



TAX-EXEMPT BOND
INDUCEMENT APPLICATION
FOR
RECOVERY ZONE FACILITY
BONDS

Finance Authority of Maine
P.O. Box 949
Augusta, ME 04332-0949
Phone: (207) 623-3263 or 1-800-228-3734
Fax: (207) 623-0095 TTY: (207) 626-2717
www.famemaine.com

Revised March 19, 2010

**TAX-EXEMPT BOND PROGRAM
APPLICATION INSTRUCTIONS
FOR RECOVERY ZONE FACILITY BONDS**

This package contains complete application materials for FAME's Tax-Exempt Recovery Zone Facilities Bond Program financing. **Certain manufacturing, exempt facility (e.g. solid waste or sewage disposal) and 501 (c)(3) enterprises are eligible for tax-exempt financing through FAME's Revenue Obligation Securities Program (ROSP). Please use the ROSP application if you fit into one of those categories.**

The information listed on this form is necessary to determine the eligibility of the project applicant. Please fill in all blanks, using "NONE" or "NOT APPLICABLE" where necessary. If an estimate is given, put "EST" after the figure. Attach additional sheets as necessary. Applicants that are determined to be eligible will receive an Inducement Agreement and if they are seeking credit enhancement (i.e. loan insurance) from the Authority, will be asked to complete a formal credit application, available upon request, under the Authority's Loan Insurance Program.

Inducement Application

Complete this application in its entirety first. The information required will determine your eligibility to proceed with tax-exempt financing and will establish the public benefits to be derived from your project in order to induce FAME to proceed with tax-exempt financing Return two (2) copies to the Authority.

Inducement Agreement

Enclosed is an Inducement Agreement. Please review this non-binding document carefully. Costs related to a project should not be incurred until this document has been formally executed by FAME, or project eligibility may be jeopardized. Once the Inducement Agreement is executed by FAME a project may, at its own risk, begin to incur costs related to the project.

To expedite processing, borrowers are asked to sign and return two (2) copies of the Inducement Agreement.

Upon review and approval of the inducement application, the Authority will return an executed copy of the Inducement Agreement to the borrower.

Upon receipt of a signed Inducement Agreement from the Authority an applicant may at its own risk commence to incur project-related expenses.

Please submit the completed Inducement Application and two (2) copies of the Inducement Agreement along with the appropriate application fee to the Finance Authority at the following address:

Finance Authority of Maine
5 Community Drive
P.O. Box 949
Augusta, Maine 04332-0949

Information the applicant wishes to be kept confidential should be noted at the question number and be typed on a separate detached answer sheet, marked confidential. The reason confidentiality is requested must be stated with sufficient particularity to permit the Authority to determine whether it meets the standards of 10 MRSA 975-Sec. A. Generally, information giving the applicant a competitive advantage can be kept confidential.

This application is **ONLY** for the purpose of determining whether the applicant is eligible for Inducement and inclusion in the Authority's Tax-Exempt Recovery Zone Facilities Bond Program by the Authority, and not for determining whether (if the Applicant is seeking Authority credit enhancement) the applicant's credit meets the Authority's credit standards.

Summary of FAME Bond Application/Issuance Process

- A. Applicant submits completed Bond Application/Inducement Agreement, with Environmental Questionnaire, Employment Plan and copy of Environmental Assessment Application.
- B. Applicant submits Environmental Assessment application to Maine DEP.
- C. Inducement Agreement executed by FAME.
- D. Applicant required to obtain a letter from the applicable municipality indicating project will not have adverse effect on public facilities or such impact is being addressed.
- E. Applicant required to obtain a letter from applicable county commissioners indicating project will be beneficial to the county.
- F. DEP issues Environmental Assessment to FAME.
- F. Notice to competitors sent by Applicant advising of Public Hearing.
- G. Public hearing notice published in local and State papers (14 days prior to hearing).
- H. Public Hearing held on Application. FAME must make findings, including that project will provide a public benefit, and will not result in substantial detriment to existing businesses (usually combined with TEFRA (Federal Tax Law) hearing).
- I. Authority issues Findings, and if favorable, a Certificate of Approval.
- J. FAME Board adopts Resolution allowing issuance of Bonds..
- K. Notice of Intent to Issue securities published by FAME in local and State papers (30 days prior to closing).
- L. Documents prepared and approved by transaction participants.
- M. Closing.

**TAX-EXEMPT BOND PROGRAM
INDUCEMENT APPLICATION**

PART I - APPLICANT/BORROWER

Company or Individual Name: _____
Office Address: _____

Telephone: _____ **Fax:** _____
IRS Identification or SS#: _____
SIC# _____

Company officer completing this application (specify if communication to the Company should be directly to anyone else.)

Name: _____
Title: _____

1. Number and location(s) of present business facilities:
 - a. Within State of Maine _____
 - b. Outside State of Maine: _____

2. a. Business Organization (Please check appropriate box)

<input type="checkbox"/> Corporation - Public	<input type="checkbox"/> Partnership
<input type="checkbox"/> Corporation - Closely Held	<input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> Corporation – not for profit	<input type="checkbox"/> Individual
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Other (Specify) _____

 - b. State of Incorporation: _____
 - c. If not for profit – section of Internal Revenue Code providing tax exemption (e.g. 501 (c)(3)) _____.

3. List all stockholders (if closely held) or members or partners in the Company.

<u>Name</u>	<u>Percentage</u>	<u>Home Address</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Is the Company related, directly or indirectly through stockholders, to any other entity by more than 50% common ownership? If so, indicate name of such entity/and the relationship.

5. Is the Company affiliated with any other entity, directly or indirectly, other than as indicated in response to question #4? If yes, please indicate name and relationship of such other entity and the address thereof.

6. Complete the following information:

<u>Officers & Directors</u> <u>(Names & Titles)</u>	<u>Names, Addresses and Other Principal</u> <u>Social Security Numbers</u>	<u>Business Affiliations</u>
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7. **Counsel to Company**

Name of Attorney: _____
Name of Firm: _____
Address: _____
Telephone Number: (____) _____ Fax:(____) _____

8. **Accountant to Company**

Name of Accountant: _____
Name of Firm: _____
Address: _____
Telephone Number: (____) _____ Fax:(____) _____

a. Describe present location (include square footage, number of buildings, number of floors, etc.)

b. List the current annual taxes on:

1.	Building(s):	\$ _____
2.	Land:	\$ _____
3.	Personal Property:	\$ _____

PART II - TENANT INFORMATION

Complete this section only if tenant is different from the applicant.

Company Name: _____

Office Address: _____

Telephone: (____) _____ **Fax:** (____) _____

IRS Identification or SS#: _____

Company Contact

Name: _____

Title: _____

1. Number and location(s) of present business facilities:

a. Within State of Maine: _____

b. Outside State of Maine: _____

2. a. Business Organization (Please check appropriate box)

- Corporation - Public
- Corporation – Closely Held
- Corporation – not for profit
- Limited Liability Company
- Partnership
- Sole Proprietorship
- Individual
- Other (Specify) _____

b. State of Incorporation: _____

c. If not for profit – section of Internal Revenue Code providing tax exemption (e.g. 501(c)(3)) _____.

3. List all stockholders (if closely held) or members or partners in the Company.

<u>Name</u>	<u>Percentage</u>	<u>Home Address</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Is the Company related, directly or indirectly through stockholders, to any other entity by more than 50% common ownership? If so, indicate name of such entity/and the relationship.

5. Is the Company affiliated with any other entity, directly or indirectly, other than as indicated in response to question #4? If yes, please indicate name and relationship of such other entity and the address thereof.

6. Complete the following information:

Officers & Directors (Names & Titles)	Names, Addresses and Other Principal Social Security Numbers	Business Affiliations
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. **Counsel to Company**

Name of Attorney: _____
Name of Firm: _____
Address: _____
Telephone Number: () _____ Fax:() _____

8. **Accountant to Company**

Name of Accountant: _____
Name of Firm: _____
Address: _____
Telephone Number: () _____ Fax:() _____

a. Describe present location (include square footage, number of buildings, number of floors, etc.)

b. List the current annual taxes on: %

1. Building(s): \$ _____
2. Land: \$ _____
3. Personal Property: \$ _____

PART III - PROJECT INFORMATION

Please complete the following questions for each project to be financed. Use additional pages as necessary.

1. Describe the project for which bond proceeds will be used.

2. Describe or attach complete description of its business.

3. Location of the proposed project:

Street
Address City Township County State

4. Does the project consist of (check appropriate categories):

- | | | | |
|----|---|------------------------------|-----------------------------|
| a. | Acquisition of land | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. | Construction of a new building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. | Renovations to an existing building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d. | Construction of an addition to an existing building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| e. | Acquisition of an existing building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| f. | Installation of machinery and/or equipment | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

If the Company is to acquire an existing plant attach a photograph and indicate if it is in operation, abandoned or about to be abandoned. If in operation, describe proposed form of acquisition or relationship (wholly owned, partnership, tenant, etc.).

5. Project Site (land)

- a. Indicate approximate size (in acres or square feet) of project site.

- b. Are there buildings now on the project site? Yes No
- c. Indicate the present use of the project site.

- d. Indicate present owner of project site.

6. If the Company now owns the project site, please indicate:

- a. Date of purchase: _____
- b. Purchase price: _____
- c. Balance of existing mortgage: _____
- d. Holder of mortgage: _____

7. If the Company is not now the owner of the project site, does the Company have an option to purchase the site and any buildings on the site? If yes, please indicate:

- a. Date option agreement signed with owner: _____
- b. Purchase price under option: _____
- c. Expiration date of option: _____
- d. Nonrefundable option payment: _____

8. Has the Company entered into a contract to purchase the site? If yes, please indicate:

- a. Date signed: _____
- b. Purchase price: _____
- c. Settlement date: _____
- d. Down payment: _____

9. Has the Company entered into a contract to purchase or build any machinery, equipment or structure. If yes, please indicate:

- a. Date signed: _____
- b. Purchase price: _____
- c. Settlement date: _____
- d. Down payment: _____

10. If the Company is not the owner of project site, does the Company now lease the site or any buildings on the site? _____ yes _____ no
(For leased project property, attach proposed lease.)

11. Is there a relationship legal or by virtue of common control or ownership between the Company and the seller of the project? If yes, describe this relationship:

12. Has construction work on this project begun? If yes, complete the following:

- a. Site clearance yes no _____% Complete
- b. Foundation yes no _____% Complete
- c. Footings yes no _____% Complete
- d. Steel yes no _____% Complete
- e. Masonry work yes no _____% Complete
- f. other (describe below)

13. If any space in the project is to be leased to third parties, indicate total square footage of the project, amount to be lease to each tenant.

14. Identify all tenants and describe the proposed facility use by each. (Complete questions in part III 1-7 for each Tenant).

15. Description of Costs. State the proposed uses of bond proceeds:

	<u>Amount</u>
a. Building(s)	_____
b. Renovation	_____
c. Equipment	_____
d. Installation	_____
e. Engineering Fees	_____
f. Architectural Fees	_____
g. Interest During Construction	_____
h. Legal Fees (your own counsel fees)	_____
i. Other (please explain)	_____
TOTAL	_____

16. Has the Company already made any of the above expenditures? If yes, indicate particulars:

17. Have any of the expenditures been incurred but not paid by the Company? If yes, indicate particulars:

18. Will any of the funds to be borrowed through the Authority be used to repay or refinance an existing mortgage or outstanding loan? If yes, please indicate amount and purpose of original loan(s).

19. If one construction or operation of the proposed project will require any local ordinance or variance to be obtained or requires a permit or prior approval of any state or federal agency or body (other than normal occupancy/construction permits), please specify.

20. Other Governmental Involvement.

Have you contacted any other Governmental agency in reference to this project?

Yes No

If yes, Please indicate the agency and nature and status of the inquiry below:

21. Reasons for Project:

- a. Briefly describe the reasons why this project is necessary and what effect it will have on your business:

- b. What contribution will this project make to the economic growth of the state, and the community (city or town, and county) in which it is located (describe in detail)?

- c. List all instate competitors and define the impact his project will have on each (be specific) and attach extra sheets as necessary.

- d. If your business is unable to arrange suitable financing for this project what will be the impact on your Company and the State of Maine? Would your Company proceed with the Project without Authority financing? (Describe in detail):

22. Employment

- a. Employment at present time if Company is now in existence within the State of Maine and an estimate of such employment at the proposed location at the end of one and two years. Provide a summary of your present and future employment within the State of Maine.

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>
	M/F	M/F	M/F
Full Time	_____	_____	_____
Part Time*	_____	_____	_____
Seasonal*	_____	_____	_____

* Estimate percent that total part time or seasonal working time bears to total annual full working time _____%.

- b. Title 10, Section 979 of the Maine Statute requires that an applicant submit an Employment Plan (attached) if the applicant employs 10 or more employees.
- c. Total. Estimate the annual payroll:
At present: \$ _____
In one year: \$ _____
- d. Does applicant agree, to the extent possible, to cooperate with the representations of the Departments of Labor and Health & Human Services regarding employment opportunities for recipients of the services of these Departments?
_____ yes _____ no

23. What pollutants, if any, would the project remove, alter, dispose of, or store?

24. What environmental regulation is the project designed to meet?

25. Does the project produce any recoverable material (i.e., by-products that can be sold or recycled)? If yes complete the following:

Annual value of recovered material: \$ _____
Annual operating expense: \$ _____
Expected useful life: \$ _____

26. Does installation of the project make it unnecessary to install some other alternative facility that would have been necessary for plant operations in the absence of pollution control requirements? If yes, complete the following:

	<u>Project</u>	<u>Alternative Facility</u>
Construction cost:	\$ _____	\$ _____
Annual operating expense	\$ _____	\$ _____
Useful life	_____ years	_____ years

27. Is the project designed to prevent the release of pollutants in a major accident?

28. Does the project prevent the release of materials or heat that would endanger the employees?

29. Is the project used to control materials that traditionally have been controlled because their release would constitute a nuisance?

30. Does the project control the release of hazardous materials or heat that would cause an immediate risk of substantial damage or injury to property or persons?

31. Does the project control materials or heat in essentially the same manner as the Company has previously controlled such material or heat as a customary practice for reasons other than compliance with pollution control requirements. If the principal user previously has not generated such material or heat at the location where the project is located, the customary practice shall be determined by reference to the use of similar property by similarly situated users.

32. What regulatory bodies have jurisdiction over the project?

CERTIFICATION

I have read the foregoing application and attachments and know the contents to be true, to contain no information or data that is false or incorrect and to truly describe the project which is intended to be financed with the requested financing. I am authorized to submit this application on behalf of the applicant.

I acknowledge and agree, on behalf of the applicant, that the applicant is responsible for all costs incurred by the Finance Authority of Maine (hereinafter referred to as the "Authority") in connection with this application and all proceedings and transactions related to it, whether or not the proposed financing ultimately occurs and, if such financing does not occur, whether or not the failure to complete the financing is the applicant's choice.

Authorized person submitting application

Printed Name

Title

Date

Name of Business / Corporation / Partnership / Sole Proprietorship (select one)

_____ {County}, ss.

State of Maine

Personally appeared the above named _____,
(Authorized person submitting application)

_____ of _____ and acknowledged
(Title) (Name of Business)

the foregoing instrument by him/her signed to be his/her free act and deed in his/her said capacity and the free act and deed of the _____.
(Name of Business)

BEFORE ME:

Date

Notary Public
My Commission Expires:

**FINANCE AUTHORITY OF MAINE
EMPLOYMENT PLAN**

In accordance with 10 MRSA Section 979, the Finance Authority of Maine requires that all applicants with more than ten (10) employees who receive financial assistance, describe any potential employment opportunities which may assist recipients of Aid to Families with Dependent Children. The information below must be provided as part of this process. This form will be released to a representative for the State's Employment and Training programs who will then contact the company about any training or openings specified in this application.

1. APPLICANT INFORMATION

Company Name: _____
Project Address: _____
Phone: _____ Fax: _____ E-Mail: _____

If the expansion is occurring at a site other than the main office, please complete the following:

Office Address: _____
Phone: _____ Fax: _____ E-Mail: _____

Please indicate the company representative who should be contacted to follow-up on this information:

Name: _____
Title: _____
Phone: _____ Fax: _____ E-Mail: _____

2. BUSINESS DESCRIPTION. If addressed in the FAME application, please note appropriate section.

Describe the type of business: _____

Describe principal products/services: _____

3. EMPLOYMENT INFORMATION. Please note any general employment-related information from the FAME, application.

Number of current employees: _____
Percentage of current employees in various job categories.
_____ Office _____ Professional _____ Sales
_____ Managerial _____ Technical _____ Production

Number of new full-time/part-time positions created as a result of FAME assistance:

FT	PT	
_____	_____	1st year
_____	_____	2nd year
_____	_____	3rd year
_____	_____	TOTAL

Title(s) and brief job description(s) for all new positions. (Attach additional sheets, if necessary.)

4. TRAINING INFORMATION.

In what ways could a training program assist your company?

What training will your company provide?

How would wage assistance be helpful in training new employees?

What is your projected hiring schedule?

For additional details and information, please contact FAME:

Finance Authority of Maine
5 Community Drive
P.O. Box 949
Augusta, ME 04332-0949

Tel: 1-800-228-3734
(207) 623-3263
Fax: (207) 623-0095
TTY: (207) 626-2717
E-mail: info@famemaine.com
URL: www.famemaine.com

FINANCE AUTHORITY OF MAINE ENVIRONMENTAL QUESTIONNAIRE

1. Name of Applicant: _____

2. List all locations of the applicant's business: _____

(State whether the applicant is the owner or lessee of any premises referred to above.)

3. Describe briefly the nature of the applicant's business: _____

4. List all real estate owned by the applicant or by any guarantors of the loan, including any real estate which may have been referred to above and all real estate which is to secure this loan. Please state location and describe whether residential, commercial or industrial and describe improvements. If any such real estate is commercial or industrial, describe the nature of any activities occurring at those premises, whether such activities are conducted by the applicant or any guarantor as owner of the real estate or by a tenant and indicate for how long such activity has been taking place. If known, describe prior uses or activities at any such locations:

Regarding each piece of property, indicate date of transfer to current owner and state whether property was or may have been included in a property description with any other properties at any time after July 1, 1987.

5. Please indicate if the applicant's business or any of the activities, past or present, at any of the properties referred to in 2 and 4 above, whether conducted by the applicant or any guarantor as owner or lessee of the real estate or by any other lessee, ever included any of the following: gas stations, car washes, auto, truck, bus or boat maintenance or repairs, auto dealers, auto body shops, chemical manufacturing, metal plating, electronic component manufacturing, machine shops, dry cleaning, tanning, coal, gas or tar plants, railroad yards, electrical substations, sand or gravel pits, pigfarms, landfills or junkyards:

6. Identify all environmental or land use licenses, permits, approvals, authorizations, certifications, notices or filings which are required by any governmental agency for the applicant's business. Indicate those now held or delivered, date of issuance or filing and date of expiration or date of application (for those not yet held). If issued or filed, attach copies.

7. Do the applicant's business operations involve the generation, treatment, storage or disposal of any hazardous wastes or substances as defined in Chapter 850 of the Regulations of the Maine Department of Environmental Protection, the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. ("RCRA") or the Comprehensive Environment Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. ("CERCLA"), or under any regulations implementing RCRA or CERCLA?

YES NO

If yes, identify by chemical and trade name the type(s) of waste(s) and provide an estimate of quantity. _____

If yes, describe the process which uses or results in the substances or wastes, the methods of storage of any such substances or wastes, and the methods of disposal of any such wastes:

8. Have any activities at any of the locations referred to in 4 above, by current or prior owners, ever resulted in the generation of hazardous wastes at any time? YES NO
If yes, has the facility been closed in accordance with all applicable laws and received certification of such? YES NO

Explain: _____

9. Are any hazardous substances or wastes transported to or from any of the applicant's business locations? YES NO

If yes, identify by chemical and trade names the type(s) of waste(s) and identify the location(s) to which any such wastes are transported: _____

10. Has an environmental site audit, history, review or assessment ever been performed at any of the locations listed in 4 above? YES NO

If yes, state at which location(s), when, the result(s) and attach a copy if available.

11. Are there or were there ever any above or underground oil or chemical storage tanks on any of the premises listed in 4 above? YES NO

If yes, indicate the number of tanks at each location, the age of each tank, the location of the tanks on site, the storage capacity of each tank, the contents of any such tanks, the DEP registration number of each tank or owner, whether the tanks are or will be abandoned, and whether and when any such tanks were ever removed or replaced:

If yes, indicate whether any tank has been precision tested or had a statistical analysis of product inventory done within the past year. If so, provide a copy of the results.

12. Have any of the locations referred to in 4 above ever been used as a junkyard, as a dump for any materials or as a disposal site for any hazardous wastes or substances?
 YES NO

If yes, describe the nature and dates of any such use, the generator, if known, of any wastes, and the owner or operator of the site at the time of such use or disposal: _____

13. Do any of the locations referred to in 4 above contain any wastewater treatment lagoons or lagoons for the storage or treatment of any hazardous wastes? YES NO

If yes, describe age, capacity and nature of lagoons, and whether or not actively in use:

If inactive, indicate when abandoned and whether the lagoons have been closed in accordance with applicable law and received certification of such: _____

14. Has there ever been a release or threat of release of oil or any hazardous wastes at any of the locations referred to in 4 above? YES NO

If yes, identify location(s), applicable dates and explain, stating whether the release was cleaned up and when: _____

State whether any such releases were reported to any agency of State or federal government and if so, when and to whom reported: _____

15. Do any of the locations referred to in 4 above contain any asbestos? YES NO

If yes, state at which location(s): _____

16. Is any location, referral to in 4 above located on or adjacent to any wetland (fresh water or coastal)? YES NO

If yes, identify the location(s): _____

17. Are there likely to be any emissions of any "air pollution" or "hazardous air pollutant" (as defined in Title 38 Section 582(3) M.R.S.A. of 1964 as amended, and in Section 582(7-G) of said Title, respectively, and any and all Regulations and Standards adopted pursuant to Chapter 4 of Title 38 M.R.S.A. of 1964, as amended) into the atmosphere at any of the locations listed in 4 above? YES NO

If yes, state at which location(s) and explain: _____

18. Has the applicant or any guarantor ever been subject to any governmental enforcement or compliance action or proceeding related to any property referred to in 4 above or to any licenses, permits, approval, authorization, certifications, notices or filings referred to in 5 above or to any environmental or land use laws or regulations? YES NO

If yes, explain: _____

19. Is the applicant or any guarantor aware of any environmental problems or potential environmental problems at any of the locations referred to in 4 above or at any other locations ever owned or used in an manner by the applicant or any guarantor, whether or not such problems have been identified by any federal, State or local authorities? YES NO

If yes, explain: _____

List all real estate ever owned or used by the applicant or any guarantor of the loan which is or may be the subject of environmental problems. _____

20. Has any application by this applicant or any guarantor for any environmental license, permit, approval, authorization or certification ever been denied or not renewed? YES NO If yes, explain: _____

The undersigned hereby certifies he/she has exercised due diligence and made all appropriate inquiries in completing the questionnaire and that the foregoing information is true and correct to the best of his/her/its knowledge.

Printed Name: _____

Signature: _____

Title: _____

Date: _____

**FINANCE AUTHORITY OF MAINE
DEPARTMENT OF ENVIRONMENTAL
PROTECTION ASSESSMENT APPLICATION**

NOTICE OF PROJECT INTENT

1. Must be filed with the: **Maine Department of Environmental Protection
Attn: Kevin Nelson
17 State House Station
Augusta, Maine 04333**

2. Please indicate the appropriate section of the Statute for your application.

- Loan Insurance Sec. 1021
- Taxable Bonds Sec. 961
- Tax Exempt Bonds (Revenue Obligation Securities Program) (ROSP) Sec. 1041
- Tax Exempt (Municipal Securities Approval Program) (MSAP) Sec. 1061

APPLICANT INFORMATION

1. Borrower name: _____
Contact person: _____
Address: _____
State: _____ Zip: _____
Telephone: _____ Fax: _____

2. If the project being financed is occurring at a site other than the address listed above, please provide that address:

Borrower name: _____
Contact person: _____
Title: _____
Address: _____
State: _____ Zip: _____
Telephone: _____ Fax: _____

3. Is the applicant a Maine corporation? YES NO

4. If the applicant is a Maine corporation, please submit a copy of the Certificate of Good Standing from the Maine Secretary of State. Certificate submitted? YES NO

5. If the applicant is not a Maine corporation, please identify the state of incorporation: _____

6. If the applicant is not a Maine corporation, is it registered with the Secretary of State? YES NO

7. If the applicant is commonly known by a name other than its legal name, please provide that name: _____

ENVIRONMENTAL INFORMATION

1. Will the project under consideration produce an industrial liquid effluent? YES NO

2. Will the project under consideration produce an industrial air emission? YES NO

3. Will the project under consideration involve the storage of more than 500 barrels of petroleum products and/or the handling and transfer of oil products in areas adjacent to tidal waters or the estuaries of tributaries? YES NO
4. Will the project under consideration exceed 20 acres, or, if adding to the site conditions in existence since 1970, will such an addition cause the cumulative size of the project site to exceed 20 acres? YES NO
5. Will the project under consideration involve the construction of a new structure(s) occupying a ground area in excess of 60,000 square feet, or, if adding to an existing structure, which has been constructed since 1970, will the addition cause the cumulative ground area of the structures to exceed 60,000 square feet? YES NO
6. Will the project under consideration involve the excavation of natural resources of: 1) three acres (this includes the cumulative area of all excavation since 1970) or, 2) 1,000 cubic yards per year? YES NO
7. Will the project under consideration result in the generation, treatment, storage, or disposal or any hazardous waste as defined in Chapter 850 of the regulations of the Maine Department of Environmental Protection? YES NO

NOTE: If you answered YES to any of the questions in the Environmental Information, the project developers should contact the Maine Department of Environmental Protection as soon as possible to discuss the proposed project.

PROJECT DESCRIPTION

Please describe in general terms the project in question. Please use additional space as necessary.

CERTIFICATION

I certify that I am authorized to submit this application and I am familiar with the information contained in it and to the best of my knowledge and belief such information is true, complete and accurate.

Applicant (please print): _____	Phone: _____
Applicant Signature: _____	Fax: _____
Title (print): _____	Date: _____
Business Address: _____	

FOR ADDITIONAL DETAILS AND INFORMATION, PLEASE CONTACT FAME:

Finance Authority of Maine
 5 Community Drive
 P.O. Box 949
 Augusta, ME 04332-0949
 Tel: 1-800-228-3734
 (207) 623-3263
 Fax: (207) 623-0095
 TTY: (207) 626-2717
 E-mail: info@famemaine.com
 URL: www.famemaine.com

**INDUCEMENT AGREEMENT
(TAX EXEMPT BOND)**

THIS AGREEMENT is entered into by and between the Finance Authority of Maine (hereinafter called the "Authority") and _____, a Maine Corporation (hereinafter called the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have been previously discussed by the parties and have resulted in the execution of this Agreement are the following:

(a) The Authority is authorized under the provisions of Chapter 110 of Title 10 of the Maine Revised Statutes, as amended (the "Act"), including especially subchapter III thereof, to issue revenue obligation securities ("bonds") of the Authority to pay the cost of or provide financial assistance for the acquisition, construction, reconstruction, renewal or replacement of eligible projects in the State and to enter into agreements with one or more users of such eligible projects to provide for payments which will be sufficient to pay the principal of and interest on, and redemption premium, if any, on, such bonds as they become due and payable, as well as to pay any and all costs and expenses arising out of or related to the issuance and servicing of such bonds of the Authority, all for the purpose of, *inter alia*, providing enlarged opportunities for gainful employment by the inhabitants of the State and to insure the betterment of the economy of the State and the living standards and health of its inhabitants.

(b) The Borrower desires to undertake an eligible project consisting of: _____

_____ (the "Project") in _____, Maine.

(c) Subject to execution of this Agreement by the parties and the execution by the parties of financing documents as contemplated by Section 3(b) hereof, the Authority is willing to take such steps as it may deem reasonably necessary or desirable to provide bond financing for a portion of the cost of such Project and other expenses related thereto, all of which will have an estimated cost not exceeding \$ _____.

(d) The Borrower and the Authority anticipate that the Project will promote the purposes of and is authorized by the Act, and will help to further the economic well being of the inhabitants of the State and to insure preservation and betterment of the living standards and health of the inhabitants of the State.

(e) The Authority is desirous of the Borrower's undertaking the Project, and the Authority wishes to induce such undertaking and to assist the Borrower therein by providing bond financing for a portion of the Project to the extent contemplated by this Agreement.

(f) The Borrower wishes to obtain the assurances contained in this Agreement before proceeding further with substantial expenditures for the Project.

(g) The Authority wishes to indicate its approval of the Project and its present intent to issue its bonds to pay a portion of the costs of the Project, and to take its initial official action with respect thereto.

(h) The acquisition, construction or other implementation of the Project should not be delayed until after a Certificate of Approval has been issued, a resolution of the Authority adopted specifically authorizing issuance of the bonds and a loan insurance or other financing commitment issued for the Project, which could not be immediately accomplished.

2. Undertakings on the Part of the Authority. Subject to the conditions herein stated, the Authority agrees as follows:

(a) That, subject to: a determination by bond counsel that the Project is eligible for tax-exempt financing, the issuance of a Certificate of Approval, the issuance of a loan insurance or other financing commitment, an allocation of the State ceiling, and subject to adoption of a bond resolution by members of the Authority, the Authority will undertake to use its best efforts to proceed, subject to agreement among the Authority, the Borrower and the purchaser of the bonds as to the terms, conditions, timing and pricing of the bonds and agreement on the terms and conditions of all instruments and agreements to be entered into with respect to the Project and the bonds, to issue and sell its bonds, or a series thereof, pursuant to the terms of the Act, in aggregate amount not exceeding \$ _____ for the purpose of financing a portion of the Project; provided that this agreement shall not in any way obligate the Authority to issue such Certificate of Approval, to adopt such a bond resolution, to issue an allocation of the State ceiling or to approve loan insurance or other credit enhancement for the Project. That portion of the bonds providing financing for the Project shall be payable solely from the revenues derived from or in connection with the Project pursuant to agreements entered into between the Borrower and the Authority and the bonds shall not constitute any debt or liability of the State, or any political subdivision thereof, or of the Authority, or a pledge of the faith and credit of the State or any political subdivision, but shall be payable solely from the revenues of the Project, except as may be provided in a Loan Insurance Contract, Capital Reserve Contract or other credit enhancement agreement with the respect to the Project executed by the Authority. The Authority's undertakings hereunder may, at the Authority's discretion, be subject to the Authority being successful in assembling a pool of eligible projects to be financed from the proceeds of the bonds in all respects satisfactory to the Authority and the purchaser of the bonds.

(b) That it will take or cause to be taken such other acts and adopt such further proceedings as may be reasonably required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Borrower. Subject to the conditions stated above, the Borrower agrees as follows:

(a) That it will proceed with the Project and use its best efforts to cause it to be completed, subject to the availability of proceeds from the issuance of the bonds, and the Borrower may expend such funds as may be necessary to accomplish such purposes, subject to reimbursement for qualifying expenditures from the proceeds of the bonds.

(b) That, contemporaneously with the delivery of such bonds, or within such reasonable time thereafter (in no event to be a longer time than required to maintain the tax-exempt status of the bonds) as the Authority shall decide, it will enter into appropriate financing documents ("Financing Documents") with the Authority under the terms of which it will obligate itself to pay to the Authority payments sufficient in the aggregate to pay the principal of and interest on and the redemption premium, if any, on that portion of such bonds issued to finance the Project as and when the same shall become due and payable, and to pay such other costs and expenses of the financing, including but not limited to Trustee's fees, underwriters' fees, paying agent's fees, remarketing fees (if the interest rate is variable), letter of credit fees and reimbursement amounts, such Financing Documents to contain provisions required by law and such other provisions as may be required by the Authority consistent with similar past financings, and such other further provisions as shall be mutually acceptable to the Authority and the Borrower.

(c) That it will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

(d) (i) The Borrower hereby releases the Authority from and agrees to indemnify and hold harmless the Authority, its members and employees, from any and all losses, claims, damages, liabilities, or expenses whatsoever, whether based on a tort, contractual, or other claim of any nature whatsoever including, but not limited to, any failure of the Authority to provide the financing contemplated hereby or any loss or damage to property or injury to or death of any persons, that arises out of the acquisition, construction, financing or operation of the Project or the failure of the Borrower to perform any of its obligations relating to the Project or the failure of the Authority to perform any of its obligations hereunder or under the bonds or Financing Documents. In case any action shall be brought against the Authority as a result of or concerning the Project or the financing thereof, the Borrower shall promptly assume the defense thereof, including the employment of counsel, and payment of all expenses, and the Authority shall have the right to employ separate counsel in any such action and to participate in the defense thereof, including the right to negotiate and consent to a settlement.

(ii) The Borrower further agrees to pay promptly upon receipt of an invoice, bill, or other evidence of an expense incurred, all reasonable and necessary out-of-pocket expenses, including attorney's fees, which the Authority may have incurred arising from the execution of this Agreement and the performance by the Authority of its obligations hereunder, including but not being limited to those expenses incurred in anticipation of the issuance of the bonds, at the request or behest of the Borrower or to or for the benefit of the Borrower, including fees, charges and expenses of consultants and prospective trustee(s), paying agent(s), remarketing agent(s), underwriter(s) and bond counsel, whether or not the bonds are issued, subject to proration of such expenses as may be common to all eligible projects proposed to be financed by the proceeds of the bonds.

(iii) This Paragraph 3(d) shall survive the payment in full of such bonds and the termination of any and all documents including any lease or sale agreement, relating to the Project.

4. General Provisions.

(a) All commitments of the Authority under Paragraph 2 hereof and of the Borrower under Paragraph 3 hereof [except 3(d), which shall be applicable and survive as stated] are subject to the condition that on or before twelve months from the date hereof (or such other date as shall be mutually satisfactory to the Authority and the Borrower), the Authority and Borrower shall have agreed to mutually acceptable terms for such bonds and for the sale and delivery thereof, and mutually acceptable terms and conditions of the Financing Documents referred to in Paragraph 3 and the proceedings referred to in Paragraph 2 and 3. In the event such bonds are not sold this Agreement shall thereupon terminate, unless extended by the parties hereto, in writing, subject to Paragraph 3(d) above, and subject to being reinstated by the parties hereto by written agreement at any time after termination.

(b) The failure of the Authority to insist upon strict performance of any of the obligations of the Borrower throughout and pursuant to the Project shall not be taken as a waiver of the right to insist upon strict performance by the Borrower or the right to exercise any remedy on account of any further breach thereof.

(c) This Agreement constitutes "other similar official action" under the provisions of Section 1.103 of the Internal Revenue Code Income Tax regulations.

(d) This Agreement shall be binding upon and inure to the benefit of the successors and assigns (provided the Authority must approve in writing in advance any assignment of Borrower's rights hereunder) of the parties hereto.

(e) Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, the provisions of this Agreement are severable, and if any one clause or provision hereof shall be held invalid, illegal or unenforceable in whole or in part, then such invalidity, illegality or unenforceability shall affect only such clause or provision, or part thereof, and shall not in any manner affect any other clause or provision of this Agreement and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

(f) This Agreement may be executed in any number of counterparts, and by each party on a separate counterpart, each of which shall be deemed an original, but all of which constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

(g) All subjects of negotiation and discussion between the parties on which agreement has been reached have been incorporated and integrated into this Agreement, and there are no side agreements or understandings between and among the parties other than as be set forth herein, and no evidence of any such side agreements or understandings between and among the parties shall be permitted to vary the terms and conditions set forth herein, nor may any prior drafts of this Agreement be used as evidence of or to construe this Agreement.

(h) This Agreement shall be governed by and construed in accordance with the laws of the State of Maine. The parties hereby stipulate and agree that the definition of and standard of "good faith" and/or "good faith and fair dealing" under the statutory and common law (and the law of equity) of the State of Maine as applicable to this Agreement and each document executed pursuant hereto or to any other instrument related hereto or mentioned herein shall be (and shall only be) "honesty in fact in the conduct or transaction concerned."

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement by their officers hereunto duly authorized as of the _____ day of _____, 20__.

WITNESS:

Finance Authority of Maine

By: Elizabeth L. Bordowitz
Its: Chief Executive Officer

(Company Name, please print)

By:
Its:

BOND FINANCING
Fee Schedule



Municipal Securities Approval Program

Application Fee:	\$5,000.
Issuance Fee:	
Allocation required	0.20% (minimum \$5,000.)
Allocation not required	0.10% (minimum \$2,500.)

Revenue Obligation Securities Program

Application Fee:	\$5,000
Issuance Fee:	
Allocation required	0.30% (minimum \$10,000.)
Allocation not required	0.20% (minimum \$10,000.)

SMART, SMART-E, and Major Business Expansion Programs

Application Fee ¹ :	\$5,000.
Commitment Fee ² :	
Calculated under Loan Insurance Program	
Issuance Fee:	
Allocation required	0.30%
Allocation not required	0.20%
Annual Capital Reserve Fund Premium / Loan Insurance Fee:	
Calculated under Loan Insurance Program	

^{1 & 2} The Application Fee may be credited towards the Commitment Fee in accordance with the Rules governing the Loan Insurance Program.

- *Application Fees are payable at the time of applications and are non-refundable.*
- *Issuance Fees are due and payable upon issuance of the securities.*
- *Fees have been established pursuant to Chapters 201 and 202 of the Rules of the Finance Authority of Maine.*