

**SUMMARY OF CHANGES TO PROPOSALS (10/29/2017)**

	<b>TING/TUCOWS</b>	<b>KBTL</b>
<b>Management</b>	<b>No change</b> Successful operator for 24 years (public company since 2001); plans to offer retention to all staff	<b>No change</b> Majority owner is first-time operator; plans to maintain current management
<b>Offer/Source of Funding</b>	<b>Addition to offer/same funding</b> \$28 million, plus up to \$2.5 million additional paid at closing if planned additional capital expenditures are made in FY18/Cash	<b>Change to offer/same funding</b> \$12 million, consisting of up to \$12 million cash, if City does not retain \$1.5 million interest/new LOI references potential changes in Maine Fiber financing to reduce interest rate and add performance payment, but see attached updated communication from KBTL saying, "The loan with Maine Fiber has the same terms as we presented earlier."
<b>Memorial Auditorium Move</b>	<b>Change</b> Commits to move BT facilities from Memorial within 18 months of closing	<b>No change</b> Commits to move equipment from Memorial if necessary.
<b>Potential City equity %</b>	<b>No change</b> ~20% (up to City's pro rata share of proceeds, with	<b>Change</b> City may elect to retain 12.5% ownership or accept equivalent in cash

	Tucows retaining right of first refusal on interest )	
<b>Fiber build-out of Burlington</b>	<b>No change</b> Will continue to support full buildout as planned by BT	<b>No change</b> Seeks 100% buildout in Burlington
<b>Projected capital investment over 5 years</b>	<b>Addition</b> Has agreed to fund planned BT capital expenses for maintenance & installation over next 10 years  In addition, plans to spend more than \$35 million on capital expansion over the next 10 years	<b>No change</b> Has proposed own cap ex schedule that would fund capital expenses for maintenance & installation over the next 10 years comparable to BT planned capital expenses.  No stated commitment of funds to network expansion.
<b>Ongoing community investment in City</b>	<b>Addition</b> Annual contributions of \$60,000 into BTV Ignite and \$50,000 free TV advertising for local startups and community events and \$140,000 to other community projects. Advertising will be on premium channels. In addition, free service to select local non-profits, sponsorships of local events	<b>Addition</b> Annual contribution of \$50,000 to BTV Ignite starting FY19 and support of community projects (no specific financial commitment), including targeted technical training and co-working spaces, hosting events, internship opportunities for students, and PEG access channels

	and programs, free wifi zones additional PEG access channels	
<b>Pricing commitment</b>	<b>No change</b> No price increases for core Internet & VOIP pricing for at least 30 months. Content cost increases on video passed on at cost.	<b>Change</b> No price increases for Internet or phone pricing for 3 years. Content cost increases on video passed on at cost. Current school contract is accepted. Expect to accept City contract (currently being developed),
<b>Customer service</b>	<b>No change</b> Will maintain BT's current customer service focus and add extended support hours and additional tools, such as web forums.	<b>No change</b> Will maintain BT's current customer service focus.
<b>Anti-monopoly future sales restriction</b>	<b>No change</b> Included	<b>No change</b> Future sale not contemplated as a co-op
<b>Commitment to Net Neutrality policies</b>	<b>No change</b> Included	<b>No change</b> Included

**Other terms**

<b>If City takes equity interest, City's right to sell City's interest back ("put" right)</b>	Included	Included
<b>Smart City Initiatives</b>	Included	Not specifically addressed

<b>Continuation of Lifeline program</b>	Included	Not specifically addressed
<b>200 Church BT offices</b>	Lease or purchase to be discussed	5 year option to purchase or perpetual rights of use at market rent
<b>Right to Repurchase in event of default on financing or exit from US business</b>	Still to be discussed	Still to be discussed
<b>Additional considerations in updated LOI</b>	<p>Will make BT Ting's Eastern headquarters for video services.</p> <p>Will make BT Center for Research and Development for technologies that integrate wired infrastructure with radio spectrum to achieve the next generation wireless experience of "ambient connectivity".</p>	<p>All BT subscribers become coop members automatically at no additional cost to them (City &amp; School District will receive membership interest in KBTL relative to service usage)</p> <p>\$500,000 of total financing to be used for additional working capital and will seek \$1million line of credit</p>