

**Schedule “E” to By-law 24-2022**  
**NORTHUMBERLAND COUNTY BROADBAND PROJECT**  
Equity Term Sheet

Reference is made to the project to design, construct, operate and maintain a high speed fibre optic network in Northumberland County that initially services 13,448 households located within the geographic boundaries of Northumberland County and any future extension or expansion of such high speed fibre optic network to service additional households, institutions, commercial and industrial customers within the geographic boundaries of Northumberland County (the “**Project**”).

The purpose of this term sheet is to describe in broad terms the basis upon which Intelligent Northumberland Inc. (“**Intelligent Northumberland**”) and Ontario Broadband Networks GP (“**OBN GP**”) are prepared to form a special purpose general partner and a special purpose limited partnership to undertake the Project. The provisions of this term sheet outline the principal terms and conditions upon which the Parties will negotiate the shareholders agreement on the terms contemplated in Section B.(I) below (the “**Shareholders Agreement**”) the limited partnership agreement on the terms contemplated in Section B.(II) below (the “**LP Agreement**”) in respect of the Project and the terms of the convertible debenture to be held by which Intelligent Northumberland (the “**Convertible Debenture**”). The provisions of this term sheet under Parts A, B C and D do not create or constitute legally binding obligations between the Parties, nor impose any liability on any Party to another. The provisions of this term sheet under Part E will be legally binding on the Parties upon execution and delivery of this term sheet.

The OBN GP will, on behalf of Project LP, be required to obtain debt financing from an arm’s length third party on commercially reasonable terms to finance the construction and commissioning of the Project (the “**Project Financing**”). For clarity, OBN GP will be required fund the full amount of Project Financing to Project LP or cause one or more of its affiliates to fund the full amount of Project Financing to Project LP if the Project Financing is not available from an arm’s length third party on commercially reasonable terms.

The parties intend that the execution and delivery of the LP Agreement, the Shareholders Agreement and the Project Agreements will occur immediately prior to or concurrently with the financial close of Project Financing (“**Financial Close**”). For clarity, (i) any Project Financing will be without recourse of any kind to Intelligent Northumberland and/or Northumberland County, and (ii) Intelligent Northumberland will not be required to pledge its interest in Project LP or the GP as security to any lender in connection with a Project Financing or otherwise provide security of any kind.

<b>A. PRELIMINARY MATTERS</b>	
<b>Item</b>	<b>Details</b>
<b>1. Purpose</b>	<p>To document the general terms of the proposed limited partnership (“<b>Project LP</b>”) between Intelligent Northumberland, as a limited partner, and Ontario Broadband Networks GP, as a limited partner (together, the “<b>Parties</b>”).</p> <p>The purpose of SPV LP will be to bring fibre optic connectivity to Northumberland County through the Project.</p>
<b>2. Parties and Project Agreements</b>	<ul style="list-style-type: none"><li>• The Parties will, as applicable, cause the following to occur (i) incorporate, under the laws of the Province of Ontario, a corporation that as the general partner of SPV LP (the “<b>Special Purpose GP</b>”</li></ul>

	<p><b>Corp.”), (ii) enter into the Shareholders Agreement, (iii) form Project LP, and (iv) enter into the LP Agreement.</b></p> <ul style="list-style-type: none"><li>• It is anticipated that Project LP will enter into the following material contracts in connection the Project:<ul style="list-style-type: none"><li>○ a management services agreement with the Parties or their affiliates (the “<b>Management Services Agreement</b>”);</li><li>○ one or more agreements to design, engineer and construct the Project, in one or phases, with the Parties or their affiliates (the “<b>Construction Agreements</b>”);</li><li>○ form of wholesale contract with one or more internet service providers (the “<b>Fibre Wholesale Agreement</b>”);</li><li>○ an operations and maintenance agreement for the Project (the “<b>O&amp;M Agreement</b>”);</li><li>○ a credit agreement and certain security documents, direct agreements and other ancillary documents (“<b>Credit Documents</b>”), each on the terms and conditions agreed between the SPV LP and the lender;</li><li>○ one or more services contracts between SPV LP, the Parties or their affiliates or other third parties to provide customer services (the “<b>Services Contracts</b>”);</li><li>○ an exclusivity agreement between, on the one hand, OBN GP and [NTD: insert applicable parent entities of the partners] and, on the other hand, Intelligent Northumberland with respect to the expansion of the Project to greater than 13,448 households located and/or the design, construction, operation and maintenance of an additional high speed fibre optic network in Northumberland County (the “<b>Exclusivity Agreement</b>”);</li><li>○ a contribution support agreement between Project LP and Northumberland County pursuant to which Project LP will (i) provide documentation, support and evidence to assist to Northumberland County in the performance of any conditions to secure grant funding from the Province of Ontario or the Government of Canada, and (ii) pay an administration fee to Northumberland County by way of set-off from amounts received from grant funding from</li></ul></li></ul>
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	<p>the Province of Ontario or the Government of Canada (the “<b>Project Support Agreement</b>”); and</p> <p>○ [●].</p> <p>Collectively, the LP Agreement, Shareholders Agreement, Management Services Agreement, Construction Agreements, O&amp;M Agreement, Credit Documents, Fibre Wholesale Agreement, Exclusivity Agreement, the Project Support Agreement and [●] are referred to herein as the “<b>Project Agreements</b>”. The execution, delivery and performance of the Project Agreements, together with all agreements and instruments contemplated by or ancillary to such agreements by the Project LP, in will be unanimously approved by the shareholders of the Special Purpose GP Corp. within the Shareholders Agreement.</p>
<b>B. SPECIAL PURPOSE GENERAL PARTNER CORP.</b>	
<b>I. SHAREHOLDERS AGREEMENT</b>	
<b>Item</b>	<b>Details</b>
<b>1. Ownership</b>	<p>As set out in Section A.2, the Parties will incorporate a corporation that will serve as the managing general partner of Project LP. The proportion of common shares in the capital of the Special Purpose GP Corp. will be issued and held as follows:</p> <ul style="list-style-type: none"> <li>• Intelligent Northumberland: 8%; and</li> <li>• OBN GP: 92%</li> </ul> <p>(Intelligent Northumberland and OBN GP are referred together in this Section A.2 as the “<b>Shareholders</b>”).</p>
<b>2. Governance</b>	<p>The Special Purpose GP Corp. will be governed by a Shareholders Agreement which will set out, among other things, the following:</p> <ul style="list-style-type: none"> <li>• The board of directors of the Special Purpose GP Corp will consist of 5 directors (the “<b>Board</b>”), of which Intelligent Northumberland will nominate 1 director, and OBN GP will nominate 4 directors.</li> <li>• Quorum for a meeting of the board of directors will be 3 directors, provided at least one nominee director from each of Intelligent Northumberland and OBN GP are present.</li> <li>• The board of directors will meet at least once every 2 months monthly during the construction phase of the Project and quarterly thereafter. Participation in board meetings may occur through videoconference.</li> </ul>

	<ul style="list-style-type: none"> <li>• A director may at any time call a meeting of the directors by giving not less than 5 business days' notice.</li> </ul>
<b>3. Reserved Matters</b>	<p>The Special Purpose GP Corp. shall not take any of the following corporate actions without the unanimous approval of the Shareholders:</p> <p><i>Amendments to Constatating Documents</i></p> <ul style="list-style-type: none"> <li>• any amendment to the articles or by-laws of the Special Purpose GP Corp .or its subsidiaries, except as may be necessary to resolve any conflict in favour of the Shareholder Agreement;</li> <li>• any amendment, renewal or cancellation of the certificate of Project LP or any amendment to the LP Agreement;</li> </ul> <p><i>New Issuances, Redemptions, Variances and Transfers of Securities</i></p> <ul style="list-style-type: none"> <li>• the issuance of any securities of Project LP or the Special Purpose GP Corp., or the issuance or granting of any options, rights, warrants or other agreements to purchase, acquire or otherwise obtain any securities except to the existing Shareholders or partners of Project LP or upon a conversion of the Debenture (as defined in Section B.(II) below);</li> <li>• the approval of any transfer or indirect transfer of securities of Project LP or the Special Purpose GP Corp, the Encumbrance of any securities of Project LP or the Special Purpose GP Corp. other than to a Permitted Transferee;</li> <li>• the admission of any additional partners of Project LP other than a Permitted Transferee and acceptance of subscriptions for new Units (as defined in Section B.(II) below) or the approval of any agreement to vary a partner's right to receive distributions or the distributions to the holder of the Convertible Debenture;</li> <li>• any repayment of all or a portion of the principal amount of the Convertible Debenture;</li> <li>• the admission of any new shareholder of the Special Purpose GP Corp. other than a Permitted Transferee or approval of any agreement to vary a Shareholder's right to receive dividends or distributions;</li> </ul> <p><i>Fundamental Matters</i></p> <ul style="list-style-type: none"> <li>• any change in the fiscal year of the Special Purpose GP Corp., any subsidiary or Project LP;</li> <li>• the filing of any application under the <i>Bankruptcy and Insolvency Act</i>, the <i>Companies Creditors Arrangement Act</i> or legislation of similar effect in respect of the Special Purpose GP Corp., Project LP or any subsidiary;</li> <li>• the purchase, lease or other acquisition of any property or assets out of the ordinary course of the business of the Special Purpose GP</li> </ul>

	<p>Corp., Project LP or any subsidiary or the making of any commitment to do so;</p> <ul style="list-style-type: none"><li>• the issuance or making of any material correspondence to the residents of Northumberland County or any other Governmental Authority or any Indigenous community in respect of the Project, including any material correspondence that could reasonably be expected to have an adverse effect on the Project;</li><li>• the purchase or other acquisition of any securities or other ownership, equity or proprietary interest in any other Person or the incorporation or creation of any subsidiary of the Special Purpose GP Corp., Project LP or any subsidiary;</li><li>• the amendment, modification and/or termination of any Project Agreement or the granting of any waivers or consents thereunder;</li><li>• the determination of any matter referred to the Shareholders pursuant to a Conflict of Interest pursuant to Section 4;</li><li>• any amalgamation or merger of the of the Special Purpose GP Corp., Project LP or any subsidiary with another Person;</li><li>• the dissolution, winding-up or liquidation of the of the Special Purpose GP Corp., Project LP or any subsidiary or the Special Purpose GP Corp., Project LP or any subsidiary ceasing to carry on business in the ordinary course;</li><li>• an initial public offering, whether on a treasury or secondary basis, resulting in the holding of equity of the of the Special Purpose GP Corp., Project LP or any subsidiary, directly or indirectly, by the public, or a transaction giving rise to a stock market listing or over-the-counter quotation of equity of the of the Special Purpose GP Corp., Project LP or any subsidiary or any subsidiary, directly or indirectly, including an amalgamation, securities exchange take-over bid or other transaction having a similar result, and an offering of units of an income trust or similar offering where the trust, directly or indirectly, owns equity of the of the Special Purpose GP Corp., Project LP or any subsidiary;</li><li>• the transfer, lease, exchange or other disposition of any assets of the Special Purpose GP Corp., Project LP or any subsidiary out of the ordinary course of its Business or the granting of any right, option or privilege to purchase, lease or otherwise acquire those assets;</li><li>• the resignation of the Special Purpose GP Corp. as the general partner or the transfer of its Units to another Person or the admission of a new or additional general partner of Project LP;</li><li>• any change from Canada in the place of tax residence of the Special Purpose GP Corp., Project LP or any subsidiary;</li><li>• the entering into of any arrangement whereby the Special Purpose GP Corp, in its capacity as managing general partner of Project LP,</li></ul>
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	<p>delegates all or substantially all of its duties as managing general partner of the Project LP to any other Person;</p> <ul style="list-style-type: none"><li>• a material change in, or the taking of any action which may lead to or result in a material change in, the business;</li><li>• the making of any tax elections pursuant to the LP Agreement; and</li><li>• entering into any agreement or other commitment to do any of the matters set out in this section, either with respect to Project LP, the Special Purpose GP Corp. or with respect to any subsidiary.</li></ul>
<b>4. Conflicts of Interest</b>	<p>For the purpose of this Section 4, "<b>Representative</b>" means a director and/or officer of an appointing Shareholder. "<b>Conflict of Interest</b>" means any matter before the board of directors which requires the board of directors to determine whether or how Project LP should:</p> <ul style="list-style-type: none"><li>a) enforce or waive a right against a Representative's appointing Shareholder or any affiliate of such Shareholder in relation to a liability, loss, cost, charge or expense paid, suffered or incurred by Project LP from an act or omission of that appointing Shareholder or any affiliate of such Shareholder, including the initiation of any legal or dispute resolution process;</li><li>b) respond to or defend the exercise or purported exercise of a right by a Representative's appointing Shareholder or any affiliate of such Shareholder against Project LP in relation to a liability, loss, cost, charge or expense paid, suffered or incurred by such person;</li><li>c) determine not to enforce any rights of Project LP under any Project Agreement or grant any allowances or relief to a Representatives' appointing Shareholder or any affiliate of such Shareholder with respect to its obligations under such Project Agreement; or</li><li>d) budget or allocate any Partnership funds to allow for, or otherwise fund, defend or otherwise respond to the matters set forth in (a), (b) and (c) above.</li></ul> <p>In the event of a Conflict of Interest, the terms of the Shareholders Agreement will relieve the board from the power to vote or deliberate on matters relating to any such Conflict of Interest and vest such power with the applicable Shareholder whose representatives are not subject to a Conflict of Interest.</p>

<b>5. Other Non-Arm's Length Transactions</b>	<p>Other than the Project Agreements, any other agreement, arrangement or understanding entered into by the Project LP or the Special Purpose GP Corp with any person who is not at arm's length within the meaning of the <i>Income Tax Act</i> (Canada) in respect of the activities and affairs of the Project LP or the Special Purpose GP Corp will be on terms that are no less favourable to the Project LP or the Special Purpose GP Corp, as applicable, than those that would have been available from an arm's length third party.</p>
<b>6. Financial Matters</b>	<p>The financial year of the Special Purpose GP Corp will end on December 31 of each year.</p> <ul style="list-style-type: none"> <li>• The Special Purpose GP Corp will: <ul style="list-style-type: none"> <li>○ furnish to each Shareholder, within 90 days following the end of each fiscal quarter of the Special Purpose GP Corp, the unaudited financial statements of the Special Purpose GP Corp for such quarter; and</li> <li>○ furnish to each Shareholder, within 120 days following the end of each fiscal year, the audited annual financial statements of the Special Purpose GP Corp for such fiscal year.</li> </ul> </li> <li>• The Special Purpose GP Corp and the Project LP will prepare financial statements in accordance with Canadian generally accepted accounting principles applicable to private enterprises under Part II of the CPA Canada Handbook of the Chartered Professional Accountants of Canada.</li> </ul>
<b>7. Share Transfers</b>	<ul style="list-style-type: none"> <li>• Any transfer of shares of the Special Purpose GP Corp, other than a transfer to an affiliate (such term to be defined in the Shareholders Agreement), will require prior written consent of all of the Shareholders.</li> <li>• Shareholders will be entitled to transfer shares to an affiliate without the consent of all of the Shareholders, providing: <ol style="list-style-type: none"> <li>1. the transferor Shareholder gives notice to the other Shareholders;</li> <li>2. the transferor Shareholder transfers all, but not less than all, of the shares owned by them;</li> <li>3. the transferee Shareholder executes an agreement to be bound by the Shareholders Agreement; and</li> </ol> </li> </ul>

	<p>4. the transferee Shareholder continues to be an affiliate of the transferor, unless the other Shareholders unanimously agree in writing.</p> <ul style="list-style-type: none"> <li>• If a Shareholder transfers all, or a portion, of its units in the Project LP to a transferee, that Shareholder will concurrently transfer the same proportion of its shares in the Special Purpose GP Corp to the same transferee.</li> <li>• Other than with respect to securing any senior debt, the Shareholders will not be allowed to create a security interest on its shares in the Special Purpose GP Corp or its rights under the Shareholders Agreement without the consent of the other Shareholders.</li> </ul>
<b>B. PROJECT LP</b>	
<b>II. LP AGREEMENT</b>	
<b>Item</b>	<b>Details</b>
<b>1. Partnership Structure</b>	<p>The Special Purpose GP Corp., as general partner (the “<b>Managing General Partner</b>”) and OBN GP, as general partner (the “<b>Operating General Partner</b>”) and the Special Purpose GP Corp, as limited partner, will together form the Project LP under the laws of Ontario to design, build, own, operate and maintain the Project with such Project LP governed by the terms and conditions of the LP Agreement.</p> <p>The interests of the partners of the limited partnership will be divided into and represented by units, as follows:</p> <ol style="list-style-type: none"> <li>1. Class A general partner units (the “<b>Class A GP Units</b>”), of which 1 Class A GP Unit will be authorized for issuance and issued to the Managing General Partner;</li> <li>2. Class B general partner units (the “<b>Class B GP Units</b>”), of which 92 units will be authorized for issuance and issued to the Managing General Partner;</li> <li>3. Class A limited partnership units (the “<b>Class A LP Units</b>”), of which 1 Class A LP Unit will be authorized for issuance and issued to the Managing General Partner; and</li> <li>4. Class B limited partnership units (the “<b>Class B LP Units</b>”), of which 8 Class B LP Units will be authorized and reserved for issuance pursuant to the terms of the Convertible Debenture</li> </ol> <p>The Class A GP Units, Class B GP Units, Class A LP Units and Class B LP Units are collectively referred to as the “<b>Units</b>”.</p>



<b>2. Attributes of Units</b>	<p>Except as set forth above and with respect to distributions, all of the Units will be of equal preference and priority, and will have the same rights and restrictions attached.</p>
<b>3. Voting</b>	<ul style="list-style-type: none"> <li>• Each Partner will have voting rights in proportion to its holding of Units in the Project LP. General meetings of the partners will be held at any time determined by the Managing General Partner. Approval of all of the Partners (an “<b>Extraordinary Resolution</b>”) will be required for the following matters: <ul style="list-style-type: none"> <li>○ removal or dismissal of the Managing General Partner;</li> <li>○ appointment or admission of a new or successor Managing General Partner;</li> <li>○ any material change in the business carried on by Project LP;</li> <li>○ the sale, lease, exchange, transfer or other disposition of all or substantially all of the assets of the Project LP, except on dissolution or as otherwise contemplated by the LP Agreement.</li> </ul> </li> </ul> <p>For clarity, all Project-specific decisions will remain the responsibility of the GP, as set out in the Shareholders Agreement.</p>
<b>4. Equity Commitment and Contributions</b>	<ul style="list-style-type: none"> <li>• The Operating General Partner will be required to contribute capital to Project LP in such amounts as required to complete the design, construction, operation and commissioning of the Project. For clarity, Operating General Partner will be solely responsible to contribute additional equity to finance construction cost overruns or other liabilities and expenses of Project LP.</li> <li>• Intelligent Northumberland will not be required to contribute any capital to Project LP except for an aggregate amount of \$8 upon the conversion of its Convertible Debenture.</li> </ul>
<b>5. Project Financing</b>	<ul style="list-style-type: none"> <li>• The GP will use commercially reasonable efforts to negotiate non-recourse long-term debt with an institutional or other lender on the best available market terms (the “<b>Senior Debt</b>”).</li> <li>• Any Senior Debt will not include any recourse or claim against Intelligent Northumberland, Northumberland County Community Initiatives Development Inc. or the County of Northumberland of any kind or the require the subordination of the Convertible Debenture.</li> </ul>
<b>6. Allocations and Distribution</b>	<p><b>Allocation</b></p> <ul style="list-style-type: none"> <li>• Distributions of distributable cash of Project LP will be allocated as follows:</li> </ul>

	<ul style="list-style-type: none"><li>○ <i>first</i>, the partner holding the Class A GP Unit will be entitled to be paid a priority distribution equal to 0.01% of any amount available for distribution, up to a maximum of \$500 in any calendar year;</li><li>○ <i>second</i>, the partner holding Class A LP Unit will be entitled to be paid a priority distribution equal to 0.01% of any amount available for distribution, up to a maximum of \$500 in any calendar year; and</li><li>○ <i>third</i>:<ul style="list-style-type: none"><li>● to the partner holding Class B GP Units, in proportion to the number of Class B Units held by them, 92% of distributions of net income; and</li><li>● to the partner holding Class A LP Units, in proportion to the number of Class A Units held by them, 8% of distributions of net income, provided that if no Class A LP Units are issued and outstanding on the applicable distribution date all such distributions will be paid as participating interest to the holder of the Convertible Debenture.</li></ul></li></ul> <ul style="list-style-type: none"><li>● For tax purposes, income and loss of the Project LP will be allocated as set out above.</li></ul> <p><b>Distributions</b></p> <ul style="list-style-type: none"><li>● The Managing General Partner will make distributions of Distributable Cash each quarter.</li><li>● Distributions of Distributable Cash may be subject to the payment waterfall required by the lenders and such payment waterfall will be set out in the Credit Documents.</li><li>● “<b>Distributable Cash</b>” means, with respect to a particular period, the amount by which the Project LP’s cash on hand at the end of such period (including any amounts borrowed by the Operating General Partner on behalf of Project LP and net proceeds received by Project LP from the Partners or the sale of assets) exceeds:<ul style="list-style-type: none"><li>○ unpaid operating and administration expenses of Project LP for that and any previous period;</li><li>○ unpaid debt service payments and charges incurred during that and any previous period; and</li></ul></li></ul>
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	<ul style="list-style-type: none"><li>○ any reasonable cash reserve for appropriate levels of working capital which the Managing General Partner determines is necessary to satisfy Project LP's current and anticipated obligations incurred or to be incurred in connection with the Project including funds set aside or reserves required by lenders to Project LP in respect of its borrowings or funds which cannot be distributed due to restrictions set out in the Credit Agreement.</li></ul>
<b>7. Functions and Powers of the Partners</b>	<ul style="list-style-type: none"><li>• The LP Agreement will contain standard provisions setting out the limitations on the authority and powers of the Limited Partners.</li><li>• The duties of the Operating General Partner will be to undertake the operation and management of Project LP and the Project on a day-to-day basis. The Operating General Partner will not be permitted to take any actions that are Reserved Matters under the terms of the Shareholder Agreement (as set out in Section B.1.(3) above) for and on behalf of Project LP, which will be incorporated by reference into the terms of the LP Agreement.</li></ul>
<b>8. Financial Matters</b>	<p>The financial year of Project LP will end on December 31 of each year. The GP will:</p> <ul style="list-style-type: none"><li>• furnish to each Partner, within 90 days following the end of each fiscal quarter of the Project LP, the unaudited financial statements of the Project LP for such quarter;</li><li>• furnish to each Partner, within 120 days following the end of each fiscal year, the audited annual financial statements of the Project LP for such fiscal year;</li><li>• furnish to each Partner information concerning the amount of income or loss and tax income or tax loss for the fiscal year, the allocation thereof among the partners and all necessary income tax and provincial corporation capital tax reporting information.</li></ul> <p>Project LP will, at the request of any Partner:</p> <ul style="list-style-type: none"><li>• engage such accountants or auditors for the Project LP as may be approved by the Partners (the "<b>Auditors</b>");</li><li>• require the Auditors to conduct annual audits and such other audits as may be otherwise required; and</li><li>• have the Auditors prepare audited financial statements for Project LP.</li></ul>

<b>9. Dissolution</b>	<p>The Project LP will only be dissolved as a result of the occurrence of any of the following events:</p> <ul style="list-style-type: none"><li>• all of the Partners consent to the voluntary dissolution of the Project LP;</li><li>• the dissolution, liquidation, bankruptcy, insolvency or winding up of the GP or the appointment of a trustee, receiver, receiver and manager or liquidator of the GP, or following any event permitting a trustee or receiver or receiver and manager to administer the affairs of the GP;</li><li>• the sale of all or substantially all of the Project LP's assets or of the Project;</li><li>• any event that makes it unlawful for the business of the Project LP to be carried on; or</li><li>• the occurrence of any other event which, under the laws of the Province of Ontario causes the dissolution of a limited partnership, other than admissions or withdrawal of a partner.</li></ul> <p>The LP Agreement will contain provisions regarding liquidation of the assets of Project LP upon a dissolution event.</p>
<b>10. Dealing with Units</b>	<ul style="list-style-type: none"><li>• Any transfer of Units of the Project LP, other than a transfer to an affiliate, will require prior written consent of all of the Limited Partners, which consent can be withheld for any reason.</li><li>• A Partner will be entitled to transfer of its Units to an affiliate without the consent of all of the Limited Partners, provided that:<ol style="list-style-type: none"><li>1. the transferor partner gives notice to the other partners;</li><li>2. the transferor partner transfers all, but not less than all, of the Units owned by it;</li><li>3. the transferee partner executes an agreement to be bound by the LP Agreement;</li><li>4. the transferee partner continues to be an affiliate of the transferor Limited Partner, unless the other partners unanimously agree in writing; and</li><li>5. The Operation General Partner must at all times hold an equal percentage of shares in the Managing General Partner as it holds Class B GP Units in Project LP.</li></ol></li><li>• No direct or indirect transfer of any Units or ownership interests in any partner, and no issuance of any additional shares or partnership Units may be made which results in a change in the control of such</li></ul>

	<p>partner unless such Transfer or issuance is approved by each of the Partners.</p> <ul style="list-style-type: none"><li>• The Parties will fully cooperate in connection with the completion of any permitted transfer of Units and under terms of the Shareholders Agreement and Units under the terms of the LP Agreement, including the execution of all necessary resolutions and consents.</li></ul>
<b>11. Capital Accounts</b>	<ul style="list-style-type: none"><li>• The Managing General Partner will maintain a separate capital account for each partner and will, on receipt of an amount in respect of a Capital Contribution, credit the account of the applicable partner with that Capital Contribution and will debit the account with the amount of any Capital Contribution actually returned from time to time by Project LP to the Limited Partner.</li><li>• The interest of a Limited Partner will not terminate by reason of there being a negative or nil balance in the Limited Partner's capital account. No Limited Partner will be responsible for any losses of any other Limited Partner, or share in the allocation of net income or loss attributable to the Units of any other Limited Partner.</li></ul>
<b>12. No Interest on Capital Account</b>	<ul style="list-style-type: none"><li>• Project LP will not pay interest on any credit balance of the capital account of a partner. No partner is required to pay interest to the Partnership on any Capital Contribution returned to the partner or on any negative balance in the partner's capital account</li></ul>
<b>13. No Right to Withdraw Amounts</b>	<ul style="list-style-type: none"><li>• No partner will have any right to withdraw any amount or receive any distribution from Project LP except as expressly provided for in the LP Agreement and no distribution to any Partner will be deemed a return or withdrawal of amounts contributed to the capital of the Partnership except as expressly provided in the LP Agreement, but if any court of competent jurisdiction at any time determines that notwithstanding the provisions of this Agreement a partner is obligated to pay any amount distributed to such partner to or for the account of Project LP or to any creditor of Project LP such obligation will be the obligation of the applicable partner.</li></ul>
<b>14. Right of First Offer</b>	<ul style="list-style-type: none"><li>• If the Operating General Partner wishes to transfer its Class B GP Units it must first comply with the terms of this Section 14 by delivering a Sale Notice to the holder of the Convertible Debenture or the holder of the Class B LP Units, as applicable.</li><li>• If the holder of the Convertible Debenture or the Class B LP Units wishes to transfer its Convertible Debenture or the Class B LP Units, as applicable, it must first comply with the terms of this Section 14 by delivering a Sale Notice to the Managing General Partner.</li></ul>

	<ul style="list-style-type: none"><li>• For the purposes of this Section 14, (i) a transferor of Units or the Convertible Debenture is referred to as a “<b>Transferor</b>” and the non-transferring holder of Units or the Convertible Debenture is referred to as the “<b>Non-Transferring Participant</b>”, (ii) the written notice of transfer delivered by the Transferor to the Non-Transferring Participant is referred to as a “<b>Sale Notice</b>”, and (iii) any Units or the Convertible Debenture that are offered pursuant to the terms of a Sale Notice are referred to herein as the “<b>Offered Securities</b>”.</li><li>• Each Sale Notice will (i) state that the Non-Transferring Participant is entitled to purchase the whole of the applicable Offered Securities, (ii) the price at which the Transferring Partner is prepared to sell the Offered Securities; (iii) the proposed closing date for the sale of the Offered Securities, which date must be at least 180 Business Days after the delivery of the Sale Notice; (iv) whether or not the Transferor has received an unsolicited, <i>bona fide</i> arm’s length third party offer to purchase any of the Offered Securities, in which case, details of such third party offer including the name and address of the third party, the terms and conditions of such third party offer including the purchase price that the Transferor is to obtain from such third party for the Offered Securities, and any other information that would reasonably be relevant to the Non-Transferring Participant , must be attached to the Sale Notice; and (v) any other terms and conditions of the offer.</li><li>• Each Non-Transferring Participant will have 180 Business Days after receipt of the Sale Notice within which to provide written notice to the Transferor specifying that it intends to purchase the Offered Securities. If the Offered Securities remain unaccepted or the Non-Transferring Participant declines the Sale Notice, the Transferor will have the option to transfer the Offered Units to a third party provided that (i) the transfer is completed at a price which is not less than the price and on terms and conditions which are not more favourable, from a buyer’s perspective, than those set out in the Sale Notice; and (ii) the Transfer is completed within a 90 day period following the decline of the Sale Notice or deemed non-acceptance by the Non-Transferring Participant , after which the transferring Partner must again comply with this right of first offer before transferring any of the Offered Securities to any Person.</li><li>• Each Transferor will be required to transfer a proportionate number of shares of the Special Purpose General Partner Corp. to the Non-Transferring Participant or its Affiliate equal to the proportionate number Offered Securities transferred to the Non-Transferring Participant .</li></ul>
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<b>15. Lock-Up</b>	<ul style="list-style-type: none"> <li>The Managing General Partner shall: (a) transfer its Units (other than to Permitted Transferees or another Limited Partner); or (b) solicit or initiate inquiries or proposals from, or provide non-public information to, any person with respect to, or participate in any negotiations regarding, or participate in or take any steps to bring about, any such transfer of its Units, in each case, at any time during the 10-year period following the completion of construction of the Project (the “<b>Lock-Up Period</b>”).</li> </ul>
<b>C. OTHER COMMERCIAL ITEMS</b>	
<b>Item</b>	<b>Details</b>
<b>1. Decision Support</b>	Execution of the Shareholder Agreement and LP Agreement and the Support Agreement will be subject to, among other things, authorization by Council resolution, resolutions of Intelligent Northumberland and appropriate partnership resolutions from OBN GP.
<b>2. Audit</b>	The GP and the Project LP will be audited by an independent nationally recognized accounting firm.
<b>3. Dispute Resolution</b>	The Shareholder Agreement and LP Agreement will contain dispute resolution provisions for this type of transaction that will include senior executive discussions, mediation and arbitration.
<b>4. Representations, Warranties and Indemnities</b>	The Shareholder Agreement and LP Agreement will provide representations, warranties, covenants and indemnities usual for a transaction of this type.
<b>D. CONVERTIBLE DEBENTURE</b>	
<b>Item</b>	<b>Details</b>
<b>1. Term</b>	50 years
<b>2. Renewal(s)</b>	30 years
<b>3. Principal</b>	\$1,000
<b>4. Interest</b>	Participating interest equal to 8% of distributions of net income of Project LP
<b>5. Borrower Prepayment</b>	None
<b>6. Security</b>	None
<b>7. Subordination</b>	None
<b>8. Conversion</b>	Convertible at the option of the holder at any time for Class B LP Units at \$1 per Class B LP Unit. Conversion will occur automatically upon the 50 <sup>th</sup> anniversary of the issuance of the debenture unless the holder otherwise elects a renewal.
<b>9. Other Terms</b>	Other customary terms and conditions for a debenture of this type.
<b>E. GENERAL MATTERS</b>	

<b>Item</b>	<b>Details</b>
<b>10. Interpretation</b>	In this term sheet, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words “including” or “includes” in this Letter of Intent is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.
<b>11. Governing Law</b>	This term sheet is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.
<b>12. Amendment and Waiver</b>	No amendment, discharge, modification, restatement, supplement, termination or waiver of this term sheet or any provision of this term sheet is binding unless it is in writing and executed by the Parties. No waiver of, failure to exercise or delay in exercising, any provision of this term sheet constitutes a waiver of any other provision (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
<b>13. Counterparts</b>	This term sheet may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

**[SIGNATURE PAGE FOLLOWS]**



Intelligent Northumberland Inc. and Ontario Broadband Networks GP have entered into this Term Sheet on this \_\_\_\_ day of \_\_\_\_\_, 2022.

**INTELLIGENT NORTHUMBERLAND INC.**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

**[ONTARIO BROADBAND NETWORKS GP, by its  
partners, \_\_\_\_ and \_\_\_\_]**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title: