

## PURCHASE AND SALE AGREEMENT

AGREEMENT by and between the **BELFAST WATER DISTRICT**, a quasi-municipal, consumer-owned water utility district having an address of 285 Northport Avenue, Belfast, Maine 04915 (the "Buyer") and the **CITY OF BELFAST**, a municipal corporation having an address of 131 Church Street, Belfast, Maine 04915 (the "Seller").

1. PROPERTY; PREMISES; PURCHASE AND SALE. Seller owns the real estate known as 54 Crocker Road in Belfast pursuant to a deed from Jason L. Perkins dated November 19, 2016 and recorded in the Waldo County Registry of Deeds in Book 4119, Page 341 (the "Property"). Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller, on the terms and conditions hereinafter set forth, (a) a portion of the Property comprising at least 5 acres of vacant land as close to Crocker Road as possible taking into account the wetlands and Buyer's intended use of the Premises as an office and garage with outdoor storage for equipment and materials, and with an easement for access and utilities (the "Premises"), as to be more fully described in a survey description to be prepared prior to closing, (b) 1.00 lbs P/year of allowed export of the City's phosphorous credits, which said portion is consistent with the analysis and recommendations in the April 13, 2021 letter from Andrew Hedrich, Gartley and Dorsky Surveying and Engineering, as attached hereto in Exhibit A. The description of the Premises included in the deed to Buyer will be a surveyor's metes and bounds description based upon a survey plan to be prepared for Buyer at its sole expense. The survey plan and description of the Premises will be distributed to the parties and are to be mutually agreeable to both parties. The deed of conveyance shall provide that the Seller shall enjoy a right of first refusal of any sale or conveyance of all or a portion of the premises, and an option to purchase at the then-current market value, at such time that it is deemed by the Buyer and the Maine Public Utility Commission that the premises will no longer be used or operated by the Buyer.

2. PURCHASE PRICE. The total purchase price for the Premises, and said portion of the phosphorous credits as described in Exhibit A, shall be One Dollar (\$1.00). At the closing, subject to any adjustments and prorations hereafter described, Buyer shall pay the purchase price to Seller or their agent in immediately available funds by cash, certified check, wire or bank cashier's check.

3. FORM OF DEED; QUALITY OF TITLE. At the closing of the sale, Seller shall deliver to Buyer or Buyer's agent a duly executed and acknowledged Municipal Quitclaim Deed, in accordance with the Short Form Deeds Act, 33 M.R.S.A. §761, *et seq.*, conveying the Premises to Buyer in fee simple with good and marketable title in accordance with the Title Standards promulgated by the Maine State Bar Association free and clear of all encumbrances and liens, other than (i) easements, restrictions, or agreements of record acceptable to Buyer; (ii) any conditions which a physical inspection of the Premises might reveal; and (iii) existing laws, ordinances, or regulations governing the use of the Premises. The conveyance shall be subject to, but with no present violation of, state and local zoning, subdivision, land use, shoreland, or waste disposal regulations and ordinances.

4. DUE DILIGENCE. The cost for any title, permitting and zoning examinations,

including title insurance premiums, shall be the responsibility of Buyer. If Buyer finds title to the Premises not to be good and marketable in accordance with the Title Standards promulgated by the Maine State Bar Association or to be subject to easements, restrictions, or agreements not acceptable to Buyer (collectively, the “Defects”), then Seller may delay closing for not more than thirty (30) days in order for Seller to cure the Defects. In the event Seller does not or is unable to cure the Defects after exercising reasonable efforts there for, Buyer may, at its election, (a) accept such title as Seller can convey without adjustment to the purchase price, or (b) terminate this Agreement with all parties released from their obligations hereunder (except those specifically provided as surviving closing or termination hereof).

5. CLOSING. The closing of the sale contemplated hereby shall occur on the same day and immediately after the closing on Nordic Aquafarms, Inc.’s purchase of the “Real Property” from Buyer pursuant to the Options and Purchase Agreement between Nordic Aquafarms, Inc., Buyer and Seller dated January 30, 2018, as amended, or such earlier date as may be mutually agreed upon by the parties. Both parties agree that **time is of the essence** with respect to this Agreement and the closing.

6. CLOSING ADJUSTMENTS. The following pro-rations shall be made based on the closing date and the following closing costs shall be allocated as follows:

- a. real property taxes based on the fiscal year of the City of Belfast, *if any*, shall be prorated between the parties;
- b. transfer/conveyance taxes (if applicable) shall be divided evenly between Seller and Buyer;
- c. a buyer’s title insurance expenses and premiums shall be paid by Buyer;
- d. the cost of an update to the most recent survey of the Premises or of a new survey and any related surveyor’s certificate shall be paid by Buyer;
- e. the cost of preparation of the deed of conveyance shall be paid by Seller;
- f. the cost of preparation and recordation of any releases and termination statements required to clear title to the Premises shall be paid by Seller; and
- g. the costs of performing the closing and drafting any other closing documents shall be paid by Buyer.

7. CONDITION OF PREMISES AT CLOSING AND CLOSING INSPECTION. At closing, full possession of the Premises, free of all tenants and occupants and of all personal property is to be delivered to Buyer, the Premises to be then in the same condition as on the date hereof, reasonable use and wear excepted. Buyer and their agents, employees, representatives or independent contractors shall be entitled to an inspection of the Premises prior to the closing in order to determine whether the condition thereof complies with the terms of this Section.

8. REAL ESTATE COMMISSION. Each party represents hereby to the other that it dealt with no broker in the consummation of this Agreement and each party shall indemnify and save the other harmless from and against any claim arising from the breach of such representation by the indemnifying party. The provisions of this Section shall survive the closing or, if applicable, the termination of this Agreement.

9. DEFAULT.

a. In the event of a material default by Seller hereunder, then Buyer shall deliver to Seller a written notice of such material breach, which notice shall set forth complete information describing the nature of the material breach. In the case of a non-monetary default, Seller shall use its reasonable efforts to cure any such breach, default or failure and in such event the closing date shall be extended by a written notice from Seller to Buyer for a period of up to thirty (30) days as specified in said notice. If, despite Seller's reasonable efforts, Seller fails to cure any such breach, default or failure on or before the extended closing date, Buyer shall have the right to exercise any one of the following remedies:

i. terminate this Agreement by written notice to Seller, in which event all obligations of the parties under this Agreement shall terminate (except those specifically provided as surviving closing or termination hereof); provided, however, if such default is as a result of a willful breach by Seller, Buyer shall be entitled to immediate payment from Seller of all reasonable out of pocket costs incurred by that party in connection with said Options and Purchase Agreement and the Project, as defined in the said Options and Purchase Agreement, (including under and pursuant to the Evaluation Agreement); or

ii. seek specific performance of this Agreement; or

iii. if any default by Seller is susceptible of being cured by Buyer, then Buyer shall have the right, but not the obligation, to take such actions and incur such costs and expenses as necessary to cure such default and any and all costs and expenses incurred by it shall be paid by Seller at the closing; or

iv. waive the default and proceed to consummate the transaction contemplated hereby in accordance with the provisions of this Agreement.

b. In the event of a material default by Buyer hereunder, then Seller shall deliver to Buyer a written notice of such material breach, which notice shall set forth complete information describing the nature of the material breach. In the case of a non-monetary default, Buyer shall use its reasonable efforts to cure any such breach, default or failure and in such event the closing date shall be extended by a written notice from Buyer to Seller for a period of up to thirty (30) days as specified in said notice. If, despite Buyer's reasonable efforts, Buyer fails to cure any such breach, default or failure on or before the extended closing date, Seller shall have the sole right to terminate this Agreement by written notice to Buyer, in which event all obligations of the parties under

this Agreement shall terminate (except those specifically provided as surviving closing or termination hereof).

The foregoing remedies shall be the parties' sole and exclusive remedies and each waives consequential damages against the other, except in the event of fraud or intentional default by Seller.

10. CONTINUATION AND SURVIVAL OF REPRESENTATIONS, INDEMNIFICATIONS AND COVENANTS. All provisions, covenants, representations, warranties, indemnifications and covenants of the parties contained herein or made in writing pursuant to this Agreement are intended to be and shall remain true and correct as of the time of closing, shall be deemed to be material, shall survive the execution and delivery of this Agreement, and shall survive the closing (unless and to the extent otherwise provided herein).

11. RECORDING. It is agreed hereby that this Agreement shall not be filed for recording with the Register of Deeds for the County of Waldo or with any other governmental body but that a memorandum of this Agreement may be recorded at any party's request.

12. NOTICES. Any notice or communication which may be or is required to be given pursuant to the terms of this Agreement shall be in writing (from either a party hereto or its counsel) and shall be sent to the respective party at the address set forth in the first paragraph of this Agreement, by hand delivery, by postage prepaid certified mail, return receipt requested, by a nationally recognized overnight courier service that provides tracing and proof of receipt of items mailed, or to such other address as either party may designate by notice similarly sent. Notices shall be effective upon receipt or attempted delivery if delivery is refused or the party no longer receives deliveries at said address and no new address has been given to the other party pursuant to this paragraph. A copy of any notice to Seller shall also be simultaneously sent to Kelly & Associates, LLC, 96 High Street, Belfast, Maine 04915, Attention: William Kelly, Esq. A copy of any notice to Buyer shall also be simultaneously sent to Eaton Peabody, 80 Exchange Street, Bangor, Maine 04402, Attention: Sarah L. Reinhart, Esq. Notices by any party may be sent by such party's counsel.

13. CAPTIONS. The captions in this Agreement are inserted only for the purpose of convenient reference and in no way define, limit or prescribe the scope or intent of this Agreement or any part hereof.

14. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

15. GOVERNING LAW. The laws of the State of Maine shall govern the validity, construction, enforcement and interpretation of this Agreement.

16. TITLE MATTERS. Any matter or practice arising under or relating to this Agreement which is the subject of a title standard or practice standard of the Maine State Bar Association shall be governed by such standard to the extent applicable.

17. MULTIPLE COUNTERPARTS. This Agreement may be executed in any number of identical counterparts. If so executed, each of such counterparts shall constitute this Agreement. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

18. POST-CLOSING OBLIGATIONS. After the closing, the parties shall cooperate with one another at reasonable times and on reasonable conditions and shall execute and deliver such instruments and documents as may be necessary in order fully to carry out the intent and purposes of the transactions contemplated hereby. Except for such instruments and documents as the parties were originally obligated to deliver by the terms of this Agreement, such cooperation shall be without additional cost or liability.

Buyer shall be solely responsible to obtain all state and local permits and licenses for development of the Premises herein described to be conveyed to Buyer, and Seller shall employ good faith efforts to support and coordinate any required state permitting or licensing, including but not limited to an existing DEP permit for the entire Seller property as currently enjoyed by Seller. It is acknowledged that the Belfast Planning Board and the Code Enforcement Officer have authority independent from the Belfast City Council and will review applications for development or building in the normal course.

The deed of conveyance shall require a covenant that the Buyer, its successors and assigns, shall reimburse the City for damages, beyond normal wear and tear, that Buyer or its agents, employees, representatives, contractors, equipment or vendors cause to the access easement driveway, and a covenant that Buyer shall pay the actual cost of the City to repair the access drive or access easement area due to installation, maintenance, repair or replacement of utilities serving the Buyer's Property..

19. ENTIRE AGREEMENT. This Agreement supersedes all prior agreements and understandings between the parties, including those contained in any letter of intent and any extensions or modifications thereof and the Purchase and Sale Agreement between the parties for the Premises signed on or about January 30, 2018, and represents the full and complete understanding of the parties hereto in conjunction with said Options and Purchase Agreement, the Water Supply Agreement or the Evaluation Agreement. It being the intent of the parties that all obligations of the parties are contained only in this Agreement, and the entire agreement of the parties is fully set forth herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of  
April 21, 2021.

BELFAST WATER DISTRICT

By:



Name: Keith Pooler

Title: Superintendent

Hereunto Duly Authorized

CITY OF BELFAST

By: Eric F. Sanders

Name: Eric Sanders

Title: Mayor

Hereunto Duly Authorized