

February 4, 2015

## Development Agreement

This Development Agreement is between the MUNICIPAL REVIEW COMMITTEE, INC. (the "MRC"), a Maine non-profit corporation with offices at 395 State Street, Ellsworth, Maine 04605, and FIBERIGHT, LLC ("Fiberight"), a Delaware limited liability company with offices at 1450 South Rolling Road, Baltimore, Maryland 21227.

### Recitals

- The MRC and Fiberight each are interested in the development of a facility in eastern or central Maine for the processing of municipal solid waste ("MSW").
- The MRC represents 133 municipal entities known as Charter Municipalities that deliver MSW to a facility owned by the Penobscot Energy Recovery Company, L.P. ("PERC") under waste disposal agreements that are scheduled to terminate on March 31, 2018. The MRC anticipates that the existing waste disposal agreements with PERC will not be extended beyond their termination dates and will not be replaced with a new set of agreements to extend delivery of MSW from the Charter Municipalities to the PERC facility beyond March of 2018.
- In June 2013, the MRC issued a Request for Expressions of Interest (RFEI) to solicit proposals to develop an MSW management facility to replace the PERC facility starting in 2018. Fiberight responded to the RFEI with a proposal to develop a mixed-MSW processing and conversion facility utilizing its proprietary technology.
- The MRC Board of Directors has determined that the Fiberight proposal, if implemented, (a) could meet the MRC's objective of developing a facility to replace the PERC facility by April 1, 2018; and (b) would be advantageous as compared either to the proposals provided by other respondents to the RFEI or to the extension of existing waste disposal arrangements with PERC.
- The MRC has resolved to work exclusively with Fiberight on development of a mixed-MSW processing and conversion facility per the proposal submitted in response to the RFEI, as subsequently clarified, and both the MRC and Fiberight are committed to working diligently to bring such facility into commercial operation by April 1, 2018.
- The MRC and Fiberight are entering into this Agreement in order to clarify their respective roles and responsibilities and to identify contingencies related to the proposed facility development.

## Terms

In consideration of the mutual covenants contained herein, the parties, intending to be contractually bound, hereby agree as follows:

### ARTICLE I DEFINITIONS

"Acceptable Waste" means MSW which will be deemed acceptable for processing at the Facility in accordance with standards to be set forth in the Master Agreement.

"Change in Control" means any transaction or other event as a consequence of which (i) the owners of more than 50% of the equity of Fiberight prior to such transaction or event cease to own at least 50% of such equity; or (ii) there occurs a change in effective voting control over Fiberight; or (iii) there occurs a sale of the Facility to a party other than contemplated in the Master Agreement or otherwise approved by the MRC; or (iv) there occurs any other event resulting in transfer of operational control of the Facility to any person or entity other than Fiberight or a Fiberight Affiliate.

"Charter Municipalities" means the 133 municipal entities that deliver MSW to the PERC Facility under waste disposal agreements that are scheduled to terminate on March 31, 2018

"Joining Municipalities" means municipalities and other municipal entities that may contract to deliver MSW to the Facility under the Master Agreement.

"Facility" means the mixed-MSW processing and conversion facility utilizing Fiberight's proprietary technology to be developed pursuant to this Agreement.

"Fiberight" means Fiberight, LLC, a Delaware limited liability company.

"Fiberight Affiliate" means a person or entity controlled by, or under common control with, Fiberight.

"Joinder Agreements" means agreements between the MRC and the Joining Municipalities whereby Joining Municipalities would agree to deliver MSW to the Facility pursuant to the terms and conditions set forth in the Master Agreement.

"Master Agreement" means the master waste supply agreement to be entered into by Fiberight and the MRC pursuant to which Joining Municipalities will deliver MSW to the Facility as contemplated by Section 2.1 of this Agreement.

"MRC" means the Municipal Review Committee, Inc., a Maine nonprofit corporation, and any affiliated or successor entity.

"MSW" means any municipal solid waste.

"PERC" means the Penobscot Energy Recovery Company Limited Partnership, a Maine limited partnership that presently owns and operates the PERC Facility.

"PERC Facility" means the waste-to-energy plant in Orrington, Maine currently operated by PERC.

"Project" means the acquisition, permitting, development, construction and operation of the Facility and related infrastructure.

"Project Site" means the land on which the Project will be constructed and operated.

"RFEI" means the Request for Expressions of Interest issued by the MRC in June 2013 as further described in the recitals to this Agreement.

"Site Lease" means the lease of the Project Site from the MRC to Fiberight.

## ARTICLE II ROLES AND RESPONSIBILITIES

**2.1. Basic Responsibilities.** The MRC and Fiberight agree on the following structure and allocation of basic roles and responsibilities for development of the Project:

- a. **Ownership of Facility.** Fiberight and its affiliates and/or approved joint partners shall own the Facility and shall be responsible for the design, engineering, acquisition of permits, procurement of equipment, financing, construction, start-up, testing, commissioning, operations and maintenance thereof.
- b. **Ownership of Project Site.** The MRC shall secure fee ownership or long term control of the Project Site appropriate for development of the Project and shall lease or sublease the Project Site to Fiberight under a long term agreement having terms and conditions that

support the development, financing, construction and operation of the Facility, with appropriate oversight by the MRC.

- c. **Master Waste Supply Agreement.** The MRC and Fiberight shall negotiate in good faith to reach agreement on a master waste supply agreement (the "Master Agreement") by December 1, 2015. The Master Agreement shall set forth terms under which Joining Municipalities will deliver MSW to the Facility. The Master Agreement shall include commercially reasonable terms and conditions necessary to support the development, financing, construction and long term operation of the Facility including, but not limited to, the terms set forth in Section 3.1 hereof. In the event of conflicts between the terms of the Master Agreement and the terms of this Agreement, the Master Agreement shall take precedence.
- d. **Waste Disposal Agreements.** The MRC will enter into appropriate waste disposal agreements with Joining Municipalities ("Joinder Agreements") pursuant to which each Joining Municipality will agree to deliver MSW to the Facility under the terms and conditions set forth in the Master Agreement.

**2.2 Responsibility for Specific Development Tasks.** The MRC and Fiberight agree that responsibility for specific Project related tasks shall be allocated as follows:

- a. **Site Control.** The MRC shall purchase and own, or otherwise secure long term control of, the Project Site and will consult with Fiberight regarding the suitability of any potential site before it is secured.
- e. **Site Lease.** The MRC and Fiberight agree to negotiate in good faith the terms of a long term lease of the Project Site adequate to protect the interests of each party and to accommodate development and financing of the Facility in accordance with the terms, conditions and principles set forth in this Agreement including, but not limited to, the terms set forth in Section 3.2 hereof. In the event of conflicts between the terms of the Site Lease and the terms of this Agreement, the Site Lease shall take precedence.
- b. **Site Development.** The MRC shall secure, or assist Fiberight in securing, zoning and other land-use designations necessary in connection with development of the Project Site and the Facility. The MRC and Fiberight will work together with the host community on planning of road access, water supply, sewer capacity and other similar infrastructure upgrades related to development of the Project Site. The MRC and Fiberight agree to negotiate in good faith to reach agreement on allocation and financing of costs related

toroad access, environmental mitigation and other infrastructure upgrades to support development of the Project Site, and such agreement shall be incorporated as part of the Site Lease. Fiberight will be responsible for designing, implementing, managing, financing and contracting for utilities necessary for development and operation of the Project Site and the Facility including, but not limited to, water, sewer, electricity, natural gas and telecommunications. The Site Lease shall provide for adequate access to related utility interconnections. The MRC will ensure that Fiberight and its agents have reasonable access to the Project Site prior to the execution of the Site Lease as needed for site testing and characterization activities.

- c. **Facility Design.** Fiberight will prepare a conceptual design of the Facility in sufficient detail to support (a) evaluation of potential environmental and land use impacts; (b) acquisition of required permits and approval; (c) implementation of infrastructure upgrades and utility interconnections; and (d) preparation of a pro forma economic analysis to support projections of tip fees and rebates. Fiberight will provide the MRC with an opportunity to review and comment on the conceptual design and will complete the final design as appropriate upon acquisition of all permits and prior to construction, all on a timely basis.
- d. **Permitting.** Fiberight shall be responsible for preparation and filing of applications for all federal, state and local permits required in connection with development, construction and operation of the Facility and Project Site. Fiberight will consult with the MRC on permit acquisition strategy and will provide the MRC with an opportunity to review and comment on permit applications. The MRC agrees to perform such review on a timely basis. The MRC will work with federal, state and local authorities to clarify permitting requirements and will support and facilitate issuance of required permits.
- e. **Facility Agreements.** Fiberight shall be responsible for entering into agreements with third party contractors related to final design, engineering, procurement, construction, start-up, testing and commissioning of the Project Site and Facility and, following commencement of commercial operation, for operations and maintenance thereof. All material contracts shall be submitted to the MRC for review and comment prior to execution. The MRC agrees to perform such review on a timely basis.
- f. **Analysis of Waste Supply.** Prior to final design and development of the Facility, the MRC shall prepare for Fiberight an analysis of MSW generation and disposition among its existing members, accounting for the status of waste reduction programs and diversion through recycling programs.

- g. **Joinder Agreements.** The MRC agrees to utilize its best efforts to cause the Joining Municipalities to enter into Joinder Agreements as contemplated by Section 2.1(d) in order to accommodate development and financing of the Facility as contemplated by this Agreement and to assure an adequate supply of waste to the facility. Fiberight shall be responsible for acquiring MSW in excess of the quantities provided under the Joinder Agreements and the Master Agreement to the extent needed for the Facility to operate at capacity; provided, however, that Fiberight shall not accept MSW originating outside of the State of Maine. The MRC agrees to support Fiberight's efforts to acquire additional quantities of in-state MSW, should that be necessary, based on its knowledge of local and state conditions, provided, however, that such support shall not be deemed to require economic concessions or other financial support.
- h. **Waste transportation arrangements.** The MRC and Fiberight will work together to evaluate and, if indicated, to facilitate arrangements for, efficient and cost-effective delivery of MSW from Joining Municipalities to the Facility. To the extent such arrangements involve development of remote facilities as part of a "hub-and-spoke" system, the MRC and Fiberight will work together on the development of such remote facilities either on sites to be acquired or as add-ons to existing facilities. Nothing in this paragraph shall be construed to require either Fiberight or the MRC to commit to make any capital investment in such transfer and transportation facilities except as they may otherwise agree.
- i. **Product sales and related attributes and credits.** Fiberight shall be solely responsible for marketing and sale of all products produced at the Facility, including acquisition of beneficial use determinations or other regulatory approvals related to product marketing, distribution and sales. To the extent allowed by law, Fiberight shall own all tax credits, renewable energy certificates, carbon offsets, renewable fuel identification number (RIN) products, and other similar attributes that may be created or associated with construction and operation of the Facility and the production of associated products.
- j. **Residuals management.** The MRC, in consultation with Fiberight, shall be responsible for securing appropriate initial arrangements for management of non-hazardous residual materials to be generated as the result of normal operation of the Facility within anticipated limits to be set forth in the Master Agreement. Fiberight shall manage disposal of all residual materials from the Facility consistent with such arrangements and shall be responsible for securing appropriate contracts in connection therewith and for all extensions or replacements of the initial agreements for residuals disposal.

- k. **Financing.** Fiberight will provide funds, and will acquire financing as needed, for the costs of pre-construction development efforts related to the Project Site and the Facility including, without limitation, costs of construction of the Facility and related infrastructure, start-up, testing, commissioning, operations and maintenance. The MRC will provide funds, and will acquire financing as needed, to secure ownership or long term leasehold rights to the Project Site, for the cost of pre-construction development efforts related to the Site and for the costs of its monitoring of Facility implementation and operation.

### ARTICLE III PROJECT AGREEMENTS

**3.1. Master Waste Supply Agreement.** MRC and Fiberight agree to negotiate in good faith a master waste supply agreement (the "Master Agreement") with the objective of providing a structure for obtaining commitments by Joining Municipalities to deliver at least 150,000 tons per year of MSW starting in April of 2018 (such commitments to be prorated for any partial contract year). The Master Agreement shall incorporate the following principles or terms:

- a. **Tip Fee.** Provide an initial tip fee not to exceed \$70 per ton, with identified pass-through costs related to the actual cost of residuals disposal and other items as may be agreed upon.
- b. **Term.** Provide an initial term to match the term of the Project financing, anticipated to be 15 years, with at least two appropriate options for extension provided that Fiberight has met performance standards under the Master Agreement
- c. **Net Disposal Cost.** Incorporate product revenue rebates that, under anticipated conditions, would result in a net disposal cost to the Joining Municipalities on the order of (\$57) per ton.
- d. **Acceptable Waste.** Provide reasonable definitions of waste that will be acceptable for processing at the Facility ("Acceptable Waste"), which shall include municipal solid waste typically collected or accepted by Maine municipalities, with defined exclusions for unprocessable items readily managed through other means
- e. **Delivery.** Describe delivery obligations, which would require, to the extent permitted by law, all MSW collected or controlled by Joining Municipalities to be directed to the Facility. Joining Municipalities would retain the option to implement new waste reduction or recycling programs or to discontinue existing reuse and recycling programs,

in each case without penalty, provided that materials not reused or recycled and instead delivered to the Facility must constitute Acceptable Waste.

- f. **Delivery Guaranties.** Provide the terms on which guaranties of waste delivery quantities (guaranteed annual tonnages, or GATs) would be included if required for financing, and define opportunities for mitigation of penalties for potential shortfalls through acquisition of waste from commercial sources or other means.
- g. **Delivery Procedures.** Describe load delivery, inspection and acceptance procedures and requirements.
- h. **Invoicing and Payment.** Describe invoicing and payments procedures and requirements.
- i. **Bypass.** Address responsibility for bypass arrangements in the event commercial operation is delayed beyond April 1, 2018, or is thereafter interrupted, or in the event that the PERC Facility closes prior to March 31, 2018.
- j. **Interim Supply Arrangements.** Address interim waste supply arrangements to provide MSW supplies for Facility start-up, testing and commissioning prior to March 31, 2018.
- k. **Joinder Agreements.** Describe the form and content of the Joinder Agreements.
- l. **Out-of-State Waste.** Prohibit acceptance of out-of-state MSW.
- m. **Assignment.** Permit assignment of rights and obligations under the Master Agreement by Fiberight to a Fiberight Affiliate after the commencement of commercial operation provided that the assignee assumes all rights and obligations of Fiberight under the Master Agreement and the Site Lease and Fiberight remains liable for all obligations assumed by the assignee. Permit assignment of rights and obligations under the Master Agreement by the MRC to a successor entity representing the interests of the Joining Municipalities.

**3.2 Site Lease Agreement.** MRC and Fiberight agree to negotiate in good faith the Site Lease to be executed not later than needed to accommodate financing of the Project. The Site Lease shall:

- a. **Generally.** Provide terms generally adequate to permit development, construction and operation of the Facility by Fiberight. Fiberight shall have quiet enjoyment of the Project



Site during the term of the Site Lease for this purpose.

- b. **Term.** Be for a minimum term of 15 years from the earlier of the commencement of commercial operations or April 1, 2018, with appropriate renewal options up to a total of 40 years
- c. **Site Access.** Contemplate reasonable access to the Project Site with the MRC to be responsible for obtaining necessary easements and consents incident to such access.
- d. **Taxes and Fees.** Provide that Fiberright shall be responsible for property taxes, host fees and any other similar taxes and fees.
- e. **Insurance.** Provide that Fiberright shall be solely responsible for maintaining adequate insurance coverage for the Project, including general liability, property and casualty, workers compensation and other customary coverages with policy limits not less than is customary in the industry.
- f. **Compliance.** Provide that Fiberright shall be responsible for compliance with all agreements and permit requirements.
- g. **Out-of-State Waste.** Provide that Fiberright shall be precluded from accepting out-of-state waste at the Facility.
- h. **Reporting.** Include reporting requirements related to MSW received and processed, materials produced and sold, residuals generated and shipped, product revenues, financial performance, compliance with permit conditions and status of permit renewals, and other material matters, all in form and substance reasonably satisfactory to the MRC.
- i. **MRC Oversight.** Define an oversight role for the MRC with respect to conduct of operations, MSW supply, product marketing, residuals disposal, significant changes in operations or nature of the business, capital improvements, relevant legislative, regulatory and permit matters and events that affect viability of the Project.
- j. **Commercial Operation.** Define "commercial operation," which definition may require satisfactory completion of performance tests.
- k. **Lease Payments.** Provide for triple net lease terms with nominal lease payments, subject to upward adjustment if milestones are missed.

- l. **Amendment.** Allow the parties to amend the Site Lease by mutual agreement, subject to reasonable limits imposed by Fiberight's lenders.
- m. **Termination.** Allow either party to terminate if Fiberight has not put adequate financing in place by January 1, 2017, or if commercial operation is not achieved by January 1, 2020, it being understood that both parties will work in good faith and with reasonable diligence to achieve those milestones.
- n. **Assignment.** Permit Fiberight to assign its interest in the Site Lease to a Fiberight Affiliate after commencement of commercial operation provided that the assignee assumes all of Fiberight's rights and obligations under the Site Lease and the Master Agreement and that Fiberight remains liable for all such obligations. Permit the MRC to assign its interest in the Site Lease to a successor entity representing the interests of the Joining Municipalities.
- o. **Right of First Refusal.** Give the MRC an option and right of first refusal to purchase the Facility upon notice of a potential Change in Control.
- p. **Purchase Option.** Give the MRC the option to buy the Facility at fair market value at the end of the Site Lease term or upon earlier termination or breach of the Site Lease by Fiberight.
- q. **Site Restoration.** Provide for removal of the Facility and restoration of the Project Site by Fiberight upon termination (through a mechanism that survives termination).
- r. **Force Majeure.** Address issues related to force majeure, casualty loss and eminent domain.
- s. **Quiet Enjoyment.** Provide for customary quiet enjoyment rights.

#### ARTICLE IV OTHER PROVISIONS

**4.1 Milestone Schedule.** The MRC and Fiberight agree to use all reasonable efforts to fulfill their responsibilities and assigned tasks herein pursuant to the following milestone schedule, which presumes approval of this Development Agreement, and a resolution awarding exclusive development rights to Fiberight, on or about February 4, 2015:

<i>Schedule</i>	<i>Milestone</i>
March 15, 2015	Complete layout of the Project Site and confirm arrangements for development of a site access road, a water supply plan and a plan for wastewater treatment.
May 1, 2015	Prepare plan for internal use or external marketing of post-hydrolysis solids (PHS). Identify approach for supplying electricity to the facility, including fuels and equipment to be used for on-site generation of electricity, and implications of potential emissions from any on-site boiler or gasifier on air emission licensing requirements. Prepare plan for marketing and transport of industrial sugars and/or derived products. Prepare plan for processing bio-gas into pipeline-quality renewable gas, vehicle-ready compressed natural gas (CNG), or other products; and for marketing such products in light of applicable product specifications and requirements.
June 1, 2015	Prepare and submit requisite local, state and federal permit applications to the appropriate authorities. Prepare and submit applications for site plan review and any other required governmental or third party approvals.
September 1, 2015	Provide updated process flow diagram, mass, energy and water balances, facility design plans, estimates of capital costs and operating expenses; and a project pro forma and supporting assumptions and information. Provide sufficient detail to enable evaluation and verification of the feasibility of the project at the proposed performance levels and tip fees by an independent engineer/reviewer.
December 1, 2015	Complete negotiation of the Master Agreement and municipal Joinder Agreements.
December 18, 2015	MRC Board approval and execution of the Master Agreement and Site Lease at the MRC annual meeting.
January to September 2016	Votes by legislative bodies of Joining Municipalities approving the municipal Joinder Agreements.
June 30, 2016	Achieve approval of municipal Joinder Agreements with total aggregate commitment of 150,000 tons per year.
January 1, 2017	Achieve construction financing for the Facility.
April 1, 2018	Achieve commercial operation and be ready to accept incoming MSW.

#### 4.2 Confidentiality.

- a. **Confidentiality.** The MRC and Fiberight each agree to keep confidential all Confidential Information of the other except that each may disclose such information to its officers, directors, stockholders, agents and outside legal counsel, accountants and other

consultants to the extent required in connection with negotiation or implementation of this Agreement. Each agrees to take reasonable steps to safeguard the confidentiality of any such limited disclosure.

- b. **Public Announcements.** Public announcement of the Project or this Agreement shall be made only with the prior written approval of both parties. Each party agrees to work with the other to agree upon an appropriate public announcement of the execution and delivery of this Agreement and of the achievement of milestones thereunder as they occur.
- c. **Use of Confidential Information.** The MRC and Fiberight each agrees that it will not use any Confidential Information obtained from the other for any purpose other than in connection with the negotiation and implementation of this Agreement.
- d. **Required Disclosures.** Notwithstanding the foregoing, either party may disclose Confidential Information to the extent that it reasonably believes that it is required to do so by applicable law, regulation or court order, provided that, prior to making such a disclosure, the disclosing party will provide notice to the non-disclosing party of its intended disclosure in a time and manner calculated, to the extent practicable under the circumstances, to afford the non-disclosing party an opportunity to challenge such disclosure.
- e. **Definition.** For purposes of this Agreement, "Confidential Information" means any data or information, design, process, procedure, formula, business method or improvement that is valuable to the holder thereof and which is not generally known to its competitors or to the public including, but not limited to, financial and marketing information, and specialized information and technology developed or acquired by such party, but specifically excluding any information that (i) becomes known to the general public without fault or breach on the part of the receiving party; (ii) the holder customarily provides to others without restriction on disclosure; or (iii) the receiving party obtains from a third party without breach of any nondisclosure obligation and without restriction on further disclosure.

**4.3 Indemnification.** Each party (for purposes of this paragraph, the "Indemnifying Party") agrees to indemnify and hold harmless the other party and its directors, officers, employees, agents and consultants (collectively, the "Indemnified Parties"), harmless against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements of any kind or nature whatsoever, including reasonable attorney's fees and disbursements, that may be suffered or incurred by any of the Indemnified Parties as a consequence of (i) activity related to the Project Site or the Facility undertaken by the

Indemnifying Party, its employees or agents; or (ii) a breach by the Indemnifying Party of its obligations hereunder. NOTWITHSTANDING THE FOREGOING, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF ANTICIPATED PROFITS.

**4.4 Insurance.** During the development process, Fiberight shall maintain adequate insurance policies, including general liability, property and casualty, builders' risk, workers compensation and other appropriate coverage covering the Project Site and Facility with policy limits not less than is customary in the industry. The MRC shall be named as an additional insured on all liability and casualty insurance policies and shall be provided with not less than thirty (30) days prior notice of cancellation.

#### **4.5 Termination**

- a. **Mutual Agreement.** This Agreement may be terminated at any time with the written mutual agreement of the parties.
- b. **Failure to Achieve Commercial Operation.** Each party understands that, despite good faith and reasonable commercial efforts, the project may not reach fruition for a variety of reasons that are outside the reasonable control of the parties, including but not limited to, the following:
  - i. Despite reasonable commercial efforts, the Project Site, including required infrastructure for road access or utility interconnections, might not receive necessary land use designations, approvals, licenses or permits.
  - ii. Facility permits might not be issued despite the best efforts of Fiberight to comply with existing standards related to design, operating performance and potential impacts.
  - iii. The number of Joining Municipalities willing and able to enter into Joinder Agreements might be insufficient to support timely acquisition of debt or equity financing or operation of the facility.
  - iv. Fiberight might otherwise be unable to secure financing on a timely and reasonable basis.

In the event that any of the foregoing should occur, either party may elect to terminate this Agreement by providing a thirty (30) day notice of termination to the other party.

- c. **Failure to Enter Into Master Agreement.** If, despite their best efforts, the parties fail to agree on the terms of a Master Agreement by January 1, 2016, then either party may terminate this Agreement by providing a thirty (30) day notice of termination to the other.

The MRC shall not be obligated to enter into a Master Agreement on terms that, in its reasonable judgment as disclosed in a written finding, a sufficient number of Joining Municipalities would be likely to find unacceptable such that it would not be possible to achieve the minimum delivery requirements contemplated by this Agreement. Fiberight shall not be obligated to approve entering into a Master Agreement that, in its reasonable judgment as disclosed in written finding, would preclude its acquisition of timely financing on reasonable terms.

- d. **Failure to Achieve Financing.** If Fiberight fails to achieve financing by January 1, 2017, then either party may terminate this Agreement by providing a thirty (30) day notice of termination to the other.
- e. **MRC Reimbursement of Fiberight Expenses.** If the Project fails to go forward due to (i) a unilateral withdrawal by the MRC of its exclusive award of development rights to Fiberight, other than as a consequence of a breach of this Agreement by Fiberight or a failure by one or both parties to achieve one or more milestones set forth herein despite their good faith efforts, or (ii) a material breach by the MRC of its obligations hereunder, then the MRC will reimburse reasonable development expenses of Fiberight incurred after the effective date of this Agreement.
- f. **Fiberight Reimbursement of MRC Expenses.** If the Project fails to go forward due to material misrepresentation by Fiberight of its capabilities to design, acquire permits for, construct or operate the facility, or other material breach by Fiberight of its obligations hereunder, then Fiberight will reimburse the reasonable development expenses of the MRC incurred after the effective date of this Agreement.

- g. **Survival.** The provisions of Sections 4.2, 4.3, and 4.6(b), (c), (d), (g), (h) and (i) shall survive termination of this Agreement.

**4.6 Other provisions.**

- a. **Mutual Cooperation.** The MRC and Fiberight agree to cooperate with each other and to use good faith and fair dealing to support completion of each task and achievement of each milestone required for development of the Project Site and the Facility, and to use reasonable commercial efforts to support the efforts of the other party.
- b. **Notices.** Any notice required to be provided hereunder shall be in writing and shall be (i) delivered in person, (ii) sent by recognized overnight courier with acknowledgement of receipt, (iii) sent by certified mail, return receipt requested, or (iv) sent by email with a confirmation copy sent promptly by overnight courier or certified mail, in each case to the following addresses:

If to the MRC:

Municipal Review Committee  
395 State Street  
Ellsworth, ME 04605  
Attention: Executive Director  
Email: glounder@mrcmaine.org

If to Fiberight:

\_1450 South Rolling Road\_\_\_\_\_

\_Baltimore, MD 21227\_\_\_\_\_

Attention: Craig Stuart-Paul\_\_\_\_\_

Email: \_Craigsp@Fiberight.com\_\_\_\_\_

Either party may change the address at which notices to it are to be delivered by providing notice of such change in the manner provided above.

- c. **Nature of Relationship.** The relationship between the parties established by this Agreement is contractual only and shall not be deemed to create a partnership or joint venture. Neither party shall have the right, power or authority in any way to bind the other party to any contract or obligation, expressed or implied. No employee, agent or consultant engaged by one party shall be deemed to be the employee, agent or consultant of the other.

- d. **Entire Understanding.** This Agreement embodies the entire understanding of the MRC and Fiberight with respect to its subject matter and supersedes any prior agreements and understandings, whether oral or in writing. No supplement, modification or amendment of this Agreement shall be binding on the parties unless it is embodied in a writing signed by both parties. The failure of either party to enforce, or the delay of either party in enforcing, any of its rights or remedies under this Agreement shall not be deemed a continuing waiver of modification thereof.
- e. **Headings.** The headings and other captions in this Agreement are for convenience of reference only and shall not be used in interpreting, construing or enforcing any of the provisions hereof.
- f. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. Except as otherwise expressly provided herein, it may not be assigned by either party without the prior written consent of the other (which consent shall not be unreasonably withheld, delayed or conditioned), and any attempted assignment without such consent shall be void.
- g. **Force Majeure.** Neither party hereto shall be liable for failure or delay in performing any of its obligations hereunder if such failure or delay is occasioned by compliance with any governmental regulation, request or order, or by circumstances beyond the reasonable control of the party so failing or delaying, including, without limitation, acts of God, war, terrorism, insurrection, fire, flood, freezes, accident, labor strikes, work stoppage or slowdown (whether or not such labor event is within the reasonable control of the parties). Each party shall (i) promptly notify the other in writing of any such event of force majeure, the expected duration thereof, and its anticipated effect on the ability of such party to perform its obligations hereunder; and (ii) make reasonable efforts to remedy any such event of force majeure. Notwithstanding the foregoing, no event of force majeure shall affect the termination rights of either party pursuant to Section 4.5 of this Agreement.
- h. **Reformation.** Should any provision of this Agreement be determined to be illegal or in conflict with any law, rule, statute, ordinance or regulation, the illegal or conflicting provision shall be deemed amended to the extent necessary to remove such illegality or conflict and the validity of the remaining portion or provisions shall not be affected thereby.
- i. **Governing Law; Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Maine without regard for conflict of law principles. The parties expressly agree that any action or proceeding to enforce the




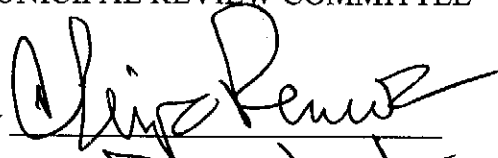
rights of either party under this Agreement, or otherwise related to the subject matter hereof, may not be brought or prosecuted in any court or forum other than the courts of the State of Maine or the federal District Court for the District of Maine, and each party voluntarily, unconditionally and irrevocably submits to the jurisdiction of such courts.

- j. **Outside Investment.** The MRC understands that Fiberight will be seeking financing for the Facility from outside investors and lenders. The MRC agrees to make reasonable provision for, and will provide reasonable consents to support, protection of lender rights and other reasonable provisions for the security of Fiberight's investors and lenders including, without limitation, notices of defaults to identified investors and lenders with rights to cure, rights to name a replacement operator, and similar provisions related to investor and lender protection.
  
- k. **Continuation of Waste Disposal Services.** Fiberight understands that the facility will become an essential part of the infrastructure for management of MSW in central and eastern Maine, and that its operation will make an important contribution to the protection of public health, public welfare and the environment from potential adverse impacts of solid waste management. Fiberight will incorporate into its agreements reasonable provision for continuation of solid waste management services under a variety of scenarios in the event that the Facility is not developed and operated as contemplated by this Agreement.

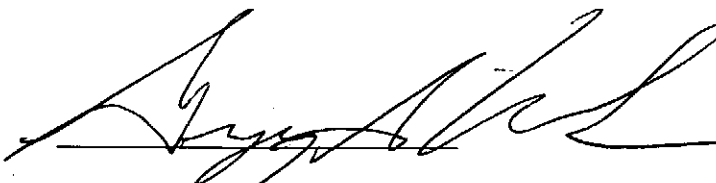
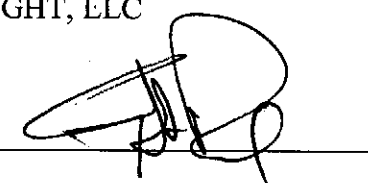
IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the 4<sup>th</sup> day of February, 2015.

WITNESS:

MUNICIPAL REVIEW COMMITTEE

  
By   
Its President

FIBERIGHT, LLC

  
By   
Its CEO