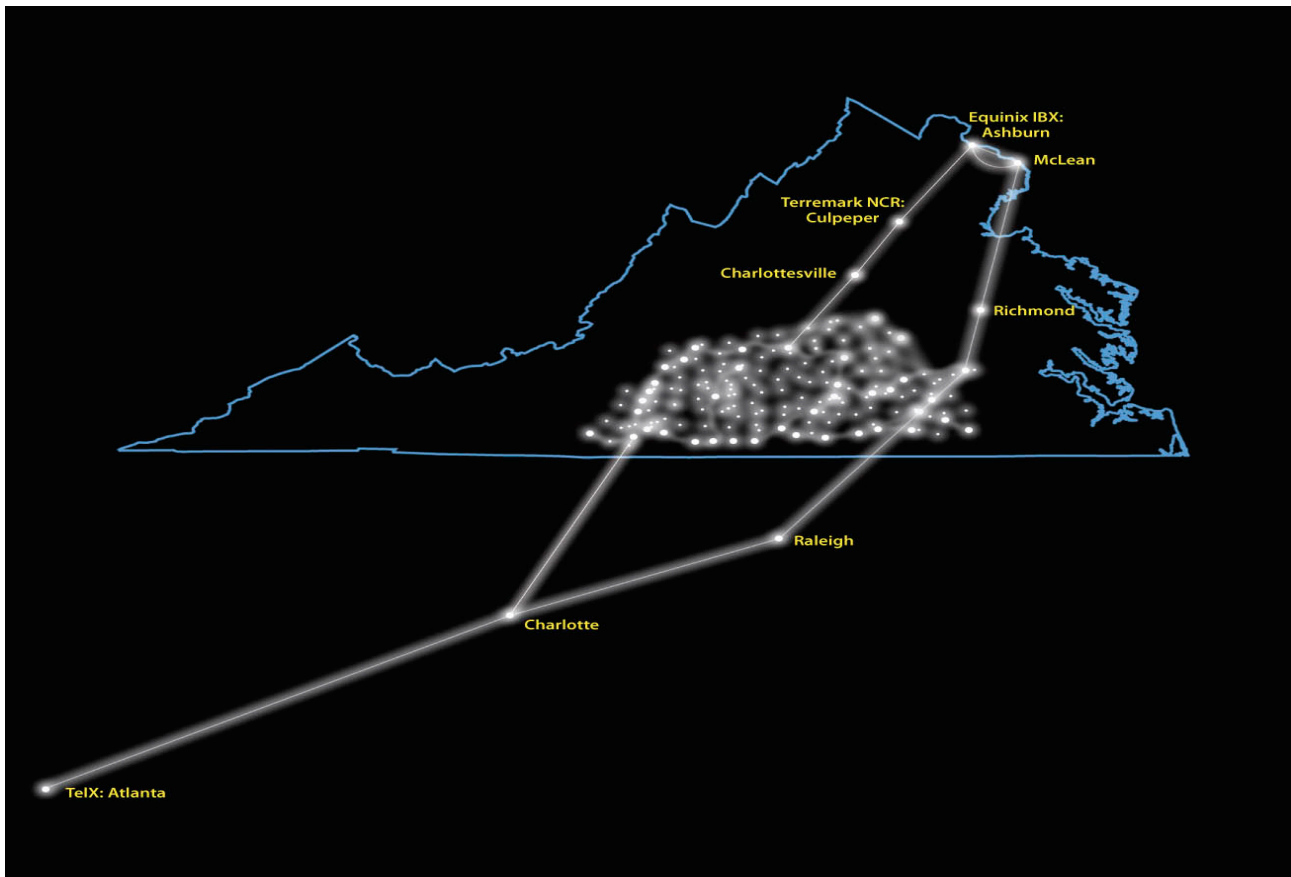


**Membership Package
Class B**

Regional Backbone Initiative



SOUTH BOSTON
MBC Headquarters
Riverstone Technology Building One
1100 Confroy Drive
South Boston, VA 24592



Thank you for your interest in joining the Mid-Atlantic Broadband Cooperative. This package includes a one-page membership application, an explanation of how membership in our cooperative works, and copy of the MBC By-Laws and Articles of Incorporation for your review.

Once your membership application is received, we will contact you to discuss physical interconnection of your network and discuss connectivity requirements.

The MBC network is rapidly provisioning optical transport services, providing secure carrier-class colocation, building extensions to our regional fiber optic backbone, and assigning strands for dark fiber leases and IRU's for our members.

With our long-haul network, we offer optical transport services in the 1Gig, 2.5G and 10G between Atlanta, Charlotte, Raleigh, Richmond, McLean, VA, Culpeper, VA and Equinix-Ashburn, VA as well as connectivity to our expansive regional network in Southside Virginia.

There are many new initiatives for the Southside region that will benefit our members, and we look forward to working with you to expand your reach for broadband services, offer new services to your customers, and lower your cost of doing business to promote innovation and reinvestment in our region.

Please visit our website at www.mbc-va.com for the latest news, updates and information on MBC and the many positive activities underway in Southside Virginia. We greatly appreciate your interest in joining MBC and look forward to helping you to grow your business.

Best Regards,

MID-ATLANTIC BROADBAND COOPERATIVE

A handwritten signature in black ink, appearing to read "Tad Deriso", is enclosed within a thin black rectangular border.

Tad Deriso
President/CEO
tad@mbc-va.com
tel: (804) 786.7692
cell: (804) 855.4057



Membership Application and Agreement Form

This form represents a request for membership in the **Mid-Atlantic Broadband Cooperative** (hereinafter referred to as "Cooperative") by the undersigned (hereinafter referred to as "Applicant"). When approved by the Cooperative's Board of Directors, this application shall represent the membership agreement with the Cooperative.

Request for Membership

Applicant's signature on this form shall constitute

- A request for membership in the Cooperative.
- An Agreement to comply with and be bound by the provisions of the Cooperative by-laws.

Cooperative Membership

As a member of MBC, you will be entitled to vote on matters of importance to the Association and to elect members to the Board of Directors.

Types of Membership

MBC is a member-owned cooperative. As a member, you are entitled to one (1) vote at the Annual Membership Meeting or a Special Membership Meeting.

Membership Fee

Applicant agrees to submit to Cooperative the required **one-time** membership fee along with the request for membership form. The following categories apply to MBC Membership

- **Class B Membership:**
 - **\$500.00**
Telecommunications Service Providers (ILEC, CLEC, MLEC, Telephone Cooperatives, ISP, IXC, Cable Operators, Wireless, Cellular, telecommunications network providers, including private and municipal providers)
- **Class C Membership:**
 - **\$1,500.00**
Governmental / Public Sector Providers (users of 12 strand public use fiber and or managed services for economic development activities). Use would include marketing assistance from MBC on benefits of the network, assistance in marketing industrial parks, attending site visits, and assistance with preparing marketing literature and web development. Members could include State, County, City, Town, Federal, & Local Agencies, VDOT, Higher Education Institutions (public and private), Commonwealth Agencies, etc.
- **Class D Membership:**
 - **\$3,000.00**
Commercial and Industrial Users (case by case basis for users who need to use the MBC network for economic development/job creation activities. Services could include collocation, server farm hosting, data center and storage, network monitoring, or dark fiber. This class of Member must be the operator of a private network and be certified by the appropriate regulatory agency.)

MBC Member Responsibilities

As a member, you should be interested, well informed, and active in MBC business. You are entitled to attend member meetings, vote for directors, and comment on legislative and other matters affecting your cooperative. You must pay your bills on time, report network interruptions or down time, and any unusual or dangerous conditions.

MBC will keep members informed through emails and the MBC Cooperative Connection member newsletter. The newsletter, published bi-monthly, is MBC's official means of member communication and is sent to each member. Archived issues are also available on the MBC website. The newsletter may contain messages from the President/CEO or Board of Directors, discussions of strategic issues, and issues of industry or community interest. We welcome your suggestions for improving the monthly newsletter.

The MBC web site, www.mbc-va.com, is a valuable source of information. If you have any questions or suggestions, please contact Teaka Cole at teaka@mbc-va.com or 434.570.1304.

Capital Credits

MBC is a cooperative and operates on a not-for-profit basis. As a member of this multi-million dollar organization, you are an owner. Telecommunication Services are provided at cost. The amount of revenue that exceeds MBC's expenses and operating costs is called a margin. The total margin for each year is allocated to members based upon the dollar value of their patronage of MBC in that period. The margin allocated to each member's account is called a capital credit. The books and records of MBC are set up in such a manner that at the end of each fiscal year, the amount of capital, if any, will be clearly reflected in the capital account of each member. As an owner it is expected that one day the capital credits will be refunded to members.

Member/owners are notified each year when capital credits are assigned. The capital is retained by MBC as working capital in order to maintain and improve the system until the Board of Directors declares a refund.

Articles 8.01 and 8.02 of the Bylaws explain the nonprofit operation system under which MBC operates. Copies of the Bylaws are included in this membership package and must be reviewed prior to applying for membership.

Membership Investment

As a cooperative, MBC requires any new member to pay a one-time membership fee. This fee covers the administrative costs associated with your membership. By becoming a member of MBC you receive the following benefits:

- Ability to purchase telecom products and services from the Cooperative at cost. This will enable members to increase market share, reach new markets affordably, increase recurring revenue, reduce recurring costs, increase reliability and redundancy, enhance service offers, and increase visibility among your customers.
- Members will be eligible for capital credit dividends each year the Cooperative produces a positive margin as determined by the MBC Board of Directors.

Member's rights and responsibilities

The Members of MBC have:

- The right to procure telecommunications services at cost by executing a service agreement.
- The right to talk to management about any problem or issue with MBC.
- The right to attend the annual meeting and vote for Directors of MBC.
- The responsibility to keep the Member's account current and help maintain the financial strength of the Cooperative. MBC, in turn, has a commitment to the Member to fulfill its obligations as a responsible business organization and to supply wholesale broadband telecommunications services and economic development services at the lowest reasonable cost and to maintain the highest quality of service.

Member's Legal Obligations

By paying the membership fee and becoming a Member of Cooperative, the Member will assume no responsibility for any debts or liabilities of Cooperative.

Cooperative Principles

Cooperative businesses like MBC are special because they are owned by the members they serve and because they are guided by a set of seven principles that reflect the best interests of those members.

More than 100 million people are members of 47,000 U.S. cooperatives, enabling consumers to secure a wide array of goods and services such as health care, insurance, housing, food, heating fuel, hardware, credit unions, child care, and utility service.

All cooperative businesses adhere to these seven guiding principles:

1. **Voluntary and Open Membership** — Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.
2. **Democratic Member Control** — Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.
3. **Members' Economic Participation** — Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.

Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. **Autonomy and Independence** — Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.
5. **Education, Training, and Information** — Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.
6. **Cooperation Among Cooperatives** — Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.
7. **Concern for Community** — While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



Mid-Atlantic Broadband Cooperative (MBC) invites you to submit this application to become a member of MBC. Please provide the information requested and return this completed form, along with your membership fee, to the following address:

Mid-Atlantic Broadband Cooperative
Membership Processing
1100 Confroy Drive
South Boston, VA 24592

Date of Application: []

APPLICANT:

Membership Class: [CLASS B]

Membership Fee: [\$500.00]

Form of Entity: []
(S-Corp, C-Corp, LLC, Partnership, Etc.)

TIN#: []

Name of Applicant: []
(Legal Name)

Mailing Address: []

City: [] State: [] Zip: []

Phone Number: [] Fax Number: []

Email Address: [] Website Address: []

Bank Reference:
Bank Name: []
Contact Name: []
Phone Number: []

Applicant's Signature: []

Print Name: [] Title: []

Approval: [] Recommended [] Not Recommended

Tad Deriso, President & CEO _____