redemption price. Any funds or property held by the Trustee for payment of the Bonds under this Section and not required for such payment shall (unless there is an Event of Default hereunder, in which case they shall be applied as provided in Section 504), after satisfaction of all the rights of the Trustee, and upon such indemnification, if any, as the Trustee may reasonably require, be distributed to the Authority. If Bonds are not presented for final payment when due and moneys are available in the hands of the Trustee therefor, the Trustee shall, without liability for interest thereon, continue to hold the

moneys held for that purpose subject to Subsection 304(c), and interest shall cease to accrue on the principal amount represented thereby.

When there are in the Bond Fund funds or securities as described in the preceding paragraph as are sufficient to pay the principal of, premium, if any, and interest on, some but not all of the Bonds in full as and when such amounts become due and the other conditions in the preceding paragraph have been met with respect to such Bonds, the particular Bonds (or portions thereof) for which such provision for payment shall have been considered made shall be selected by lot by the Trustee and thereupon the Trustee shall take similar action to release the security interests created by this Indenture in respect of such Bonds (except in such funds or securities), subject however to compliance with the applicable conditions set forth in the provisos above.

ARTICLE III: THE BORROWING

Section 301. The Bonds.

(a) Form of 2020 Bonds. The 2020 Bonds shall be issued in substantially the following form:

R-__ \$20,000,000

UNITED STATES OF AMERICA

STATE OF NEW HAMPSHIRE

BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE

Taxable State Guaranteed Bond
Series 2020

INTEREST RATE:

CUSIP:

MATURITY DATE: February 1, 2030

DATE OF THIS BOND: [March] __, 2020
(Date as of which Bonds of this series were initially issued)

INTEREST PAYMENT DATES: February 1 and August 1 (but not before August 1, 2020)

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWENTY MILLION DOLLARS

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, upon presentation and surrender hereof, in lawful money of the United States of America, the PRINCIPAL

AMOUNT on the MATURITY DATE, unless paid earlier as provided below, 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 per annum, payable semiannually on the INTEREST PAYMENT DATES, until the date on which this bond becomes due, whether at maturity or by redemption. From and after that date, any unpaid principal will bear interest at the same rate until paid or duly provided for. The principal and premium, if any, of this bond is payable at the office of The Bank of New York Mellon, as Paying Agent (with its successors, the "Paying Agent"). Interest is payable by check or draft mailed by the Paying Agent to the REGISTERED OWNER of this bond (or of one or more predecessor or successor Bonds (as defined below)), determined as of the close of business on the applicable record date, at its address as shown on the registration books maintained by the Paying Agent; provided that interest is payable by wire or bank transfer within the United States to any REGISTERED OWNER of \$1,000,000 or more in PRINCIPAL AMOUNT of the Bonds upon direction satisfactory to the Trustee] prior to the record date. If any payment or maturity date for principal or interest shall be (i) a Sunday or a legal holiday, or (ii) a day on which banking institutions are authorized pursuant to law to close and on which the corporate trust office of the Trustee is not open for business, then the payment thereof may be made on the next succeeding day not a day specified in (i) or (ii) with the same force and effect as if made on the specified payment date and no interest shall accrue for the period after the specified payment date.

The record date for payment of interest is the fifteenth (15th) day of the month preceding the date on which the interest is to be paid, provided that, with respect to overdue interest or interest payable on redemption of this bond other than on an INTEREST PAYMENT DATE or interest on any overdue amount, the Trustee (as defined below) may establish a special record date. The special record date may be not more than five (5) days before the date set for payment. The Paying Agent will mail notice of a special record date to the registered owners of the Bonds (the "Bondowners") at least five (5) days before the special record date. The Paying Agent will promptly certify to the Authority and the Trustee that it has mailed such notice to all Bondowners, and such certificate will be conclusive evidence that such notice was given in the manner required hereby.

This bond is one of a series of Taxable State Guaranteed Bonds, Series 2020 (the "Bonds") in the aggregate principal amount of \$20,000,000 issued under New Hampshire RSA Chapter 162-A (the "Act") and a Trust Indenture dated as of March 1, 2020 (the "Indenture") between the Authority and Bank of New York Mellon, as Trustee (the "Trustee"). The proceeds of the Bonds are to be used by the Authority to refund certain outstanding Authority bonds, which were used to finance certain business development programs of the Authority established pursuant to the Act. Reference is hereby made to the Indenture for the provisions thereof with respect to the rights, limitations of rights, duties, obligations and immunities of the Authority, the Trustee, the Paying Agent, the State and the Bondowners, including the order of payments in the event of insufficient funds, the disposition of unclaimed moneys held by the Trustee and restrictions on the rights of owners of the Bonds to bring suit. The Indenture may be amended to the extent and in the manner provided therein. Capitalized terms not otherwise defined in this bond shall have the meanings given thereto in the Indenture. Copies of the Indenture are available for inspection at the corporate trust office of the Trustee.

Through and including the redemption of the Prior Bonds on the Prior Bonds Redemption Date, the Bonds shall have no right to be paid from and shall not be secured by the Pledged Security or the State Guarantee, but shall be secured by and be payable solely from the moneys deposited in the Escrow Fund established under the Escrow Agreement.

The Bonds are subject to optional redemption prior to maturity as a whole or in part, at the option of the Authority, on any Business Day, (i) before December 1, 2029 at the Make-Whole Redemption Price described below, and (ii) on or after December 1, 2029, at 100% of the principal amount thereof, plus accrued interest to the date of redemption.

The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the adjusted Treasury Rate (as defined below) plus ten basis points, plus, accrued and unpaid interest on the Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

In the event this bond is selected for redemption, notice will be mailed no more than forty-five (45) nor less than twenty (20) days prior to the redemption date to the REGISTERED OWNER at its address shown on the registration books maintained by the Paying Agent. The redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption, in a separate account established by the Authority for such purpose no later than the redemption date, or that the Authority may rescind such notice at any time prior to the scheduled redemption date if the Authority delivers a notice thereof to the REGISTERED OWNER of the Bonds. The redemption notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded, and the failure of the Authority to make funds available in whole or in part on or before the redemption date shall not constitute a default. If less than all of the outstanding Bonds are to be called for redemption, the Bonds (or portions thereof) to be redeemed shall be selected as provided in the Indenture. Failure to mail notice to the owner of any other Bond or any defect in the notice to such an owner shall not affect the redemption of this bond.

If this bond is of a denomination in excess of five thousand dollars (\$5,000), portions of the principal amount in the amount of five thousand dollars (\$5,000) 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 Paying Agent, there will be issued to the REGISTERED OWNER, without charge, a new Bond or Bonds, at the option of the REGISTERED OWNER, for the unredeemed principal amount.

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

This bond is transferable by the REGISTERED OWNER, in person or by its attorney duly authorized in writing, at the office of the Paying Agent, upon surrender of this bond to the Paying Agent for cancellation. Upon the transfer, a new Bond or Bonds in authorized denominations 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 office of the Paying Agent 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 holder except for applicable taxes or other governmental charges, if any. The Paying Agent will not be required to make an exchange or transfer of this bond during the fifteen (15) days preceding the MATURITY DATE.

This bond is issuable only in fully registered form in the denominations of five thousand dollars (\$5,000) or any multiple thereof.

The Authority, the Trustee, the Paying Agent and the State 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 (by facsimile signature or otherwise) shall be personally liable, either jointly or severally, hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This bond will not be valid until the Certificate of Authentication has been signed by the Trustee or the Paying Agent.

BUSINESS FINANCE AUTHORITY OF THE
STATE OF NEW HAMPSHIRE

(Seal)

By _____
Title:

By: _____
Title:

Certificate of Authentication

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

THE BANK OF NEW YORK MELLON, as Trustee

Date of Registration:

By: _____
Authorized Signatory

THE BANK OF NEW YORK MELLON, as Paying Agent

By: _____
Authorized Signatory

State Guarantee

The State of New Hampshire hereby unconditionally guarantees the payment of the whole of the principal and interest thereon of the within bond, and for the performance of such guarantee the full faith and credit of the State are pledged. This State Guarantee shall be effective upon the redemption of the Prior Bonds on the Prior Bonds Redemption Date.

State Treasurer

Assignment

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

Name and Address of Assignee

Social Security or Other Identifying Number of Assignee

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

NOTE: The signature to this assignment must correspond with the name as written on the face of the

bond without alteration or enlargement or other change and must be guaranteed by a Participant in a Recognized Signature Guaranty Medallion Program.

Dated:

Signature Guaranteed:

Participant in a Recognized Signature Guaranty Medallion Program

By: _____
Authorized Signature

[End of Bond form.]

(b) Details of the 2020 Bonds.

The 2020 Bonds shall be issued in fully registered form and shall be numbered from R-1 upwards in the order of their issuance, or in any other manner deemed appropriate by the Trustee. The 2020 Bonds shall be in the denomination of \$5,000 or any multiple thereof. The 2020 Bonds shall be dated the date of original delivery thereof, and interest shall accrue from that date. The 2020 Bonds shall mature on the Maturity Date and shall bear interest at the rate of _____% per annum. The interest on 2020 Bonds until they come due shall be payable on February 1 and August 1, beginning August 1, 2020. The 2020 Bonds are subject to redemption as described in Section 309 and in the form of Bond.

The 2020 Bonds shall be signed on behalf of the Authority by the manual or facsimile signatures of any two of the Chairman, Vice Chairman Treasurer, and Executive Director and the corporate seal of the Authority or a facsimile thereof shall be engraved or otherwise reproduced thereon. The Certificate of Authentication shall be manually signed by the Trustee or the Paying Agent.

In case any officer whose manual or facsimile signature shall appear on any 2020 Bond shall cease to be such officer before the delivery thereof, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until after such delivery.

(c) Additional Bonds. Additional Bonds may be issued by the Authority as provided in Article IV.

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

(e) Cancellation and Disposition of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Paying Agent when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Paying Agent and all Bonds surrendered in any exchanges or transfers, shall thereupon be promptly canceled. All Bonds acquired and owned by the Authority shall be deemed paid and delivered to the Paying Agent for cancellation. Bonds so canceled may at any time be disposed of by the Paying Agent in accordance with its procedures for the disposition of canceled securities, which shall execute a certificate of disposition in duplicate by the signature of one of its authorized officers describing the Bonds so disposed of, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Paying Agent.

Section 302. Registration of Bonds in the Book-Entry Only System.

(a) The Authority hereby determines that the 2020 Bonds and any Additional Bonds unless otherwise directed by the Authority in a supplemental indenture shall be issued exclusively in “book-entry” form. The initial owner of the Bonds shall be Cede & Co. (“Cede”), on behalf of The Depository Trust Company (“DTC”), which shall hold one or more immobilized certificates representing each maturity of the Bonds. With respect to the Bonds so registered in the name of Cede, the Authority and the Trustee shall have no obligation or responsibility to any DTC participant, indirect participant or beneficial owner of the Bonds. Without limiting the immediately preceding sentence, the Authority, the State and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant or indirect participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any DTC participant, indirect participant, beneficial owner or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or any other person other than DTC, of any amount with respect to the principal or redemption price of or interest on the Bonds. The Authority, the State and the Trustee may treat as, and deem DTC to be, the absolute owner of the Bonds for the purposes of (i) payment of the principal and redemption price of, as applicable, and interest on the Bonds, (ii) giving notices of redemption and other matters with respect to such Bonds and (iii) registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Trustee shall pay all principal or redemption price of, as applicable, and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority’s obligations with respect to such principal or redemption price and interest to the extent of the sum or sums so paid. No person other than DTC shall receive a Bond evidencing the obligation of the Authority to make payments of principal or redemption price, as applicable, and interest thereon pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and, subject to the transfer provisions hereof, the word “Cede” in this Indenture shall refer to such new nominee of DTC. All transfers of Bonds shall be effected as set forth in Section 301 of this Indenture; provided that the Authority acknowledges and agrees that DTC shall establish procedures with its participants for recording and transferring the ownership of beneficial interests in the Bonds. The Authority and the Trustee may enter into a letter of representation and other documentation necessary or desirable to effectuate the issuance of the Bonds in book-entry form.

(b) For purposes of determining consents of the owners of any Bonds under this Indenture, the Trustee shall establish a record date for determination of ownership of such Bonds, and shall give to DTC fifteen (15) calendar days' notice, or such shorter period as shall be acceptable to DTC, of any record date so established.

(c) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Authority and discharging its responsibilities with respect thereto under applicable law.

(d) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Bonds upon receipt by the Authority and the Trustee of written notice from DTC to the effect that DTC has received written notice from DTC participants or indirect participants having interests, as shown in the records of DTC, in an aggregate amount of not less than 50% of the aggregate principal amount of the then Outstanding Bonds, that: (i) DTC is unable to discharge its responsibilities with respect to such Bonds; or (ii) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, is not in the best interest of the beneficial owners of such Bonds

(e) Upon the termination of the services of DTC with respect to the Bonds pursuant to Section 302(d)(ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to Section 302(d)(i) or 302(d)(ii) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, or in the name of any substitute securities depository or its nominee, but may be registered in whatever names the registered holder transferring or exchanging the Bonds shall designate, in accordance with the provisions of Section 301 of this Indenture.

(f) The Authority may hereafter amend this Indenture without notice to or consent of the owners of any of the Bonds in order to (A) effect the certification of one or more Bonds pursuant to this Section 302 or (B) substitute another securities depository for DTC pursuant to this Section 302.

(g) Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, as applicable, and interest on, and all notices with respect to such Bond shall be made and given, respectively, to DTC pursuant to the Blanket Issuer Letter of Representations between the Authority and DTC. Similar arrangements may be made with any substitute securities depository.

Section 303. Application of 2020 Bond Proceeds and other Moneys. The proceeds of the 2020 Bond shall be deposited by the Authority in the Escrow Fund established under the Escrow Agreement, together with other Authority funds in the amount of \$ _____, to be applied to the redemption of the Prior Bonds as provided in the Escrow Agreement. In addition, the

Authority shall deposit Authority funds in the amount of \$ _____ into the Bond Fund representing interest on the 2020 Bonds from their date of issuance through (but not including) the Prior Bonds Redemption Date.

Section 304. Application of Additional Bond Proceeds. Proceeds of any Additional Bonds may be used for any purposes permitted by the Act, including the refunding of Bonds.

Section 305. Bond Fund.

(a) Establishment and Purpose. A Bond Fund is hereby established with the Trustee and moneys shall be deposited therein as provided in this Indenture. The Authority hereby grants to the Trustee for the benefit of the Bondowners and the State a security interest in all deposits in the Bond Fund. The Trustee acknowledges that it holds the Bond Fund as agent for the Bondowners and the State, as their interests may appear. The moneys in the Bond Fund and any investments held as part of such Fund shall be held in trust and, except as otherwise provided in this Indenture, shall be applied by the Trustee solely to pay principal of, premium, if any, and interest on, the Bonds. When moneys in the Bond Fund are to be applied to the payment of the Bonds, the Trustee shall transfer such moneys to the Paying Agent on the payment date therefor.

(b) Excess in Bond Fund. If at any time the amount of funds in the Bond Fund exceeds the amount necessary to pay the principal of, premium, if any, and interest on the Bonds in full and all amounts owing or to be owing under this Indenture to the Trustee and the Paying Agent, then the Trustee shall apply such excess first to the State, in fulfillment of any obligations owed to it under the Reimbursement Agreement, as certified by the State, and second, if any balance remains, to the Authority.

(c) Unclaimed Moneys. Except as may otherwise be required by applicable law, in case any moneys deposited with the Paying Agent for the payment of the principal of, premium, if any, or interest on any Bond remain unclaimed for two years after such principal or interest has been paid or has become due and payable, the Paying Agent may, and upon receipt of a written request by the Authority shall, pay over to the Authority the amount so deposited and thereupon the Trustee, the Paying Agent and the State shall be released from any further liability with respect to the payment of such principal, premium or interest and the owner of such Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Authority as an unsecured creditor for the payment thereof.

Section 306. Application of Moneys. If available moneys in the Bond Fund and the State Account are not sufficient on any day to pay all principal, premium, if any, and interest on the Outstanding Bonds then due or overdue, such moneys shall, after payment of all amounts owing to the Trustee and the Authority under this Indenture, be applied first to the payment of interest, including interest on overdue principal, in the order in which the same became due (pro rata with respect to interest which became due at the same time) and second to the payment of principal and redemption premium, if any, without regard to the order in which the same became due in each case pro rata among Bondowners. Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times, and from time to time, as the Trustee in its discretion shall determine, having due regard to the amount of such moneys becoming available for such application and the likelihood of additional moneys becoming available for such application in the

future. Whenever the Trustee shall exercise such discretion it shall fix the date (which shall be the first day of a month unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal paid on such date shall cease to accrue. Whenever overdue interest is to be paid on the Bonds, the Trustee may establish a special record date as provided in the forms of Bonds. The Trustee shall promptly notify the Paying Agent of any special record date and give such other notice as it may deem appropriate of the fixing of any such date and special record date. When interest or a portion of the principal is to be paid on an overdue Bond, the Trustee or the Paying Agent may require presentation of the Bond for endorsement of the payment.

Section 307. Payments by the Authority.

(a) Payments of Debt Service by the Authority.

(i) The Authority shall make payments in immediately available funds to the Trustee for deposit in the Bond Fund or prior to the date on which such payment of principal of or interest on Bonds shall become due so that there is in the Bond Fund an amount available for such purpose equal to the payment then coming due on such Bonds. The Authority may make payments to the Bond Fund earlier than required by this Section, but such payments shall not affect the accrual of interest. If on any date when a payment of principal of or interest on the Bonds is due there are not sufficient moneys in the Bond Fund to make such payment, the Authority shall immediately make up the deficiency.

(ii) The payments to be made under the foregoing paragraph shall be made so that there will be available on each payment date the amount necessary to pay the interest and principal due or coming due on the Bonds and so that accrued interest will be applied to the installments of interest to which it is applicable.

(iii) At any time when any principal of the Bonds is overdue, the Authority shall also have a continuing obligation to pay to the Trustee for deposit in the Bond Fund an amount equal to interest on the overdue principal but the installment payments required under this Section shall not otherwise bear interest.

(b) Additional Payments.

(i) Within thirty (30) days after notice from the Trustee, the Authority shall pay to the Trustee the reasonable fees and expenses of the Trustee as set forth in Section 603.

(ii) Within thirty (30) days after notice from the Paying Agent, the Authority shall pay to the Paying Agent its reasonable fees and expenses as set forth in Section 310.

Section 308. Unconditional Obligation. The obligation of the Authority to make payments under this Indenture shall be absolute and unconditional, shall be binding and enforceable in all circumstances whatsoever, shall not be subject to setoff, recoupment or counterclaim, and shall be a general obligation of the Authority to which the full faith and credit of the Authority are pledged.

Section 309. Redemption of the Bonds.

(a) Optional Redemption. The Bonds are redeemable prior to maturity in accordance with the written direction of the Authority to the Trustee. Such redemption of Bonds shall be in accordance with the terms of the Bonds (provided that, if less than all the Bonds Outstanding shall be called for redemption, the Authority shall designate (to the extent not otherwise prohibited) the amount of Bonds to be redeemed, and if less than all of the Bonds Outstanding shall be called for redemption, Bonds to be so redeemed shall be selected by the Paying Agent by lot or in any customary manner of selection as determined by the Paying Agent, or if the Book-Entry Only System is in effect, by lot in any manner as determined by DTC) at the redemption price plus accrued interest to the redemption date as described in the form of Bonds in Subsection 301(a).

(b) Notice by the Authority. The Authority shall exercise its option to have Bonds redeemed under Subsection 309(a) by giving written notice to the Trustee, the Authority, the State and the Paying Agent at least forty-five (45) days before the redemption date. [Require approval of State to have funds on hand?]

(c) Payment of Accrued Interest and Redemption Premium. Whenever Bonds are called for redemption, the accrued interest thereon shall become due on the redemption date.

(d) Notice of Redemption. When Bonds are to be redeemed pursuant to Subsection 309(a), the Paying Agent shall give notice to the Bondowners in the name of the Authority, which notice shall identify, the Bonds to be redeemed, state the date fixed for redemption and specify the office of the Paying Agent at which such Bonds will be redeemed. The redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption, in a separate account established by the Authority for such purpose no later than the redemption date, or that the Authority may rescind such notice at any time prior to the scheduled redemption date if the Authority delivers a notice thereof to the registered owner of the Bonds. The redemption notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded, and the failure of the Authority to make funds available in whole or in part on or before the redemption date shall not constitute a default. The notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the redemption price thereof, together with interest accrued to the redemption date, and that moneys therefor having been deposited with the Paying Agent, from and after such date, interest thereon shall cease to accrue and that the Bonds or portions thereof called for redemption shall cease to be entitled to any benefit under this Indenture except the right to receive payment of the redemption price. The Paying Agent shall mail the redemption notice not more than forty-five (45) or less than twenty (20) days prior to the redemption date to the registered owners of any Bonds which are to be redeemed, at their addresses shown on the registration books maintained by the Paying Agent. Failure to mail notice to a particular Bondowner, or any defect in the notice to such Bondowner, shall not affect the redemption of any other Bond.

Section 310. Paying Agent.

(a) Appointment and Responsibilities. The initial Paying Agent shall be The Bank of New York Mellon. The Paying Agent shall be entitled to the advice of counsel (who may be counsel for any party) and shall not be liable for any action taken in good faith in reliance on such

advice. The Paying Agent may rely conclusively on any telephone or written notice, certificate or other document furnished to it under this Indenture and reasonably believed by it to be genuine. The Paying Agent shall not be liable for any action taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or taken by it pursuant to any direction or instruction by which it is governed under this Indenture or omitted to be taken by it by reason of the lack of direction or instruction required for such action, or be responsible for the consequences' of any error of judgment reasonably made by it. When any payment or other action by the Paying Agent is called for by this Indenture, it may defer such action pending receipt of such evidence, if any, as it may reasonably require in support thereof. A permissive right or power to act shall not be construed as a requirement to act. The Paying Agent shall not in any event be liable for the application or misapplication of funds, or for other acts or defaults, by any person, firm or corporation except by their respective directors, officers, agents and employees. No recourse shall be had by the Authority, the Trustee, the State or any Bondowner for any claim based on this Indenture or the Bonds against any director, officer, agent or employee of the Paying Agent unless such claim is based upon the bad faith, fraud or deceit of such person. For the purposes of this Indenture matters shall not be considered to be known to the Paying Agent unless they are actually known to an authorized officer in its Corporate Trust Office. The Paying Agent shall not require indemnification prior to making any payment when due of principal or interest on any Bond to be made by the Paying Agent to any Bondowner, except and unless such payment is prohibited by or violates applicable law or any outstanding or pending court or governmental order or decree. The Authority shall pay to the Paying Agent such compensation as the Authority and the Paying Agent shall from time to time agree in writing for its services and pay or reimburse the Paying Agent for its reasonable expenses and disbursements, including reasonable attorneys' fees hereunder. To the extent permitted by law the Authority shall indemnify and save the Paying Agent harmless against any liabilities and reasonable expenses which it may incur in the exercise of its duties hereunder and which are not due, to its negligence or bad faith. Any fees, expenses, reimbursements or other charges that the Paying Agent may be entitled to receive from the Authority hereunder shall be due and payable thirty (30) days after a request for payment has been made by the Paying Agent to the Authority, and any such fees, expenses, reimbursements or other charges not paid when due shall bear interest at a rate of interest per annum of four percent (4%) above the interest rate on the Bonds, to the extent permitted by law. The Paying Agent's rights under this paragraph shall survive the termination of this Indenture or the resignation or removal of the Paying Agent.

The Paying Agent shall act as such and as Bond registrar and transfer agent. The Paying Agent, which may act by means of agents, shall signify its acceptance of the duties and obligations imposed upon it hereunder by its written instrument of acceptance under which the Paying Agent will agree to:

- (i) hold all sums delivered to it by the Trustee for the payment of principal of, premium, if any, and interest on the Bonds uninvested in trust for the benefit of the Bondowners until such sums shall be paid to the Bondowners or otherwise disposed of as herein provided;
- (ii) keep such books and records as shall be consistent with industry practice and make such books and records, including the books of registration for the Bonds, available for inspection by the parties hereto, the State at all reasonable times;

(iii) promptly report to the Trustee all authentications of Bonds transferred, exchanged or remarketed and any information received by it concerning the names and addresses of Bondowners;

(iv) give all notices required of it in this Indenture at the times and in the manner required by this Indenture copies of all such notices;

(v) execute the Certificate of Authentication on the Bonds delivered by it hereunder;

(vi) take all other actions and perform all other duties and obligations as may be required of it as Paying Agent under this Indenture; and

(vii) execute and deliver to DTC a Letter of Representation and cooperate with DTC (or any successor depository).

(b) Removal or Resignation of Paying Agent. The Authority may discharge the Paying Agent from time to time and appoint a successor approved by the Trustee and the State. The Authority shall also designate a successor subject to the approval of the Trustee, and the State, if the Paying Agent resigns or becomes ineligible. The Paying Agent may resign by giving at least sixty (60) days' written notice to the parties hereto. Each successor Paying Agent shall be a commercial bank or trust company having a capital and surplus of not less than \$50,000,000, shall be registered as a transfer agent with the Securities and Exchange Commission, shall have the power to authenticate bonds pursuant to the Act. The Paying Agent may but need not be the same person as, or an affiliate of, the Trustee. The Trustee shall give notice of the appointment of a successor Paying Agent in writing to each Bondowner within fifteen (15) days of such appointment. The Trustee will promptly certify to the Authority that it has mailed such notice to all Bondowners, and such certificate will be conclusive evidence that such notice was given in the manner required hereby.

In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign, transfer and deliver any moneys and Bonds held by it and the books of registry maintained by it in such capacity to its successor. No resignation or removal of the Paying Agent shall be effective until a successor has been appointed and has accepted its appointment.

(c) Successors. Any corporation, association, partnership or firm that succeeds to the corporate trust business of the Paying Agent as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of the Paying Agent under this Indenture and shall be subject to all the duties and obligations of the Paying Agent under this Indenture.

In the event that the Paying Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Authority shall not have appointed its successor within thirty (30) days, the Trustee, with the written approval of the State, shall appoint a successor.

The Paying Agent shall send or cause to be sent notice to Bondowners of a change of address for the delivery of Bonds or notices or the payment of principal or purchase price of Bonds.

Section 311. Investments.

(a) Pending their use under this Indenture, moneys in the Bond Fund may be invested by the Trustee in Permitted Investments (as defined below) maturing or redeemable at the option of the holder at or before the time when such moneys are expected to be needed and shall be so invested pursuant to written direction of the Authority if no Default known to the Trustee then exists under this Indenture. Any investments pursuant to this subsection shall be held by the Trustee as a part of the Bond Fund and shall be sold or redeemed to the extent necessary to make payments or transfers or anticipated payments or transfers from such Fund.

(b) Any interest realized on investments in the Bond Fund and any profit realized upon the sale or other disposition thereof shall be credited to the Bond Fund and any loss shall be charged thereto.

(c) The term "Permitted Investments" means (i) Government Obligations or shares of a so-called money market or mutual fund that has substantially all of its assets invested in Government Obligations or Repurchase Agreements with respect to Government Obligations, (ii) corporate or governmental bonds rated at least Aa by Moody's if rated by Moody's, or shares of a so-called money market or mutual fund, provided either that the fund has all of its assets invested in obligations of such rating quality or, if such obligations are not so rated, that the fund has comparable credit worthiness through insurance or otherwise and which fund is rated investment grade by Moody's, if rated by Moody's, or, if unrated, investment in such fund is approved in writing by Moody's, (iii) certificates of deposit of, banker's acceptances drawn on and accepted by, and interest bearing deposit accounts of, a bank or trust company which has a capital and surplus of not less than \$5,000,000 and is authorized to do business in the State or which has a capital and surplus of not less than \$50,000,000, (iv) Repurchase Agreements and (v) other investments approved by the Authority with the consent of the State Treasurer. The term "Repurchase Agreement" shall mean a written agreement under which a bank or trust company which has a capital and surplus of not less than \$50,000,000 or a government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York sells to, and agrees to repurchase from the Trustee obligations issued by, or the full and timely payment of which is guaranteed by, the United States, provided that the market value of such obligations is at the time of entering into the agreement at least one hundred and three percent (103%) of the repurchase price specified in the agreement and that such obligations are segregated from the unencumbered assets of such bank or trust company or government bond dealer, and provided further that unless the agreement is with a bank or trust company, such agreement shall require the repurchase to occur on demand or on a date certain which is not later than one (1) year after such agreement is entered into and shall expressly authorize the Trustee to liquidate the purchased obligations in the event of the insolvency of the party required to repurchase such obligations or the commencement against such party of a case under the federal Bankruptcy Code or the appointment of or taking possession by a trustee or custodian in a case against such party under the Bankruptcy Code. Any such investments may be purchased from or through the Trustee or one of its affiliates.

ARTICLE IV: ADDITIONAL BONDS

Section 401. Issuance of Additional Bonds. The Authority from time to time issue Additional Bonds to the extent permitted by the Act..

Section 402. Execution and Delivery of Additional Bonds. Each Additional Bond shall be signed on behalf of the Authority by the manual or facsimile signatures of any two of the Chairman, Vice Chairman, Treasurer, either Assistant Treasurer and Executive Director and the corporate seal of the Authority or a facsimile thereof shall be engraved or otherwise reproduced thereon. The Certificate of Authentication shall be manually signed by the Trustee or the Paying Agent.

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

Neither the Trustee nor the Paying Agent shall authenticate and deliver any Additional Bonds until the Trustee has received the following:

- (1) A copy, certified by the Executive Director of the Authority, of the resolution of the Authority authorizing the issuance of Additional Bonds;
- (2) A certificate of the State Treasurer consenting to the issuance of the Additional Bonds;
- (3) If the Additional Bonds are to be guaranteed by the State, a copy, certified by the Secretary or Assistant Secretary of State of New Hampshire, of the resolution adopted by the Governor and Council of New Hampshire pursuant to Section 17 of the Act with respect to the Additional Bonds;
- (4) An originally executed copy of any supplemental indenture entered into by the parties hereto in connection with the issuance of the Additional Bonds;
- (5) A certificate of the Executive Director of the Authority stating that no Default (in reliance upon a certificate of the Trustee as to such matters as the Authority shall reasonably request) hereunder has occurred and is continuing; and
- (6) An opinion or opinions of Bond Counsel reasonably satisfactory to the Trustee that:
 - (i) the Additional Bonds may be issued under the Act and this Indenture,
 - (ii) the Additional Bonds have been validly authorized and executed and, when authenticated and delivered pursuant to the request of the Authority, will be valid and binding obligations of the Authority entitled to the benefit of the trust created hereby,
 - (iii) any supplemental indenture entered into by the Authority in connection with the issuance of the Additional Bonds has been duly authorized, executed and delivered by

the Authority, is a valid and binding obligation of the Authority and is enforceable against the Authority in accordance with its terms subject to principles of equity and to applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally; and

(iv) if the principal of and interest on the Additional Bonds is to be guaranteed by the State, the State Guarantee has been validly authorized and executed and is a valid and binding obligation of the State.

ARTICLE V: DEFAULT AND REMEDIES

Section 501. Default by the Authority.

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

- (i) Debt Service. The Authority shall fail to make any payment required of it under Section 307 when the same becomes due and payable.
- (ii) Other Obligations. The Authority shall fail to make any required payment hereunder (other than payments described in Section (i)), and such failure is not remedied within seven (7) days after written notice thereof is given by the State to the Authority; or the Authority shall fail to observe or perform any of its other agreements, covenants or obligations under this Indenture and such failure is not remedied within thirty (30) days after written notice thereof is given by the State to the Authority.
- (iii) Warranties. There shall be a material breach of warranty made herein by the Authority as of the date it was intended to be effective and the breach is not cured within thirty (30) days after written notice thereof is given by the state to the Authority. The Authority agrees to notify the State, the Paying Agent and the Trustee promptly in writing of the occurrence of any Default or Event of Default of which it has knowledge. Within seven (7) days after becoming aware of a Default or an Event of Default, the Paying Agent will give notice to the Bondowners.
- (iv) Reimbursement Agreement. The Trustee and the Authority shall have received written notice from the State of an event of default under the Reimbursement Agreement.

The Authority agrees to notify the State, the Paying Agent and the Trustee promptly in writing of the occurrence of any Default or Event of Default of which it has knowledge. Within seven (7) days after becoming aware of a Default or an Event of Default, the Paying Agent will give notice to the Bondowners.

(b) Waiver. At any time before an acceleration pursuant to Section 502(a), the State may waive a Default and its consequences by written notice to the Authority, the Trustee, and the

Paying Agent. No waiver under this section shall affect the right of the Trustee to enforce the payment of any amounts owing to it.

Section 502. Remedies of State for Events of Default. If an Event of Default occurs and is continuing:

(a) Acceleration. The State, by written notice to the Authority, the Trustee and the Paying Agent, may declare the principal of the Bonds and accrued interest thereon immediately due and payable.

(b) State May Act on Behalf of Authority. The State may take or omit to take any action authorized or permitted to be taken or omitted by the Authority hereunder as if the State were the Authority.

Section 503. Remedies of Trustee.

(a) Court Proceedings. The Trustee may enforce the provisions of this Indenture and the State Guarantee by appropriate legal proceedings for the specific performance of any covenant, obligation or agreement contained herein whether or not a Default or an Event of Default exists, or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Authority of the provisions of this Indenture, including (to the extent this Indenture may lawfully provide) court costs, reasonable attorneys' fees and other costs and expenses incurred in enforcing the obligations of the Authority hereunder. All rights under this Indenture and the Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any Proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Bondowners.

(b) Rights as a Secured Party. If the principal of, premium, if any, or interest on the Bonds is not paid when due, the Trustee may exercise all of the rights and remedies of a secured party under the UCC. Notice sent by registered or certified mail, postage prepaid, or delivered during business hours, to the Authority and the State at least seven (7) days before an event under UCC Sections 9-610 and 9-611 or any successor provision of law shall constitute reasonable notification of such event.

Section 504. Revenues after Default. After the principal of, premium, if any, or interest on the Bonds is not paid when due, any funds pledged as security hereunder and any other moneys received by the Trustee (other than amounts irrevocably set aside to pay particular Bonds) shall be applied to amounts due under Section 307 (without regard to any grace periods), which amounts shall be applied in the order specified in Section 306.

Section 505. Rights of Bondowners. If the principal of, premium, if any, or interest on the Bonds is not paid when due, and if the Bondowners representing not less than twenty-five percent (25%) in principal amount of the Bonds Outstanding shall have requested the Trustee in writing to exercise one or more of the rights and remedies provided hereunder and offered it indemnity as provided in Subsection 602(e), the Trustee shall be required to exercise such one or more of the rights and remedies hereunder as the Trustee shall determine to be in the best interest

of the Bondowners and not inconsistent with any directions given in accordance with Section 801. No Bondowner shall have any right to institute an action in law or equity or to pursue any other remedy hereunder with respect to any Bond unless (i) the principal of, premium, if any, or interest on the Bonds has not been paid when due and Bondowners representing not less than twenty-five percent (25%) in principal amount of the Bonds Outstanding shall have requested the Trustee in writing to exercise its rights and remedies with respect thereto and shall have offered the Trustee reasonable opportunity to do so and indemnity as provided in Subsection 602(e), and (ii) the Trustee shall within a reasonable time thereafter fail to exercise any of such rights or remedies. No Bondowner shall have any right to institute any action or pursue any other remedy if and to the extent that the surrender, impairment, waiver, or loss of the lien of this Indenture would, under applicable law, result. Notwithstanding the foregoing, each Bondowner shall have a right of action to enforce payment of the Bonds at and after the due dates thereof at the place, from the sources and in the manner expressed in the Bonds.

Section 506. Performance of Authority's Obligations. If the Authority shall fail to observe or perform any of its agreements or obligations hereunder, the Trustee may perform the same in its own name or in the Authority's name. Unless an Event of Default exists, the Trustee shall give at least five (5) days' notice to the Authority before taking action under this section, except that in case of emergency as reasonably determined by the Trustee, it may act on lesser notice or give the notice promptly after rather than before taking the action. The reasonable cost of any such action performed by the Trustee shall be paid or reimbursed by the Authority within thirty (30) days after the Trustee notifies the Authority of such cost.

Section 507. Remedies Cumulative; No Waiver; No Acceleration. The rights and remedies under this Indenture shall be cumulative and shall not exclude any other rights and remedies allowed by law, provided there is no duplication of recovery. Neither the failure to insist upon a strict performance of any of the obligations of the Authority nor the failure to exercise any remedy for any violation thereof, shall be taken as a waiver for the future of the right to insist upon strict performance of the obligation or of the right to exercise any remedy for the violation. Notwithstanding any provision to the contrary, under no circumstance whatsoever shall the 2020 Bonds be subject to acceleration other than solely at the direction of the State, as set forth in Section 502.

Section 508. State Guarantee.

(a) Claim on Guarantee; Debt Service. If available moneys in the Bond Fund are not sufficient to make any payment of principal of (whether at maturity or upon acceleration by the State or upon redemption) or interest on the 2020 Bonds in full seven (7) days prior to a date when such debt service is due on the 2020 Bonds, the Trustee shall so notify the State and the Paying Agent by telephone or telecopy, which notice shall be confirmed in writing. Such notice shall specify (i) the amount of the deficiency; (ii) whether the 2020 Bonds will be deficient as to principal or interest, or both; (iii) the payment date of the claimed amount; and (iv) the allocation of such deficiency between the amount required to pay interest on the 2020 Bonds and the amount required to pay principal of the If additional moneys for the payment of principal of or interest due on the 2020 Bonds on such payment date become available prior to such payment but after the giving of notice, the Trustee shall so notify the State, and the Trustee shall apply such additional moneys to such payment, and, if the State also disburses funds covering the amount of such

additional moneys; the Trustee shall promptly remit an amount equal to such additional moneys to the State. If available moneys in the Bond Fund are not sufficient to pay principal or interest on the 2020 Bonds on the date such payment is due, the Trustee shall notify the State not later than 10:00 A.M. on such date.

(b) Availability of Register. If the 2020 Bonds are not in book-entry form, the Paying Agent shall, after receiving the notice as provided in (a) above, make the bond register available to the State at the principal corporate trust office of the Paying Agent.

(c) Payment by State. No later than 3:00 P.M. on any date debt service is due with respect to which the State receives a notice described in Section 508(a)(i) the State shall deposit funds in an account with the Trustee in an amount sufficient to make payments on such date to the owners of 2020 Bonds entitled to receive principal of (whether at maturity or upon acceleration by the State or upon redemption) or interest on the 2020 Bonds pursuant to the terms of the State Guarantee. If any Bondowner furnishes evidence satisfactory to the Trustee and the State that the Bondowner has been ordered by a court of competent jurisdiction to disgorge any moneys the Bondowner has received as payment of principal or interest on the Bonds because the payment constituted an avoidable preference under Section 547(b) of the United States Bankruptcy Code, or similar laws, the State shall deposit funds with the Trustee sufficient to reimburse such Bondowner for the amount so disgorged and the Trustee shall pay such amount to the Bondowner. The Trustee shall receive any payments made under the State Guarantee in trust for the owners of the 2020 Bonds in a separate trust account entitled the "State Account" and shall apply such payments, without deduction for costs, expenses or liabilities of the Trustee, together with any other moneys available therefor, directly to payment in full of the principal and interest due on the 2020 Bonds. Any funds remaining in the State Account after application as set forth in this Section 508 shall promptly be remitted to the State. The Trustee shall keep a complete and accurate record of all payments from the State deposited in the State Account and the allocation of such amounts to principal of and interest paid on any 2020 Bond. The State shall have the right to inspect such records at reasonable times upon one business day's prior notice to the Trustee. The Trustee shall disburse funds from the State Account to the Paying Agent or directly to owners of the 2020 Bonds pursuant to this Indenture.

(d) No Discharge. Payments with respect to claims for interest on and principal of 2020 Bonds disbursed from proceeds of the State Guarantee shall not be considered to discharge the obligation of the Authority with respect to such 2020 Bonds, and the State shall become the owner of such unpaid 2020 Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this Section 508.

(e) Subrogation. In addition to all other rights granted the State under this Indenture and irrespective of whether the assignments referred to in Subsection 508(f) shall have been executed and delivered, the Authority and the Trustee hereby agree that the State shall, to the extent, it payments of principal of or interest on 2020 Bonds, be subrogated to (A) the rights of such recipients of such payments to receive the amount of such principal and interest from payments made to the Trustee by the Authority, and (B) the rights of the Trustee and each owner in any bankruptcy, insolvency or similar proceeding, including, without limitation, any right of any party to an adversary proceeding with respect to any court order issued in connection with any such bankruptcy, insolvency or similar proceeding, and to evidence such subrogation (i) in the

case of subrogation as to claims for past due interest the Trustee shall note the State's rights as subrogee on the bond register upon receipt from the State of proof of the payment-or proof of the payment of interest thereon to the owners of the 2020 Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note the State's rights as subrogee on the bond register upon surrender of the 2020 Bonds by the registered owners thereof, together with proof of the payment of principal thereof.

(f) Assignment of Rights to Principal and Interest. The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for the owners of the 2020 Bonds as follows:

(i) If and to the extent there is a deficiency in amounts required to pay interest on the 2020 Bonds, the Trustee shall (A) execute and deliver to the State, in form satisfactory to the State, an instrument assigning to the State the claims for interest to which such deficiency relates and which are paid by the State, and (B) receive as designee of the respective owners (and not as Trustee) in accordance with the tenor of the State Guarantee, payment from the State with respect to the claims for interest so assigned; and

(ii) If, and to the extent of a deficiency in amounts required to pay principal of the 2020 Bonds, the Trustee shall (A) execute and deliver to the State in form satisfactory to the State an instrument assigning to the State the claims for any of the 2020 Bonds surrendered to the State of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the State is received) and (B) receive as designee of the respective owners (and not as Trustee) in accordance with the tenor of the State Guarantee payment therefor from the State. The State may exercise any option, vote, right, power or the like with respect to 2020 Bonds as to which it has made a principal payment pursuant to the State Guarantee. The foregoing assignment is in addition to, and not in limitation of, rights of subrogation otherwise available to the State in respect of such payments.

(g) Delivery of 2020 Bonds. The Trustee shall deliver to the State, uncanceled, all 2020 Bonds coming into its possession with respect to which the State has made payment as provided in the State Guarantee. Such 2020 Bonds shall be delivered as fully registered 2020 Bonds, per instructions of the State.

(h) Actions and Proceedings. The State shall have the right to institute any suit, action or proceeding at law or in equity under the same terms as an owner may institute any action hereunder.

(i) Effective Date of the State Guarantee. The State shall be effective upon the redemption of the Prior Bonds on the Prior Bonds Redemption Date.

ARTICLE VI: THE TRUSTEE

Section 601. Corporate Organization Authorization and Capacity. The Trustee represents and warrants that it is a banking corporation duly organized and validly existing under the laws of the State of New York, with the capacity to exercise the powers and duties of the Trustee hereunder and under the Act, and that by proper corporate action it has duly authorized the execution and delivery of this Indenture.

Section 602. Rights and Duties of the Trustee.

(a) Moneys to be Held in Trust. All moneys deposited with the Trustee under this Indenture (other than amounts received for its own use) shall be held by the Trustee in trust and applied subject to the provisions of this Indenture, but need not be segregated from other funds except as required herein or by law.

(b) Accounts. The Trustee shall keep proper accounts of its transactions hereunder (separate from its other accounts) which shall be open to inspection at reasonable times by the Authority, the State and the Bondowners and their representatives duly authorized in writing.

(c) Performance of the Authority's Obligations. If the Authority shall fail to observe or perform any agreement or obligation contained in this Indenture, the Trustee may take whatever legal proceedings may be required to compel full performance by the Authority of its obligations, and in addition, the Trustee may, to whatever extent it deems appropriate for the protection of the Bondowners, itself or the Authority, perform any such obligation in the name of the Authority and on its behalf.

(d) Responsibility. The Trustee shall be entitled to the advice of counsel (who may be the Trustee's counsel, counsel for the Authority, the State or any 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 Trustee may rely conclusively on any notice, certificate or other document furnished to it hereunder and reasonably believed by it to be genuine. The Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or powers conferred upon it, in good faith omitted to be taken by it and reasonably believed to be beyond the discretion or powers conferred upon it, taken by it pursuant to any direction or instruction by which it is governed hereunder, or omitted to be taken by it by reason of the lack of direction or instruction required hereby for such action; nor shall it be responsible for the consequences of any error of judgment reasonably made by it. The duties of the Trustee are those expressly set forth in this Indenture, and no additional duties shall be implied. When any payment, consent or other action by it is called for hereby, it may defer such action pending receipt of such evidence, if any, as it may require in support thereof. The Trustee shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any person, firm, or corporation, except its own directors, officers, and employees. No recourse shall be had by the Authority or any Bondowner for any claim based on this Indenture or any Bond against any director, officer, employee, or agent of the Trustee alleging personal liability on the part of such person, unless such claim is based upon the bad faith, negligence, fraud or deceit of such person. The Trustee has no responsibility for the validity or sufficiency of this Indenture or the Bonds or any security therefor.

(e) Limitations on Actions. The Trustee shall not be required to monitor the financial condition of the Authority and, unless otherwise expressly provided, shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder, except to make them available for inspection by the Bondowners. The Trustee shall not be deemed to have knowledge of and shall not be required to take notice of any Default or Event of Default, except for a Default or Event of Default described in Section 501(a)(i), unless the Trustee shall be specifically notified in writing by the Authority or Bondowners representing not less than 25% in principal amount of the Bonds Outstanding, and in the case of a Default or Event of Default described in Section 501(a)(iv), unless the Trustee shall be notified in writing by the State. The Trustee shall not be required to take any remedial action (other than the giving of notice) unless indemnity reasonably satisfactory to it is furnished for any expense or liability to be included therein, other than liability for failure to meet the standards set forth in this section. The Trustee shall be entitled to reimbursement from the Authority for its expenses reasonably incurred or advances reasonably made, which reimbursement shall be due and payable thirty (30) days after notifying the Authority of such expenses or advances, in the exercise of its rights or the performance of its obligations hereunder, whether or not it acts without previously obtaining indemnity.

A permissive right or power to act shall not be construed as a requirement to act. Upon receipt of written notice, direction, instruction, and indemnity as provided above and, after making such investigation, if any, as it deems appropriate to verify the occurrence of any Default of which it is notified by the Bondowners or the State, the Trustee shall pursue such remedies hereunder (not contrary to such direction) as it deems appropriate for the protection of the Bondowners (including the State as provided in Section 801); and in its actions under this provision, the Trustee shall be required to act for the protection of the Bondowners with the same prudence as would be expected of a prudent person in the conduct of such person's affairs.

(f) Financial Obligations. Nothing contained in this Indenture shall in anyway obligate the Trustee to pay any debt or meet any financial obligations to any person except from moneys received under the provisions of this Indenture (including from the exercise of its rights and remedies hereunder) other than moneys received for its own purposes.

(g) Ownership of Bonds. The Trustee or any affiliate of the Trustee may be or become the owner of Bonds with the same rights as if it were not Trustee.

(h) No Surety Bond. The Trustee shall not be required to furnish any bond or surety.

(i) Requests by the Authority. Upon any request by the Authority to the Trustee to take any action under this Indenture (including but not limited to any proposed amendment pursuant to Section 901) the Trustee shall be entitled to receive from the Authority prior to taking such action, and to conclusively rely upon, a certificate of an officer of the Authority and an opinion of counsel reasonably satisfactory to the Trustee (who may be counsel to the Authority), and, if applicable in the reasonable judgment of the Trustee, a certificate of an accountant satisfactory to the Authority (who may be an employee of the Authority), each to the effect that in the signer's opinion all conditions precedent applicable to such action under this Indenture, if any, have been satisfied (and, in the case of the certificate of an officer of the Authority, including but not limited to the absence of any Default or Event of Default) and such action is permitted by this Indenture.

(j) Authentication of Bonds. The Trustee and the Paying Agent shall act as authenticating agent for the Bonds and the Trustee, so long as it is not also acting as Paying Agent, shall promptly report to the Paying Agent all authentications of Bonds transferred, exchanged or remarketed and any information received by the Trustee concerning the names and addresses of Bondowners...

Section 603. Fees and Expenses of the Trustee. The Authority shall pay to the Trustee compensation for its services as the Authority and the Trustee shall agree from time to time in writing and prepay or reimburse the Trustee for its reasonable expenses and disbursements, including attorneys' fees, hereunder. To the extent permitted by law, the Authority shall indemnify and save the Trustee harmless against any and all (a) claims as set forth in Section 702, (b) costs, counsel fees, expenses or liabilities reasonably incurred in connection with such claims, and (c) expenses and liabilities which it may incur in the exercise of its duties hereunder and which are not due to the bad faith, negligence, fraud or deceit of any director, officer, employee or agent of the Trustee. Any fees, expenses, reimbursements, or other charges which the Trustee may be entitled to receive from the Authority hereunder shall be due and payable thirty (30) days after a request for payment has been made by the Trustee, and if not otherwise paid, shall be a first lien upon any funds or other property then or thereafter held hereunder by the Trustee exclusive of the State Account. The Trustee shall not require indemnification for any payment when due of principal, premium, if any, or interest on any Bond to be made by the Trustee to any Bondowner, prior to the time such payment is made by the Trustee, except and unless such payment is prohibited by or violates applicable law or any outstanding or pending court or governmental order or decree. The Trustee's rights under this Section 603 shall survive the termination of this Indenture or the resignation or removal of the Trustee.

Section 604. Resignation or Removal of Trustee. The Trustee may resign on not less than sixty (60) days' notice given in writing to the Authority, the Bondowners, the Paying Agent and the State, but such resignation shall not take effect until a successor has been appointed and has assumed the duties hereunder. The Trustee will promptly certify to the other parties that it has mailed such notice to all Bondowners and such certificate shall be conclusive evidence that such notice was given in the manner required hereby. The Trustee may be removed by written notice to the parties from the Bondowners representing a majority in principal amount of the Bonds Outstanding, but no such removal shall take effect until a successor has been appointed and assumed the duties hereunder. A petition in a court of competent jurisdiction for removal of the Trustee and the appointment of a successor may be filed by the Bondowners representing not less than 25% in principal amount of the Bonds Outstanding. The Authority may remove the Trustee for cause by written notice to the Trustee and all Bondowners, but no such removal shall take effect until a successor has been appointed and assumed the duties hereunder.

Section 605. Successor Trustee. Any corporation or association which succeeds to the corporate trust business of the Trustee as a whole, or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall become vested with all the property, rights and powers of the Trustee hereunder, without any further act or conveyance. In case the Trustee resigns or is removed or becomes incapable of acting, or becomes bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property is appointed, or if a public officer takes charge or control of the Trustee, or of its property or affairs, a successor shall be appointed (but only with the consent of the State, which consent shall not be unreasonably withheld) by the

Authority. The Authority shall notify the Bondowners of the appointment in writing within twenty (20) days from the appointment. The Authority will promptly certify to the successor Trustee that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required hereby. If no appointment of a successor is made within twenty (20) days after the giving of written notice in accordance with Section 604 or after the occurrence of any other event requiring or authorizing such appointment, the outgoing Trustee or any Bondowner may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor. Any successor Trustee appointed under this section shall be a trust company or a bank having the powers of a trust company that meets the requirements of the Act, shall have a capital and surplus of not less than \$50,000,000. Any such successor Trustee shall notify the Authority of its acceptance of the appointment and, upon giving such notice, shall become Trustee, vested with all the property, rights and powers of the Trustee hereunder, without any further act or conveyance. Such successor Trustee shall execute, deliver, record and file such instruments as are required to confirm or perfect its succession hereunder and any predecessor Trustee shall from time to time execute, deliver, record and file such instruments as the incumbent Trustee may reasonably require to confirm or perfect any succession hereunder.

ARTICLE VII: THE AUTHORITY

Section 701. 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 director, officer or agent whom it may designate from time to time.

Section 702. Indemnification by the Authority. The Authority, regardless of any agreement to maintain insurance, will, to the extent permitted by law, indemnify the Trustee against (a) any and all claims by any person related to the participation of the Trustee in the transactions contemplated by this Indenture, and (b) all costs, counsel fees, expenses or liabilities reasonably incurred in connection with any such claim or any action or proceeding brought thereon. In case any action or proceeding is brought against the Trustee by reason of any such claim, the Authority will defend the same at its expense upon notice from the Trustee, and the Trustee will cooperate with the Authority, at the expense of the Authority, in connection therewith.

ARTICLE VIII: THE BONDOWNERS

Section 801. Action by Bondowners. Subject to Subsections 501(b), 502(a) and Section 901 (as to the waivers and consents granted thereby), Bondowners representing a majority in principal amount of the Bonds Outstanding shall have the right at any time, by written notice to the Trustee and upon offering it indemnity as provided in Subsection 602(e), to direct the Trustee (i) in the granting of any consents, waivers or similar actions pertaining to the Bonds, (ii) in the time, method and place of conducting all proceedings, (iii) in the exercise of any rights or remedies available to the Trustee hereunder, or (iv) in the exercise of any other right or power conferred upon the Trustee for the protection of the Bondowners, provided that such direction shall be in accordance with the provisions of law and this Indenture, and the Trustee may take any other action determined proper by the Trustee which is not inconsistent with such direction.

Any request, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Bondowners may be contained in and evidenced by one or more writings of substantially the same tenor signed by the Bondowners of the requisite percentage of principal amount of Bonds Outstanding or their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, but the Authority or the Trustee may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Bondowner or his or her 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 to the Trustee or of any notary public or other officer authorized to take acknowledgements of the 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 or her the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate 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 assistant secretary.

The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books for the Bonds maintained by the Trustee.

Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond.

ARTICLE IX: MISCELLANEOUS

Section 901. Amendments.

(a) Without Bondowners' Consent. The parties, including the State, may from time to time, without the consent of any Bondowner, amend this Indenture in order to (i) cure any ambiguity, defect or omission in the Indenture that does not materially adversely affect the interests of the Bondowners, (ii) grant additional rights or security to the Trustee for the benefit of the Bondowners, (iii) add additional Events of Default as shall not be inconsistent with the provisions of this Indenture and which shall not materially adversely affect the interests of the Bondowners, (iv) qualify this Indenture under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, (v) provide for the establishment of a book entry system of registration for the Bonds through a securities depository, (vi) add provisions relating to the issuance of Additional Bonds, or (vii) make such other provisions in regard to matters or questions arising under this Indenture as shall not be inconsistent with the provisions of this Indenture and that shall not materially adversely affect the interests of the Bondowners.

(b) With Bondowners' Consent. Except as set forth in Subsection 901(a), the parties may from time to time amend this Indenture with the consent of the owners of more than 50% in aggregate principal amount of the Bonds Outstanding; provided, that no amendment shall be made

which adversely affects the rights of some but less than all the Bonds Outstanding without the consent of the owners of more than 50% in aggregate principal amount of the Bonds so affected; and provided further, that no amendment of this Indenture shall be effective to (i) change the principal, premium, if any, or interest on any Bonds, (ii) change the interest payment dates, maturity dates or purchase or redemption provisions of any Bonds, (iii) reduce the percentage of Bondowners whose consent is required for the amendment of this Indenture, (iv) modify or release in whole or in part the State Guarantee, or (v) modify the lien upon or pledge of the payments and other revenues assigned and pledged hereunder, without the consent, in each case, of the owner of each Bond which would be affected by the action proposed to be taken.

When the Trustee determines that the requisite number of consents have been obtained for an amendment which requires Bondowner consents, it shall, within ninety (90) days, file a certificate to that effect in its records and mail notice to the Bondowners. No action or proceeding to invalidate the amendment shall be instituted or maintained unless it is commenced within sixty (60) days after such mailing. The Trustee will promptly certify to the Authority that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required hereby. A consent to an amendment may be revoked by a notice given by the Bondowner and received by the Trustee prior to the Trustee's certification that the requisite consents have been obtained.

(c) General. Any amendment of this Indenture shall be accompanied by an opinion of Bond Counsel reasonably satisfactory to the Authority and the Trustee to the effect that the amendment is permitted by this Indenture. No amendment of this Indenture shall be made without the consent of the State.

Section 902. Notices. Unless otherwise expressly provided, all notices to the Authority, the State, the Trustee, and the Paying Agent and the Authority shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered during a Business Day as follows: (a) to the Authority at its office at 2 Pillsbury Street, Suite 201, Concord, NH 03301, attention of Executive Director, (b) to the Trustee at 500 Ross Street, 12th Floor, Pittsburgh, PA 15262, attention of Corporate Trust Administration, (c) to the Paying Agent at 500 Ross Street, 12th Floor, Pittsburgh, PA 15262, Attention of Corporate Trust Division, (d) to the State at State House Annex, Room 121, Concord, NH 03301, attention of State Treasurer, or, as to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the one giving notice. All notices to a Bondowner shall be in writing and shall be deemed sufficiently given if sent by first class mail, postage prepaid, to the Bondowner at the address shown on the registration books for the Bonds maintained by the Paying Agent. A Bondowner may direct the Paying Agent to change its address as shown on the registration books by written notice to the Paying Agent. All notices to Bondowners shall identify the Bonds by name, CUSIP number, date of original issuance, maturity date, and such other descriptive information as may be needed to identify accurately the Bonds.

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

Section 903. Time. All references to times of day in this Indenture are references to New York City time.

Section 904. Indenture Not for the Benefit of Other Parties. This Indenture is not intended for the benefit of and shall not be construed to create rights in parties other than the State, the Authority, the Trustee and the Bondowners.

Section 905. Severability. In the event that any provision of this Indenture shall be held to be invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.

Section 906. Counterparts. This Indenture 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. Delivery of an executed counterpart of a signature page to this Indenture by electronic mail in a “.pdf” file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature to this Indenture.

Section 907. Captions. The captions and table of contents of this Indenture are for convenience only and shall not affect the construction hereof.

Section 908. Governing Law. This instrument shall be governed by the laws of State of New Hampshire.

[Signature page follows.]

IN WITNESS WHEREOF, the Business Finance Authority of the State of New Hampshire has caused this Indenture to be signed by one of its officers duly designated and authorized for the purpose and its official seal to be impressed hereon and The Bank of New York Mellon, as Trustee, has caused this Indenture to be signed and its corporate seal to be impressed hereon and attested by authorized officers.

BUSINESS FINANCE AUTHORITY OF THE
STATE OF NEW HAMPSHIRE

(Seal)

By: _____
Executive Director

THE BANK OF NEW YORK MELLON, as Trustee

(Seal)

By: _____
Title:

Acknowledged and Agreed to by:

STATE OF NEW HAMPSHIRE

By: _____
Governor

By: _____
Treasurer

REIMBURSEMENT AGREEMENT

Between

BUSINESS FINANCE AUTHORITY
OF THE STATE OF NEW HAMPSHIRE

and

STATE OF NEW HAMPSHIRE

Dated as of March 1, 2020

Relating to:

\$20,000,000 Business Finance Authority
of the State of New Hampshire
Taxable State Guaranteed Bonds, 2020 Series

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REIMBURSEMENT AGREEMENT

This Reimbursement Agreement dated as of March 1, 2020 is between the Business Finance Authority of the State of New Hampshire (the "Authority"), a body corporate and politic created by New Hampshire RSA 162-A:3, and the State of New Hampshire (the "State"). The Authority proposes to issue and sell \$20,000,000 principal amount of its Taxable State Guaranteed Bonds, 2020 Series (the "2020 Bonds") pursuant to New Hampshire RSA 162-A:15. The 2020 Bonds are to be issued under and secured by a Trust Indenture dated as of March 1, 2020 (as in effect from time to time, the "Indenture") between the Authority and The Bank of New York Mellon, as Trustee (with its successors, the "Trustee"). The Authority intends to issue the 2020 Bonds on or about March __, 2020 for the purpose of paying upon redemption the principal amount of the Authority's Taxable State Guaranteed Bonds 2002 Series A and 2002 Series B (collectively, the "2002 Bonds") currently outstanding in the aggregate principal amount of \$20,000,000. The 2002 Bonds will be redeemed on the date (the "Redemption Date") that is thirty (30) days after notice of redemption of the 2002 Bonds is sent in accordance with the terms of the 2002 Bonds. The Redemption Date is expected to be April __, 2020. In order to facilitate the sale of the 2020 Bonds, the Authority has requested the State to guarantee payment of the principal of and interest on the 2020 Bonds pursuant to New Hampshire RSA 162-A:17 (the "State Guarantee"). The State is willing to issue the State Guarantee subject to the terms and conditions of this Agreement.

Unless otherwise defined herein, capitalized terms shall have the meanings given them in the Indenture.

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 AND REIMBURSEMENT

1.1 Issuance of State Guarantee. 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 2020 Bonds (the "Closing Date"); provided, however, that the State Guarantee shall not be effective until the Redemption Date. In order to confirm the effective date of the State Guarantee, the Authority shall send or cause to be sent to the State Treasurer a copy of the redemption notice pertaining to the 2002 Bonds promptly after the trustee for the 2002 Bonds sends such notice to the registered owners of the 2002 Bonds in accordance with the terms thereof.

1.2 Reimbursement; Interest. 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 Agreement remaining unpaid from the date such amount becomes payable on demand until payment in full, at a fluctuating interest rate 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) in effect from time to time equal

to the 13 week United States Treasury Bill discount rate, as in effect from time to time and as determined by the State Treasurer.

1.3 Payments. The Authority shall make each payment hereunder in immediately available funds not later than 4:00 p.m. (Concord, New Hampshire time) on the day when due to the bank account specified by the State from time to time by notice to the Authority. Whenever any payment hereunder shall become due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day and interest shall be payable in respect of such extension. "Business Day" means a day on which commercial banks are not authorized or required to close in Concord, New Hampshire.

1.4 Obligations Absolute. The payment 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:

(a) any lack of validity or enforceability of the State Guarantee, the 2020 Bonds, the Indenture or any other agreement or instrument relating thereto (as such documents are in effect from time to time, the "Financing Documents");

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

(c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Trustee, the Bank, or any Bondowner (or any persons or entities for whom the Trustee, the Bank, or any Bondowner may be acting), the State, or any other person whether in connection with this Agreement, the transactions contemplated herein or in the Financing Documents, or any unrelated transaction; or

(d) payment by the State of any amount under the State Guarantee which 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) A certified copy of the resolution of the Governor and Council dated February 19, 2020 approving the award of the State Guarantee and other matters pursuant to New Hampshire RSA 162-A:17;

(b) The Indenture, duly executed by the Authority and the Trustee;

(c) Evidence that the Authority has duly executed, issued and delivered the 2020 Bonds to the initial purchasers thereof;

(d) An opinion of Hinckley, Allen & Snyder LLP, bond counsel, in substantially the form attached as [Appendix _] to the Official Statement relating to the 2020 Bonds;

(e) An opinion of Hinckley, Allen & Snyder LLP, bond counsel, in substantially the form of Exhibit A hereto; and

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

SECTION 3. REPRESENTATIONS AND WARRANTIES

The Authority represents and warrants as follows:

3.1 Authorization. This Agreement and the Indenture 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 and the Indenture have been duly authorized by the Authority.

3.2 No Breach. The execution, delivery and performance by the Authority of this Agreement and the Indenture 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 Indenture or which, if adversely determined, would have a material adverse effect on the financial condition, business or properties of the Authority.

3.4 Disclosure. Neither this Agreement nor any other document, certificate or statement furnished to the State by or on behalf of the Authority in connection with the issuance of the State Guarantee contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein not misleading.

SECTION 4. AFFIRMATIVE COVENANTS

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

4.1 Insurance. Maintain insurance with insurance companies satisfactory to the State on such of its properties, in such amounts and against such risks as is 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.

4.2 Maintenance of Properties. Maintain its properties, including without limitation all properties held by it as lessee, in good repair so that its business may be properly and advantageously conducted at all times.

4.3 Accounting Practices. Keep proper books of account in which complete and accurate entries will be made of all transactions.

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

4.5 Notice of Default. Immediately upon becoming aware of the existence of any condition or event which constitutes an Event of Default under this Agreement, or any condition or event which would upon notice or lapse of time or both constitute such an event, or of the commencement of any suits or proceedings of the type described in Section 3.3, or of any other event or condition which would have a material adverse effect on the financial condition, operations or properties of the Authority, give written notice to the State specifying the nature and duration thereof and the action proposed to be taken with respect thereto.

4.6 Financial and Other Information. Furnish to the State Treasurer:

(a) Annual Statements. As soon as available the report of an independent certified public accountant described in New Hampshire RSA 162-A:23.

(b) Certificates. With the delivery of each of the financial statements required by subsection (a), a certificate of the Executive Director of the Authority that no Event of Default, or event or condition which with the lapse of time or giving of notice or both would constitute an Event of Default, under this Agreement has occurred or if any has occurred, such statement shall specify the same and the action proposed to be taken with respect thereto. Such a statement shall also be furnished by the independent certified public accountants together with their report referred to in subsection (a) with respect to any matter which may have come to their attention in their examination.

(c) Other Reports. Promptly, copies of all detailed reports submitted by independent certified public accountants in connection with any annual or interim audit of the books of the Authority including without limitation any letters or reports relating to internal controls, adequacy of records or the like.

(d) Other Information. Promptly upon request, such other information regarding the financial condition, business, properties and operations of the Authority as the State may reasonably request from time to time.

SECTION 5. DEFAULT

The occurrence of any of the following events shall be an Event of Default hereunder:

(a) Payment. The Authority shall fail to pay any amount to the State within two days after the same shall become due hereunder.

(b) Representations. Any representation or warranty made by the Authority herein or in any document or instrument furnished to the State in connection with the issuance of the State Guarantee or pursuant to this Agreement or the Indenture is false or misleading in any material respect on the date it was intended to be effective.

(c) Certain Covenants. The Authority shall fail to observe or perform any covenant or agreement contained herein other than as referred to in subsection (a) above and such failure is not remedied within thirty days after written notice thereof shall have been given by the State to the Authority.

(d) Indenture. An Event of Default under the Indenture.

(e) Other Borrowings. The Authority shall default in the payment of any one or more of its obligations (but not counting as Authority obligations bonds issued under New Hampshire RSA Chapter 162-I, as amended) aggregating at least \$50,000 for borrowed money or the deferred purchase of property, including without limitation leases which should be capitalized in accordance with generally accepted accounting principles and guarantees and other contingent obligations in respect of obligations for borrowed money of others, beyond any applicable grace period, or fail to observe or perform any provision contained in any instrument evidencing, relating to or securing any such obligation, which failure permits such obligation to become due prior to its stated maturity.

(f) Judgments. Any judgments for payment of money exceeding in the aggregate \$50,000 shall be rendered against the Authority and shall remain undischarged for a period of sixty days during which execution shall not be effectively stayed.

If any Event of Default shall have occurred and be continuing, the State may exercise any one or more of the following remedies as the State may determine: (i) exercise any and all remedies granted to it under Section 502 of the Indenture, including declaring the principal of and accrued interest on the 2020 Bonds immediately due and payable, (ii) exercise its rights and remedies as subrogee, assignee and owner of unpaid 2020 Bonds and claims for interest on 2020 Bonds as provided in [Subsections 508(d), (e), (f) and (g)] of the Indenture and its right to institute proceedings as provided in Subsection [508(h)] of the Indenture, (iii) direct the Authority to take any action or to omit to take any action that the Authority is authorized or permitted to take or omit under the Indenture, or (iv) exercise any remedies otherwise available under law.

SECTION 6. INDEMNIFICATION

The Authority, to the extent legally permissible, 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, which the State may incur or which 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 Indenture, or the State Guarantee, or payment or failure to pay any amount under the State Guarantee, or the issuance, sale or transfer of the 2020 Bonds; 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 willful

misconduct or gross negligence of the State in determining whether to pay or not pay any amount under the State Guarantee. Nothing in this section is intended to limit the Authority's obligations contained in Section 1.

SECTION 7. COSTS, EXPENSES AND TAXES

The Authority agrees to pay on demand all reasonable costs and expenses in connection with the preparation, execution, delivery, filing, recording and administration of this Agreement, the Indenture, the State Guarantee, and all other documents which may be delivered in connection therewith, including without limitation the reasonable fees and expenses of counsel for the State, with respect thereto and with respect to advising the State as to its rights and responsibilities under this Agreement, the Indenture and the State Guarantee, and all reasonable costs and expenses (including reasonable counsel fees and expenses) in connection with (i) the enforcement of this Agreement and the Indenture and such other documents which may be delivered in connection therewith 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.

SECTION 8. MISCELLANEOUS

8.1 Amendments and Waivers. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Authority therefrom, shall in any event be effective unless the same shall be in writing and signed by the State, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

8.2 No Waiver; Remedies Cumulative. 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.

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

- | | | |
|-----|----------------------|--|
| (a) | if to the State: | State Treasurer
State House Annex, Room 121
Concord, New Hampshire 03301 |
| (b) | if to the Authority: | Business Finance Authority
2 Pillsbury Street, Suite 201
Concord, New Hampshire 03301
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.

8.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Authority and the State and their respective successors and assigns, except that the Authority may not assign its rights or obligations hereunder or any interest herein without the prior written consent of the State.

8.5 Severability. Any provision hereof which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

8.6 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 to this Agreement by electronic mail in a “.pdf” file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to this Agreement.

8.7 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.

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

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
STATE OF NEW HAMPSHIRE

By: _____
Executive Director

OPINION OF HINCKLEY, ALLEN & SNYDER LLP

[Date of Closing]

State of New Hampshire
State House Annex
Concord, New Hampshire 03301

RE: \$20,000,000 Business Finance Authority of the State of New Hampshire
Taxable State Guaranteed Bonds (2020 Series A)

We have acted as Bond Counsel to the Business Finance Authority of the State of New Hampshire (the "Authority") in connection with the issue of the above-referenced Bonds (the "Bonds").

The Bonds are being issued under and are secured by a Trust Indenture dated as of [February 1, 2020] (as in effect from time to time, the "Indenture") between the Authority and The Bank of New York Mellon, as Trustee (the "Trustee"). The State of New Hampshire (the "State") has unconditionally guaranteed the payment of the principal of and interest on the Bonds (the "State Guarantee"). In order to induce the State to issue the State Guarantee, the Authority and the State have entered into a Reimbursement Agreement dated as of [March 1], 2020 (the "Reimbursement Agreement").

We have examined the Indenture, the Reimbursement Agreement, certified copies of the proceedings of the Authority authorizing the execution and delivery of the Reimbursement Agreement, and such other documents, proceedings and matters as we deemed relevant and applicable law.

In our opinion, the Reimbursement Agreement has been duly authorized, executed and delivered by the Authority and the State, and constitutes a legal, valid and binding agreement of the parties thereto. The rights of the parties and the enforceability of the Reimbursement Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Hinckley, Allen & Snyder LLP

OFFICIAL NOTICE OF SALE

\$20,000,000
Business Finance Authority
of the State of New Hampshire
Taxable State Guaranteed Bonds
Series 2020

Notice is hereby given that electronic bids will be received until 10:45 A.M. (local Concord, New Hampshire time) on February 27, 2020 by James Key-Wallace, Executive Director of the Business Finance Authority of the State of New Hampshire, for the purchase of \$20,000,000 Business Finance Authority of the State of New Hampshire Taxable State Guaranteed Bonds, Series 2020 (the "Bonds"). Capitalized terms not otherwise defined herein are used as defined in the Preliminary Official Statement dated February __, 2020

Description of the Bond

The Bonds will be issued only as fully registered bonds in book-entry form. The Bonds will be dated their date of delivery, expected to be March 12, 2020, and will be issued in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds will be calculated on a 30/360 day basis and will be payable semi-annually on February 1 and August 1, commencing August 1, 2020.

Principal on the Bonds will be paid on February 1, 2030 in the amount of \$20,000,000.

Authorization and Security

The Bonds are general obligations of the BFA for which the full faith and credit of the BFA are pledged. The BFA has no taxing power. In addition, the Bonds are secured by the BFA's pledge of all origination and annual fees to be received by the BFA after the date of the original delivery of the Bonds in connection with revenue bonds heretofore or hereafter issued by the BFA under Chapter 162-1 of the New Hampshire Revised Statutes Annotated (the "Pledged Security").

Additionally, the Governor and Council of the State have awarded the State Guarantee (the "State Guarantee") to the Bonds by resolution adopted on February 19, 2020, pursuant to Section 17 of the Act. Under the State Guarantee, the State of New Hampshire unconditionally guarantees the payment of the principal and interest on the Bonds and for the performance of such guarantee the full faith and credit of the State are pledged, as further detailed in the Preliminary Official Statement referring to the Bonds dated February __ 2020.

THROUGH AND INCLUDING THE RETIREMENT OF THE PRIOR BONDS ON THE PRIOR BONDS REDEMPTION DATE, THE BONDS SHALL HAVE NO RIGHT TO THE PLEDGED SECURITY OR THE STATE GUARANTEE, BUT SHALL BE SECURED SOLELY BY AND PAYABLE SOLELY FROM THE MONEYS DEPOSITED BY THE AUTHORITY IN THE ESCROW FUND CREATED UNDER THE ESCROW AGREEMENT (AS DESCRIBED HEREIN). THE STATE GUARANTEE BECOMES EFFECTIVE UPON THE RETIRMENT OF THE PRIOR BONDS.

Optional Redemption

The Bonds are subject to optional redemption prior to maturity as a whole or in part, at the option of the BFA, on any Business Day, (i) before December 1, 2029 at the Make-Whole Redemption Price described below, and (ii) on or after December 1, 2029, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption.

The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest

to the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the adjusted Treasury Rate (as defined below) plus 10 basis points, plus, accrued and unpaid interest on the Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Notice of Redemption

So long as DTC is the registered owner of the Bonds, notice of any redemption of the Bonds prior to their maturities, specifying the Bonds (or the portions thereof) to be redeemed shall be mailed to DTC not more than 45 days nor less than 20 days prior to the redemption date. Any failure on the part of DTC to notify the DTC Participants of the redemption or failure on the part of the DTC Participants or of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner shall not affect the validity of the redemption. The redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption, in a separate account established by the BFA for such purpose no later than the redemption date, or that the BFA may rescind such notice at any time prior to the scheduled redemption date if the BFA delivers a notice thereof to the registered owner of the Bonds. The redemption notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded, and the failure of the BFA to make funds available in whole or in part on or before the redemption date shall not constitute a default. Notice of redemption having been given as aforesaid, and sufficient moneys deposited with The Bank of New York Mellon, or its successor, as Paying Agent (the "Paying Agent") for redemption, the Bonds called for redemption shall become due and payable on the redemption date, and from and after such date, such Bonds shall cease to bear interest.

Book-Entry Only

Initially, one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC") or its nominee, which will be designated as the securities depository for the Bonds. So long as DTC is acting as securities depository for the Bonds, a book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 and multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Principal of and interest on the Bonds will be payable in lawful money of the United States of America by The Bank of New York Mellon Trust Company, N.A., as Paying Agent. Transfers of principal and interest payments to beneficial owners (the "Beneficial Owners") will be the responsibility of such participants and other nominees of the Beneficial Owners. The BFA will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds, (b) the BFA determines that DTC is incapable of discharging its duties or that continuation with DTC as securities depository is not in the best interests of the BFA or (c) the BFA determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds is not in the best interests of the BFA or the Beneficial Owners, the BFA will discontinue the book-entry system with DTC. If the BFA fails to identify another qualified securities depository to replace DTC, the BFA will cause the execution and delivery of replacement bonds in the form of fully registered certificates.

Electronic Bidding Procedures

Proposals to purchase Bonds (all or none) must be submitted electronically via *PARITY*. Bids will be communicated electronically to the BFA at 10:45 A.M., local Concord, New Hampshire time, on Thursday, February 27, 2020. Prior to that time, a prospective bidder may (i) submit the proposed terms of its bid via *PARITY*, (ii) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds or (iii) withdraw its proposed bid. Once the bids are communicated electronically via *PARITY* to the BFA, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on *PARITY* shall constitute the official time. The BFA will not accept bids by any means other than electronically via *PARITY*.

Disclaimer

Each prospective bidder shall be solely responsible to submit its bid via *PARITY* as described above. Each prospective bidder shall be solely responsible to make necessary arrangements to access *PARITY* for the purpose of submitting its bid in a timely manner and in compliance with the requirements of the Notice of Sale. Neither the BFA nor *PARITY* shall have any duty or obligation to provide or assure access to *PARITY* to any prospective bidder, and neither the BFA nor *PARITY* shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, *PARITY*. The BFA is using *PARITY* as a communication mechanism, and not as the BFA's agent, to conduct the electronic bidding for the Bonds. The BFA is not bound by any advice and determination of *PARITY* to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bid Specifications" hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their submission of bids via *PARITY* are the sole responsibility of the bidders; and the BFA is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or withdrawing a bid for the Bonds, the bidder should telephone *PARITY* at i-Deal (212) 404-8102 and notify the BFA's Financial Advisor, Public Resources Advisory Group, Inc., by telephone at (212) 566-7800. To the extent any instructions or directions set forth in *PARITY* conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about *PARITY*, potential bidders may contact *PARITY* at i-Deal (212) 404-8102.

Bid Specifications

Bidders should state the rate of interest that the Bonds are to bear, in multiples of 1/100 of one percent. Bids must be for not less than [100.5%] of the par value of the principal amount of the Bonds. No bid for other than all of the Bonds will be accepted.

Good Faith Deposit

A good faith deposit is not required.

Bond Insurance

The BFA has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for any such policy or commitment therefor, any purchase of such insurance or commitment shall be at the sole option and expense of the successful bidder, and any increased costs of issuance or delivery of the Bonds resulting by reason of such insurance or commitment shall be assumed by such bidder. Bids shall not be conditioned upon the issuance of any such policy or commitment. Any failure of the Bonds to be so insured or of any such policy or commitment to be issued, or any rating downgrade or other material event occurring relating to the issuer of any such policy or commitment, shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Bonds.

Basis of Award

The Bonds will be awarded to the bidder offering to purchase all of the Bonds at the lowest interest cost to the BFA. The lowest interest cost shall be determined in accordance with the true interest cost (TIC) method by

doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments from the payment dates to the date of the Bonds (March 12, 2020) and to the price bid. If there is more than one such proposal making said offer at the same lowest true interest cost, the Bonds will be sold to the bidder whose proposal is selected by the Executive Director of the BFA by lot from among all such proposals at the same lowest true interest cost. It is requested that each bid be accompanied by a statement of the true interest cost computed at the interest rate stated in such bid in accordance with the above method of calculation (computed to six decimal places) but such statement will not be considered as a part of the bid.

Bids will be accepted or rejected promptly after receipt and not later than 3:00 p.m. (local Concord, New Hampshire time) on the date of the sale.

The BFA reserves the right to reject any or all proposals and to reject any proposals not complying with the Notice of Sale. The BFA also reserves the right, so far as permitted by law, to waive any irregularity or informality with respect to any proposal.

Right to Change the Notice of Sale and to Postpone Offering

The BFA reserves the right to make changes to the Notice of Sale and also reserves the right to postpone, from time to time, the date and time established for the receipt of bids. ANY SUCH POSTPONEMENT WILL BE ANNOUNCED VIA TM3 NOT LATER THAN 9:45 A.M. (local Concord, New Hampshire time) ON THE ANNOUNCED DATE FOR RECEIPT OF BIDS. If any date and time fixed for the receipt of bids and the sale of the Bonds is postponed, an alternative sale date and time will be announced via TM3 at least 48 hours prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit an electronic bid for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date and time of sale and except for any changes announced over TM3 at the time the sale date and time are announced.

CUSIP Number

It is anticipated that a CUSIP identification number will be printed on the Bonds. The Financial Advisor will timely apply for a CUSIP number with respect to the Bonds as required by MSRB Rule G-34. All expenses in relation to the printing of a CUSIP number on the Bonds shall be paid for by the BFA; provided, however, that the CUSIP Service Bureau charge for the assignment of the number shall be the responsibility of and shall be paid for by the successful bidder.

Expenses

The BFA will pay: (i) the cost of the preparation of the Bonds; (ii) the fees and expenses of Bond Counsel, special counsel to the State and the Financial Advisor; (iii) the fees of the rating agency relating to the Bonds, and (iv) the cost of preparation and printing of the Official Statement.

Undertakings of the Successful Bidder

The successful bidder shall make a bona fide public offering of the Bonds and shall, within 30 minutes of being notified of the award of the Bonds, advise the BFA in writing (via facsimile transmission) of the initial public offering price of the Bonds (the "Initial Reoffering Price"). The successful bidder must, by facsimile transmission or delivery received by the office of the Executive Director of the BFA within 24 hours after notification of the award, furnish the following information to Bond Counsel to complete the Official Statement in final form, as described below:

- A. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all Bonds are sold at the price or yield at which the successful bidder advised the BFA that the Bonds were initially offered to the public).
- B. The identity of the underwriters if the successful bidder is part of a group or syndicate.

- C. Any other material information the office of the Executive Director of the BFA determines is necessary to complete the Official Statement in final form.

Delivery of the Bonds

The Bonds will be delivered on or about March 12, 2020 in Boston on behalf of DTC against payment of the purchase price therefor in Federal Funds.

Documents to be Delivered at Closing

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that contemporaneously with or before accepting the Bonds and paying therefore, the successful bidder shall be furnished, without cost, with (a) the approving opinion of the firm of Hinckley, Allen & Snyder LLP, Boston, Massachusetts, Bond Counsel to the BFA, as to the validity and tax status of the Bonds, substantially in the form as provided in Appendix D to the Official Statement, referred to below; (b) [a certificate of the Executive Director of the BFA to the effect that, to the best of his knowledge and belief, the Official Statement referred to below, both as of its date and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;] [(c) a certificate of the Attorney General of the State in form satisfactory to Bond Counsel, dated as of the date of delivery of the Bonds and receipt of payment therefor, to the effect that there is no litigation pending or, to his or her knowledge, threatened seeking to restrain or enjoin the issuance or delivery of the Bonds, in any way affecting the validity of the Bonds or in any way contesting the power of the BFA to sell the Bonds as contemplated in this Notice of Sale;] and (d) a Continuing Disclosure Certificate substantially in the form described in the Preliminary Official Statement.

Official Statement

The Preliminary Official Statement dated February 20, 2020 and the information contained therein have been deemed final by the BFA as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") with permitted omissions, but is subject to change without notice and to completion or amendment in the Official Statement in final form (the "Final Official Statement").

The BFA, at its expense, will make available to the successful bidder a reasonable number of copies of the Final Official Statement, for delivery to each potential investor requesting a copy of the Final Official Statement and to each person to whom the bidder and members of its bidding group initially sell the Bonds, within seven business days of the award of the Bonds, provided that the successful bidder cooperate in providing the information required to complete the Final Official Statement.

The successful bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board, including an obligation, if any, to update the Final Official Statement.

Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the BFA will undertake to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement.

Additional Information

For further information relating to the Bonds, reference is made to the Preliminary Official Statement dated February 20, 2020 prepared for and authorized by the BFA. The Preliminary Official Statement may be obtained by accessing the following website: [www.i-dealprospectus.com]. For further information concerning the BFA should be directed to James Key-Wallace, Executive Director, Business Finance Authority of the State of New Hampshire, 2 Pillsbury Street, Suite 201, Concord, New Hampshire 03301 (telephone 603-415-0191) or Monika Conley, Senior Managing Director, Public Resources Advisory Group, Inc., 39 Broadway, Suite 1210, New York, New York 10006 (telephone 212-566-7800).

BUSINESS FINANCE AUTHORITY OF THE
STATE OF NEW HAMPSHIRE

By James Key-Wallace
Executive Director

Date: February 20, 2020

A RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO
\$20,000,000 OF BONDS UNDER RSA 162-A:15 AND REQUESTING
THE AWARD OF A STATE GUARANTEE OF THE PRINCIPAL OF AND
INTEREST ON THE BONDS UNDER RSA 162-A:17

Whereas, RSA 162-A:15 authorizes the Business Finance Authority of the State of New Hampshire (the "Authority") to issue bonds in an amount not exceeding in the aggregate at any time \$25,000,000 to make expenditures in aid of local development organizations in the State of New Hampshire (the "State") under RSA 162-A:7, to make temporary loans to businesses under RSA 162-A:9, to provide loan guaranties and loans to small businesses and agricultural entities under RSA 162-A:9-a, to acquire loans under RSA 162-A:10, to fund the guarantee fund established under RSA 162-A:11, to make contributions to CAP funds under RSA 162-A:12, to pay or refund any bonds issued pursuant to RSA 162-A:15 or interest thereon, or to pay the costs and expenses of the Authority;

Whereas, the Governor and Council may award an unconditional State guarantee of the principal and interest on bonds of the Authority issued under RSA 162-A:15 upon the making of certain findings specified in RSA 162-A:17;

Whereas, the Authority has previously issued its \$20,000,000 Taxable State Guaranteed Bonds, 2002 Series A and B (the "2002 Bonds") pursuant to RSA 162-A:15, of which \$20,000,000 remains outstanding as of the date hereof;

Whereas, the Authority desires to issue taxable State guaranteed bonds (the "Bonds") to provide for the defeasance and/or refunding of the 2002 Bonds;

Whereas, the issuance of up to \$20,000,000 of Bonds will enable the Authority to carry out the provisions of RSA 162-A (the "Act"); and

Whereas, the Executive Director of the Authority has presented to the Board of Directors of the Authority with information and materials concerning the proposed Bonds, including (a) a proposed Trust Indenture (the "Trust Indenture") between the Authority and The Bank of New York Trust Company providing for the issuance of security for the Bonds and (b) other information, materials and assurances deemed relevant by the Authority.

IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the information, materials and assurances received by the Authority and considered by it at an open meeting duly called and held pursuant to RSA Chapter 91-A, RSA 162-A:20 and the by-laws of the Authority and at which a quorum was present and acting throughout, the Authority finds:

(a) The award of the State guarantee of the principal of and interest on the Bonds will contribute significantly to the success of the Bond issue and the Authority's programs under the Act.

(b) 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 the guarantee shall be only incidental to the public purpose served thereby.

(c) The issuance of the Bonds and the award of the State guarantee are consistent with and carry out the purposes of the Act, which are to provide for the preservation, establishment, and redevelopment of business and industry, together with adequate transportation, water, sewage and other necessary facilities, so as to provide and encourage orderly development, create or preserve employment opportunities, protect the physical environment, preserve or increase the social welfare or economic prosperity of the State or its political subdivisions, and promote the general welfare of the State's citizens.

(d) The award of the State guarantee of the principal and interest on the Bonds will not cause (i) the unified contingent credit limit under Section 22 of the Act to be exceeded, (ii) the total amount of other guarantees in force under RSA 162-A:7-a, RSA 162-A:8, RSA 162-A:10, III, RSA 162-A:13, RSA 162-A:13-a, RSA 162-A:13-b, RSA 162-A:13-c, RSA 162-A:17, or RSA 162-I:9-b to exceed \$115,000,000 and to exceed \$30,000,000 under RSA-162-I:9-a, or (iii) the total outstanding amount of bonds guaranteed by the State under RSA 162-A:17 to exceed in the aggregate at any time \$25,000,000 plus interest.

Section 2. Authorization of the Trust Indenture. The Authority shall be a party to the Trust Indenture, and the Chairman, Vice Chairman, Treasurer or Executive Director is each authorized to execute and deliver such Trust Indenture on behalf of the Authority substantially in the form presented to this meeting (being the draft dated January 6, 2020) but subject to such changes as the person so signing may approve, his or her signature being conclusive identification of the document as such Trust Indenture (with approved changes, if any) authorized by this resolution.

Section 3. Authorization and Sale of the Bonds. The Authority shall issue the Taxable State Guaranteed Bonds, 2020 Series (the "Bonds"), in the aggregate amount of up to \$20,000,000 as provided in the Trust Indenture; any two of the Chairman, Vice Chairman, Treasurer and Executive Director are authorized to execute the Bonds by manual or facsimile signature and to affix the seal or a facsimile of the seal to the Bonds; and the sale of the Bonds by competitive sale to such purchasers (the "Underwriters") as determined in accordance with the terms of the notice of sale referenced below is hereby authorized and approved. The Bonds shall bear interest at a fixed interest rate per annum not in excess of ten percent (10%). The Authority shall be a party to a certificate of award for the Bonds and the Chairman, Vice Chairman, Treasurer or Executive Director is each authorized to execute and deliver the certificate of award for the Bonds on behalf of the Authority, in such form and subject to such terms and conditions as may be approved by the person signing, his or her signature being conclusive evidence of such approval. The Authority instructs the Executive Director to prepare a notice of sale and an official statement for use in connection with the marketing of the Bonds.

Section 4. Appointment of Trustee and Paying Agent. The Executive Director shall appoint a Trustee and a Paying Agent under the Trust Indenture.

Section 5. Bonds Not to be Issued Until After Approval by Governor and Council. The issuance of the Bonds shall not occur until such time as the Governor and Council have awarded

a State guarantee of the principal of and interest on the Bonds pursuant to Section 17 of the Act.

Section 6. Recommendation to Governor and Council; Reimbursement Agreement. In view of the general public benefit expected to be derived from the Authority's activities under the Act, and their contribution to the social and economic prosperity of the State and its political subdivisions, the Authority recommends to His Excellency, the Governor, and the Honorable Council that they award an unconditional State guarantee of the principal of and interest on the Bonds pursuant to Section 17 of the Act and for this purpose the Executive Director is directed to transmit to the Governor and Council copies of this resolution, documents received by the Authority with respect to the Bonds, including in particular the Reimbursement Agreement between the State and the Authority (the "Reimbursement Agreement") providing for the Authority's reimbursement of the State in the event State funds are used to pay the Bonds, and such other documentation and information as the Governor and Council may request. In connection with the award of a State guarantee, the Authority shall enter into the Reimbursement Agreement with the State, and the Chairman, Vice Chairman, Treasurer or Executive Director is each authorized to execute and deliver the Reimbursement Agreement on behalf of the Authority in substantially the form executed and delivered in connection with the issuance of the 2002 Bonds but subject to such changes as the person so signing may approve, his or her signature being conclusive identification of the document as such Agreement (with approved changes, if any) authorized by this resolution.

Section 7. Authorization. The Authority is hereby authorized to redeem the 2002 Bonds and to execute and deliver such documents and instruments as may be necessary to effectuate the purposes of this resolution, and the Chairman, Vice Chairman, Treasurer or Executive Director is each authorized to execute such documents and instruments on behalf of the Authority in such form and subject to such terms and conditions as may be approved by the person signing, his or her signature being conclusive evidence of such approval.

Section 8. Other Actions by Officers. The Chairman, Vice Chairman, Treasurer or Executive Director is each authorized to take all other actions and execute, deliver or receive such instruments or certificates as they determine are necessary on behalf of the Authority in connection with the whole transaction authorized by the preceding sections of this resolution. Without limiting the generality of the foregoing, such officers may execute and deliver: agreements with the State; agreements with the Underwriters; receipts; certificates as to facts, estimates and circumstances; escrow agreements; verification reports; and certificates as to proceedings taken, incumbency of officers or any other facts for any other purposes in such form and subject to such terms and conditions as may be approved by the person so signing, his or her signature being conclusive evidence of such approval.

Section 9. Effective Date. This resolution shall take effect upon its passage.

Passed: January 13, 2020

Attest: _____