

April 18, 2014

Representative David Campbell, Chairman
Long-Range Capital Planning and Utilization Committee
State House, Room 102
Concord, NH 03301

Re: 3rd Amendment to Purchase and Sale Agreement between the Community College
System of New Hampshire and Juliet Marine Systems, Inc.

Dear Chairman Campbell and Members of the Committee:

Requested Action

The Community College System of New Hampshire respectfully requests, pursuant to RSA 188-F:6, XIII-a, to amend LRCP 14-005 as adopted by the Committee on March 4, 2014 by amending the expiration date of the "Due Diligence Period" from April 15, 2014 to September 15, 2014 and to approve such other provisions that are contained in the 3rd Amendment to the Purchase and Sale Agreement.

Explanation

Both the Buyer and Seller remain committed to the purchase and sale of the former campus in Stratham (the "Premises"). Buyer has requested additional time and has in turn made commitments contained in the 3rd amendment to the Purchase and Sale Agreement (the "3rd amendment"), including making the initial deposit of \$25,000 non-refundable subject to the provisions of the amendment. Buyer has further agreed as part of the 3rd amendment that for the duration of the extended due diligence period, Seller's obligations shall include monitoring the Premises to protect against mold formation and remediating the Premises to eradicate mold formation discovered by Seller, but shall not include renovation of any walls, floors or any other components removed due to or affected in any way by mold formation.

I reiterate my prior statements to the committee that allowing this Purchase and Sale agreement, as amended, to remain in force and effect is in the best interests of the State by virtue of the economic impact potential of this company and its plan to create high-skilled employment in New Hampshire. Buyer has not sought to alter the purchase price in light of the renovations that will be needed to occupy and operate in the Premises and has agreed that Seller shall not be responsible for such costs.

I will appear before the committee on April 21, 2014 along with Greg Sancoff, CEO of Juliet Marine Systems, Inc., to address this request.

Sincerely,



Ross Gittell
Chancellor

Attached: 3rd Amendment to Purchase and Sale Agreement

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

275 Portsmouth Avenue, Stratham, New Hampshire

This third amendment (the "Third Amendment") is made and entered into as of the 17th day of April 2014 by and between the Community College System of New Hampshire, 26 College Drive, Concord, NH ("Seller"), and Juliet Marine Systems, Inc. 62 Deer Street, Portsmouth, NH 03801 ("Buyer") to further amend the Purchase and Sale Agreement executed by them with an Effective Date of May 15, 2013, the date of approval thereof by the Governor and Council of the State of New Hampshire (the "Agreement") which Agreement was first amended by a First Amendment to Purchase and Sale Agreement dated July 24, 2013, and thereafter amended by a Second Amendment to Purchase and Sale Agreement dated March 10, 2014.

Whereas Buyer, during the Due Diligence Period as defined in the Agreement, learned that water damage had caused the formation of mold in certain parts of the Premises; and,

Whereas Seller has taken steps to remediate such mold and will continue to monitor the Premises to protect against recurrence of mold formation and remediate any such recurring mold but does not intend to otherwise be liable for renovation of any walls, floors or any other components removed due to or affected in any way by mold formation; and,

Whereas Buyer wishes to extend the Due Diligence Period to September 15, 2014 to verify that Seller's remediation efforts have been sufficient to eradicate mold from the Premises and to determine that the Premises are, in all other respects, satisfactory for Buyer's intended uses and purposes,

Now, Therefore in consideration of the mutual agreements herein contained and the consideration herein expressed, Buyer and Seller agree to further amend as follows:

A. Section 2 (a) entitled "Deposit" is hereby amended to read in its entirety as follows:

"(a) Deposit.

(i) Seller acknowledges that Buyer has delivered to Grubb Ellis[Northern New England (now known as "Colliers International|New Hampshire"), as escrow agent ("Escrow Agent"), \$25,000. (which shall be referred to as "Initial Deposit").

(ii) On or before September 15, 2014, or upon the earlier satisfactory completion of Buyer's determination that the Premises are, in all respects, satisfactory for the Buyer's intended uses and purposes, Buyer shall deliver to the Escrow Agent an additional deposit of \$225,000 (which shall be referred to as the "Final Deposit").

(iii) If Buyer determines on or before September 15, 2014 that the Premises are not satisfactory for its intended uses and purposes or fails to deliver to the Escrow Agent the Final Deposit on or

before September 15, 2004 at 5:00 p.m., the Initial Deposit shall be disbursed by the Escrow Agent to Seller.

(iv) The Initial Deposit and the Final Deposit in the combined amount of \$250,000 shall collectively be referred to as the "Deposit").

(v) The Escrow Agent will return the Deposit to Buyer if Seller fails or refuses to perform its other obligations under the Agreement; or, if the Agreement is terminated by Buyer in accordance with the other provisions relating to termination set forth in the Agreement. Similarly, as originally set forth in the Agreement, if Buyer fails to perform its obligations under this Agreement, then the Deposit shall be disbursed by the Escrow Agent to Seller.

(vi) Upon a closing of this transaction, the Deposit shall be disbursed by the Escrow Agent to Seller and applied against the Purchase Price. Escrow Agent shall hold the Deposit subject to the Escrow Provisions set forth in Exhibit A to the Agreement (the "Escrow Provisions"). The Escrow Agent shall acknowledge its acceptance of the Escrow Provisions by executing a counterpart of this Third Amendment to the Agreement."

B. Section 4, entitled "Due Diligence/Inspections" is hereby amended by changing the last paragraph thereof to read in its entirety as follows:

"Between the Effective Date and September 15, 2014 (the "Due Diligence Period"), without prejudice to Buyer's ability at any time prior to September 15, 2014 to provide Seller with Buyer's Notice to Proceed as defined herein, Buyer may determine if the Premises is suitable for its intended uses and purposes as determined by Buyer in its sole and absolute discretion. If Buyer determines that the Premises is suitable for its intended uses and purposes, in its sole and absolute discretion, then Buyer shall notify Seller no later than 5:00 p.m. September 15, 2014, time being of the essence, that Buyer intends to proceed with the Closing on the Premises ("Buyer's Notice to Proceed"). If Buyer fails to so notify Seller prior to the expiration of the Due Diligence Period, of its intent to go forward with the Closing, it shall be conclusively deemed that Buyer has determined that the Premises is not suitable for its intended uses and purpose and this Agreement shall be null and void and the Initial Deposit shall be disbursed to Seller."

C. Section 8 (b), entitled Operation of the Premises Between the Effective Date and Closing, is hereby amended to read in its entirety as follows:

"From and after the execution of this Agreement and until the Closing, Seller shall perform its obligations to maintain the Premises. Such obligations shall include monitoring the Premises to protect against mold formation and remediating the Premises to eradicate mold formation discovered by Seller but shall not include renovation of any walls, floors or any other components removed due to or affected in any way by mold formation."

D. This Amendment may be subject to approval by the Long Range Capital Planning and Utilization Committee and/or by the Governor and Council of the State of New Hampshire. If approval is required, this Amendment shall be effective as of the date its approval is final.

In all other respects the Agreement shall remain in full force and effect.

SELLER: Community College System of New Hampshire

By: 

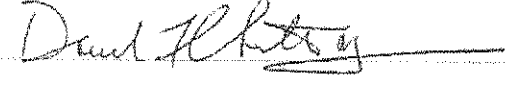
Ross Gittel, PhD, Chancellor

BUYER: Juliet Marine Systems, Inc.

By: 

Greg Sencoff, President

As to only the escrow provisions set forth in Exhibit A to the Agreement as modified by this Amendment:



Name: David F. Choate, III