

September 9, 2016

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**ENGAGEMENT LETTER**

Town of Allenstown  
Allenstown Town Office  
16 School Street  
Allenstown, NH 03275

**Re: Proposed Issuance of General Obligation Bonds by the Town of Allenstown, New Hampshire - Bond Counsel Services**

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the Town of Allenstown, New Hampshire (the "Issuer" or the "Town") in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds will be issued for the purpose of financing the engineering and construction of the Suncook Pond Wastewater Pump Station and will be general obligations of the Issuer. Furthermore, we understand the bond issue under consideration will be in the amount of approximately \$1,616,000 and that the Bonds will be privately placed with a local bank or sold through the New Hampshire Municipal Bond Bank.

In this engagement, we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal and State of New Hampshire income tax purposes.
- (2) Review and consult with Issuer regarding the proceedings and other actions taken by Issuer to authorize the issuance of the Bonds.
- (3) Prepare and review documents necessary or appropriate to the authorization, issuance and delivery of the Bonds; and coordinate the authorization and execution of such documents.
- (4) Review legal issues relating to the structure of the Bond issue.

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- (5) Draft the continuing disclosure undertaking of the Issuer to the extent required by Securities and Exchange Commission Rule 15c2-12, as amended.

Our Bond Opinion will be addressed to the Issuer and any purchaser(s) of the Bonds and will be delivered by us on the date the Bonds are exchanged for their purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security.

Our duties in this engagement are limited to those expressly set forth above.

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service form 8038-G and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. In connection with this engagement, I note that my colleague, Dan Will, represents FairPoint Communications in a matter involving the Town's assessment and abatement of taxes against property owned by FairPoint in the Town (primarily telephone poles and rights of way), a matter that is unrelated to the bonds and their issuance, and for which the Town has retained other counsel. There is a strong likelihood that Attorney Will will either amend the existing case to include appeals of subsequent tax years or that he will file new lawsuits to appeal subsequent tax years on behalf of FairPoint. While I trust this involvement will not be of concern to you because it is completely unrelated to your proposed bond issue, please call me if you would like to discuss this situation in more detail. Your execution of this letter represents your consent to this situation and your waiver of any involved conflict related to our firm's representation of FairPoint Communications. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with or involving the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Execution of this letter will signify

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the Issuer's consent to our representation of others consistent with the circumstances described in this paragraph.

Based upon (i) the size of the bond issue; (ii) the complexity of the involved financing structure; (iii) the manner in which the bonds will be sold; (iv) the duties and responsibilities we are undertaking pursuant to this letter; and (v) the time that we anticipate devoting to this financing, we anticipate that our fees, including expenses, will be in the range of \$5,000 - \$7,500. Our fee may also vary: (a) if the principal amount of the bonds actually issued differs significantly from the amount stated above; (b) if material changes in the structure or schedule of the financing occur; or (c) if unusual or unforeseen circumstances arises which require a significant increase in our time or responsibility. Furthermore, if in addition to your bond, your financing plans also include interim financing, such as the issuance of bond anticipation notes, we may charge additional fees for related services in such reasonable amount as we may agree upon. If, at any time, we believe the circumstances require an adjustment of our original fee estimate, we will advise you and will prepare and provide to you an amendment to this letter. Our fee is typically paid at the closing of the bonds and we customarily do not submit any statement until the closing. If, however, the bond warrant article is not passed at your annual or special meeting (as applicable), this financing is not completed as scheduled and/or if another bond financing is contemplated in the future, we reserve the right to capture our time spent on this financing and submit an invoice to you for our fees for such services.

If the foregoing terms are acceptable to you, please so indicate by returning a PDF copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files.

We look forward to working with you.

DEVINE, MILLIMET & BRANCH,  
PROFESSIONAL ASSOCIATION

By:   
Renelle L. L'Huillier

Agreed to and accepted in accordance with the foregoing.

TOWN OF ALLENSTOWN, NEW HAMPSHIRE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

RLL/sam

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