

Municipal Review Committee, Inc.
Resolution to Approve Hampden Facility Transaction
April 21, 2021

WHEREAS, Coastal Resources of Maine LLC (“Coastal”) is the owner of a waste processing facility located in Hampden, Maine (the “Facility”); and

WHEREAS, Municipal Review Committee, Inc. (the “MRC”) represents 115 Maine municipalities all of whom have contracted to deliver their waste to the Facility under a long term waste disposal agreement between Coastal and the MRC (the “Master Waste Supply Agreement”); and

WHEREAS, the land upon which the Facility is located is owned by the MRC and was leased to Coastal pursuant to a long term lease (the “Site Lease”); and

WHEREAS, Coastal is indebted to U.S. Bank National Association (the “Trustee”), in its capacity as bond trustee under that certain Indenture of Trust dated as of December 1, 2017 between the Finance Authority of Maine, as amended by that First Supplemental Indenture of Trust dated as of June 1, 2019 (the “Indenture”); and

WHEREAS, the obligations owing from Coastal to the Trustee are secured by a first priority lien on and security interest in substantially all assets of Coastal, including the Facility (collectively, the “Collateral”); and

WHEREAS, by notice dated May 27, 2020, Coastal notified the MRC that it was unable to receive and process waste as required under the Master Waste Supply Agreement and announced that it had suspended operations at the Facility; and

WHEREAS, as a consequence of this default and other events of default under the Indenture and other related bond documents, the Trustee filed an action for relief with the Superior Court of Penobscot County for the State of Maine (the “Court”) and thereafter moved to protect its interest in the Collateral, *inter alia*, by seeking the appointment of a receiver for Coastal (the “Receiver”); and

WHEREAS, the Court subsequently appointed a receiver (the “Receiver”) to take control of Coastal and all of its assets, including the Collateral; and

WHEREAS, after an extensive sale process concluded by the predecessor to the Receiver, the Trustee, the MRC and Delta Thermo Energy, Inc. (“DTE”) entered into a Memorandum of Understanding Regarding Acquisition of Assets of Coastal Resources of Maine LLC, dated December 30, 2020, (the “MOU”); and

WHEREAS, the Receiver, the Trustee, the MRC and DTE-HM, LLC (“DTE-HM”), an affiliate of DTE, propose to enter into an asset purchase agreement pursuant to which DTE-HM proposes to purchase the Facility and related assets on substantially the terms as presented at this meeting (the “Asset Purchase Agreement”) and to thereafter resume operations at the Facility; and

WHEREAS, in conjunction with the proposed sale, the Receiver proposes to assign to DTE-HM all right, title and interest in certain contracts to which the MRC is a party as set forth in the Asset Purchase Agreement (collectively, the “Assigned Contracts”); and

WHEREAS, the MRC has proposed to consent to the assignment of the Assigned Contracts subject to certain terms and conditions among the Receiver, the Trustee, the MRC, DTE-HM and the MRC (the “Consent Agreement”); and

WHEREAS, in conjunction with the sale of assets contemplated by the Asset Purchase Agreement, the MRC has proposed to grant to DTE-HM an option to purchase the real property underlying the Facility (the “Option”), subject to certain terms and conditions set forth in the Asset Purchase Agreement and the Option, including without limitation approval of the Option as a Fundamental Matter or Change thereby being subject to MRC Member approval pursuant to MRC’s Bylaws.

NOW THEREFORE, IT HEREBY IS

RESOLVED: That the MRC hereby is authorized (i) to enter into the Asset Purchase Agreement, the Consent Agreement, the Option and all such other agreements as are contemplated hereby or thereby, with implementation of the transactions contemplated by the Asset Purchase Agreement to be subject to prior MRC member approval to the extent required pursuant to MRC’s Bylaws, (ii) to consent to the assignment and assumption of the MOU and the Assigned Contracts, and (iii) to execute and deliver such agreements and other documents as the signing officer may deem necessary or appropriate in order to fully effect the transactions contemplated by the Asset Purchase Agreement (all of the foregoing being collectively referred to herein as the “Transaction Documents”), in each case on substantially the terms presented at this meeting.

RESOLVED: That each of the President, Vice President and Treasurer of the MRC, acting singly, hereby is authorized to execute and deliver each of the Transaction Documents on behalf of the MRC on such terms and conditions as he or she may approve, his or her signature thereon to constitute conclusive evidence of such approval, and to take all such further actions as he or she may deem necessary or appropriate in order to implement these resolutions and the transactions contemplated hereby.