

**Equity Charter Municipality Assets:
Shares of the Debt Service Reserve Fund and
Limited Partnership Shares in the PERC Partnership**

The Equity Charter Municipalities own shares of the following two assets that are associated with the ongoing operation of the PERC Facility:

- The Debt Service Reserve Fund, in the amount of \$1,333,333.33, which is being held in reserve by PERC's lender. The Debt Service Reserve Fund is scheduled to be released to the MRC for distribution to the Equity Charter Municipalities after PERC has made its last debt service payment, which payment is scheduled for the end of 2017.
- Limited Partnership Shares in the PERC Partnership, of which the Equity Charter Municipalities own 25.5214 percent. Under the PERC Partnership Agreement as amended, the PERC Partnership is scheduled to be terminated as of the end of 2018.

Schedule B to the Joinder Agreements sets forth the MRC's plan for returning these assets to the Equity Charter Municipalities upon the release of the Debt Service Reserve Fund and the termination or dissolution of the PERC Partnership.

The value in the Debt Service Reserve Fund will be returned to the Equity Charter Municipalities on a timely basis after their release to the MRC net of (a) costs to secure the release of the funds; and (b) costs of the Equity Charter Municipalities associated with the termination of the PERC Partnership. The MRC has committed to identify any such costs promptly in 2018; to identify costs that are being held in reserve in anticipation of future costs and liabilities; and to release funds promptly after confirming the extent to which funds need to be reserved against costs.

Attachment A provides an interim allocation of the Debt Service Reserve Fund among the Equity Charter Municipalities for illustration purposes only. Note that the actual allocation will be determined based on the relative shares of tonnage delivered to the PERC Facility during the term of the financing (that is, from July 1998 through December 2017) and any costs that are netted from the balance. Attachment A, which accounts for the relative shares of tonnage delivered to the PERC Facility from July 1998 through October 2015, will be updated and finalized in 2018 when the final relative shares of tonnage and cost are known.

The value of the limited partnership shares in the PERC partnership will be determined in 2018 based on conditions at that time. If the PERC Facility closes, the value would depend on the salvage value of the assets of the PERC Partnership net of closure costs, which value would be distributed to the Equity Charter Municipalities in accordance with their ownership interests. Attachment B identifies the limited partnership shares in the PERC Partnership, and the relative share of all partnership interests owned by the Equity Charter Municipalities, that would form the basis for any distribution upon dissolution of the PERC Partnership.

Attachment A

Allocation of Debt Service Reserve Fund Among the Equity Charter Municipalities

Interim values as of third quarter of 2015 for illustration purposes only

Actual values will be pro rata shares of fund balance based on tons delivered through 4Q 2017

Equity Charter Municipality	Allocated Share		Equity Charter Municipality	Allocated Share
Albion	\$ 7,982.45		Midcoast SWD	\$ 54,959.53
Alton	\$ 2,632.38		Mid-Maine SWD	\$ 33,410.32
Atkinson	\$ 992.52		Milford	\$ 8,611.65
Baileyville	\$ 14,427.29		Millinocket	\$ 21,740.75
Bangor	\$ 236,507.54		Milo	\$ 10,537.21
Bar Harbor	\$ 40,003.94		Monson	\$ 1,797.38
Blue Hill/Surry	\$ 31,173.73		Mt. Desert/EMR	\$ 52,413.18
Boothbay RRDD	\$ 38,063.35		Newburg	\$ 5,320.23
Bradley	\$ 4,015.31		Old Town	\$ 34,726.86
Brewer	\$ 53,038.21		Orland	\$ 2,667.50
Brooks	\$ 2,765.92		Orono	\$ 31,020.36
Brownville	\$ 5,558.26		Otis	\$ 1,505.88
Bucksport	\$ 15,502.46		Palmyra	\$ 6,733.21
Burnham	\$ 4,988.20		Parkman	\$ 1,582.01
Carmel	\$ 8,874.62		Penobscot Co.	\$ 6,706.31
Central Penobscot	\$ 18,162.81		Pleasant River SWD	\$ 10,419.95
China	\$ 14,210.92		Plymouth	\$ 4,333.73
Clifton	\$ 3,250.22		Reed Pt	\$ 730.29
Clinton	\$ 18,453.38		Rockland	\$ 44,404.94
Dedham	\$ 3,345.30		Sangerville	\$ 4,715.89
Dover-Foxcroft	\$ 17,591.73		Searsport	\$ 7,710.60
Eddington	\$ 7,332.27		Stetson	\$ 4,614.51
Enfield	\$ 6,367.45		Steuben	\$ 4,662.65
Fairfield	\$ 28,928.13		Stonington	\$ 8,223.05
Glenburn	\$ 16,948.68		Thomaston Group	\$ 32,376.06
Gouldsboro	\$ 5,843.89		Thorndike	\$ 2,305.43
Greenbush	\$ 4,831.63		Troy	\$ 1,681.46
Guilford	\$ 10,109.96		Union River SWD	\$ 2,993.10
Hampden	\$ 27,101.60		Unity	\$ 7,145.64
Hancock	\$ 4,113.72		Vassalboro	\$ 11,733.91
Hermon	\$ 26,580.71		Veazie	\$ 5,673.16
Holden	\$ 7,328.88		Verona	\$ 2,439.21
Jackson	\$ 1,265.63		Waldoboro Group	\$ 25,412.10
Lamoine	\$ 4,731.90		Waterville etc.	\$ 73,619.08
Lee	\$ 3,250.01		Winslow	\$ 26,411.42
Levant	\$ 7,442.67		West Gardiner	\$ 8,444.19
Lincoln	\$ 29,217.36		Winthrop	\$ 22,427.20
Lucerne	\$ 2,296.14		Total	\$ 1,333,333.33
Mariaville	\$ 1,183.10			
Mars Hill	\$ 7,760.67			
Mattawamkeag	\$ 2,948.44			

Attachment B					
Shares in the PERC Partnership for Equity Charter Municipalities					
Equity Charter Municipality	LP Shares	% of all ECM Shares	Equity Charter Municipality	LP Shares	% of all ECM Shares
Albion	0.115200%	0.451%	Midcoast SWD	1.232567%	4.830%
Alton	0.053777%	0.211%	Mid-Maine SWD	0.729280%	2.858%
Atkinson	0.016704%	0.065%	Milford	0.178976%	0.701%
Baileyville	0.188154%	0.737%	Millinocket	0.466113%	1.826%
Bangor	4.324165%	16.943%	Milo	0.196676%	0.771%
Bar Harbor	0.848682%	3.325%	Monson	0.032485%	0.127%
Blue Hill/Surry	0.527452%	2.067%	Mt. Desert/EMR	0.960269%	3.763%
Boothbay RRDD	0.722256%	2.830%	Newburg	0.080330%	0.315%
Bradley	0.068282%	0.268%	Old Town	0.772617%	3.027%
Brewer	1.286299%	5.040%	Orland	0.079493%	0.311%
Brooks	0.035971%	0.141%	Orono	0.662183%	2.595%
Brownville	0.115223%	0.451%	Otis	0.033372%	0.131%
Bucksport	0.406500%	1.593%	Palmyra	0.095658%	0.375%
Burnham	0.082797%	0.324%	Parkman	0.025709%	0.101%
Carmel	0.133851%	0.524%	Penobscot Co.	0.132932%	0.521%
Central Penobscot	0.223590%	0.876%	Pleasant River SWD	0.201455%	0.789%
China	0.292066%	1.144%	Plymouth	0.076122%	0.298%
Clifton	0.047476%	0.186%	Reed Pt	0.014551%	0.057%
Clinton	0.391141%	1.533%	Rockland	0.850547%	3.333%
Dedham	0.065330%	0.256%	Sangerville	0.070695%	0.277%
Dover-Foxcroft	0.296503%	1.162%	Searsport	0.207542%	0.813%
Eddington	0.139017%	0.545%	Stetson	0.054586%	0.214%
Enfield	0.116763%	0.458%	Steuben	0.076527%	0.300%
Fairfield	0.408549%	1.601%	Stonington	0.129296%	0.507%
Glenburn	0.250042%	0.980%	Thomaston Group	0.550964%	2.159%
Gouldsboro	0.124736%	0.489%	Thorndike	0.043315%	0.170%
Greenbush	0.080853%	0.317%	Troy	0.033720%	0.132%
Guilford	0.211599%	0.829%	Union River SWD	0.048905%	0.192%
Hampden	0.507683%	1.989%	Unity	0.113136%	0.443%
Hancock	0.090230%	0.354%	Vassalboro	0.229933%	0.901%
Hermon	0.411467%	1.612%	Veazie	0.116191%	0.455%
Holden	0.137542%	0.539%	Verona	0.044567%	0.175%
Jackson	0.016186%	0.063%	Waldoboro Group	0.471227%	1.846%
Lamoine	0.083018%	0.325%	Waterville etc.	1.516595%	5.942%
Lee	0.060512%	0.237%	Winslow	0.469420%	1.839%
Levant	0.130044%	0.510%	West Gardiner	0.185858%	0.728%
Lincoln	0.599549%	2.349%	Winthrop	0.461015%	1.806%
Lucerne	0.033430%	0.131%			
Mariaville	0.019156%	0.075%	Total	25.521400%	100.000%
Mars Hill	0.151091%	0.592%			
Mattawamkeag	0.063687%	0.250%			