



June 5, 2018

Massachusetts Technology Collaborative
Attention: Peter Larkin
75 North Drive
Westborough, MA 01581-3340

Town of Florida
Selectboard
c/o Christine Dobbert - Town Administrator
379 Mohawk Trail
Drury, MA 01343

Town of Hawley
Selectboard
c/o Pamela Shrimpton - Town Clerk
8 Pudding Hollow Road
Hawley, MA 01339

Town of Monroe
Selectboard
c/o Marcella Stafford-Gore – Selectboard’s Assistant & Town Clerk
3 School Street
Monroe Bridge, MA 01350

Town of Savoy
Selectboard
c/o John Tynan
720 Main Rd.
Savoy, MA 01256

Re: Updated Proposal for Florida, Hawley, Monroe, Savoy Network (FHMS Network)

Ladies and Gentlemen:

On November 13, 2017, WiValley, Inc. (“**WiValley**”) submitted a proposal (the “**Proposal**”) to the Massachusetts Broadband Institute (“**MBI**”) in response to NOFA No. 2018-MBI-01 dated Nov 10, 2017. The purpose of this letter is to outline the primary changes that will be reflected in an update to the Proposal. We expect that the Updated Proposal will include, substantially reflect, among other terms, the terms set forth in this



letter. It is understood, however, that this letter is merely an expression of the parties' current intentions with respect to the Proposal, that it is not binding on any of the parties, and that any obligation on the part of any of the parties to proceed with the Updated Proposal will be dependent upon the execution of the relevant definitive agreements.

Partnership: The primary change from the original Proposal is that WiValley will enter into a strategic collaboration with CRC Communications LLC d/b/a OTELCO, a Delaware limited liability company ("**OTELCO**") pursuant to the terms of a service agreement (the "**Service Agreement**"). This strategic collaboration leverages the strengths of each company and will provide better service to the four towns of Florida, Hawley, Monroe and Savoy (collectively, the "**Towns**"). Under the proposed terms of the Service Agreement, WiValley will construct, own and operate a network covering the Towns (the "**FHMS Network**"). OTELCO will act as the internet service provider, delivering phone, internet and other broadband services to each customer on the FHMS Network. In addition, OTELCO will provide initial financing to cover the costs of Phase I and Phase II of the FHMS Network construction.

Customer

Pricing: The Updated Proposal will include lower monthly pricing for end user customers. The collaboration between **WiValley** and **Otelco** generates economies of scale as well as operational and service efficiencies, all of which benefit end user customers.

Pricing: WiValley anticipates seeking grant funding for construction of the FHMS Network in the following amounts:

- Phase I: \$450,000
- Phase II: \$500,000
- Phase III: \$500,000
- Phase IV: \$574,100

Payment: WiValley will fully fund the construction of the FHMS Network in advance. After completion of each of phase, WiValley will be paid in arrears by MBI and/or each Town based on performance metrics. Payment by MBI and/or the Towns will be pursuant to an agreement to be negotiated between WiValley, MBI, and the Towns (the "**Master Agreement**"). WiValley must receive payment for Phase I before it begins work on Phase III.

The Master Agreement will detail the invoice amounts related to construction within each Town that will be due within 30 days of technical acceptance of each phase (as set forth in the Master Agreement) and upon successful delivery



of broadband service to at least one customer within such Town.

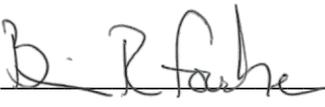
Schedule: While it is difficult to ascertain a definitive project schedule, if MBI and the Towns complete their reviews and approvals (including execution of the Master Agreement) by July of 2018, it is anticipated that the majority of the core network infrastructure (transmitter sites) could be installed and fully operational by December of 2018, as detailed below:

- Phase I, establishes the core of the FHMS Network, by August, 2018
- Phase II, targets buildout into Hawley and fiber redundancy, by October, 2018
- Phase III, completes the buildout of Savoy, by November, 2018
- Phase IV, completes the buildout of Florida and Monroe, by December, 2018

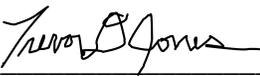
Termination: This letter will terminate on the earlier of: (i) execution of the Service Agreement and Master Agreement or (ii) agreement by the parties.

Very truly yours,

WiValley, Inc.

By:  Brian R. Foucher, President

CRC Communications LLC d/b/a OTELCO

By:  Trevor D. Jones, VP of Marketing and Sales