

SHAREHOLDER AGREEMENT

THIS AGREEMENT is made as of this 13 day of May , 1991, by and among PETER B. SCHAUFLER of Swanzey, New Hampshire, MARJORIE SCHAUFLER of Belfast, Maine, WILLIAM B. SCHAUFLER of Brookeville, Maryland, RICHARD P. SCHAUFLER of Bar Harbor, Maine, DAVID E. SCHAUFLER of Bethesda, Maryland, FLORENCE M SCHAUFLER of Portland, Maine, JENNIFER P. LYMAN of Washington, D.C., HOLLY LYMAN ANTOLINI of Palo Alto, California, CHRISTOPHER M. LYMAN of New York, New York, and TIMOTHY R. LYMAN of New Hartford, Connecticut, (collectively, the "Shareholders"; individually, the "Shareholder") and the BARRED ISLANDS, LIMITED, a Maine corporation (the "Corporation").

There are outstanding one thousand eight hundred (1,800) Shares of common stock of the Corporation, which together constitute all of the issued and outstanding voting common stock in the Company (the "Shares"). Each of the Shareholders owns one hundred eighty (180) Shares. The Corporation owns and operates for the benefit and pleasure of the Shareholders the Barred Islands located in Penobscot Bay, Maine, more fully described on Schedule A attached hereto (the "Property"). Each of the Shareholders believes that it is in his or her best interest and the best interest of the Corporation to provide for continuity in the ownership of the Shares, together with any additional Shares acquired at any time by the Shareholders (collectively, the "Shares"), upon the death of a Shareholder or in the event a Shareholder should desire to transfer his or her interest in any of the Shares during the Shareholder's lifetime, or under certain other circumstances as set forth herein. In addition, each of the Shareholders believes that it is in his or her best interest and in the best interest of the Corporation to establish certain procedures regarding management of the Corporation as set forth herein.

THEREFORE, in consideration of the premises and the mutual benefits to be derived from this Agreement, the undersigned parties, intending legally to be bound, hereby agree as follows:

ARTICLE I
RESTRICTIONS UPON TRANSFER OF SHARES

1.1 Restrictions on Voluntary Transfer. No Shareholder shall transfer, assign, sell, exchange, convey, dispose, pledge, hypothecate, give or encumber in any manner, whether voluntary, involuntary or by operation of law (hereinafter "Transfer") his or her Shares or any of them, except as otherwise permitted by the terms of this Agreement.

1.2 Permitted Transfers and Approved Transfers.

Notwithstanding the provision of Section 1.1, each Shareholder may transfer his or her Shares to one or more of: (i) a Shareholder's lineal descendants, including those legally adopted before attaining eighteen (18) years of age ("Descendants"); (ii) those bearing a relationship to a Shareholder similar to that of a legally adopted child and who shall have resided with a Shareholder for a period of at least five (5) years before attaining eighteen (18) years of age; (iii) the Corporation; or (iv) other Shareholders (collectively, "Permitted Transferees"). In addition, a Shareholder may transfer his or her Shares to one or more other individuals approved in advance by Shareholders owning all of the Shares entitled to be voted (such individuals are herein referred to as "Approved Transferees"). If a Shareholder transfers his or her Shares to a Permitted Transferee or an Approved Transferee for consideration, such consideration shall not exceed the Purchase Price for such Shares, determined in accordance with Section 1.8 hereof. Shares received by a Permitted Transferee or Approved Transferee who has not attained the age of eighteen (18) years ("Minor Transferee") shall be held for the benefit of the Minor Transferee under the Maine Uniform Transfers to Minors Act or any successor thereto, preferably by a Shareholder or the spouse of a deceased Shareholder as custodian

("Custodian"). Said Custodian shall, until the Minor Transferee has attained the age determined under the Maine Uniform Transfers to Minors Act, exercise the voting rights attributable to the Shares of the Minor Transferee and shall be responsible for the Minor Transferee's use of the Property.

1.3 Other Transfers. In the event a Shareholder wishes to Transfer all or part of his Shares to a transferee other than a Permitted Transferee or Approved Transferee (herein referred to as "Outside Transferee"), the Shareholder must first offer in writing to the Corporation and the other Shareholders those Shares at the Purchase Price set forth in Section 1.8. Any such written offer to the Corporation and the other Shareholders shall identify the Outside Transferee and such written offer shall be outstanding for a period of ninety (90) days as follows:

1.3.1 First Option to the Corporation. The Corporation shall have the option to accept the offer, at any time within thirty (30) days after it is made, as to any or all of the offered Shares.

1.3.2 Second Option to the Shareholders. If the Corporation does not accept the offer within the said thirty (30) day period or accepts some but not all of the offered Shares as set forth in Section 1.3.1, the Shareholders shall have the option to accept the offer in proportion to their ownership interest at any time within the following thirty (30) days as to any or all of the remaining offered Shares. The number of Shares which may be purchased by each Shareholder desiring to purchase Shares shall be the quotient resulting from the following fraction: the numerator shall be the number of Shares owned by the Shareholder desiring to purchase the offered Shares multiplied by the number of Shares offered for sale, and the denominator shall be the total number of Shares owned by all Shareholders desiring to purchase the offered Shares. The quotient shall be rounded to the nearest whole number.

1.3.3 Third Option to the Corporation. If the Shareholders fail to accept the offer with respect to all the remaining Shares within the said thirty (30) day period as set forth in Section 1.3.2, the Corporation shall have the option to accept the offer at any time within the following thirty (30) days as to any or all of the remaining Shares.

1.3.4 Transfer to Outside Transferee. Upon the expiration of the third option set forth in Section 1.3.3, the Shareholder desiring to transfer his or her Shares to an Outside Transferee may transfer any remaining Shares, but only to the Outside Transferee identified in the offer to the Corporation and the Shareholders, provided that if such disposition is not effected within thirty (30) days from the expiration of the third option, the Shareholder must again offer the Shares to the Corporation and the Shareholders as provided by this Section 1.3.

1.4 Death of Shareholder. The Shareholders agree that upon the death of a Shareholder the Shareholder's estate, executor, administrator, or personal representative (collectively, the "Estate") shall, within ninety (90) days after such death, offer to sell to the Corporation all of the deceased Shareholder's Shares at the Purchase Price set forth in Section 1.8 if the Shares have not been devised to, or as a result of intestate succession will not be received by, one or more Permitted or Approved Transferees. The Corporation agrees to purchase all of the Shares so offered at said Purchase Price.

1.5 Transfer of Shares Held by the Corporation. Any or all Shares acquired by the Corporation pursuant to this Article or otherwise may, upon the affirmative vote of the holders of seventy-five percent (75%) of the issued and outstanding Shares, be conveyed at the Purchase Price set forth in Section 1.8 to a Permitted Transferee or Approved Transferee.

1.6 Closing of Purchase and Sale. The consummation of any purchase and sale of Shares shall occur at such time within thirty

(30) days after an offer is accepted as may be agreed upon by the parties to such purchase and sale. At the closing, the purchasing party shall deliver to the selling Shareholder or his estate or representative, as the case may be, the Purchase Price for the Shares in cash or by certified check, and the selling Shareholder shall deliver to the purchaser the certificate or certificates for the Shares being sold, duly endorsed for transfer or accompanied by duly executed stock powers, free and clear of any pledge, lien or other encumbrance.

1.7 Acknowledgment of Stock Restriction. No transfer shall be valid unless the transferor shall have obtained the written acknowledgment of the proposed transferee that such transferee will be bound by, and the Shares proposed to be transferred will be subject to, the terms of this Agreement as fully as if still owned by the Shareholder who makes such transfer.

1.8 Purchase Price. The purchase price for Shares purchased and sold pursuant to this Agreement (hereinafter referred to as the "Purchase Price") shall be Fifty-Five Dollars and Fifty-Five Cents (\$55.55) per share. This valuation of the Shares has been determined by the Shareholders upon consideration of various factors including the following:

- (i) The value of the undivided fractional interest of each Shareholder in the Property which each Shareholder contributed to the Corporation in exchange for the Shares originally issued to that Shareholder;
- (ii) The 1974 conservation easement on the Property held by the Nature Conservancy of the Pine Tree State, Inc. a copy of which is attached hereto as Schedule B (herein referred to as the "Conservation Easement"), which severely limits the potential to develop the Property or construct any additional improvements thereon;
- (iii) The intent of the Shareholders to facilitate the purchase and sale of Shares among the Shareholders and the Corporation;

(iv) The reduction in the value of the Property by reason of the lack of utilities, sanitary facilities and arable land; the limited accessibility to the Property; and the limited and poor quality of potable water on the Property.

1.9 Shareholder Intent. The Shareholders expressly agree that the restrictions on transferability set forth herein are reasonable and that it is their express intent to so restrict transfers. However, if at any time, a court or other body having jurisdiction over this Agreement shall determine that any of the restrictions are unreasonable in any respect, the restriction shall be altered, and not terminated, as such court or body shall determine.

ARTICLE II

MANAGEMENT OF THE CORPORATION

2.1 Statutory Authority. In accordance with Title 13-A of the Maine Revised Statutes Annotated Section 618, the Shareholders shall limit the authority of the Directors of the Corporation as set forth in this Article.

2.2 Shareholder Action on Fundamental Issues. The issues listed below are fundamental to the existence and purpose of the Corporation and the Shareholders retain the right to decide these issues by Shareholder vote. In the event corporate action is required regarding one of these issues, a Shareholder vote shall be taken at an annual or special meeting, the notice of which includes consideration of such issue, at which the affirmative vote of the those Shareholders owning the percentage of Shares set forth below shall be required for approval.

2.2.1 Matters pertaining to the exploitation of the Property for profit, other than by rental of the Property from time to time in order to defray expenses of the Corporation, shall be determined by unanimous vote of the Shareholders.

2.2.2 The rental of the Property from time to time to defray expenses of the Corporation shall be approved by vote of the Shareholders owning two-thirds (2/3) of the issued and outstanding Shares.

2.2.3 The sale or rental of fixtures on the Property or tangible personal property owned by the Corporation shall be approved by vote of Shareholders owning two-thirds (2/3) of the issued and outstanding Shares.

2.3 Shareholder Approval at the Request of Two-thirds (2/3) of the Directors. In the event two-thirds (2/3) of the Directors determine that an issue which in the ordinary course would be decided by the Directors should instead be decided by the Shareholders, that issue shall be determined by the Shareholders at an annual or special meeting, the notice of which includes consideration of such issue, by the vote of those Shareholders owning the percentage of Shares which shall be determined by the Directors, unless otherwise required by statute, the Articles of Incorporation, as amended, or this Agreement.

2.4 Shareholder Petition. At the written request of those Shareholders owning two-thirds (2/3) of the issued and outstanding Shares, an issue that has been decided by the Directors or which in the ordinary course would be decided by the Directors shall be presented to the Shareholders at a regular or special meeting, the notice of which includes consideration of such issue, and shall be decided by a vote of those Shareholders owning a majority of the issued and outstanding Shares unless a greater percentage is required by statute, the Articles of Incorporation, as amended, the Bylaws or this Agreement.

ARTICLE III

CONVEYANCE OF PROPERTY TO THE NATURE CONSERVANCY

3.1 Conveyance to the Nature Conservancy. It is in the best interest of the Shareholders and in the best interest of the Corporation that upon the happening of the following events, the Nature Conservancy of the Pine Tree State, Inc. or any successor

thereto by merger, consolidation or otherwise (herein referred to as the "Nature Conservancy") shall be offered an option to purchase the Property for the sum of One Hundred Thousand Dollars (\$100,000.00).

3.1.1 Dissolution of the Corporation so long as the ownership of the Property does not continue in the hands of the Shareholders subject to the same restrictions contained herein.

3.1.2 Any judicially ordered dissolution of the Corporation.

3.2 Understanding and Intent of Shareholders. If one of the events described in Section 3.1 hereof occurs, the Shareholders agree that they intend, and it is in the Corporation's best interest, that the Nature Conservancy acquire the Property by exercise of the option referred to in Section 3.1. The Shareholders further understand and agree for themselves and their successors that the purchase price established in Section 3.1 for the Property may be less than the value of the Property at the time of the exercise of such option and that the exercise of the option by the Nature Conservancy is not thereby a waste of the assets of the Corporation and that the Directors and officers of the Corporation at the time of the exercise of such option are directed to carry out the sale of the Property to the Nature Conservancy pursuant to the terms of the option and shall not thereby breach their obligations as officers and directors to the Corporation and to the Shareholders.

ARTICLE IV USE OF THE PROPERTY

4.1 Entitlement to Use Property. Shareholders are entitled to use the Property, subject to Section 4.3. A Shareholder under the age of eighteen (18) years may exercise his or her entitlement to use the Property only through the Custodian of his or her Shares.

4.2 Descendants of Shareholders, Identified Partners of Shareholders, Former Shareholders, and Identified Partners of

Former or Deceased Shareholders. Descendants of Shareholders, Identified Partners, as hereinafter defined, of Shareholders, former Shareholders and Identified Partners of former or deceased Shareholders are not independently entitled to use the Property but may visit the Property as a guest of a Shareholder. An Identified Partner shall be a spouse or person identified as such in writing by a Shareholder to the Directors.

4.3 Restrictions on Use of the Property. Use of the Property shall be subject to the procedures, requirements, limitations and restrictions set forth by the Directors in the handbook of management procedures (herein referred to as the "Management Procedures").

ARTICLE V

FINANCIAL MANAGEMENT

5.1 Fiscal Year. The fiscal year of the Corporation shall begin on January 1, except for the first fiscal year of the Corporation which shall begin on the date of incorporation. The commencement date of the fiscal year shall be subject to change by the Directors.

5.2 Budget and Shareholder Assessment. At any time during the one hundred twenty (120) days prior to the beginning of each fiscal year (except the first fiscal year of the Corporation) the Directors may solicit and the Shareholders may submit written suggestions regarding expenses and capital projects to be commenced during the coming fiscal year, together with suggested priorities among such projects. The Directors shall issue a budget of projected income, if any, and expenses no later than thirty (30) days before the beginning of the fiscal year, which budget shall become final unless a special meeting of Shareholders is called and held within fifteen (15) days of the issuance of the budget and holders of two-thirds (2/3) of the issued and outstanding Shares vote in opposition to the budget. In the event the proposed budget does not become final in this manner, the budget in effect for the current fiscal year shall continue as the budget for the coming fiscal year until such time as a new budget for the coming fiscal

year is adopted pursuant to the procedure set forth in this paragraph.

The budget adopted pursuant to this Section 5.2 shall constitute the basis for determining each Shareholder's assessment for expenses and capital projects based upon his or her proportionate stock ownership. Notice of the annual assessment shall be given to the Shareholders within thirty (30) days of the beginning of the fiscal year. Each Shareholder shall pay his or her assessment on a quarterly basis, one quarter of the assessment to be paid within ninety (90) days of his or her receipt of such notice of assessment and the remaining three quarters to be paid six (6) months, nine (9) months and twelve (12) months after the beginning of the fiscal year, respectively.

5.3 Assessment at End of Fiscal Year. Within ninety (90) days after the end of each fiscal year, the Directors shall prepare and deliver to all Shareholders an itemized accounting of the expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted for such fiscal year, and showing the net surplus or deficit, including consideration of additions to or withdrawals from the reserves of the Corporation. Any deficit, after application of such reserves as the Directors may determine, shall be assessed promptly against the Shareholders in accordance with their proportionate stock ownership and shall be payable in full within a period set by the Directors which shall not be less than thirty (30) days from the receipt by the Shareholders of written notice of such assessment.

5.4 Use-Related Assessments. The Directors in their discretion may impose on the Shareholders assessments related to their proportional use of the Property. Such use-related assessments may include any cost or expense incurred in the transfer of the Shares of a Shareholder. The manner of assessment and the payment thereof shall be as determined by the Directors.

5.5 Reserves. The Directors shall establish and maintain reasonable reserves including (1) a general operating reserve fund (the "Working Capital Fund") to ensure that the Corporation will

have sufficient funds to purchase any additional equipment or services, for certain prepaid items, supplies, organizational costs and other start-up costs, and (2) a reserve fund (the "Reserve Fund") for contingencies, replacements, capital improvements, expenses of repair and replacement in the amount of the applicable deductibles on property insurance policies carried by the Corporation and other items which are not expected to occur on a regular basis. If the reserves are deemed by the Directors to be inadequate for any reason, the Directors may levy a further assessment at any time against all Shareholders according to their proportionate stock ownership, which assessment shall be paid within a period set by the Directors which shall not be less than thirty (30) days from the receipt by the Shareholders of written notice of such assessment.

ARTICLE VI
ENFORCEMENT

6.1 Enforcement Procedures. It is in the best interest of the Shareholders and in the best interest of the Corporation to implement enforcement procedures to assure compliance by the Shareholders with the provisions of the Articles of Incorporation, as amended, the Bylaws, this Agreement, and the Management Procedures. Such enforcement procedures, more fully described in the Management Procedures, shall include restrictions on Property use, restitution for damage to the Property, monetary fines and mandatory surrender of Shares.

6.2 Restrictions on Property Use. Restrictions on the use of the Property by a Shareholder will be imposed in the discretion of the Directors for failure to comply with scheduling or other controls on use of the Property. The nature and extent of such restrictions shall be determined by the Directors in their discretion after consideration of the guidelines set forth in the Management Procedures.

6.3 Restitution. Restitution for damage to the Property by a Shareholder will be imposed in the discretion of the Directors. The nature and extent of such restitution shall be determined by

the Directors in their discretion after consideration of the guidelines set forth in the Management Procedures.

6.4 Fines. Fines will be imposed on Shareholders in the discretion of the Directors for failure to comply with a restriction on Property use or failure to make restitution. The nature and extent of such fines shall be determined by the Directors in their discretion after consideration of the guidelines set forth in the Management Procedures.

6.5 Mandatory Surrender of Shares. Under certain circumstances of significant default or abuse a Shareholder will be compelled to surrender his or her Shares to the Corporation for the Purchase Price set forth in Section 1.8. Those circumstances of significant default or abuses shall include:

6.5.1 Failure to pay assessments described in Article 5, fines as described in this Article, or a combination thereof such that the outstanding amount due from the Shareholder equals or exceeds the Purchase Price of the Shares owned by the Shareholder;

6.5.2 Financial arrearage in any amount lasting over two years;

6.5.3 Such other default or abuse including damage to the Property and violation of use restrictions as the Directors in their discretion, after consideration of the guidelines set forth in the Management Procedures, deem significantly injurious to the Corporation to justify mandatory surrender of Shares.

In the event of mandatory surrendering of Shares, the amount of outstanding assessments or fines owed by a Shareholder shall be deducted from the Purchase Price paid by the Corporation for the surrendered Shares. In the event of a mandatory surrender of Shares, the Corporation shall be deemed to have redeemed the Shares from the surrendering Shareholder and the surrendering Shareholder shall be deemed to have tendered the Shares to the Corporation. Each Shareholder hereby appoints the Clerk of the Corporation as his or her attorney under an irrevocable power of attorney to sign

stock certificates for purposes of accomplishing the redemption of Shares.

6.6 Override of Enforcement Procedures. The enforcement procedures described in this Article may be overridden by the vote of Shareholders owning two-thirds (2/3) of the issued and outstanding Shares. A substitute enforcement procedure may thereupon be imposed by vote of Shareholders owning a majority of the issued and outstanding Shares.

ARTICLE VII
GENERAL PROVISIONS

7.1 Notices. All notices and communications hereunder, to be effective, shall be in writing and shall be delivered in person or by courier, or mailed postage prepaid by certified or registered mail or the equivalent, and addressed as follows:

(a) If to the Corporation:

Barred Islands, Limited
c/o Timothy R. Lyman, Secretary
P.O. Box 930
Stub Hollow Road
New Hartford, Connecticut 06057

(b) If to Peter B. Schauffler:

Peter B. Schauffler
P.O. Box 209
Swanzey, New Hampshire 03446

(c) If to Marjorie Schauffler:

Marjorie Schauffler
RFD 1, Box 714
Belfast, Maine 04915

(d) If to William B. Schauffler:

William B. Schauffler
1121 Gold Mine Road
Brookeville, Maryland 20833

(e) If to Richard P. Schauffler:

Richard P. Schauffler
P.O. Box 802
Bar Harbor, Maine 04609

(f) If to David E. Schauffler:

David E. Schauffler
5412 Harwood Road
Bethesda, Maryland 20814

(g) If to Florence B. Schauffler:

Florence B. Schauffler
33 Johansen Street
Portland, Maine 04103

(h) If to Jennifer P. Lyman:

Jennifer P. Lyman
2734 Woodley Place
Washington, D.C. 20008

(i) If to Holly L. Antolini:

Holly L. Antolini
2368 St. Francis Place
Palo Alto, California 94303

(j) If to Christopher M. Lyman:

Christopher M. Lyman
P.O. Box 295
Prince Street Station
New York, New York 10012

(k) If to Timothy R. Lyman:

Timothy R. Lyman
P.O. Box 930
Stub Hollow Road
New Hartford, Connecticut 06057

or to such other address as may be designated in a notice to all other parties hereto complying with this Section. For purposes of

this Section, notices and communications shall be deemed to be delivered in person or by courier when they are received at the required address; notices and communications shall be deemed to be delivered by mail three (3) business days after deposit with the Postal Service.

7.2 Entire Agreement; Counterparts. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes any prior agreements among the parties to the extent that such prior agreements are inconsistent with this Agreement. This Agreement may be executed in several identical counterparts, any one of which shall be deemed to be an original, but all of which, taken together, shall constitute but one instrument.

7.3 Section Headings. The descriptive section headings in this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

7.4 Governing Law. This Agreement shall be construed in accordance with the laws in effect in the State of Maine.

7.5 Assigning of Rights. This Agreement may not be assigned by any party hereto without the prior written consent of each other party. Subject to the immediately preceding sentence, this Agreement shall inure to the benefit of and be binding upon any successors, heirs, and personal representatives of any party, and, in the event of the death of any party, this Agreement shall continue in effect as it relates to the remaining parties hereto.

7.6 Amendment. This Agreement may be amended by an instrument in writing signed by Shareholders owning three quarters (3/4) of the issued and outstanding Shares, with the exception of Article I, Sections 2.1 and 2.2 of Article II, Article III, and this Section 7.6 of Article VII which may be amended only by an instrument in writing signed by all the Shareholders.

7.7 Unanimous Written Consent. Any Shareholder vote required by this Agreement may be taken without a meeting if written consents setting forth the action so taken are signed by all the Shareholders and are filed with the Clerk of the Corporation, as part of the corporate records.

7.8 Failure to Comply. In the event of any transfer of Shares in violation of the terms of this Agreement, or in the event of any refusal to tender any Shares subject to purchase hereunder, the Corporation may refuse to recognize as one of its Shareholders the holder of any such Shares and the party entitled to acquire such Shares shall have the right to purchase said Shares from any holder thereof at any time for the Purchase Price set out in Section 1.8. In addition to any other legal or equitable remedies which such party may have, such party may enforce such rights by action for specific performance to the extent permitted by law. Shares subject to this Agreement are not readily marketable and for that reason and other reasons the Shareholders and the Corporation will be irreparably damaged if this Agreement is not specifically enforced. The Shareholders declare that it is impossible to measure in money the damages that will accrue to a party having rights under this Agreement by reason of the failure of another to perform any obligation under this Agreement. Therefore, the Shareholders waive the claim or defense that the party bringing the action or proceeding against them under this Agreement has an adequate remedy at law and the Shareholders shall not put forward such a claim or defense.

7.9 Inconsistency with Law. If the Corporation is unable to make any purchase required of it pursuant to this Agreement because of the provisions of an applicable statute or of its Articles of Incorporation, as amended, or Bylaws, the Corporation and the Shareholders agree to take such action as may be necessary to permit it to make such purchases, including the contribution of additional capital to the Corporation.

7.10 Indemnification. In connection with any sale or redemption of Shares pursuant to this Agreement, the party transferring such Shares shall indemnify the party purchasing or redeeming such Shares and any subsequent purchasers or transferees thereof, from and against the claims of any other person to any ownership or other legal or equitable interest in and to such Shares alleged to have arisen during the period of ownership by the selling party.

7.11 Certificate Legend. All certificates representing outstanding Shares subject to the provisions of this Agreement shall have written, stamped, or printed thereon the following legend:

"This certificate and the Shares represented hereby are subject to the terms of a written Shareholder Agreement dated as of May 13, 1991."

IN WITNESS WHEREOF, each of the parties hereto has signed this Agreement, or caused this Agreement to be signed by its duly authorized officer, as an instrument under seal as of the day and year first above written.

WITNESS:

BARRED ISLANDS, LIMITED

By: _____

Peter B. Schauffler

Charles J. McSaven

Marjorie Schauffler
Marjorie Schauffler

William B. Schauffler

Richard P. Schauffler

David E. Schauffler

Florence M. Schauffler

Jennifer P. Lyman

Holly L. Antolini

FIRST AMENDMENT TO
SHAREHOLDER AGREEMENT

This Amendment to Shareholder Agreement is made as of this first day of October, 1996 by and among PETER B. SCHAUFFLER of Swanzey, New Hampshire, MARJORIE SCHAUFFLER of Northport, Maine, WILLIAM B. SCHAUFFLER of Watertown, Massachusetts, RICHARD P. SCHAUFFLER of Bar Harbor, Maine, DAVID E. SCHAUFFLER of Bethesda, Maryland, FLORENCE ^M SCHAUFFLER of Falmouth, Maine, JENNIFER P. LYMAN of Washington, D.C., HOLLY LYMAN ANTOLINI of Thomaston, Maine, CHRISTOPHER M. LYMAN of Liberty, Maine, and TIMOTHY R. LYMAN of New Hartford, Connecticut, (collectively, the "Shareholders"; individually the "Shareholder") and the BARRED ISLANDS, LIMITED, a Maine corporation (the "Corporation").

WHEREAS, the Shareholders entered into a certain Shareholder Agreement under date of May 13, 1991 (the "Agreement") with respect to certain matters associated with the Shares of stock of the Corporation and the ownership and operation by the Corporation of the Barred Islands located in Penobscot Bay; and

WHEREAS, the Agreement provides at Section 7.6 that the Agreement may be amended by an instrument in writing signed by Shareholders owning three-quarters (3/4) of the issued and outstanding Shares, with the exception of certain provisions of the Agreement which may be amended only by consent of all of the Shareholders; and

WHEREAS, Shareholders owning at least three-quarters (3/4) of the issued and outstanding Shares intend hereby to amend Article VI of the Agreement.

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NOW, THEREFORE, in consideration of the premises and the mutual benefits to be derived from this Amendment, the undersigned parties, intending to be legally bound, hereby agree as follows:

1. Article VI is hereby amended by adding and inserting at the end thereof the following Section 6.7 reading and providing as follows:

"6.7 Substitute Enforcement Procedure for Defaulting Shareholder. Notwithstanding any other provision of this Article VI to the contrary, if the financial arrearage of a Shareholder in any amount lasts over two years, as described in Section 6.5.2, the mandatory surrender by that Shareholder (the "Defaulting Shareholder") of his or her Shares to the Corporation which would otherwise be required pursuant to Section 6.5 shall be deferred and for the deferral period the Defaulting Shareholder's rights under this Agreement with respect to his or her Shares shall be modified as follows:

6.7.1 Except to the extent agreed to in an instrument in writing signed by Shareholders owning three quarters (3/4) of the issued and outstanding Shares, the use of the Property by the Defaulting Shareholder as described in Article IV is suspended and the Defaulting Shareholder is not entitled to use the Property until the total amount of the Defaulting Shareholder's financial arrearage is reduced to an amount not exceeding the total of the quarterly assessments made by the Corporation pursuant to Article V with respect to that Defaulting Shareholder for the immediately preceding eight quarters. For purposes of this Section 6.7.1 the assessment made by the Corporation includes the Defaulting Shareholder's assessments under Section 5.2, Section 5.3, Section 5.4 and Section 5.5.

6.7.2 During the deferral period the Defaulting Shareholder may take no act with respect to his or her Shares which the Defaulting Shareholder would otherwise be entitled to take, including but not limited to the Transfer by the

Shareholder of his or her Shares and voting his or her Shares with respect to any issue to be decided by Shareholder vote.

6.7.3 Upon the payment by the Defaulting Shareholder such that the amount of the Defaulting Shareholder's financial arrearage is reduced to an amount not exceeding the total of the quarterly assessments made by the Corporation pursuant to Article V with respect to the Defaulting Shareholder for the immediately preceding eight quarters, the limitations imposed by this Section 6.7 upon the rights of the Defaulting Shareholder with respect to his or her Shares shall terminate. For purposes of this Section 6.7.3 the assessment made by the Corporation includes the Defaulting Shareholder's assessments under Section 5.2, Section 5.3, Section 5.4 and Section 5.5.

6.7.4 Upon the Defaulting Shareholder failing to pay assessments described in Article V, fines as described in Article VI or a combination thereof such that the outstanding amount due from the Shareholder equals or exceeds the Purchase Price of the Shares owned by the Shareholder, as described in Section 6.5.1, the deferral period shall end and the Defaulting Shareholder shall surrender his or her Shares to the Corporation as is provided in, and in accordance with the terms and provisions of, Section 6.5.

The Shareholders agree that this Section 6.7 shall apply to any Shareholder whose financial arrearage has lasted over two years as of the date of the adoption of this Amendment and to any Shareholder who becomes a Defaulting Shareholder in the future."

2. In all other respects the Agreement is hereby ratified and affirmed.

SECOND AMENDMENT TO
SHAREHOLDER AGREEMENT

This Second Amendment to Shareholder Agreement is made as of _____, 2009 by and among PETER B. SCHAUFFLER of Swanzey, New Hampshire, MARJORIE SCHAUFFLER of Northport, Maine, WILLIAM B. SCHAUFFLER of Sandy Spring, Maryland, RICHARD P. SCHAUFFLER of Kittery Point, Maine, DAVID E. SCHAUFFLER of Katowice, Poland, F. MARINA SCHAUFFLER of Camden, Maine, JENNIFER P. LYMAN of Washington D.C., HOLLY L. ANTOLINI of Cambridge, Massachusetts, CHRISTOPHER M. LYMAN of Searsport, Maine, and TIMOTHY R. LYMAN of New Hartford, Connecticut (collectively the "Shareholders" and individually the "Shareholder") and the BARRED ISLANDS, LIMITED, A Maine corporation (the "Corporation").

WHEREAS, the Shareholders entered into a certain Shareholder Agreement under the date of May 13, 1991, as thereafter amended (the "Agreement") with respect to certain matters associated with the Shares of stock of the Corporation and the ownership and operation by the Corporation of the Barred Islands and Chain Links located in Penobscot Bay; and

WHEREAS, the Corporation had previously granted a conservation easement to The Nature Conservancy of the Pine Tree State, Inc., which entity has been subsequently merged into The Nature Conservancy, and which conservation easement has been assigned by The Nature Conservancy to Maine Coast Heritage Trust and will be replaced by an Amended and Restated Conservation Easement to be granted by the Corporation to Maine Coast Heritage Trust; and

WHEREAS, Article III of the Agreement included an agreement to offer an option to The Nature Conservancy of the Pine Tree State, Inc. to purchase the Barred Islands and Chain Links upon the dissolution of the Corporation; and

WHEREAS, the Corporation has not been dissolved and no offer of an option to purchase has been extended or granted to The Nature Conservancy of the Pine Tree State, Inc. or its successor by merger, The Nature Conservancy; and

WHEREAS, in connection with the foregoing transactions, The Nature Conservancy has acknowledged that no offer of an option to buy the Barred Islands and Chain Links has been extended or granted to it, nor does it claim any such right; and

WHEREAS, the Shareholders wish to amend their Shareholder Agreement to remove their agreement to offer an option to purchase the Barred Islands and Chain Links to The Nature Conservancy of the Pine Tree State, Inc., or its successor by merger, upon dissolution of Barred Islands, Limited, and to substitute Maine Coast Heritage Trust as the organization to receive such offer upon dissolution.

NOW, THEREFORE, in consideration of the premises and the mutual benefits to be derived from this Amendment, the undersigned parties, intending to be legally bound, hereby agree as follows:

1. Article III of the Agreement is hereby amended by replacing all references therein to the "Nature Conservancy of the Pine Tree State, Inc." and "The Nature Conservancy" with the words "Maine Coast Heritage Trust."
2. In all other respects, the Agreement is hereby ratified and affirmed.

IN WITNESS WHEREOF, each of the parties hereto has signed this Amendment as an instrument under seal effective as of the day and year first above written.

WITNESS:

Barred Islands, Limited

By: _____

Richard P. Schauffler, President

Peter B. Schauffler

Marjorie Schauffler

EXHIBIT A

First Amendment to Shareholder Agreement

6.7 Substitute Enforcement Procedure for Defaulting Shareholder.

Notwithstanding any other provision of this Article VI to the contrary, if the financial arrearage of a Shareholder in any amount lasts over two years, as described in Section 6.5.2, the mandatory surrender by that Shareholder (the "Defaulting Shareholder") of his or her Shares to the Corporation which would otherwise be required pursuant to Section 6.5 shall be deferred and for the deferral period the Defaulting Shareholder's rights under this Agreement with respect to his or her Shares shall be modified as follows:

6.7.1 Except to the extent agreed to in an instrument in writing signed by Shareholders owning three quarters (3/4) of the issued and outstanding Shares, the use of the Property by the Defaulting Shareholder as described in Article IV is suspended and the Defaulting Shareholder is not entitled to use the Property until the total amount of the Defaulting Shareholder's financial arrearage is reduced to an amount not exceeding the total of the quarterly assessments made by the Corporation pursuant to Article V with respect to that Defaulting Shareholder for the immediately preceding eight quarters. For purposes of this Section 6.7.1 the assessment made by the Corporation includes the Defaulting Shareholder's assessments under Section 5.2, Section 5.3, Section 5.4 and Section 5.5.

6.7.2 During the deferral period the Defaulting Shareholder may take no act with respect to his or her Shares which the Defaulting Shareholder would otherwise be entitled to take, including but not limited to the Transfer by the Shareholder of his or her Shares and voting his or her Shares with respect to any issue to be decided by Shareholder vote.

6.7.3 Upon the payment by the Defaulting Shareholder such that the amount of the Defaulting Shareholder's financial arrearage is reduced to an amount not exceeding the total of the quarterly assessments made by the Corporation pursuant to Article V with respect to the Defaulting Shareholder for the immediately preceding eight quarters, the limitations imposed by this Section 6.7 upon the rights of the Defaulting Shareholder with respect to his or her Shares shall terminate. For purposes of this Section 6.7.3 the assessment made by the Corporation includes the Defaulting Shareholder's assessments under Section 5.2, Section 5.3, Section 5.4 and Section 5.5.

6.7.4 Upon the Defaulting Shareholder failing to pay assessments described in Article V, fines as described in Article VI or a combination thereof such that the outstanding amount due from the Shareholder equals or exceeds the Purchase Price of the Shares owned by the Shareholder, as described in Section 6.5.1, the deferral period shall end and the Defaulting Shareholder shall surrender his or her Shares to the Corporation as is provided in, and in accordance with the terms and provisions of, Section 6.5.

BARRED ISLANDS, LIMITED

Proxy

KNOW ALL BY THESE PRESENTS that the undersigned shareholder of the above-named Corporation does hereby appoint and constitute the following director of the Corporation (please check one), as his or her true and lawful attorney, with full power of substitution, to attend any and all meetings of shareholders of the Corporation, and any and all adjournments thereof, and then and there to vote on behalf of the undersigned and in his or her name, place and stead, as his or her Proxy and representative, the number of votes which the undersigned would be entitled to cast if actually present:

[CHECK ONLY ONE NAME]

Timothy R. Lyman ()
Richard P. Schauffler ()
William B. Schauffler ()

The undersigned does hereby confer upon said attorney full power and authority, in the name of the undersigned and in his or her behalf, and as his or her free act and deed, to act, by written consent or upon the records of said meetings, to set from time to time the number of directors constituting the Corporation's Board of Directors, and to elect the same, all in accordance with the provisions of the Corporation's Articles of Incorporation and bylaws.

The undersigned hereby revokes any proxy previously given. This Proxy shall be effective for the period between the date hereof and the date of the Corporation's dissolution, unless earlier revoked in writing by the undersigned pursuant to a written notice of revocation signed by the undersigned or by delivery of a duly executed proxy subsequent in time to this Proxy, such revocation to be effective upon delivery of such written notice of revocation or subsequent proxy to the Corporation's Secretary. Furthermore, while presence by the undersigned at the meeting of shareholders will not itself revoke this Proxy, the undersigned may revoke the Proxy at the meeting by giving oral or written notice of his intention to revoke the written Proxy to the Secretary or other person maintaining the list of eligible voters. In no event, however, shall any such revocation invalidate or nullify any action taken prior to actual receipt of the revocation as provided above by the responsible corporate officer.

Dated: _____, 2005

Print Name: _____

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY PROMPTLY IN THE ENCLOSED PRE-ADDRESSED, STAMPED ENVELOPE.

SECOND AMENDMENT TO
SHAREHOLDER AGREEMENT

This Second Amendment to Shareholder Agreement is made as of _____, 2009 by and among PETER B. SCHAUFLER of Swanzey, New Hampshire, MARJORIE SCHAUFLER of Northport, Maine, WILLIAM B. SCHAUFLER of Sandy Spring, Maryland, RICHARD P. SCHAUFLER of Kittery Point, Maine, DAVID E. SCHAUFLER of Katowice, Poland, F. MARINA SCHAUFLER of Camden, Maine, JENNIFER P. LYMAN of Washington D.C., HOLLY L. ANTOLINI of Cambridge, Massachusetts, CHRISTOPHER M. LYMAN of Searsport, Maine, and TIMOTHY R. LYMAN of New Hartford, Connecticut (collectively the "Shareholders" and individually the "Shareholder") and the BARRED ISLANDS, LIMITED, A Maine corporation (the "Corporation").

WHEREAS, the Shareholders entered into a certain Shareholder Agreement under the date of May 13, 1991, as thereafter amended (the "Agreement") with respect to certain matters associated with the Shares of stock of the Corporation and the ownership and operation by the Corporation of the Barred Islands and Chain Links located in Penobscot Bay; and

WHEREAS, the Corporation had previously granted a conservation easement to The Nature Conservancy of the Pine Tree State, Inc., which entity has been subsequently merged into The Nature Conservancy, and which conservation easement has been assigned by The Nature Conservancy to Maine Coast Heritage Trust and will be replaced by an Amended and Restated Conservation Easement to be granted by the Corporation to Maine Coast Heritage Trust; and

WHEREAS, Article III of the Agreement included an agreement to offer an option to The Nature Conservancy of the Pine Tree State, Inc. to purchase the Barred Islands and Chain Links upon the dissolution of the Corporation; and

WHEREAS, the Corporation has not been dissolved and no offer of an option to purchase has been extended or granted to The Nature Conservancy of the Pine Tree State, Inc. or its successor by merger, The Nature Conservancy; and

Barred Islands, Limited

Unanimous Written Consent of Shareholders and Directors
In Lieu of Meeting

Pursuant to 13-C M.R.S.A. Section 704 and Section 822, the undersigned, being all of the shareholders and directors of the above-named Corporation, hereby consent to and take the following actions without the necessity of a formal meeting, to be effective as of the date signed by the last shareholder:

RESOLVED: That the Corporation be and it hereby is authorized to grant as a gift to Maine Coast Heritage Trust, a Maine nonprofit corporation (“MCHT”), a conservation easement on certain real property owned by the Corporation, pursuant to the terms of that certain Amended and Restated Conservation Easement (the “Easement”) from the Corporation to MCHT, a copy of which has been provided to and reviewed by each of the undersigned.

RESOLVED: That, in connection with the foregoing grant, the Corporation be and it hereby is authorized to execute, deliver, and perform under the Easement, and any and all other documents and instruments as Richard P. Schauffler, in his capacity as President of the Corporation, shall deem necessary, proper, or advisable, each in such form as Mr. Schauffler, again in his capacity as President of the Corporation, shall approve, such approval to be conclusively evidenced by his execution and delivery thereof.

RESOLVED: That in connection with the foregoing, the shareholders, directors, and officers of the Corporation, and each of them, acting singly or jointly, be and they hereby are authorized and directed to take all such further actions and to execute and deliver all such further documents and instruments, in the name and on behalf of the Corporation, under its seal and otherwise, and to pay all such expenses, as in their judgment shall be necessary, proper, or advisable in order to carry out the intent and accomplish the purposes of the foregoing resolutions.

RESOLVED: To elect Peter G. Warren as Clerk of the corporation, to replace Christopher R. Smith in that capacity, to serve and hold office until his successor is elected or until his earlier resignation or removal from office, and to change the Registered Office of the corporation to be 36 Chestnut Street, P.O. Box 780, Camden, ME 04843, and

BARRED ISLANDS, LIMITED

Secretary's Certificate

I, the undersigned, Timothy R. Lyman, Secretary of Barred Islands, Limited, a corporation organized and existing under the laws of the State of Maine (the "Corporation"), do hereby certify as follows:

1. I am the duly elected, qualified, and acting Secretary of the Corporation.
2. I understand that McKittrick & Warren, P.A, will be relying on this Certificate in rendering a legal opinion in connection with the Corporation's grant to Maine Coast Heritage Trust ("MCHT") of a conservation easement on certain real property owned by the Corporation, pursuant to the terms of that certain Amended and Restated Conservation Easement (the "Easement"), a copy of which is attached hereto as Exhibit D, from the Corporation to MCHT and I hereby agree to such reliance.
3. I have made appropriate inquiry of those in the Corporation with knowledge of the matters set forth herein in any instance that my knowledge is insufficient to make the statement myself or where I have determined that such inquiry is otherwise appropriate.
4. Attached hereto as Exhibit A, is a true, correct and complete copy of the Articles of Incorporation of the Corporation filed with the Secretary of State of Maine on February 19, 1991, as amended through August 22, 2006 (the "Articles"). The Articles have not been further amended or modified in any way and remain in full force and effect in the form attached hereto, provided that the Unanimous Written Consent of Shareholders and Directors attached hereto as Exhibit C provides for amendments to the Articles of Incorporation and Change of Clerk and Registered Office to be filed as described therein. Attached hereto as Exhibits A-1 and A-2 are copies of Articles of Amendment (Ex. A-1) and Noncommercial Clerk Statement of Appointment and Change (Ex. A-2) to be filed with the Maine Secretary of State pursuant thereto.
5. Attached hereto as Exhibit B is a true, correct and complete copy of the bylaws of the Corporation dated as of May 13, 1991, as amended through August 17, 2005 (the "Bylaws"). The Bylaws have not been further amended or modified in any way and remain in full force and effect in the form attached hereto.
6. Attached hereto as Exhibit C is a true, correct and complete copy of a certain Unanimous Written Consent of Shareholders and Directors in Lieu of Meeting of the Corporation (the "Consent"), which Consent has not been amended or modified in any way and remains in full force and effect