MUNICIPAL CONTRIBUTION AGREEMENT

BETWEEN:

EASTERN ONTARIO WARDENS CAUCUS
(“EOWC”) of the First Part

-and-

EASTERN ONTARIO REGIONAL NETWORK
INC. (“EORN”) of the Second Part

-and-

EASTERN ONTARIO MAYORS COMMITTEE
(“EOMC”) of the Third Part

-and-

THE CORPORATION OF THE UNITED
COUNTIES OF PRESCOTT AND RUSSELL,
a municipal corporation under the laws of the Province of Ontario (the “Municipality”) of the Fourth Part

WHEREAS EORN, on behalf of EOWC and EOMC has prepared and submitted a Cell Gap Analysis and proposal to the Federal and Provincial governments to attempt to achieve 99% coverage of the eastern Ontario region where people live, work and travel for cell call service levels with additional coverage for standard definition and high definition service levels, as well as investing in increased capacity and the 5G network enhancements in high density high network utilization areas (the “Project”);

AND WHEREAS the Province of Ontario and the Government of Canada have both approved funding for the Project, and have each agreed to provide Seventy-One Million ($71,000,000.00) Dollars in funding towards the Project;

AND WHEREAS there is a requirement for a minimum contribution from the municipalities forming part of EOWC or the Eastern Ontario Municipal Caucus of Ten Million ($10,000,000.00) Dollars;
AND WHEREAS the members of EOWC and EOMC have agreed to contribute their share of the Ten Million One Hundred and Forty-One Thousand One Hundred and Eighty-Eight ($10,141,188.00) Dollars budgeted contribution to the Project as more particularly set out in Schedule A;

AND WHEREAS the member municipalities of the EOWC are the County of Hastings, the County of Peterborough, the County of Renfrew, the City of Kawartha Lakes, the County of Northumberland, the United Counties of Leeds and Grenville, the County of Haliburton, the County of Prince Edward, the County of Frontenac, the County of Lennox and Addington, the County of Lanark, the United Counties of Stormont, Dundas and Glengarry, and the United Counties of Prescott and Russell (the “EOWC Members”);

AND WHEREAS the following members of the EOMC have agreed to contribute to the Project, the City of Peterborough, the City of Quinte West, the City of Belleville, the City of Kingston, the Town of Gananoque, the Town of Prescott, the City of Cornwall, the Town of Pembroke, and the Town of Smiths Falls (the “EOMC members”);

AND WHEREAS the Project is expected to cost approximately Two Hundred and Thirteen Million ($213,000,000.00) Dollars with the balance of contribution coming from the private sector participants in the Project;

AND WHEREAS each Municipality has obtained the approval from its council to contribute its contribution set out in Schedule A attached hereto (the “Members Contribution”) to the Project;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set out, the parties hereto covenant and agree as follows:

1. Acknowledgment

The parties acknowledge and agree that the representation set out in the recitals of this Agreement are true and correct.

2. Municipal Contribution

a) The Municipality agrees to make its Member Contribution in respect of the Project as set out in Schedule A attached hereto.

b) The Municipality shall make a payment on an annual basis of a one quarter share of its contribution, with the first payment due and payable upon execution of this Municipal Agreement and the balance of payments due in equal installments on
the anniversary date of the date of this Agreement, in three equal annual installments.

c) The payments shall be made to EORN unless otherwise directed by EORN.

d) The Municipality agrees that the payment due from the Municipality shall be due 30 days from the date of invoice. Late payments shall accrue interest at the prime rate published by the banker of EORN plus 5% per annum calculated monthly, not in advance.

3. Prepayment Option

To assist EORN with the cash flow for the Project, the parties agree that the Municipality shall have the option of prepaying to EORN the Member Contribution on the following terms:

a) Any such payment shall be due within 30 days of the date of this Agreement;

b) This investment portion not yet due shall earn interest at the rate of 5% per annum calculated annually, not in advance, from the date of the investment to the date that the payment would otherwise be due. Interest earned on the investment shall be paid by EORN to the Municipality on an annual basis. For example, if the entire payment is made in advance, three quarters of the payment shall be considered to be an investment, and that amount shall earn interest. However, after the first year when the first installment payment is due to be made, only two thirds of the amount will earn interest, and then after the second year, one third will earn interest until the final payment is due.

c) The Municipalities shall have the option of obtaining repayment of all or part of the remainder of its investment, which is unspent, to the extent that it has not been invoiced in whole or in part at any time provided that:

1) The amount withdrawn shall not be entitled to any interest.

2) Such request may only be made if the Project is not proceeding due to a failure to reach agreement on a Contribution Agreement with the Ministry of Infrastructure, Province of Ontario.

4. Delivery of Project
The Municipality agrees to execute any documents reasonably required by EORN or EOWC as part of any Contribution Agreement entered into between either EOWC or EORN with the Province of Ontario or the Government of Canada, as the case may be.

5. **Coverage**

The parties acknowledge that the Project is designed to deliver the respective coverages where people live, work and travel. There is no guarantee therefore, that all areas in all regions will be covered, especially those areas where smaller numbers of people live, work or travel, or where no one lives, works or travels.

6. **Tower Sites**

The Municipality is encouraged to make available municipal lands for tower sites which may enhance the ability to deliver the Project, as cooperation in finding sites for towers is an important element of the Project.

7. **Default**

In the event of default by the Municipality hereunder, in addition to any other remedies that EOWC or EORN may have, they may elect to amend the Project or the coverage under the Project to exclude the areas within the Municipality. Any such rights shall be exercised upon a minimum of sixty (60) days prior written notice with an opportunity to correct.

The following shall constitute an event of default hereunder:

1) If any party has had a receiver, or receiver/manager appointed in respect hereof;

2) Has taken the benefit of any statute for the general benefit of its creditors or made an assignment in bankruptcy;

3) Such party has ceased to carry on its business or operations; or

4) Otherwise defaulted under the terms of this Agreement and not corrected such default with sixty (60) days after notice has been given by the other party.

8. **Reporting**
EORN and EOWC agree to provide annual reports to all EOWC Members and EOMC Members on the status of the Project. In addition, they will provide audited financial statements for each of EOWC and EORN to the EOWC Members and the EOMC Members annually after such statements are prepared, and if possible, within one hundred and twenty (120) days of each fiscal year end.

9. Unavoidable Delay

None of the parties shall be liable for the non-performance or defective or late performance of any of its obligations under this Agreement to the extent, for such periods of time as such non-performance, defective performance or late performance is due to reasons outside of such parties control including acts of God, war, (declared or undeclared), acts of any governmental authority or failure to act, riots, revolutions, fire, floods, explosions, sabotage, nuclear incident, lightning, weather, earthquakes, storms, sink holes, epidemics or other cause beyond such parties reasonable control.

10. Dispute Resolution

Questions of dispute between parties, not otherwise resolved by discussion between the respective representatives of the parties, may be escalated to the Chief Administrative Officer (the “CAO”) level at the Municipality, and the Chief Executive Officer (the “CEO”) at EOWC and/or EORN. If any such dispute is not able to be resolved at the CAO/CEO level within ten (10) business days of the date in which the date of the dispute has been escalated for resolution, either party shall be entitled by written notice to the other to escalate the dispute for resolution in accordance with the following paragraph entitled Mediation.

11. Mediation

Either party may request that the matter be subject to mediation. The parties will agree jointly upon a mediator within ten (10) business days of notice of being given by one party to the other. Any such mediator shall endeavour to meet with parties within thirty (30) days and conclude such mediation within another thirty (30) days. In the event that the parties cannot agree on the dispute in mediation or cannot agree upon a mediator, either party shall be entitled to escalate this dispute to arbitration by notice in writing. Such arbitration shall be conducted in accordance with the provisions of the Arbitrations Act (Ontario). If the parties cannot agree within five (5) business days of escalation to arbitration on the identity of a sole arbitrator, such arbitrator shall be chosen in accordance with the provisions of the Arbitrations Act (Ontario). Any decision of the arbitrator shall be final and binding. The arbitrator shall attempt to hold a hearing within thirty (30) days after appointment and complete the arbitration, including a decision, within a further thirty (30) days.
12. Notice

Any notice required or permitted to be given hereunder shall be in writing and shall be deemed given (i) when delivered personally to any officer of the party being notified; or (ii) on the third business day after being sent by registered or certified mail, postage prepaid, facsimile, addressed as follows:

To: EOWC
c/o County of Hastings
Postal Bag 4400, 235 Pinnacle Street,
Belleville, Ontario K8N 3A9
Attention: Chief Administrative Officer

To: EOMC

Attention:

To: The Municipality
United Counties of Prescott and Russell
59 Court Street, PO Box 304, L'Orignal,
Ontario K0B 1K0
Attention: Chief Administrative Officer

13. General

a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

b) The document, including the preamble and Schedules, sets forth the entire Agreement between the parties with respect to the subject matter hereof and shall be amended only by a written amendment signed by both parties.

c) This Agreement may not be assigned without the prior written approval of the other party. This Agreement shall be binding upon each party’s respective successors, heirs, and assignees.

d) No provision of this Agreement shall be amended, altered or waived except by a further written agreement between the parties. No waiver of a provision of this Agreement shall operate as a waiver of any other provision or of the same provision on a future occasion.
e) Time shall be of the essence in the Agreement.

Signatures on next page

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 27 day of November, 2019.

Signed, Sealed & Delivered

In the presence of:

) )

) )

) )

) )

Per: ________________________

Authorized Signing Officer
Per: __________________________
Authorized Signing Officer

EASTERN ONTARIO REGIONAL NETWORK INC.

Per: __________________________
Authorized Signing Officer

EASTERN ONTARIO MAYORS COMMITTEE

Per: __________________________
Authorized Signing Officer

Per: __________________________
Authorized Signing Officer

THE CORPORATION OF THE UNITED COUNTIES OF PRESCOTT AND RUSSELL

Per: __________________________
Authorized Signing Officer

Per: __________________________
Authorized Signing Officer
<table>
<thead>
<tr>
<th>Municipality</th>
<th>Contributes</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Haliburton</td>
<td>Yes</td>
<td>$441,785</td>
</tr>
<tr>
<td>Hastings</td>
<td>Yes</td>
<td>$509,573</td>
</tr>
<tr>
<td>Kawartha Lakes</td>
<td>Yes</td>
<td>$715,711</td>
</tr>
<tr>
<td>Northumberland</td>
<td>Yes</td>
<td>$668,867</td>
</tr>
<tr>
<td>PEC</td>
<td>Yes</td>
<td>$236,219</td>
</tr>
<tr>
<td>Lennox &amp; Addington</td>
<td>Yes</td>
<td>$420,389</td>
</tr>
<tr>
<td>Frontenac</td>
<td>Yes</td>
<td>$389,750</td>
</tr>
<tr>
<td>Leeds &amp; Grenville</td>
<td>Yes</td>
<td>$634,490</td>
</tr>
<tr>
<td>Lanark</td>
<td>Yes</td>
<td>$581,851</td>
</tr>
<tr>
<td>SD&amp;G</td>
<td>Yes</td>
<td>$575,265</td>
</tr>
<tr>
<td>Prescott &amp; Russell</td>
<td>Yes</td>
<td>$683,085</td>
</tr>
<tr>
<td>Renfrew</td>
<td>Yes</td>
<td>$905,996</td>
</tr>
<tr>
<td>Peterborough</td>
<td>Yes</td>
<td>$680,915</td>
</tr>
<tr>
<td>Peterborough City</td>
<td>Yes</td>
<td>$563,666</td>
</tr>
<tr>
<td>Quinte West</td>
<td>Yes</td>
<td>$293,319</td>
</tr>
<tr>
<td>Belleville</td>
<td>Yes</td>
<td>$369,717</td>
</tr>
<tr>
<td>Kingston</td>
<td>Yes</td>
<td>$972,271</td>
</tr>
<tr>
<td>Gananoque</td>
<td>Yes</td>
<td>$35,601</td>
</tr>
<tr>
<td>Prescott</td>
<td>Yes</td>
<td>$26,723</td>
</tr>
<tr>
<td>Brockville</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>Cornwall</td>
<td>Yes</td>
<td>$302,005</td>
</tr>
<tr>
<td>Pembroke</td>
<td>Yes</td>
<td>$78,403</td>
</tr>
<tr>
<td>Smiths Falls</td>
<td>Yes</td>
<td>$55,588</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$10,141,188</td>
</tr>
</tbody>
</table>