

May 8, 2014

Retroactive

Her Excellency Governor Margaret Wood Hassan
And the Honorable Council
State House
Concord, NH 03301

Requested Action

1. Pursuant to RSA 188-F:6, XIII-a, authorize the Community College System of New Hampshire (CCSNH) to retroactively amend the current purchase and sale agreement with Juliet Marine Systems, Inc., for the sale of the former Stratham campus, land and buildings, by extending the due diligence period from April 15, 2014 to September 15, 2014 and amending such other provisions as contained in the Third Amendment to the Purchase and Sale Agreement for the sale of 89.9 acres +/- acres, consisting of a 100,035 +/- square foot building located at 275 Portsmouth Avenue, Stratham (the "Premises"), to Juliet Marine Systems, Inc. (the "Buyer").

Explanation

The Long Range Capital Planning and Utilization Committee and the Governor and Council approved the current Purchase and Sale Agreement, as amended, on March 5, 2014 and April 9, 2014, respectively. CCSNH (the "Seller") now seeks approval of the Third Amendment to the Purchase and Sale agreement, extending the due diligence period from April 15, 2014 to September 15, 2014. The Third Amendment was approved by the Long Range Capital Planning and Utilization Committee on April 21, 2014. The request is retroactive because of the timing of the Buyer's request to CCSNH to extend the due diligence period, which occurred in mid-April, 2014.

Both the Buyer and Seller remain committed to the purchase and sale of the former campus in Stratham. The due diligence period enables the Buyer to perform investigations related to the property. During the due diligence period, facilities upgrade needs were identified beyond those the Buyer had initially contemplated, including the need to remediate mold formation. The Buyer wishes to continue forward with the purchase, with this additional time to enable Buyer to address the needs that were identified. In turn, Buyer has made commitments contained in the Third Amendment to the Purchase and Sale Agreement, including making the initial deposit of \$25,000 non-refundable subject to the provisions of the amendment. Buyer has further agreed as part of the Third Amendment that for the duration of the extended due diligence period, Seller's obligations shall include monitoring the Premises to protect against mold formation and remediating the Premises to eradicate mold formation discovered by Seller, but shall not include renovation of any walls, floors or any other components removed due to or affected in any way by mold formation.

Her Excellency Governor Margaret Wood Hassan
And the Honorable Council
Page 2
May 8, 2014

Buyer has not sought to alter the purchase price in light of the renovations that will be needed to occupy and operate in the Premises and has agreed that Seller shall not be responsible for such costs. The closing date would become on or before October 15, 2014.

Attached to this Third Amendment request cover letter are the following documents:

Third Amendment to Purchase and Sale Agreement
Long Range Capital Planning and Utilization Committee letters for Third Amendment
Second Amendment Request Letter to Governor and Council (dated March 26, 2014)
Second Amendment to Purchase and Sale Agreement
First Amendment Request Letter to Governor and Council (dated July 31, 2013)
First Amendment to Purchase and Sale Agreement
Original Request Letter to Governor and Council (dated April 30, 2013)
Purchase and Sale Agreement
RSA 188-F:6

Should you have any questions, please contact me or Shannon Reid, CCNH Director of Communications, at 230-3504 (sreid@ccsnh.edu).

Sincerely,



Dr. Ross Gittell
Chancellor

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

275 Portsmouth Avenue, Stratham, New Hampshire

This third amendment (the "Third Amendment") is made and entered into as of the 17th day of April 2014 by and between the Community College System of New Hampshire, 26 College Drive, Concord, NH ("Seller"), and Juliet Marine Systems, Inc. 62 Deer Street, Portsmouth, NH 03801 ("Buyer") to further amend the Purchase and Sale Agreement executed by them with an Effective Date of May 15, 2013, the date of approval thereof by the Governor and Council of the State of New Hampshire (the "Agreement") which Agreement was first amended by a First Amendment to Purchase and Sale Agreement dated July 24, 2013, and thereafter amended by a Second Amendment to Purchase and Sale Agreement dated March 10, 2014.

Whereas Buyer, during the Due Diligence Period as defined in the Agreement, learned that water damage had caused the formation of mold in certain parts of the Premises; and,

Whereas Seller has taken steps to remediate such mold and will continue to monitor the Premises to protect against recurrence of mold formation and remediate any such recurring mold but does not intend to otherwise be liable for renovation of any walls, floors or any other components removed due to or affected in any way by mold formation; and,

Whereas Buyer wishes to extend the Due Diligence Period to September 15, 2014 to verify that Seller's remediation efforts have been sufficient to eradicate mold from the Premises and to determine that the Premises are, in all other respects, satisfactory for Buyer's intended uses and purposes,

Now, Therefore in consideration of the mutual agreements herein contained and the consideration herein expressed, Buyer and Seller agree to further amend as follows:

A. Section 2 (a) entitled "Deposit" is hereby amended to read in its entirety as follows:

"(a) Deposit.

(i) Seller acknowledges that Buyer has delivered to Grubb Ellis|Northern New England (now known as "Colliers International|New Hampshire"), as escrow agent ("Escrow Agent"), \$25,000. (which shall be referred to as "Initial Deposit").

(ii) On or before September 15, 2014, or upon the earlier satisfactory completion of Buyer's determination that the Premises are, in all respects, satisfactory for the Buyer's intended uses and purposes, Buyer shall deliver to the Escrow Agent an additional deposit of \$225,000 (which shall be referred to as the "Final Deposit").

(iii) If Buyer determines on or before September 15, 2014 that the Premises are not satisfactory for its intended uses and purposes or fails to deliver to the Escrow Agent the Final Deposit on or

before September 15, 2004 at 5:00 p.m., the Initial Deposit shall be disbursed by the Escrow Agent to Seller.

(iv) The Initial Deposit and the Final Deposit in the combined amount of \$250,000 shall collectively be referred to as the "Deposit").

(v) The Escrow Agent will return the Deposit to Buyer if Seller fails or refuses to perform its other obligations under the Agreement; or, if the Agreement is terminated by Buyer in accordance with the other provisions relating to termination set forth in the Agreement. Similarly, as originally set forth in the Agreement, if Buyer fails to perform its obligations under this Agreement, then the Deposit shall be disbursed by the Escrow Agent to Seller.

(vi) Upon a closing of this transaction, the Deposit shall be disbursed by the Escrow Agent to Seller and applied against the Purchase Price. Escrow Agent shall hold the Deposit subject to the Escrow Provisions set forth in Exhibit A to the Agreement (the "Escrow Provisions"). The Escrow Agent shall acknowledge its acceptance of the Escrow Provisions by executing a counterpart of this Third Amendment to the Agreement."

B. Section 4, entitled "Due Diligence/Inspections" is hereby amended by changing the last paragraph thereof to read in its entirety as follows:

"Between the Effective Date and September 15, 2014 (the "Due Diligence Period"), without prejudice to Buyer's ability at any time prior to September 15, 2014 to provide Seller with Buyer's Notice to Proceed as defined herein, Buyer may determine if the Premises is suitable for its intended uses and purposes as determined by Buyer in its sole and absolute discretion. If Buyer determines that the Premises is suitable for its intended uses and purposes, in its sole and absolute discretion, then Buyer shall notify Seller no later than 5:00 p.m. September 15, 2014, time being of the essence, that Buyer intends to proceed with the Closing on the Premises ("Buyer's Notice to Proceed"). If Buyer fails to so notify Seller prior to the expiration of the Due Diligence Period, of its intent to go forward with the Closing, it shall be conclusively deemed that Buyer has determined that the Premises is not suitable for its intended uses and purpose and this Agreement shall be null and void and the Initial Deposit shall be disbursed to Seller."

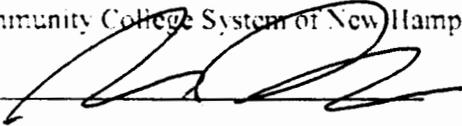
C. Section 8 (b), entitled Operation of the Premises Between the Effective Date and Closing, is hereby amended to read in its entirety as follows:

"From and after the execution of this Agreement and until the Closing, Seller shall perform its obligations to maintain the Premises. Such obligations shall include monitoring the Premises to protect against mold formation and remediating the Premises to eradicate mold formation discovered by Seller but shall not include renovation of any walls, floors or any other components removed due to or affected in any way by mold formation."

D. This Amendment may be subject to approval by the Long Range Capital Planning and Utilization Committee and or by the Governor and Council of the State of New Hampshire. If approval is required, this Amendment shall be effective as of the date its approval is final.

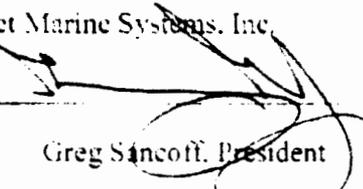
In all other respects the Agreement shall remain in full force and effect.

SELLER: Community College System of New Hampshire

By: 

Ross Gittell, PhD. Chancellor

BUYER: Juliet Marine Systems, Inc.

By: 

Greg Sincoff, President

As to only the escrow provisions set forth in Exhibit A to the Agreement as modified by this Amendment:



Name: David F. Choate, III



RECEIVED

APR 25 2014

LRCP 14-012

CCSNH

JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3161

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3161

State of New Hampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

RICHARD J. MAHONEY, CPA
Director, Audit Division
(603) 271-2785

April 21, 2014

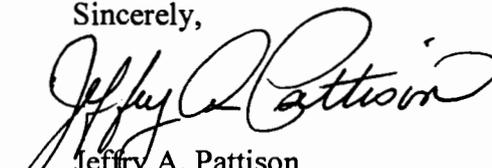
Ross Gittell, Chancellor
Community College System of New Hampshire
26 College Drive
Concord, New Hampshire 03301

Dear Chancellor Gittell,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 188-F:6, XIII-a, on April 21, 2014, approved the request of the Community College System of New Hampshire, to amend LRCP 14-005, approved March 4, 2014, by amending the expiration date of the "Due Diligence Period" from April 15, 2014 to September 15, 2014 and approve such other provisions that are contained in the 3rd Amendment to the Purchase and Sale Agreement for the sale of 89.9 +/- acres, consisting of a 100,035 +/- square foot building located at 275 Portsmouth Avenue, Stratham to Juliet Marine Systems, Inc., subject to the conditions as specified in the request dated April 18, 2014.

The Long Range Capital Planning and Utilization Committee approved the original request (LRCP 13-019) on April 16, 2013, with subsequent changes (LRCP 13-033 and LRCP 14-005) approved respectively on August 6, 2013 and March 4, 2014.

Sincerely,


Jeffrey A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment

Cc: Shannon Reid, Director of Communications ✓

April 18, 2014

Representative David Campbell, Chairman
Long-Range Capital Planning and Utilization Committee
State House, Room 102
Concord, NH 03301

Re: 3rd Amendment to Purchase and Sale Agreement between the Community College
System of New Hampshire and Juliet Marine Systems, Inc.

Dear Chairman Campbell and Members of the Committee:

Requested Action

The Community College System of New Hampshire respectfully requests, pursuant to RSA 188-F:6, XIII-a, to amend LRCP 14-005 as adopted by the Committee on March 4, 2014 by amending the expiration date of the "Due Diligence Period" from April 15, 2014 to September 15, 2014 and to approve such other provisions that are contained in the 3rd Amendment to the Purchase and Sale Agreement.

Explanation

Both the Buyer and Seller remain committed to the purchase and sale of the former campus in Stratham (the "Premises"). Buyer has requested additional time and has in turn made commitments contained in the 3rd amendment to the Purchase and Sale Agreement (the "3rd amendment"), including making the initial deposit of \$25,000 non-refundable subject to the provisions of the amendment. Buyer has further agreed as part of the 3rd amendment that for the duration of the extended due diligence period, Seller's obligations shall include monitoring the Premises to protect against mold formation and remediating the Premises to eradicate mold formation discovered by Seller, but shall not include renovation of any walls, floors or any other components removed due to or affected in any way by mold formation.

I reiterate my prior statements to the committee that allowing this Purchase and Sale agreement, as amended, to remain in force and effect is in the best interests of the State by virtue of the economic impact potential of this company and its plan to create high-skilled employment in New Hampshire. Buyer has not sought to alter the purchase price in light of the renovations that will be needed to occupy and operate in the Premises and has agreed that Seller shall not be responsible for such costs.

I will appear before the committee on April 21, 2014 along with Greg Sancoff, CEO of Juliet Marine Systems, Inc., to address this request.

Sincerely,



Ross Gittell
Chancellor

Attached: 3rd Amendment to Purchase and Sale Agreement

March 26, 2014

Her Excellency Governor Margaret Wood Hassan
And the Honorable Council
State House
Concord, NH 03301

Requested Action

1. Pursuant to RSA 188-F:6, XIII-a, authorize the Community College System of New Hampshire (CCSNH) to retroactively amend the current purchase and sale agreement with Juliet Marine Systems for the sale of the former Stratham campus, land and buildings, by extending the due diligence period from December 31, 2013 to April 15, 2014.

Explanation

The Long Range Capital Planning and Utilization Committee and the Governor and Council approved the current purchase and sale agreement, as amended, on August 6, 2013 and August 14, 2013, respectively. CCSNH seeks approval of second amendment to the contract extending the due diligence period from December 31, 2013 to April 15, 2014. This amendment was approved by the Long Range Capital Planning and Utilization Committee on March 5, 2014. The request is retroactive because the Buyer's board of directors notified CCSNH in late December, just prior to the expiration of the due diligence period, that it required additional time to complete its due diligence. Both parties wished to proceed and preserve the purchase and sale agreement, and worked together to outline the terms of a second amendment. Once the terms were agreed upon, additional time was required to obtain approval by the Long Range and Capital Planning and Utilization Committee.

The due diligence period enables the Buyer to perform investigations related to the property. In the course of the Buyer's investigations, facilities upgrade needs were identified beyond those the Buyer had initially contemplated. The Buyer wishes to continue forward with the purchase, with this additional time to address the needs that were identified. The closing date would change to on or before May 15, 2014, falling within the same fiscal year as originally established for the closing to take place. CCSNH remains engaged with the Buyer and with a very positive outlook about the economic and job-creation impact of this company in New Hampshire, and requests the Council's support.

Attached are the original Governor and Council request letter dated April 30, 2014³, for the purchase and sale agreement; the first amendment request letter dated July 31, 2013; the current purchase and sale agreement as amended; and the proposed second amendment to the purchase and sale agreement with approval letter from the Long Range Capital Planning and Utilization Committee dated March 5, 2014. Also attached is RSA 188-F:6, XIII-a.

Sincerely,



Dr. Ross Gittell
Chancellor

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

275 Portsmouth Avenue, Stratham, New Hampshire

This second amendment (the "Second Amendment") is made and entered into as of the 10th day of March 2014 by and between the Community College System of New Hampshire, 26 College Drive, Concord, NH ("Seller"), and Juliet Marine Systems, Inc. 62 Deer Street, Portsmouth, NH 03801 ("Buyer").

For and in consideration of the mutual agreement herein contained and the consideration herein expressed, Buyer and Seller agree to amend the Purchase and Sale Agreement executed by them on March 26, 2013, approved by Long Range Capital Planning and Utilization Committee (LRCPUC) on April 16, 2013 (LRCP 13-019) with an Effective Date of May 15, 2013, the date of approval thereof by the Governor and Council of the State of New Hampshire (the "Agreement") which Agreement was first amended by a First Amendment to Purchase and Sale Agreement dated July 24, 2013, approved by LRCPUC on August 6, 2013 (LRCP 13-033) and the Governor and Council of the State of New Hampshire on August 14, 2013, as follows:

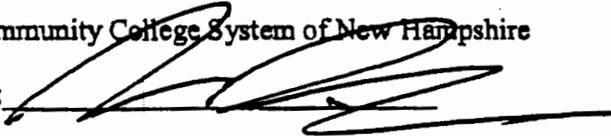
Section 4, entitled "Due Diligence/Inspections" is hereby amended by changing the first two sentences of the last paragraph thereof to read in their entirety as follows:

"Between the Effective Date and April 15, 2014 (the "Due Diligence Period"), without prejudice to Buyer's ability at any time prior to April 15, 2014 to provide Seller with Buyer's Notice to Proceed as defined herein, Buyer may determine if the Premises is suitable for its intended uses and purposes as determined by Buyer in its sole and absolute discretion. If Buyer determines that the Premises is suitable for its intended uses and purposes, in its sole and absolute discretion, then Buyer shall notify Seller no later than 5:00 p.m. April 15, 2014, time being of the essence, that Buyer intends to proceed with the Closing on the Premises ("Buyer's Notice to Proceed")."

This Amendment may be subject to approval by the Long Range Capital Planning and Utilization Committee and/or by the Governor and Council of the State of New Hampshire. If approval is required, this Amendment shall be effective as of the date its approval is final.

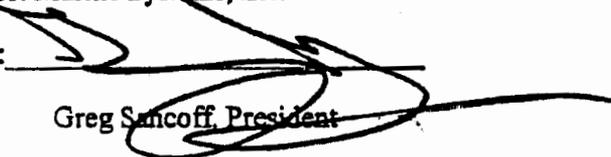
In all other respects the Agreement shall remain in full force and effect.

SELLER: Community College System of New Hampshire

By: 

Ross Gittell, PhD, Chancellor

BUYER: Juliet Marine Systems, Inc.

By: 

Greg Sencoff, President

As to only the escrow provisions set forth in Exhibit A to the Agreement as modified by this
Second Amendment:

 _____

Name: David F. Choate, III

July 31, 2013

Her Excellency Governor Margaret Wood Hassan
And the Honorable Council
State House
Concord, NH 03301

Requested Action

1. Pursuant to RSA 188-F:6, XIII-a, authorize the Community College System of New Hampshire (CCSNH) to amend the current purchase and sales agreement with Juliet Marine Systems for the sale of the former Stratham campus, land and buildings, by extending the due diligence period from August 15, 2013 to December 31, 2013.

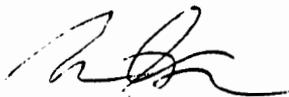
Explanation

The Long Range Capital Planning and Utilization Committee and the Governor and Council approved the current purchase and sale agreement on April 16, 2013 and May 15, 2013, respectively. CCSNH seeks approval to amend the contract to extend the due diligence period from August 15, 2013 (90 days) to December 31, 2013, (250 days). As you know, the due diligence period enables the Buyer to perform investigations related to the property. In the course of the Buyer's investigations, facilities upgrade needs were identified beyond those the Buyer had initially contemplated. The Buyer wishes to continue forward with the purchase, with this additional time to address the needs that have been identified.

The closing date would change to January 30, 2014, falling within the same fiscal year as originally established for the closing to take place. CCSNH remains engaged with the Buyer and with a very positive outlook about the economic and job-creation impact of this company in New Hampshire, and requests the Council's support.

The original Governor and Council request letter, the current purchase and sales agreement and RSA 188-F:6, XIII-a are attached.

Sincerely,



Dr. Ross Gittell
Chancellor

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

275 Portsmouth Avenue, Stratham, New Hampshire

This agreement (the "Amendment") is made and entered into as of the 24th day of July, 2013 by and between the Community College System of New Hampshire, 26 College Drive, Concord, NH ("Seller"), and Juliet Marine Systems, Inc. 62 Deer Street, Portsmouth, NH 03801 ("Buyer").

For and in consideration of the mutual agreements herein contained and the consideration herein expressed, Buyer and Seller agree to amend the Purchase and Sale Agreement executed by them with an Effective Date of May 15, 2013, the date of approval thereof by the Governor and Council of the State of New Hampshire (the "Agreement"), as follows:

Section 4, entitled "Due Diligence/Inspections" is hereby amended by changing the first two sentences of the last paragraph thereof to read in their entirety as follows: "Between the Effective Date and December 31, 2013 (the "Due Diligence Period"), without prejudice to Buyer's ability at any time to provide Seller with Buyers Notice to Proceed as defined herein, Buyer may determine if the Premises is suitable for its intended uses and purposes as determined by the Buyer in its sole and absolute discretion. If the Buyer determines that the Premises is suitable for its intended uses and purposes, in its sole and absolute discretion, then Buyer shall notify Seller no later than 5:00 P.M. December 31, 2013, time being of the essence, that the Buyer intends to proceed with the Closing on the Premises ("Buyer's Notice to Proceed")."

This Amendment is subject to approval by the Long Range Capital Planning and Utilization Committee and by the Governor and Council of the State of New Hampshire and shall be effective as of the date it is approved by the Governor and Council.

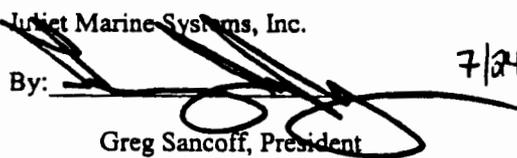
In all other respects the Agreement shall remain in full force and effect.

SELLER: Community College System of New Hampshire

By: 

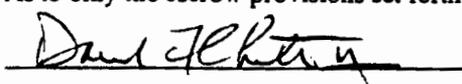
Ross Gittel, PhD, Chancellor

BUYER: Juliet Marine Systems, Inc.

By:  7/24/13

Greg Sencoff, President

As to only the escrow provisions set forth in Exhibit A to the Agreement:



Name: David F. Choate, III

Her Excellency Governor Margaret Wood Hassan
And the Honorable Council
Page Two
April 30, 2013

CCSNH will secure the first mortgage position upon the sale of the property. CCSNH will not relinquish this position over the term of the loan.

Attached are the letter of approval from the Long Range Capital Planning and Utilization Committee, a detailed explanation of the request with a brief history of the property and a copy of the purchase and sales agreement. Also attached are copies of the applicable RSA and Chapter Law.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Gittell", written over a horizontal line.

Dr. Ross Gittell
Chancellor

DETAILED EXPLANATION OF REQUEST

The Community College System of NH (CCSNH) Board of Trustees respectfully submits for your consideration the attached Purchase and Sale Agreement between CCSNH and Juliet Marine Systems, Inc. ("JMS").

This is an opportunity for NH to recruit an innovation leader and economic flagship company to the state. JMS is a private company that is positioned to add employment in NH in high-skill fields. The company's executive team has a strong record of accomplishments in launching and growing businesses and of financial success. CCSNH officials have met with the company's principals, and are convinced by review of their business strategy, innovative technology, and the experience and record of company executives and board members that this company can have a significant positive economic impact on the state. This impact would include the employment of more than 200 skilled workers within 2 years, with additional growth in future years. The transaction would add the property to the municipal tax base.

This is a prudent sale for CCSNH under the terms in the Purchase and Sale Agreement given current market conditions and carrying costs of the property, which has been vacant since 2009. The long-term benefits of job creation, the addition of an innovative, private sector company to NH's business community, and the supply-chain effects of a growing manufacturing enterprise are further points in favor of this proposed sale. The buyer is in a strong financial position to meet the obligations of the Purchase and Sale Agreement. The purchase price meets the statutory requirement that the property be sold for not less than its fair market value.

The Buyer

Juliet Marine Systems, Inc. (www.julietmarine.com) is a leader in the innovative development of marine craft. Products under development include the GHOST, a revolutionary proprietary vessel with unique high-speed and stealth fighter/attack capabilities. The company's systems are designed for applications such as fleet force protection; special operations support; anti-submarine warfare; mine warfare; intelligence, surveillance and reconnaissance; high speed maritime ferry/taxi; offshore oil rig supply vessel; and pleasure craft.

The company's plans are to establish the Stratham facility as the corporate headquarters and to use the facility to engage in "clean" technology, electronic and related assembly and for high level research and development. The facility would employ skilled technicians and high skilled engineers, as well as corporate executives and staff. Local zoning supports this use and the Town of Stratham would be able to add this property to its tax base.

Property History

The Stratham campus opened in 1982 as a Vocational Technical College serving the NH Seacoast region. In 1993, the college began offering courses at a satellite campus at Pease

Tradeport located at 67 New Hampshire Avenue, focused on business training. In 2001, to accommodate increasing enrollment and programming at Pease, the Pease campus moved within the Tradeport to 320 Corporate Drive.

In 2004, CCSNH sought the consolidation of its seacoast operations to a single campus at Pease. In July 2005, legislation was passed authorizing the closure of the Stratham campus on or before July 1, 2009. The legislation stated that the Stratham site was to be sold for "not less than its fair market appraised value", and that the sale was subject to the approval of the Long Range Capital Planning and Utilization Committee.

In Fall 2007, renovation of the Pease campus began. In June 2008, a Purchase and Sales Agreement was signed with Webster Continuing Care. In 2009, the college's move to the Pease campus was completed and the Stratham campus was closed.

In October 2010, the Purchase and Sales Agreement with Webster Continuing Care was terminated due to the buyer not meeting specified deliverables.

In August 2011, unrelated to this transaction, the State's right of first refusal was added as a condition for the transfer of CCSNH property.

In Fall 2012, CCSNH advertised a Request for Proposals for a commercial broker, and in October 2012 CCSNH retained Grubb & Ellis NNE to market the site.

In March 2013, a buyer was identified, negotiations made, and an offer price was solidified. A Purchase and Sales Agreement between CCSNH and Juliet Marine Systems, Inc. was signed and approved by the CCSNH Board of Trustees. Such agreement is subject to the approval of the Long Range Capital Planning and Utilization Committee and the Governor and Council.

Property

The property is located at 275 Portsmouth Avenue in Stratham, approximately 5 miles from I-95, 7 miles from downtown Portsmouth, and 5 miles from downtown Exeter. The property consists of one building located on 89.9 acres and has access from Portsmouth Avenue. It also has frontage on Sandy Point Road, which is currently not developed. The building is a three story steel and concrete 100,035 square foot building. Approximately two-thirds of the acreage is non-buildable wetlands.

The building was constructed in 1982 and was used continually as a community college until it was vacated in 2009. The building has been maintained and was heated until it was winterized prior to the winter of 2011.

Sale and Use of Proceeds

CCSNH negotiated with JMS to arrive at the purchase price of \$2.75 million. The offer reflects current market conditions and exceeds the current appraised value of the property.

2008 Special Session HB1-FN-A, attached, sets forth a specified division of proceeds from the sale of Stratham. Specifically, pursuant to paragraph II(a), the first \$3,000,000 realized from the sale is to be used to reduce, or redeem early, \$3,000,000 of the State's capital appropriation for renovation of the Pease campus. The next \$2,500,000 realized from the sale would be used to reduce CCSNH's bonded indebtedness arising from the capital investment at the Pease campus.

The current purchase price of \$2.75 million enables the State to redeem the majority of its \$3,000,000 capital appropriation. While the purchase price does not enable CCSNH to reduce its debt, the sale eliminates CCSNH's carrying costs of the site. CCSNH seeks this transaction in the best interests of the State -- to create well-paying jobs and further NH's innovation based economy. Great Bay Community College is poised to be a training partner to JMS to support the company's need for a skilled technical workforce. The University of New Hampshire would also be a likely training partner for engineers.

As the Purchase and Sale Agreement details, CCSNH would finance the transaction over a 10 year period. JMS is requesting this arrangement as a means to expedite the purchase and enable the company to focus efforts and resources on filling orders from clients including the US Department of Defense, and creating jobs. JMS plans to improve the building through an immediate investment and to create jobs as soon as it can move into the facility.

CCSNH is positioned to facilitate the transaction in a manner supportive of the Buyer's objectives through effective cash management that enables 3 percent return on cash holdings. The CCSNH cash position reflects the size, nature and operational capacity of our organization. CCSNH proposes to remit the \$2.75 million purchase price to the State within three years at annual payments of \$916,667. CCSNH will retain a first mortgage position.

Conclusion

This property has been vacant since 2009. Current market conditions reflect the influence of the real estate market recession over the past 6 years, and the offer exceeds the appraised value. As we look into NH's economic future, we feel this proposed sale represents an attractive opportunity to support economic growth and strengthen NH's positioning in the innovation economy.

Effective Date (as defined by Paragraph 19(f)): _____

PURCHASE AND SALE AGREEMENT

AGREEMENT made as of the Effective Date as defined in Paragraph 19(f), below, between the Community College System of New Hampshire, 26 College Drive, Concord, NH ("Seller"), and Juliet Marine Systems, Inc. 62 Deer Street, Portsmouth, NH 03801 ("Buyer").

For and in consideration of the mutual agreements herein contained and the consideration herein expressed, Buyer and Seller agree as follows:

1. **Description and Sale of Premises.** Subject to and upon the terms and conditions contained in this Agreement, Seller agrees to sell and convey and Buyer agrees to purchase certain tracts or parcels of land and the buildings and improvements thereon, situated in the Town of Stratham, New Hampshire, which premises are more particularly described in Schedule 1, together with and including all appurtenant rights and easements thereto, if any (the "Premises").

2. **Purchase Price.** Subject to the terms and conditions of this Agreement, Buyer shall buy the Premises and pay Seller therefore the sum of Two Million Seven Hundred Fifty Thousand Dollars and no cents (\$2,750,000) (the "Purchase Price"), payable as follows:

(a) **Deposit.** The Buyer shall deliver to Grubb Ellis Northern New England, as escrow agent ("Escrow Agent"), \$25,000 on the execution of this Agreement (said amount being referred as the "Initial Deposit"). The Buyer shall deliver to the Escrow Agent an additional deposit of \$225,000 upon satisfactory completion of the Buyers due diligence. ("Second Deposit" The Initial Deposit and the Second Deposit in the combined amount of \$250,000 shall collectively be referred to as the "Deposit"). The Deposit shall become nonrefundable once the Buyer has provided the Seller with the Buyers Notice to Proceed.

The Escrow Agent shall hold the Deposit subject to the Escrow Provisions set forth in Exhibit A (the "Escrow Provisions"). The Escrow Agent shall acknowledge its acceptance of the Escrow Provisions by executing a counterpart of this Agreement. If Seller fails or refuses to perform its obligations under this Agreement, or if this Agreement is terminated by the Buyer in accordance with the provisions relating to termination set forth herein, then the Deposit shall be returned by the Escrow Agent to the Buyer. If Buyer fails or refuses to perform its obligations under this Agreement, then the Deposit shall be disbursed by the Escrow Agent to Seller. Upon a closing of this transaction, the Deposit shall be disbursed by the Escrow Agent to Seller and applied against the Purchase Price.

(b) **Closing Payment.** Buyer shall pay the balance of the Purchase Price, namely, \$2,500,000 to Seller at Closing (as defined below). Buyer's obligations under this Agreement are contingent on the Buyer obtaining a loan in said amount from the Community College System of New Hampshire, said loan to be evidenced by a Promissory Note in a form satisfactory to both Buyer and Seller from the Buyer to be secured by a mortgage in a form satisfactory to both Buyer and Seller on the Premises which Promissory Note shall be due and payable in full on or before Ten (10) years following the date of the Closing. Interest on the principal amount of said Promissory Note shall be fixed at a rate of no more than 3% per annum, and Principal and interest payments shall be paid monthly commencing one month

following the Closing with said payments amortized over twenty (20) year period and a balloon payment of all unpaid principal and interest due and payable ten (10) years from the date of the Closing.

3. Title and Title Examination.

(a) **Title.** Seller shall convey good and marketable record fee simple title to the Premises to Buyer, free and clear of all mortgages, liens, security interests or other encumbrances, subject to easements, covenants and restrictions of record (the "Title Exceptions").

(b) Title Examination.

(i) Buyer may, at its sole cost and expense, cause the title to the Premises to be examined by the Due Diligence Expiration Date. If upon examination of title, Buyer determines that title to the Premises is unsatisfactory (as determined solely by Buyer and including the Identified Encumbrances), then Buyer shall, no later than fifteen (15) days from the Due Diligence Expiration Date (the "Title Examination Period"), deliver to Seller a notification in writing detailing any exceptions, defects or objections to title which Buyer claims are unacceptable to it in its sole and absolute discretion (including the Identified Encumbrances) (the "Unacceptable Exceptions"), and shall simultaneously therewith furnish Seller's counsel with a copy of the title insurance commitment procured by Buyer which sets forth such Unacceptable Exceptions. Failure to timely comply in full with the foregoing sentence shall constitute a waiver of any exceptions, defects or objections to title which could have been raised or noted by Buyer had Buyer procured a title insurance commitment within said period, and Buyer shall accept title subject to all exceptions, defects or objections to title which could have been raised or noted by Buyer had it delivered such written notification and procured a title insurance commitment within said time period.

(ii) At the Closing, the Premises shall be free and clear of any encumbrances created or arising after the date of the title insurance commitment obtained by Buyer as delivered to Seller. If there are any Unacceptable Exceptions which can be cured by the payment by Seller of money, including undischarged mortgages, Seller shall be obligated to discharge and remove the same on or before the Closing Date by paying the same in full and obtaining appropriate discharges or other like instruments which are in recordable form and which are sufficient to discharge and remove said title encumbrances of record and are otherwise satisfactory in form and substance to the title company that issued the title insurance commitment. If Seller fails to comply with Seller's obligation under the foregoing sentence, Buyer shall have the right to cure the same and any amount required to be expended shall be credited against the Purchase Price payable at Closing. If there are any Unacceptable Exceptions which cannot be cured by the payment of money ("Non-Monetary Title Defects"), Seller shall have an additional period of up to thirty (30) days to attempt to cure the same. Seller shall use reasonable efforts to cure such Non-Monetary Title Defects, but shall not be required to expend more than \$5,000 ("Maximum Amount") to achieve such cure. If Seller fails to cure any Non-Monetary Title Defects for which Seller received timely notification within thirty (30) days after it receives such notification thereof from Buyer, then Buyer shall be entitled, within ten (10) days thereafter, but before such Non-Monetary Title Defects are cured, to terminate this Agreement by written notice to Seller and receive a return of the Deposit hereunder, and neither party hereto shall have any further obligation to the other under this Agreement, except to the extent such obligation specifically survives termination. If Buyer does not so notify Seller in writing of its election to terminate pursuant to this Section 3 within the ten (10) day period specified in the preceding sentence, Buyer shall be deemed to have waived its right of termination under this Section 3. The Closing Date, if it otherwise would have occurred shall be extended during the period in which the Seller is attempting any cure as may be required pursuant to this Section. Notwithstanding the foregoing

provisions, Buyer shall have the election, at either the original or any extended time for performance, to accept such title as Seller can deliver to the Premises in its then condition and to pay therefore the Purchase Price without deduction.

(c) Eminent Domain. If prior to the Closing Date any portion of the Premises shall have been taken by exercise of the power of eminent domain, then, at Buyer's election, (i) Buyer may terminate the Agreement and the Deposit shall be refunded to Buyer, or (ii) Seller shall pay over or assign to Buyer at Closing, all awards recovered or recoverable on account of such taking, less any amounts reasonably expended by Seller in obtaining such award.

4. Due Diligence/Inspections

(a) Inspection. Buyer or Buyer's duly authorized representatives shall have the right, following full execution hereof:

(i) To make such inspection and investigation of all circumstances regarding the Premises as the Buyer deems necessary, including, but not limited to, the general condition of the Property including but not limited to any environmental studies;

(ii) To perform whatever other due diligence the Buyer deems necessary or desirable,

The purpose of the above due diligence provision is to insure that the condition and circumstances of the Premises are satisfactory for the Buyer's intended uses and purposes as determined by Buyer in its sole and absolute discretion,

Buyer shall have (90) days following the Effective Date ("Due Diligence Period") to determine if the Premises is suitable for its intended uses and purposes as determined by the Buyer in its sole and absolute discretion. If the Buyer determines that the Premises is suitable for its intended uses and purposes, in its sole and absolute discretion, then Buyer shall notify Seller in writing no later than 5:00 PM on the 90th day of the Due Diligence Period, time being of the essence, that the Buyer intends to proceed with the closing on the Premises, ("Buyers Notice to Proceed") If the Buyer fails to so notify Seller prior to the expiration of the Due Diligence Period, of its intent to go forward with the Closing, it shall be conclusively deemed that the Buyer has determined that the Premises is not suitable for its intended uses and purposes and this Agreement shall be deemed null and void and the Deposit shall be immediately returned to the Buyer

5. Right of Entry and Inspection. At Buyer's sole expense Buyer shall be allowed reasonable access to the Premises for the purpose of conducting those land surveys, environmental assessments and related investigations deemed necessary by the Buyer to determine the suitability of the premises for Buyer's proposed use (the "Inspection(s)"). Provided, however, that such access shall in all cases be with no less than twenty four (24) hours advance notice to the Seller. No Inspection that requires digging, boring or other invasive testing techniques shall be conducted without the prior written consent of the Seller which may be reasonably conditioned by the Seller's. Similarly, no signs shall be erected on the Premises in

connection with the Inspections without the prior written consent of Seller which may be conditioned or denied in Seller's sole discretion. Buyer shall cause the activities of its contractors in connection with the Inspections to be as minimally disruptive to the business of Seller or any Seller tenants as is reasonably possible. Buyer shall keep the Property free of any liens, and repair any material physical damages to the Property arising from the Inspections. All Inspections shall be completed within ninety (90) days of the Effective Date of this Agreement. All contractors conducting land surveys, environmental assessments or related investigations on behalf of Buyer shall provide proof that they maintain commercial liability coverage in amounts acceptable to Seller prior to entering the Premises. The Buyer shall indemnify the Seller for any and all damages, fees, costs, expenses, losses and injuries arising out of or in connection with the Inspections performed by Buyer or by any other party on behalf of the Buyer except to the extent caused by the gross negligence or willful conduct of Seller or its agents.

6. **Deed.** Seller shall convey the Premises to Buyer, or its nominee, by Quit Claim Deed in proper form for recordation (the "Deed").

7. **Prorations.** Rents, utility bills, sewer rents, water bills, fuel in tanks and all other charges or assessments against the Premises shall be prorated as of the date of Closing between Buyer and Seller. Seller and Buyer shall each pay at Closing one-half (1/2) of the New Hampshire Real Estate Transfer Tax applicable to this transaction.

8. **Representation and Warranties.**

(a) Seller hereby represents and warrants that Seller has the legal power and authority to enter into this Agreement and to own, sell, convey and transfer the Premises after it receives approvals from Long Range Capital Planning and Utilization Committee ("LRCPUC") and Governor and Council. Seller has not entered into any other agreement, contract or option of any kind which has not been terminated in accordance with its terms, which grants any person or entity any right to acquire all or any portion of the Premises or any interest therein other than a waiver of right of first refusal by the State of New Hampshire.

(b) **Operations of the Premises Between the Effective Date and Closing.** From and after the execution of this Agreement and until the Closing, Seller shall perform its obligations to maintain the Premises.

9. **Possession.** Seller shall deliver exclusive possession of the Premises to Buyer at Closing.

10. **Insurance.** The risk of Loss related to the Premises will remain with Seller through the date of Closing. Seller shall maintain fire and extended coverage insurance on the Premises through the date of Closing. In the event of any damage to the Premises in excess of \$50,000, Buyer may either take title to the Premises, in which event all insurance proceeds received by Seller will be paid to Buyer (plus the deductible amount under the policy, if any), or Buyer may terminate this Agreement, in which event the Deposit shall be promptly refunded to Buyer and neither party will have any further or obligation to the other under this Agreement except to the extent such obligation specifically survives termination.

11. **Brokerage Commissions.** The parties agree that no brokers or real estate agents are involved in this transaction and no real estate commissions are due, except to Grubb Ellis Northern New England ("Broker") and to Paul McInnis, Inc. under a separate agreement with Broker and Seller and Broker and

Melinnis, which commissions shall be paid from the sale and shall be the sole responsibility of the Seller. If any claim on behalf of any other broker or agent is made or upheld, then the party against or through whom such claim is made shall indemnify, defend and hold the other harmless against any commissions, fees, damages, costs or expenses in any way attributable to such claim, including without limitation, reasonable attorneys' fees.

12. **Closing.** Seller shall transfer title to the Premises to Buyer at such place as the parties may mutually agree upon, at a closing (the "Closing") which will take place on or before Thirty (30) Days from the expiration of the Due Diligence Period at a time to be mutually agreed upon (the "Closing Date").

13. **Closing Deliverables of the Parties.**

(a) **Delivery of Items by Seller.** Seller shall deliver (or cause to be delivered) to Buyer at the Closing the items listed below (collectively, "Seller's Closing Deliverables"):

- (i) the Deed;
- (ii) a receipt for payment of the Purchase Price;
- (iii) a Certificate of Non-Foreign Status;
- (iv) a closing statement setting forth the closing adjustments and prorations described in Section 6, executed by Seller and Buyer (the "Closing Statement");
- (v) an IRS Form 1099-R;
- (vi) a copy of the vote of Governor and Council authorizing the execution, delivery and performance by Seller of this Agreement and the documents and transactions contemplated hereby;
- (vii) a New Hampshire Department of Revenue Administration Real Estate Transfer Tax Declaration of Consideration (Form CD-57), executed by Seller and Buyer; and
- (viii) possession of the Premises.

(b) **Delivery of Items by Buyer.** Buyer shall deliver (or cause to be delivered) to Seller at the Closing the items listed below (collectively, "Buyer's Closing Deliverables"):

- (i) the Promissory Note and Mortgage in the amount of \$2,500,000 ;
- (ii) instructions to the Escrow Agent to deliver the Deposit to Seller;
- (iii) a Closing Statement setting forth the closing adjustments and prorations described in Section 6, executed by Seller and Buyer;
- (iv) certified resolutions of the Members of Buyer authorizing the execution, delivery and performance by Buyer of this Agreement and the documents and transactions contemplated hereby;
- (v) a certificate, dated not more than 30 days prior to the Closing Date certified by the New Hampshire Secretary of State, certifying the legal existence of Buyer in New Hampshire (the "Buyer's Certificate of Legal Existence"); and
- (vi) a New Hampshire Department of Revenue Administration Inventory of Property Transfer (Form PA-34)
- (vii) a Lender's title insurance policy in an insured amount equal to the face amount of the Promissory Note written on an ALTA 2006 form by a title insurance company authorized to issue policies in the State of New Hampshire, said company and said policy's coverage, exceptions and endorsements to be reasonably acceptable to the Seller. Buyer agrees to pay the required premium for said policy as a

Buyer's closing cost and Buyer further agrees to provide any information and execute any statements and affidavits reasonably required by the title insurance company as a precondition to issuing such policy.

14. Conditions to the Obligations of the Parties.

(a) Conditions to the Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or before the Closing Date, of all of the following conditions (subject to the right of Buyer to waive any such condition in writing):

(i) No Litigation. No action, suit or proceeding (judicial or administrative) shall have been instituted or threatened which (A) seeks to restrain or prohibit this transaction or the other transactions contemplated by this Agreement, or (B) could, if adversely determined, materially diminish the value of the Premises.

(ii) Delivery of Consents and Approvals. All consents, approvals, permits and authorizations required to be obtained from, and all filings required to be made with, any person in connection with the consummation of the transactions contemplated hereby shall have been obtained or made.

(iii) Delivery of Seller's Closing Deliverables. Seller shall have delivered all of Seller's Closing Deliverables under Section 13(a).

(b) Conditions to the Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the fulfillment, at or before the Closing Date, of all of the following conditions (subject to the right of Seller to waive any such condition in writing):

(i) Delivery of Purchase Price. Buyer shall have delivered the Purchase Price in accordance with Section 2(b).

(ii) Delivery of Buyer's Closing Deliverables. Buyer shall have delivered all of Buyer's Closing Deliverables under Section 13(b).

15. Disclaimers.

Disclaimer Regarding Environmental Matters. BUYER ACKNOWLEDGES THAT SELLER WILL PERMIT BUYER THE OPPORTUNITY TO CONDUCT SUCH ENVIRONMENTAL TESTING, STUDIES, ANALYSES AND ASSESSMENTS AS BUYER DEEMS APPROPRIATE WITH RESPECT TO THE PREMISES. BUYER ACKNOWLEDGES AND AGREES THAT IN PURCHASING THE PREMISES, BUYER IS TAKING THE PREMISES IN "AS IS" CONDITION WITH RESPECT TO ALL ENVIRONMENTAL MATTERS WITHOUT ANY REPRESENTATIONS, WARRANTIES OR ASSURANCES WHATSOEVER REGARDING ENVIRONMENTAL MATTERS OR COMPLIANCE WITH ENVIRONMENTAL LAWS OR OTHER LEGAL REQUIREMENTS GOVERNING ENVIRONMENTAL AND HEALTH AND SAFETY MATTERS. WITHOUT INTENDING TO LIMIT THE SCOPE OF THE FOREGOING, BUYER FURTHER ACKNOWLEDGES AND AGREES THAT IN PURCHASING THE PREMISES, BUYER TAKES THE PREMISES SUBJECT TO ANY AND ALL ENVIRONMENTAL, HEALTH AND SAFETY LIABILITIES EXISTING ON THE DATE OF THIS AGREEMENT, EXCEPT THOSE KNOWN TO SELLER AND NOT DISCLOSED TO BUYER PRIOR TO THE CLOSING.

16. **Default.** In the event of Buyer's failure or refusal to perform hereunder, Seller may retain the Deposit as complete liquidated damages as its sole remedy. If the transaction contemplated hereunder shall not be consummated as the result of Seller's default or its inability to perform or fulfill any obligation hereunder, Buyer shall receive a refund of the Deposit, and Seller shall have no further liability or obligations hereunder, unless Seller's failure to close is willful or attributable to Seller's bad faith, in which case Buyer may, at its election, seek specific performance of this Agreement. The parties shall not be entitled to seek or receive any remedies at law or in equity, except as provided in this Section.

17. **Notice.** All notices under this Agreement shall be deemed given if delivered personally or if mailed by certified or registered mail, return receipt requested, and addressed as follows (until either party notifies the other in writing of a different address by notice given in accordance with this Section):

If to Seller: Ron Rioux, Vice Chancellor
 CCSNH
 26 College Drive
 Concord, NH 03301

With a copies to: Naomi Butterfield, Esquire
 Bernstein & Shur
 670 North Commercial Street, Suite 108
 Manchester, NH 03105

and

 Michael Marr
 Director of Financial Operations
 CCSNH
 26 College Drive
 Concord, NH 03301

If to Buyer: Juliet Marine Systems, Inc.
 62 Deer Street
 Portsmouth, NH 03801

With a copy to: Thomas M. Keane
 Keane & Macdonald, PC
 1000 Market Street Building 2, Suite 7
 Portsmouth, NH 03801

If to Escrow Agent: David F. Choate, III
 Grubb & Ellis, Northern New England
 500 Market Street, Suite 9

Portsmouth, NH 03801

18. **Disclosures - Notification of Radon Gas and Lead Paint**

In compliance with the requirements of New Hampshire Revised Statutes Annotated 477:4-a, the following information on radon gas, lead paint and insulation is provided to the Buyer.

Radon Gas: Radon gas, the product of decay of radioactive materials in rock, may be found in some areas of New Hampshire. This gas may pass into a structure through the ground or through water from a deep well. Testing can establish its presence and equipment is available to remove it from the air or water.

Lead Paint: Before 1977, paint containing lead may have been used in structures. The presence of flaking lead paint can present a serious health hazard, especially to young children and pregnant women. Tests are available to determine whether lead paint is present.

Water and Sewer System: Private water and sewer systems.

Insulation: Seller has no information regarding the insulation, if any, in the various buildings which comprise the Premises.

19. **Miscellaneous.**

(a) This Agreement (including the Exhibits and Schedules referenced herein) contains the entire agreement between the parties relating to the transaction contemplated hereby and all prior or contemporary agreements, understandings, representations and statements, oral or written, are merged herein. No modification, waiver, amendment, discharge or change of this Agreement will be valid unless in writing and signed by the party against whom enforcement of such modification, waiver, amendment, discharge or change is sought.

(b) The interpretation of this Agreement and the rights and obligations of Buyer and Seller hereunder shall be governed by the laws of the State of New Hampshire. The parties acknowledge that they were represented by counsel and this Agreement shall be construed fairly as to all parties and not in favor of or against any party regardless of which party prepared this Agreement or the relative bargaining strength of the parties.

(c) The provisions, covenants and agreements herein contained will inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, administrators, successors, legal representatives and assigns.

(d) This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which collectively constitute one and the same agreement.

(e) This Agreement is made under, and shall be governed by, the laws of the State of New Hampshire.

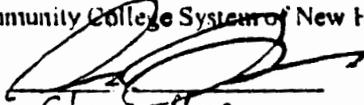
(f) The Effective Date of this Agreement shall be the latest of the following dates: date of Buyer's execution hereof, date of Seller's execution hereof, date of approval by the Trustees of the

Community College System of New Hampshire, date of approval by the long Range Capital Planning and Utilization Committee, date of approval by the Governor and Council of the State of New Hampshire.

(g) **Release of Due Diligence and Inspection Materials.** In the event that the Buyer terminates this Agreement for any reason, the Buyer shall turn over to the Seller, at no additional cost to the Seller save reasonable copy and expedited delivery charges, copies of all final plans, surveys, inspections, studies, analyses and documents related to the condition of title to the Property, the environmental condition of the Property, the regulatory compliance of the Property with any city, county, state, federal, building, land use, fire, safety, health or other governmental or public agency codes, ordinances, regulations or orders, or the physical condition of the Property or any improvements located thereon, redacted or withheld as necessary to prevent the disclosure of Buyer's confidential operational or financial information, and including copies of any such plans, studies, analyses and materials submitted by the Buyer to any city or state agency or board related to the development of the Property for its intended purpose.

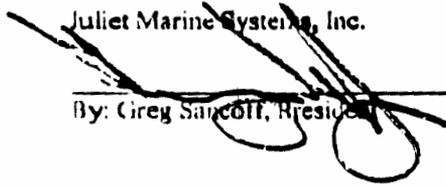
IN WITNESS WHEREOF, the parties have made this Purchase and Sale Agreement as of the date stated above.

SELLER: Community College System of New Hampshire

By: 
Its: Chancellor

3-26-13

BUYER: Juliet Marine Systems, Inc.

By: 
By: Greg Sarcoff, President

3-26-13

As to only the escrow provisions set forth in Exhibit A:


Name: David F. Choate, III

LIST OF SCHEDULES

Schedule	Description
1	Description of Premises

LIST OF EXHIBITS

Exhibit	Section Reference	Description
A	2(a)	Escrow Provisions

SCHEDULE I

Description of Premises

275 Portsmouth Avenue, Stratham, New Hampshire consists of a 100,035+/-sf building situated on 89.9+/- acres.

EXHIBIT A

Escrow Provisions

1. Escrow Account. The Deposit shall be deposited by Escrow Agent in a non-interest bearing account.
2. Delivery of Deposit. Escrow Agent shall deliver the Deposit, (for purposes hereof, the "Escrow") to Seller and Buyer promptly after receiving a joint written notice from Seller and Buyer directing the disbursement of the same, such disbursement to be made in accordance with such direction. If Escrow Agent receives written notice from Buyer or Seller that the party giving such notice is entitled to the Escrow, which notice shall describe with reasonable specificity the reasons for such entitlement, then Escrow Agent shall (a) promptly give notice to the other party of Escrow Agent's receipt of such notice and enclosing a copy of such notice, and (b) subject to the provisions of the following paragraph which shall apply if a conflict arises, on the 14th day after the giving of the notice referred to in clause (a) above, deliver the Escrow to the party claiming the right to receive it.
3. Alternative Actions. In the event that Escrow Agent shall be uncertain as to its duties or actions hereunder or shall receive instructions or a notice from Buyer or Seller which are in conflict with instructions or a notice from the other party or which, in the sole opinion of Escrow Agent, are in conflict with any of the provisions of this Agreement, it shall be entitled to take any of the following courses of action:
 - (a) Hold the Escrow as provided in this Agreement and decline to take any further action until Escrow Agent receives a joint written direction from Buyer and Seller or any order of a court of competent jurisdiction directing the disbursement of the Escrow, in which case Escrow Agent shall then disburse the Escrow in accordance with such direction;
 - (b) In the event of litigation between Buyer and Seller, Escrow Agent may deliver the Escrow to the clerk of any court in which such litigation is pending; or
 - (c) Escrow Agent may deliver the Escrow to a court of competent jurisdiction and therein commence an action for interpleader, the cost thereof to Escrow Agent to be borne by whichever of Buyer or Seller does not prevail in the litigation. Upon delivering the Deposit to the clerk of court, the Escrow Agent shall be discharged from any further obligations as Escrow Agent. Both parties agree that the Escrow Agent may deduct the reasonable costs and expenses (including, if the Escrow Agent is a law firm, compensation for the time spent or contemplated to be spent by its attorneys at their regular hourly rates) of bringing and participating in such interpleader action from the Deposit funds held in Escrow prior to forwarding such funds to the clerk of court.
4. Liability. Escrow Agent shall not be liable for any action taken or omitted in good faith and believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and it may rely, and shall be protected in acting or refraining from acting in reliance upon an opinion of counsel or upon any directions, instructions, notice, certificate, instrument, request, paper or other documents believed by it to be genuine and to have been made, sent, signed or presented by the proper party or parties. In no event shall Escrow Agent's liability hereunder exceed the aggregate amount of the Deposit. Escrow Agent shall be under no obligation to take any legal action in connection with the Escrow or this Agreement or to appear in, prosecute or defend any action or legal proceeding which would or might, in

its sole opinion, involve it in cost, expense, Loss or liability unless, in advance, and as often as reasonably required by it, Escrow Agent shall be furnished with such security and indemnity as it finds reasonably satisfactory against all such cost, expense, Loss or liability. Notwithstanding any other provision of this Agreement, Buyer and Seller jointly and severally agree to indemnify, hold harmless and reimburse Escrow Agent on demand against any Loss, liability or expense incurred without bad faith on its part and arising out of or in connection with its services under the terms of this Agreement, including the cost and expense of defending itself against any claim of liability (including, if Escrow Agent is a law firm, compensation for the time spent by its attorneys at their regular hourly rates).

5. **Modification.** Escrow Agent shall not be bound by any modification of this Agreement unless the same is in writing and signed by Buyer, Seller and Escrow Agent. From time to time on or after the date hereof, Buyer and Seller shall deliver or cause to be delivered to Escrow Agent such further documents and instruments that fall due, or cause to be done such further acts as Escrow Agent may reasonably request (it being understood that the Escrow Agent shall have no obligation to make any such request) to carry out more effectively the provisions and purposes of this Agreement, to evidence compliance with this Agreement or to assure itself that it is protected in acting hereunder.

6. **Expenses.** Escrow Agent shall not seek reimbursement for the services of its employees, but only for its actual and reasonably incurred out-of-pocket expenses, except in the event of a dispute or where indemnification is provided for herein. Seller shall pay the fees and expenses of the Escrow Agent incurred in connection with this Agreement.

7. **Conflicts.** These Escrow Provisions are made pursuant to the Purchase and Sale Agreement between Seller and Buyer (the "Purchase Agreement"). In the event of any inconsistency or conflict between the provisions of these Escrow Provisions and the provisions of the Purchase Agreement, these Escrow Provisions shall govern and control.

TITLE XV EDUCATION

CHAPTER 188-F COMMUNITY COLLEGE SYSTEM OF NEW HAMPSHIRE

Section 188-F:6

188-F:6 Authority of the Board of Trustees. – The trustees shall have the management and control of all the property and affairs of the community college system, all of its colleges, divisions, and departments. In addition to this authority, the trustees are authorized to:

I. Develop and adopt bylaws for the regulation of its affairs and the conduct of business and to adopt an official seal and alter it as necessary or convenient.

II. Oversee the administration of the community college system of New Hampshire and its colleges, divisions, departments, and regional academic centers, to determine the organizational structure and operational policies and procedures for the community college system, and to render the final decision on the closure of any college or regional academic center.

III. (a) Appoint and fix the compensation of a chancellor of the community college system of New Hampshire who shall serve as the chief executive officer of the community college system, as the community college system's primary liaison with the general court and other elements of state government, and as chief spokesperson for the community college system. The chancellor shall be qualified by education and experience and shall serve at the pleasure of the board.

(b) Approve the nomination by the chancellor, and fix the compensation of a vice-chancellor who shall be qualified by education and experience and who shall serve at the pleasure of the chancellor.

(c) Approve the nomination by the chancellor, and fix the compensation of a president of each community college system of New Hampshire college, who shall be the chief academic and administrative officer of his or her institution. The president, who shall report to the chancellor, shall be the chief executive officer of his or her college, and shall have the authority for and be responsible for the general administration and supervision of all operations of that college, and shall have such other duties as the board of trustees may determine. The president shall be qualified by education and experience and shall serve at the pleasure of the board.

(d) Appoint and fix the compensation and duties of such other community college system of New Hampshire administrators as are needed to provide a well-coordinated system of public higher education.

(e) Employ and prescribe the duties of personnel as may be necessary to carry out the purposes for which the community college system of New Hampshire has been created.

IV. Accept legacies and other gifts to or for the benefit of the community college system.

V. Accept any moneys accruing to the community college system and its colleges, or moneys appropriated by or received from the United States government or the state of New Hampshire, including federal financial aid, and any grant moneys from state or federal governmental agencies, public or private corporations, foundations or organizations for the benefit and support of the community college system.

VI. Prepare and adopt a biennial operating budget for presentation to the governor and the general court. Each college within the community college system of New Hampshire and the chancellor's office shall be considered a separate division and budgetary unit. The community college system of New Hampshire shall submit its budget in accordance with RSA 9:4-e and at the same time as state agencies. All claims to be presented for the issuance of warrants submitted by the colleges and the system office of the community college system of New Hampshire shall be pre-audited by the community college

system of New Hampshire, and such certification shall be sufficient evidence for the director of the division of accounting services to fulfill such responsibilities relative to the debt incurred by the community college system of New Hampshire.

VII. Prepare and adopt a biennial capital improvements budget for presentation to the governor and the general court.

VIII. Receive, expend, allocate, and transfer funds within the community college system of New Hampshire as necessary to fulfill the purposes of the community college system. The trustees shall have no authority over funds in the police standards and training council training fund established in RSA 188-F:30, or any other funds appropriated to the police standards and training council or to the McAuliffe-Shepard discovery center, which shall not be commingled with any funds of the community college system of New Hampshire.

IX. Invest any funds not needed for immediate use, including any funds held in reserve, in property and securities in which fiduciaries in the state may legally invest funds.

X. Establish and collect tuition, room and board, and fees, and to set policies related to these and other charges, including fees for the reasonable use of community college system of New Hampshire facilities.

XI. Enter into any contracts, leases, and any other instruments or arrangements that are necessary, incidental, or convenient to the performance of its duties and responsibilities.

XII. Acquire consumable supplies, materials, and services through cash purchases, sole-source purchase orders, bids, or contracts as necessary to fulfill the purposes of this chapter.

XIII. Acquire by purchase, gift, lease, or rent any property, lands, buildings, structures, facilities, or equipment necessary to fulfill the purposes of this chapter.

[Paragraph XIII-a effective on date written notice of insurance is provided to secretary of state as provided by 2011, 199:4.]

XIII-a. Enter into a contract for the sale of real property with the prior approval of the long range capital planning and utilization committee and governor and council, provided that the state shall retain the right of first refusal in any proposed sale of real property. This paragraph shall not apply to real property acquired by the community college system of New Hampshire after the effective date of this paragraph.

XIV. Grant or otherwise transfer utility easements.

XV. Authorize and enter any contracts, leases, and any other instruments or arrangements that are necessary, incidental, or related to the construction, maintenance, renovation, reconstruction, or other necessary improvements of community college system of New Hampshire buildings, structures, and facilities.

XVI. Develop and adopt personnel policies and procedures for the community colleges. The board of trustees shall determine the qualifications, duties, and compensation of its employees and shall allocate and transfer personnel within the community college system of New Hampshire as necessary to fulfill the purposes of this chapter.

XVII. Appoint or identify college or program advisory committees to advise the community colleges with respect to strategic directions, general, professional, career, and training policies and programs and their modification to meet the needs of the state's economy and the changing job market.

XVIII. Adopt principles of effective self-governance and to assess board processes, policies, and operations in light of such principles.

XIX. Delegate duties and responsibilities as necessary for the efficient operation of the community college system of New Hampshire and to do other acts or things necessary or convenient to carry out the powers and duties set forth in this chapter.

XX. By and with the consent of the governor and council, borrow on the credit of the community college system of New Hampshire in anticipation of income for the purpose of forwarding its building

program, not exceeding \$500,000 in any one fiscal year. All amounts so obtained in any fiscal year shall be repaid from the income of the next succeeding year.

XXI. Enter into program and service relationships with state departments, divisions, and other state entities through memoranda of understanding.

Source. 2007, 361:2, eff. July 17, 2007. 2009, 13:6, eff. April 17, 2009. 2010, 199:2, 4, 7, eff. Aug. 20, 2010. 2011, 35:2, eff. July 8, 2011; 199:3, eff. as provided by 2011, 199:4.