



# Summit Agreement Description

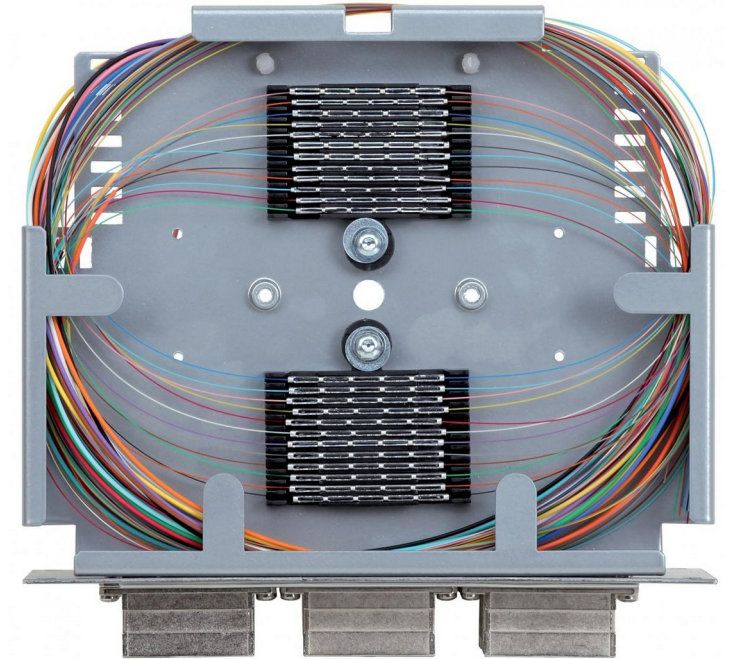
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Broadband Negotiations Team

## Key Takeaways – Fiber Access And Optical Performance

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- **Limited Fiber Count**
  - **City will provide up to \$100,000 in mitigation to augment\* some of these areas**
  - **Summit may augment alternatively**
  - **City will retain 30% or 2 fibers for its own use (non-competitive)**
  - **City estimates up to \$250,000/yr for 5 yrs for support during Summit start up**
  - **City to retain maintenance of owned assets**
- **Standard created to govern optical performance across splices (0.3 dB/km)**
  - **City or Summit may augment**
  - **Summit may use future revenue, above the minimum share, to help fund**



# Key Takeaways – Existing Dark Fiber Customers

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- **City will retain 9 dark fiber customers**
- **Summit will take any new extensions for service and all new dark fiber customers**



## Key Takeaways – Marketing, Sales and Customer Service/Retention

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- **Summit will be responsible for all new retail services**
  - **Installations, maintenance, billing and customer service**



## Key Takeaways – Revenue To The City

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- **Minimum revenue to the City is \$144,000/yr**
- **10% revenue share for internet service gross revenue**
  - **Does not include VoIP, video or other value added services**
- **Summit may use the 10% revenue share if augments due to poor optical performance across splices becomes necessary (0.3 dB/km)**
  - **Applies to revenue above the minimum guarantee**



## Key Takeaways – Term and Termination

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- **10 year initial term**
- **Automatic 10-year renewal terms unless Summit:**
  - **Fails to invest \$20 million over first 5 years**
  - **Fails to materially invest in digital divide (\$20,000/yr.)**
  - **Fails to pay City or denies audit rights**
- **Termination for failure to pay or denial of audit rights**
  - **45 day cure period + 90 day wind down period**
- **Termination for non-monetary breach**
  - **Summit may continue to utilize fiber actively used to service customers**
    - **City will retain all unused fiber**

