

**FOURTH AMENDMENT TO EVALUATION
AGREEMENT AND OPTIONS AND
PURCHASE AGREEMENT**

This Fourth Amendment to Evaluation and Options and Purchase Agreement (the "Amendment") is made this ¹⁴~~11~~ day of ~~March~~, 2021.

April

WHEREAS, BELFAST WATER DISTRICT (the "Seller or "BWD"), NORDIC AQUAFARMS, INC. ("NAF") and the CITY OF BELFAST (the "City") entered into an Options and Purchase Agreement dated January 30, 2018 (the "Options Agreement") for certain property located in Belfast and Northport, Waldo County, Maine;

WHEREAS, pursuant to the Evaluation Agreement between the parties dated January 30, 2018, as amended by an Amendment to Evaluation Agreement dated May 23, 2018 and the First Amendment, Second Amendment and Third Amendment defined below, (the "Evaluation Agreement"), Seller and NAF were granted certain rights to perform due diligence each deemed necessary or desirable;

WHEREAS, the parties entered into an Amendment to the Options Agreement and the Evaluation Agreement dated April 15, 2019 (the "First Amendment") to extend the Premises Option to grant NAF further time to obtain its Governmental Approvals from all Governmental Authorities it deemed necessary or desirable for the Project, and NAF exercised its extensions thereunder to July 30, 2020;

WHEREAS, the parties entered into a Second Amendment to Evaluation Agreement and Options Agreement dated June 29, 2020 (the "Second Amendment") to (1) extend the Premises Option to grant NAF the right to again extend the term in order to obtain final, unappealable Governmental Approvals, and (2) grant BWD an extension of the BWD Period and NAF an extension of the NAF Period each in the Evaluation Agreement in order for each to complete due diligence;

WHEREAS, the parties entered into a Third Amendment to Evaluation Agreement and Options Agreement dated January 28, 2021 (the "Third Amendment" and, together with the Options Agreement, the First Amendment, the Second Amendment and this Amendment, the "Acquisition Agreement") to allow for extension of the Premises Option to grant NAF the right to again extend the term in order to obtain final, unappealable Governmental Approvals, BWD extension of the BWD Period and NAF extension of the NAF Period, each as defined in the Evaluation Agreement, in order for each to complete due diligence and, for BWD, the affordability of a Replacement Site;

WHEREAS, pursuant to the Third Amendment, by mutual agreement to NAF's request of February 26, 2021, the period in which NAF may exercise the Premises Option was extended to April 30, 2021 while the NAF Period and the BWD Period expired on March 2, 2021;

WHEREAS, the Evaluation Agreement, Acquisition Agreement and Water Supply

and Purchase Agreement dated January 29, 2018 (collectively the "Project Agreements") provide significant public benefit to the City and the BWD, including but not limited to direct financial benefit, significant waterfront public property and public access, and broader economic development benefits stemming from the Project;

WHEREAS, the Governmental Approvals obtained for the Project include The Bureau of Parks and Lands approval for NAF to acquire Submerged Lands Lease No. 2141-L-49 for a forty foot wide corridor of submerged lands, and Submerged Lands Dredging Lease No. 05-22DL to accommodate the seawater intake and discharge pipes necessary or desirable for the Project (NAF's "Submerged Lands Leases");

WHEREAS, NAF contracted for the option to acquire easement rights connecting the Realty to the Submerged Lands Leases as described in that certain Easement Purchase and Sale Agreement by and between NAF and Richard and Janet Eckrote dated August 6, 2018, as amended (the "Eckrote P&S");

WHEREAS, subsequent to the Eckrote P&S and NAF's application to the Bureau of Parks and Lands as part of its Governmental Approvals, alleged title defects have been raised stemming from language in a certain warranty deed dated from Harriet L. Hartley to Fred R. Poor dated January 25, 1946 and recorded at Waldo County Registry of Deeds Book 452, Page 205, including (i) language in that deed that the "lot or parcel of land herein described is conveyed to Fred R. Poor with the understanding it is to be used for residential purposes only, that no business for profit is to be conducted there unless agreed to by Harriet L. Hartley, her heirs or assigns" that it is alleged could interfere with the rights described in the Eckrote P&S; and (ii) a waterfront call in that deed that reads "thence Easterly and Northeasterly along high water mark of Penobscot Bay 410 ft. more or less to a stake at the outlet of a gully," that has been alleged create a title defect in the Eckrote's rights in the intertidal zone described in the Eckrote P&S (together, the "Alleged Title Defects");

WHEREAS, land currently owned by BWD that is the subject of the Acquisition Agreement and the Evaluation Agreement was conveyed to the BWD by warranty deed from that same Harriet L. Hartley dated August 25, 1950 and recorded at Waldo County Registry of Deeds Book 474, Page 322;

WHEREAS, the Alleged Title Defects are contested and the subject of current litigation in the Waldo County Superior Court under docket # RE-2019-18;

WHEREAS, the parties would like to clear the Alleged Title Defects in order to facilitate acquisition of Necessary Project Rights (hereinafter defined) on or before the Closing Date as more specifically described below;

WHEREAS, the transactions contemplated in the Project Agreements will produce several direct and indirect benefits to the BWD and its ratepayers including direct benefits to the BWD allowing it to upgrade its infrastructure, keep its rates as low as possible, bring a third well on line, move its headquarters and garage facilities to a more favorable location, reduce chlorine costs; and potentially divest itself of the Lower Dam, which the District

considers to be a liability, as well as indirect benefits to the BWD and its ratepayers including creating jobs in the area, NAF investing up to \$500 million in the area; and the City maintaining the Little River Trail, thereby benefiting BWD and its customers over the life of said Project Agreements, which public benefits are discussed in Maine Public Utilities Order dated June 8, 2018, docket number 2018-00043;

WHEREAS, in the First Amendment, as part of the Waterfront Parcel adjacent to the Lower Reservoir and including an existing trail system which will convey to the City, NAF agreed to additional public benefit to the City including grant of an easement for pedestrian and vehicular traffic running from Route 1 to the Waterfront Parcel in a location that does not conflict with construction of the Project by NAF, together with the use of shared parking in the visitor center parking area;

WHEREAS this Amendment, including the Necessary Project Rights described below and City action to clear title to the same (including by exercise of eminent domain), is for the benefit of all parties and is necessary for the Project and associated public benefits to the City and the BWD including those identified in the Project Agreements.

NOW THEREFORE, in consideration of One Dollar and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, and the mutual covenants contained herein, the parties agree as follows:

1. Necessary Project Rights. The additional project rights to be acquired by the City and NAF as part of or in addition to the Waterfront Parcel and the Realty in accordance with the Acquisition Agreement shall mean fee or easement rights sufficient for a perpetual subsurface easement for the purpose of maintaining, owning and operating water pipes and related equipment, including in connection therewith, installation of culverts, pipes, gaskets, pumps, valves and other equipment, together with an easement for the purpose of constructing, grading, excavating, and performing earth work as may be necessary to construct, install and maintain such culverts, pipes, gaskets, pumps, valves and other equipment as required or contemplated by any approvals issued by any municipal, state or federal authorities for the installation and maintenance thereof (the "Necessary Project Rights") and any such additional rights as the City, in its sole discretion, deems necessary or desirable. The Necessary Project Rights shall be acquired by NAF through the Eckrote P&S and any amendments thereto and through best reasonable efforts by the City to facilitate the transaction and thereby secure the associated public benefits to the City and the BWD as contemplated in the Project Agreements, including, as necessary in the sole discretion of the City, through the exercise of its powers of eminent domain, and conveyed free of the Alleged Title Defects and any existing restrictions which might otherwise interfere with the rights described above.

2. Locus of Necessary Project Rights. The location of the Necessary Project Rights described in Section 1 above shall mean the area of land defined as the Easement Area described in the Eckrote P&S, which, for the avoidance of doubt, shall include the portion of the intertidal area between the high water mark and low water mark of Penobscot Bay included therein or adjacent thereto and adjacent to NAF's Submerged Lands Leases.

3. Closing. The Premises Closing Date described in Section 5(c)(i) of the Options

Agreement is hereby replaced with the following:

i. Premises Closing Date. The Closing of the transfer of the Premises shall occur at 10:00 AM on the day which is the later of the seventh (7th) business day following City acquisition of the Necessary Project Rights and the sixtieth (60th) day following execution of this Fourth Amendment (such date, as the same may be extended pursuant to the terms of this Agreement, the "Premises Closing Date"); provided, however, if the Premises Closing Date has not occurred by July 1, 2022, then Seller may obtain an updated estimate for acquisition of, and construction of a new headquarters and associated operations facilities, a Replacement Site and then Seller and NAF shall mutually agree on any changes to the Premises Purchase Price which shall not exceed 3% of the existing Premises Purchase Price. The Premises Closing Date may be further extended by agreement of the City, NAF and Seller. The parties agree that they shall cooperate using best efforts to complete their obligations, as described in this Fourth Amendment, as soon as practicable in order to complete the Closing on or before the sixtieth (60th) day following execution of this Fourth Amendment. Notwithstanding the foregoing, NAF shall have the option to waive the Necessary Project Rights and proceed to a closing on its purchase of the Premises by so notifying the City and Seller in writing and specifying a closing date and location within the thirty (30) day period following the date of such notice.

4. City Costs. NAF shall allow the City to offset for any condemnation award and the costs associated with the condemnation proceedings contemplated hereby from the water quality cost share, previously pledged to NAF from the City in Section 1A of the Evaluation Agreement, in an amount up to \$120,000 in order to facilitate City receipt of the public benefits flowing from the Project Agreements.

5. Additional Payment to BWD. At Closing NAF shall pay to BWD an additional \$222,000 in consideration of the mutual agreements expressed in the Acquisition Agreement, the conveyance to NAF by the City of the Necessary Project Rights, and the agreement by BWD that it shall vacate that portion of the Realty currently used as garages and storage sheds within the 90 day period following the Closing Date, with such portion of the Realty to be occupied by BWD under the lease described below to be limited to the current BWD office building and associated parking, and in order for the City and BWD to obtain the public benefits flowing from the Project Agreements.

6. License/Lease Agreement. The License Agreement described and defined in Section 5(h)(ii) of the Options Agreement shall instead be a lease agreement and shall not include the garages and storage sheds per paragraph 5 above and its period shall now be as follows: "for a period ending on the earlier to occur of the following: (1) when Seller is able to move its offices, equipment and vehicles into and provide services to the public from its new headquarters and associated operations facilities or (2) on the following schedule:

the closing date timeframe	resulting length of the lease term
December 1-July 31	12 months
August 1-November 30	16 months

This Fourth Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. For purposes of this Fourth Amendment, a facsimile signature shall be deemed an original.


Except as so amended hereby, the Options Agreement, Evaluation Agreement, First Amendment, Second Amendment and Third Amendment are unchanged and the Options Agreement and Evaluation Agreement, as so amended, are hereby ratified and confirmed. Capitalized terms used and not defined herein shall have the meaning ascribed to such term in the Options Agreement and Evaluation Agreement, as applicable.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as an instrument under seal as of the day(s) and year written below.

Date: April 21, 2021

SELLER:

BELFAST WATER DISTRICT

By: 

Keith Pooler, Superintendent
Hereunto Duly Authorized

[remainder of page intentionally left blank]

Date: April 22, 2021

BUYER:
NORDIC AQUAFARMS, INC.

By: /s/ Erik Heim
Erik Heim, President
Hereunto Duly Authorized

[remainder of page intentionally left blank]

The City of Belfast has caused and authorized the undersigned to hereunto set his hand and seal to express its consent to the above extensions and additional obligations undertaken by and benefits inuring to the City of Belfast.

Date: April 21, 2021

CITY OF BELFAST

By: Eric F. Sanders
Eric Sanders, Mayor