

LEASE

This Lease (this "Lease") is made and entered into as of January 29, 2018 (the "Effective Date") by and between Samuel E. Cassida, an individual resident of the State of Maine, having an address of 271 Northport Avenue, Belfast, Maine 04915 ("Landlord"), and Nordic Aquafarms, Inc., a Delaware corporation, having an address care of Nordic Aquafarms AS Øraveien 2, 1630 Gml Fredrikstad, Norway ("Tenant").

ARTICLE ONE Demised Premises

Section 1.1 Landlord, for and in consideration of the rents and additional rents hereinafter reserved, and upon and subject to the terms, conditions, covenants and agreements hereinafter set forth, by these presents does hereby GRANT, DEMISE AND LEASE unto Tenant the following described real property:

Approximately 12.2 acres, Northport Avenue (Rear Land), City of Belfast Tax Map 4, Lot 104 (the "Land"), TOGETHER WITH any and all improvements presently on the Land and those buildings and improvements hereafter erected on the Land by Tenant (it being understood that Tenant has no obligation to erect any buildings or other improvements on the Land); TOGETHER with all and singular the appurtenances, rights, privileges and easements now or hereafter appertaining thereto; ALL of said property being hereinafter collectively called the "Demised Premises."

ARTICLE TWO Term; Habendum

Section 2.1 TO HAVE AND TO HOLD the Demised Premises for a term of thirty (30) years commencing on the Commencement Date (as defined in Rider A attached hereto and incorporated herein by reference) and expiring at midnight on the thirtieth (30th) anniversary of the Commencement Date, unless this Lease shall sooner end and terminate or be extended (as may be extended or earlier terminated, the "Term"). For the purpose hereof, a "Lease Year" shall be each successive period of twelve (12) calendar months during the Term, with the first Lease Year commencing on the Commencement Date and expiring on the last day of the calendar month following the one year anniversary of the Commencement Date.

Section 2.2 Tenant shall have the option to extend the Term for four (4) additional five (5) year periods upon written notice to Landlord given not less than three months (3) prior to the expiration of the then-current Term.

ARTICLE THREE Use of Demised Premises

Section 3.1 Tenant may use, develop, alter and operate the Demised Premises for a land-based aquaculture facility and related improvements and any use or purpose allowed by applicable law (any such use, the "Project"), including any use or purpose for which Tenant may obtain any Governmental Approval (hereinafter defined).

Section 3.2 Tenant may pursue any application, approval, authorization, permit, special permit, site plan approval, waiver, zoning change, variance or relief from zoning or other land use law, ordinance, rule or regulation as Tenant may deem necessary or desirable (collectively, "Governmental Approvals"). Landlord shall cooperate with Tenant, and not contest or otherwise interfere with, any proposed use of the Demised Premises, including by executing upon request any documentation required by the applicable Governmental Authority (hereinafter defined) related to Tenant's development, use or occupancy of the Demised Premises. Landlord acknowledges that Tenant may integrate the Demised Premises or parts thereof into a development project involving adjacent property not owned or controlled by Landlord and Landlord irrevocably consents thereto.

Section 3.3 Landlord and Tenant agree that if any Governmental Authority shall require the execution and delivery of any instrument to evidence or consummate the dedication of any street or right of way adjoining the Demised Premises, and/or if any Governmental Authority or any public utility company shall require the execution and delivery of any rights of way, easements and grants, in, over, under, through or adjoining the Demised Premises to provide any necessary or desirable utility, service or facility for the benefit of the Demised Premises, then both such parties will execute, acknowledge and deliver, any such instrument or document as may be required. Landlord also agrees to execute, acknowledge and deliver such instruments or documents as Tenant may reasonably request in connection with any tax contests or other proceeding relating to the use, operation, or ownership of the Demised Premises.

*x excepting the 30' wide SC
easement described in
Waldo Registry BK 4153 Pg 74*

ARTICLE FOUR
Annual Rent

Section 4.1 Tenant covenants and agrees to pay to Landlord rent (“Annual Rent”) in the amount set forth herein, in annual installments, in advance, on the first day of each Lease Year commencing on the Commencement Date. Annual Rent for the first Lease Year shall be in the amount of [REDACTED]. On the first day of the second (2nd) Lease Year, and on the first day of each Lease Year thereafter (each such date being referred to herein as a “Change Date”), the Annual Rent shall be increased by the lesser of (i) the percentage increase in the Consumer Price Index for All Urban Consumers - All Items as published by the Bureau of Labor Statistics for the U.S. Department of Labor for the Boston-Brockton-Nashua, MA-NH-ME-CT metropolitan area (base year 1982-84=1001) (the “Index”) from the Change Date to the current Change Date, and (ii) three percent (3%). The Annual Rent as so increased shall remain in effect until the next succeeding Change Date. If the Index has not been published as of the applicable Change Date, then Tenant shall continue to pay the Annual Rent at the rate for the preceding Lease Year until such time as the applicable Index is published, and the parties shall make an adjustment, retroactive to the Change Date, and the shortfall, if any, shall be due and payable with Tenant’s next succeeding payment of Annual Rent. Notwithstanding the foregoing, Tenant shall pay to Landlord the sum of [REDACTED] upon the execution of this Lease as an advance payment of Annual Rent, which sum (i) shall be non-refundable if this Lease is terminated pursuant to Rider A, and (ii) shall be credited to the Annual Rent for the first Lease Year upon the Commencement Date.

Section 4.2 All amounts payable under Section 4.1, as well as all other amounts payable by Tenant to Landlord under the terms of this Lease (“Additional Rent” and collectively with Annual Rent, the “Rent”), shall be paid at the address of Landlord set forth in Section 13.2, or at such other place as Landlord may designate by notice to Tenant.

ARTICLE FIVE
Taxes, Insurance and Other Charges

Section 5.1 Tenant agrees that it will pay and discharge, or cause to be paid and discharged, punctually as and when the same shall become due and payable without penalty, all real estate taxes, personal property taxes and all other governmental impositions and charges of every kind and nature whatsoever (collectively, “Tax” or “Taxes”) which, at any time during the Term, shall be or become due and payable and which shall be levied, assessed or imposed upon or against the Demised Premises or any improvements thereon. Tenant acknowledges that the Demised Premises has been assessed as “tree growth” property and a penalty or catch-up payment may result when the Demised Premises is removed from such status. Tenant shall be responsible for any such penalty or catch-up payment, provided Landlord shall cooperate with Tenant to minimize or reduce the same.

Section 5.2 Nothing contained in this Lease shall require Tenant to pay any estate, inheritance, succession, capital levy or transfer tax of the Landlord, or any income, excess profits or revenue tax or any other tax, assessment, charge or levy upon the Rent payable by Tenant under this Lease.

Section 5.3 Any Tax relating to a fiscal period of the taxing authority which is partly within the Term and partly subsequent to the Term shall, whether or not such Tax shall be assessed, levied, imposed or become a lien upon the Demised Premises or shall become payable during the Term, be apportioned between Landlord and Tenant as of the expiration of the Term, so that Landlord shall pay the portion of such Tax applicable to the period after the expiration of the Term, and Tenant shall pay the remainder thereof.

Section 5.4 Tenant shall have the right to contest the amount or validity, in whole or in part, of any Tax, or to seek a reduction in the valuation of the Demised Premises as assessed for real estate or personal property tax purposes. Any contest as to the validity or amount of any Tax, or assessed valuation upon which such Tax was based, whether before or after payment, may be made by Tenant in the name of Landlord and/or of Tenant, as Tenant shall determine, and Landlord agrees that it will, at Tenant’s expense, cooperate with Tenant in any such contest. Tenant shall be entitled to any refund of any such Tax and penalties or interest thereon.

Section 5.5 During the Term, Tenant shall maintain commercial general liability insurance, identifying Landlord as an additional insured, against claims for personal injury, death and property damage occurring upon, in or about the Demised Premises.

ARTICLE SIX
Repairs and Maintenance

Section 6.1 Tenant shall have no maintenance or repair obligations under this Lease, but Tenant shall be responsible for any and all maintenance or repairs required or desired to be made by Tenant to the Demised Premises or any improvements thereon.

Section 6.2 Landlord shall not be required to make any alterations, repairs, additions or improvements, or to furnish any services or facilities of any kind, to the Demised Premises or any improvements thereon.

ARTICLE SEVEN
Public Utilities and Services

Section 7.1 Tenant agrees to pay or cause to be paid all charges for utilities or services provided to the Demised Premises and any improvements thereon throughout the Term. Tenant expressly agrees that Landlord is not required to furnish to Tenant or any other occupant of the Demised Premises any utilities or services of any kind. Landlord, upon Tenant's request and at Tenant's sole expense, will join with Tenant in any application for obtaining or continuing any of the foregoing utilities or services.

ARTICLE EIGHT
Tenant's Improvements and Alterations

Section 8.1 Tenant shall have the right at any time during the Term to make, at its cost and expense, any repairs, replacements, additions, betterments, changes, or restorations to the Demised Premises, including any improvements thereon, and to demolish or raze any such improvements.

Section 8.2 Landlord agrees that at the request of Tenant, Landlord will, at Tenant's sole cost and expense, either (a) file any applications or petitions, in which Tenant will join if required, or (b) join in any applications or petitions filed by Tenant, to obtain all approvals, licenses and permits required from any town, city, county, state and federal governments and of each and every department, entity, bureau and duly authorized official thereof and of any successor or future governmental authority, department, entity, bureau and duly authorized official thereof, and of the local board of fire underwriters having jurisdiction and/or any other corporation, body or organization possessing similar authority and exercising similar functions (collectively, "Governmental Authorities") for any alterations and will actively support such applications and petitions. Tenant shall be solely responsible for the preparation, filing and processing of all such applications or petitions.

Section 8.3 Title to all improvements shall vest in Tenant until the expiration or earlier termination of this Lease, whereupon title to the improvements shall vest in Landlord.

ARTICLE NINE
Casualty

Section 9.1 Should the whole or any part of the improvements then on the Demised Premises be partially or wholly damaged by a casualty after the Commencement Date, Tenant shall have the option to terminate this Lease, in which event the parties shall have no further rights or obligations hereunder, other than those that are expressly stated to survive the expiration or termination hereof. Whether or not Tenant elects to terminate the Lease, Tenant shall not be required to restore or rebuild the damaged improvements.

ARTICLE TEN
Condemnation

Section 10.1 In the event that the Demised Premises, or any part thereof, shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by agreement between Landlord, Tenant and those authorized to exercise such right (any such matters being herein referred as a "Taking"), Landlord, Tenant and any leasehold mortgagee shall have the right to participate in any Taking proceedings or agreement for the purpose of protecting their interests hereunder. Each party so participating shall pay its own expenses therein.

Section 10.2 In the event of a Taking, Tenant shall have the option to terminate this Lease on the date of such Taking, in which event the parties shall have no further rights or obligations hereunder, other than those that are expressly stated to survive the expiration or termination hereof. Whether or not Tenant elects to terminate the Lease, Tenant shall not be required to restore or rebuild any affected improvements.

Section 10.3 In the event of a Taking, any award, compensation or insurance proceeds to which Landlord and Tenant may become entitled shall be allocated in the following order of priority: (i) to Tenant, for its interest in any improvements on the Demised Premises; (2) to Tenant, for the value of its leasehold interest in the Demised Premises; and (iii) to Landlord, for the value of its fee interest in the Demised Premises.

ARTICLE ELEVEN

Assignment, Leasing and Mortgages

Section 11.1 Without Tenant's prior written approval, which may be withheld in Tenant's sole and absolute discretion, Landlord shall not (a) directly or indirectly cause or permit any mortgage, deed of trust, lien, assessment lien, assessment, obligation, interest, encumbrance or encroachment or liability whatsoever to be placed against (whether recorded or not) the Demised Premises or take any other action that could adversely affect title to the Demised Premises, or (b) enter into any agreement or commitment to do any of the foregoing.

Section 11.2 Tenant shall have the right, without the consent of the Landlord, at any time and from time to time, to assign its interest in this Lease, or to sublet the whole or any portion or portions of the Demised Premises for the use and purposes permitted under this Lease.

ARTICLE TWELVE

Event of Default

Section 12.1 If Tenant shall default in the payment of Rent when and as the same shall be due and payable and such default shall continue for a period of thirty (30) days after receipt by Tenant of written notice thereof from Landlord, Landlord may terminate the Lease upon thirty (30) days' prior written notice to Tenant; provided, however, Tenant may void such termination by curing the Rent default prior to the expiration of such thirty (30) day period.

ARTICLE THIRTEEN

Miscellaneous Provisions

Section 13.1 Invalidity of Particular Provisions. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 13.2 Notices. All notices and other communications required or permitted hereunder (collectively, "Notices") shall be in writing and shall be sent by registered or certified mail, or overnight delivery by a nationally recognized public or private carrier, return receipt requested, postage prepaid, addressed to the party to receive such Notice at the address set forth below:

If to Landlord, to: Samuel E. Cassida
271 Northport Avenue
Belfast, Maine 04915

With a copy to: Lee Woodward, Jr. Law Offices
56 Main Street
Belfast, ME 04915
Attn: Lee Woodward, Jr.
Email: woodward@lwoodwardlaw.com

If to Tenant, to: Nordic Aquafarms AS
Øraveien 2, 1630 Gml Fredrikstad
Norway

With a copy to: Mintz, Levin, Cohn, Ferris, Glovsky & popeo, P.C.
One Financial Center
Boston, MA 02111
Attn: Daniel O. Gaquin

Email: dogaquin@mintz.com

Either party may, by Notice given as aforesaid, change its address or add any additional addresses for all subsequent Notices. Notices given by mail shall be deemed given three (3) days after mailing in accordance with the requirements of the United States Postal Service, and all other Notices shall be deemed given on the date of delivery.

Section 13.3 Quiet Enjoyment. Landlord covenants that Tenant shall quietly have and enjoy the Demised Premises during the term of this Lease, without hindrance or molestation by anyone claiming by, through or under Landlord; subject, however, to the exceptions, reservations and conditions of this Lease.

Section 13.4 Confidentiality. Each party agrees that it shall keep confidential the terms of this Lease, the documents and information supplied by the other party to it and all information, surveys, reports, tests and studies relating to the Demised Premises obtained by either party before or after the Effective Date (collectively, the “Confidential Information”). Disclosure of Confidential Information by either party shall not be prohibited if that disclosure is information that is or becomes a matter of public record or public knowledge from sources other than the other party or its agents, employees, contractors, consultants or attorneys. Notwithstanding the foregoing, either party may disclose otherwise Confidential Information where disclosure (i) is required by applicable law or by an order of a court or other Governmental Authority having jurisdiction after giving reasonable notice to the other party with, to the extent practicable, adequate time for such other party to seek a protective order; (ii) is reasonably necessary and is made to that party’s or its affiliate’s employees, officers, directors, attorneys, accountants or other advisors who are advised of the confidential nature of such information; or (iii) is required to enforce the rights and remedies under this Agreement of either Tenant or Landlord. Nothing contained herein shall prohibit or restrict Tenant from disclosing information as may be required in connection with Tenant’s application to obtain any Governmental Approvals to develop and operate the Project. In addition, within five (5) days of the Effective Date, Landlord and Tenant shall execute a notice of lease, in substantially the form attached hereto as Exhibit A and incorporated herein by reference, and either party shall be entitled to record the same.

Section 13.5 Entire Agreement. This Lease and the documents referred to herein contain the entire agreement between the parties pertaining to the subject matter hereof, and any executory agreement hereafter made shall be ineffective to change, modify or discharge it in whole or in part unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought. This Lease cannot be changed or terminated orally.

Section 13.6 Brokers. Each party hereby represents and warrants to the others that it has not dealt with any broker or agent in connection with this Lease and covenants to pay, hold harmless and indemnify the other party from and against any and all costs, expense or liability (including legal fees incurred in defending against any claim) for any compensation, commission and charges claimed by any broker or agent with respect to this Lease or the negotiation hereof or otherwise arising from a breach of the foregoing warranty.

Section 13.7 Successors and Assigns. The covenants, conditions and agreements in this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives, successors and permitted assigns.

Section 13.8 No Merger. It is the intent and purpose of the parties hereto that this Lease shall remain in full force and effect until duly terminated and shall not be deemed to have merged with the interest of Landlord created by virtue of any lien upon the Demised Premises or any other interest therein or any portion thereof held by Landlord.

Section 13.9 Governing Law. This Lease shall be construed in accordance with and shall be governed by the laws of the State of Maine.

Section 13.10 Estoppel Certificate. Landlord shall, without charge, at any time and from time to time, within ten (10) days after Tenant’s request, certify by written instrument duly executed and acknowledged in recordable form and deliver to Tenant or to any leasehold mortgagee or assignee or any proposed mortgagee or assignee, or any other person interested in this Lease specified by Tenant such usual and customary matters included in estoppel certificates.

ARTICLE FOURTEEN **Option to Purchase**

Section 14.1 Landlord hereby grants to Tenant the exclusive option to purchase the Demised Premises (the “Purchase Option”) on the terms and conditions set forth in this Article 14. Tenant may exercise the Purchase Option at any time during the Term (and any extension thereof) by delivering notice to Landlord of its intent to do so (the “Notice of Election to Purchase”). In the event Tenant delivers the Notice of Election to Purchase, the purchase price of the Demised

Premises shall be [REDACTED] LESS any Annual Rent paid by Tenant to Landlord under this Lease up to [REDACTED] paid by Tenant to Landlord (together with closing costs payable in accordance with Section 14.3), and the consummation of the sale (the "Closing") shall occur no more than sixty (60) days following the receipt by Landlord of the Notice of Election to Purchase, unless such sixty (60) day period is extended pursuant to Section 14.2. As an example, if Tenant exercises the Purchase Option during the third Lease Year, having paid [REDACTED] in Annual Rent, the Purchase Price payable at Closing is [REDACTED]


Section 14.2 Landlord shall convey to Tenant the Demised Premises free and clear of all liens, encumbrances, charges and restrictions, other than liens, encumbrances, charges and restrictions acceptable to Tenant. It shall be a condition precedent to the Closing that Tenant has obtained a title commitment in form and substance acceptable to Tenant, with such endorsements as Tenant may require, and if Tenant is unable to obtain such a title commitment, Tenant may, at its option, (i) rescind the Notice of Election to Purchase and continue its lease of the Demised Premises pursuant to the terms of this Lease as though the Notice of Election to Purchase had not been delivered, or (ii) extend the thirty (30) day time period provided for Closing by no more than sixty (60) days in order to obtain such title commitment.

Section 14.3 At Closing, Landlord shall execute and deliver to Tenant a good and sufficient quitclaim deed with covenants running to Tenant or Tenant's nominee or designee. Landlord and Tenant shall execute and deliver such additional documents or instruments as are necessary and customary to cause the transfer of the Demised Premises from Landlord to Tenant. All recording fees, all costs relating to the preparation of a survey and all title insurance premiums incurred in connection with the purchase of the Demised Premises by Tenant shall be paid by Tenant, and all transfer taxes, recordation taxes, stamp taxes, documentary taxes or similar impositions shall be paid as is customary for property similar to the Demised Premises in the jurisdiction in which the Demised Premises is located. If the Purchase Option has not been exercised prior to the expiration of the Term, the Purchase Option shall, without further action of any party, automatically terminate and thereafter shall be null and void and of no further force or effect, and neither party shall have any further rights or obligations with respect to the Purchase Option. If the Closing occurs, this Lease shall automatically terminate effective as of the Closing and the parties shall have no further rights or obligations hereunder, other than those that are expressly stated to survive the expiration or termination of this Lease.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this instrument under seal as of the day and year first above written.

LANDLORD:



Samuel E. Cassida,, individually

TENANT:

NORDIC AQUAFARMS, INC.

By: 

Name: Erik Heim
Title: President

Exhibit A

NOTICE OF LEASE AND OPTION TO PURCHASE

Memorandum of Lease and Option to Purchase

PREPARED BY AND RETURN TO:

MEMORANDUM OF LEASE AND OPTION TO PURCHASE

This Memorandum of Lease (this "Memorandum") is entered into as of January 29, 2018, by and between Samuel E. Cassida, an individual resident of the State of Maine, having an address of 271 Northport Avenue, Belfast, Maine 04915 ("Landlord"), and Nordic Aquafarms, Inc., a Delaware corporation ("Tenant"). Landlord and Tenant have entered into that certain Lease dated January 29, 2018 (the "Lease") with respect to the Property (as defined below). It is the desire of the parties hereto to enter into this Memorandum for the purpose of recording the same and giving notice of the existence of the Lease and the option to purchase (as described below), as more particularly described in this Memorandum.

Parties to Lease Agreement

Landlord: Samuel E. Cassida
271 Northport Avenue
Belfast, Maine 04915

Tenant: Nordic Aquafarms, Inc.,
Nordic Aquafarms AS
Øraveien 2, 1630 Gml Fredrikstad,
Norway

Date of Lease

January 28, 2018

Description of Property

The property described on Exhibit A attached hereto (the "Property")

Term

Thirty (30) years commencing on the Commencement Date (as defined in the Lease) and expiring on the thirtieth (30th) anniversary of the Commencement Date, subject to any extensions provided in the Lease

Option to Purchase

The Lease includes an option to purchase the Property effective upon the Commencement Date and terminating upon the expiration of the Term

Purpose of Memorandum

This Memorandum is executed for the purpose of giving record notice of the fact of execution of the above described Lease and the option to purchase as provided for therein in lieu of recording the Lease itself and is not intended to modify, limit or otherwise alter the terms, conditions and provisions of the Lease

This Memorandum shall extend to and be binding upon the parties hereto and their legal representatives, heirs, successors and assigns.

[Signatures on following page]

Executed as a sealed instrument as of the date first above written.

LANDLORD:

Samuel E. Cassida, individually

TENANT:

NORDIC AQUAFARMS, INC.

By: _____
Name: Erik Heim
Title: President

STATE OF MAINE :
 : ss
COUNTY OF WALDO :

On this, the ____ day of _____, 2018, before me, the undersigned notary public, personally appeared Samuel E. Cassida, proved to me through satisfactory evidence of identification, which was __ photographic identification with signature issued by a federal or state government, or ___ personal knowledge of the undersigned, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

STATE: _____ :
 : ss
COUNTY OF _____ :

On this, the ____ day of _____, 2018, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was __ photographic identification with signature issued by a federal or state government, or ___ personal knowledge of the undersigned, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily as an authorized President of Nordic Aquafarms, Inc., a Delaware corporation, for its stated purpose.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

Rider A

ARTICLE ONE

Conditions to Lease

Section 1.1 Landlord shall deliver, and Tenant shall accept, possession of the Demised Premises upon the earlier of (x) the fulfillment of each of the conditions set forth in items (a) – (d) below (collectively, the “Conditions”) to the satisfaction of Tenant, in Tenant’s sole discretion, or (y) thirty (30) days after the expiration of the Permitting Period (the “Commencement Date”). If at any time prior to the Commencement Date, any Conditions remain unfulfilled, Tenant shall have the right to waive any such unfulfilled Conditions by written notice to Landlord and take possession of the Demised Premises, whereupon the Commencement Date shall be deemed to have occurred. Upon the occurrence of the Commencement Date, Landlord and Tenant shall execute a written instrument stating the date thereof and the expiration of the Term. Notwithstanding the foregoing or anything else to the contrary, Tenant shall have no obligation to accept possession of the Demised Premises unless the Conditions have been fulfilled to Tenant’s satisfaction, in Tenant’s sole discretion.

(a) The Diligence Period (as defined below) shall have expired and Tenant shall not have terminated the Lease in accordance with Section 2.6 below.

(b) The Permitting Period (as defined below) shall have expired and Tenant shall not have terminated the Lease in accordance with Sections 3.3 below.

(c) Tenant shall close on the purchase of immediately adjacent real property owned by the Belfast Water District (the “BWD”), which real property is generally located to the south of the Demised Premises (the “BWD Property”).

(d) The City of Belfast (the “City”) shall close on the purchase of real property owned by the BWD, which real property is immediately adjacent to and generally located to the south of the BWD Property (the “City Property”).

ARTICLE TWO

Due Diligence

Section 2.1 Commencing on the Effective Date and continuing for a period of three (3) months thereafter, unless further extended by Tenant as hereinafter provided or until the Lease is earlier terminated (as may be extended or earlier terminated, the “Diligence Period”), Tenant and its agents and representatives (together with the equipment or machinery of any such party) shall have a license for access to the Demised Premises at all reasonable times for the purpose of conducting inspections and tests of the Demised Premises, including surveys; architectural, engineering, water quality and capacity, geo-technical, environmental and hydrogeological inspections and tests (including test pits, sampling, borings and drilling); and any other due diligence investigations, tests or analyses that Tenant may deem necessary or desirable for Tenant’s development and operation of the Project (collectively, the “Due Diligence”); provided that all such Due Diligence shall be conducted by Tenant in compliance with Tenant’s responsibilities set forth in Section 2.2 below. Such license shall include the right of Tenant and its agents and representative to remove trees, construct roads and alter terrain (collectively, “Terrain Work”) to accommodate any equipment or machinery of such party; provided that any such Terrain Work shall be conducted in consultation with Landlord. If after the expiration of the Diligence Period, Tenant has been unable to complete any Due Diligence to Tenant’s satisfaction, Tenant shall have the right to extend the Diligence Period for up to two (2) additional three (3) month periods, in each case by written notice to Landlord prior to the expiration of the then-current Diligence Period.

Section 2.2 In conducting any Due Diligence of the Demised Premises, Tenant and its agents and representatives shall: (i) comply with all applicable laws; (ii) promptly pay when due the costs of all Due Diligence done with regard to the Demised Premises; (iii) not permit any liens to attach to the Demised Premises by reason of the exercise of its rights hereunder; and (iv) promptly repair any damage to the Demised Premises and restore any areas disturbed resulting directly from any Due Diligence substantially to their condition prior to the performance of such Due Diligence; provided, however that such repair and restoration obligation shall not apply to any Terrain Work.

Section 2.3 Except for Landlord’s negligence, gross negligence or willful misconduct or any matter arising from the mere discovery of a pre-existing condition at the Demised Premises, Tenant hereby agrees to indemnify and hold Landlord harmless from, all third-party claims, liabilities, damages, losses, costs, expenses (including, without limitation, reasonable attorneys’ fees), actions and causes of action arising out of personal injury and/or property damage directly caused by any

entry onto the Demised Premises by, or any Due Diligence performed by, Tenant, its agents, independent contractors, servants and/or employees. The provisions of this Section 2.3 shall survive the termination of the Lease.

Section 2.4 During the Diligence Period, Tenant shall obtain and maintain, at its expense: (i) statutory Worker's Compensation and Employers Liability Insurance with available limits of not less than \$1,000,000.00, which insurance must contain a waiver of subrogation; (ii) Commercial General Liability coverage with available limits of not less than \$2,000,000.00 in combined single limits for bodily injury and property damage and covering the contractual liabilities assumed under this Agreement; (iii) business automobile liability insurance with available limits of not less than \$1,000,000 combined single limit for bodily injury and/or property damage per occurrence; and (iv) such other insurance as Landlord may reasonably require. Such policy(s) shall provide primary (and not merely contributory coverage) to Landlord. Tenant shall provide Landlord with evidence of such insurance policies upon the request of Landlord.

Section 2.5 In order to facilitate Tenant's Due Diligence, Landlord will promptly, but in any event no later than ten (10) days after the date hereof, supply Tenant with any and all information relating to the Demised Premises (including, without limitation, title information, surveys, environmental reports, engineering studies, tax bills, legal notices, permits, approvals and such other information as Tenant may reasonably request) in Landlord's possession or under Landlord's control.

Section 2.6 Tenant may, for any reason or for no reason, terminate the Lease at any time prior to the expiration of the Diligence Period.

ARTICLE THREE

Permitting

Section 3.1 For a period six (6) months after the expiration of the Diligence Period, unless further extended by Tenant as hereinafter provided or until the Lease is earlier terminated (as may be extended or earlier terminated, the "Permitting Period"), Tenant shall diligently pursue all final, unappealable Governmental Approvals from any Governmental Authorities necessary or desirable for the development and operation of the Project. The process, sequence and schedule for pursuing the Governmental Approvals shall be determined by Tenant; provided that Tenant shall, in Tenant's good faith reasonable business judgment, commence pursuit of the Governmental Approvals and file the necessary applications therefor as soon as reasonably practicable. For the avoidance of doubt, Tenant shall have the right, but not the obligation, to pursue any Governmental Approvals during the Diligence Period.

Section 3.2 If prior to the expiration of the Permitting Period, Tenant has applied for and is awaiting such Governmental Approvals from the Governmental Authorities, Tenant shall have the right to extend the Permitting Period for up to two (2) consecutive three (3) month periods, in each case by written notice to Landlord prior to the expiration of the then-current Permitting Period. If Tenant is diligently pursuing or defending any legal appeals of the Governmental Approvals, the Permitting Period shall toll until the final resolution of such appeals.

Section 3.3 If, after having used commercially reasonable efforts to do so, Tenant has not obtained the Governmental Approvals from the Governmental Authorities prior to the expiration of the Permitting Period, then Tenant may terminate the Lease by written notice to Landlord prior to the expiration of the Permitting Period, whereupon all obligations of the parties hereto shall cease and the Lease shall be terminated and the parties shall have no further rights or obligations under the Lease, other than those that are expressly stated to survive the expiration or termination thereof. For the purposes hereof, commercially reasonable efforts shall not require Tenant to continue its permitting efforts if Tenant determines in its good faith judgment that all Governmental Approvals for the Project cannot reasonably be obtained on terms which make the Project feasible. For the purposes hereof, "obtained" shall mean the applicable Governmental Approval has been issued in final form, with terms and conditions acceptable to Tenant in its sole discretion (including any offsite requirements), and all applicable appeal periods have expired without an appeal having been filed or any such appeal has been finally resolved to Tenant's satisfaction.

Section 3.4 It shall be Tenant's responsibility to obtain, and to pay for, all Governmental Approvals necessary or desirable for the development and operation of the Project. Landlord shall cooperate with Tenant as reasonably necessary (including signing applications in a timely manner) to obtain such Governmental Approvals; provided that Tenant shall promptly reimburse Landlord for all reasonable costs incurred by Landlord in connection with Landlord's cooperation.