

District of: Ontario  
Division No. 09 – Toronto  
Court No. 31-2551574  
Estate No. 31-2551574

## **CREDITOR PACKAGE**

**WISP INTERNET SERVICES INC.  
of the Township of Skugog  
in the Province of Ontario**

**Dodick Landau Inc.  
951 Wilson Avenue, Suite 15L  
Toronto, ON M3K 2A7  
416-645-0542**



Division No. 09 – Toronto  
Court No. 31-2551574  
Estate No. 31-2551574

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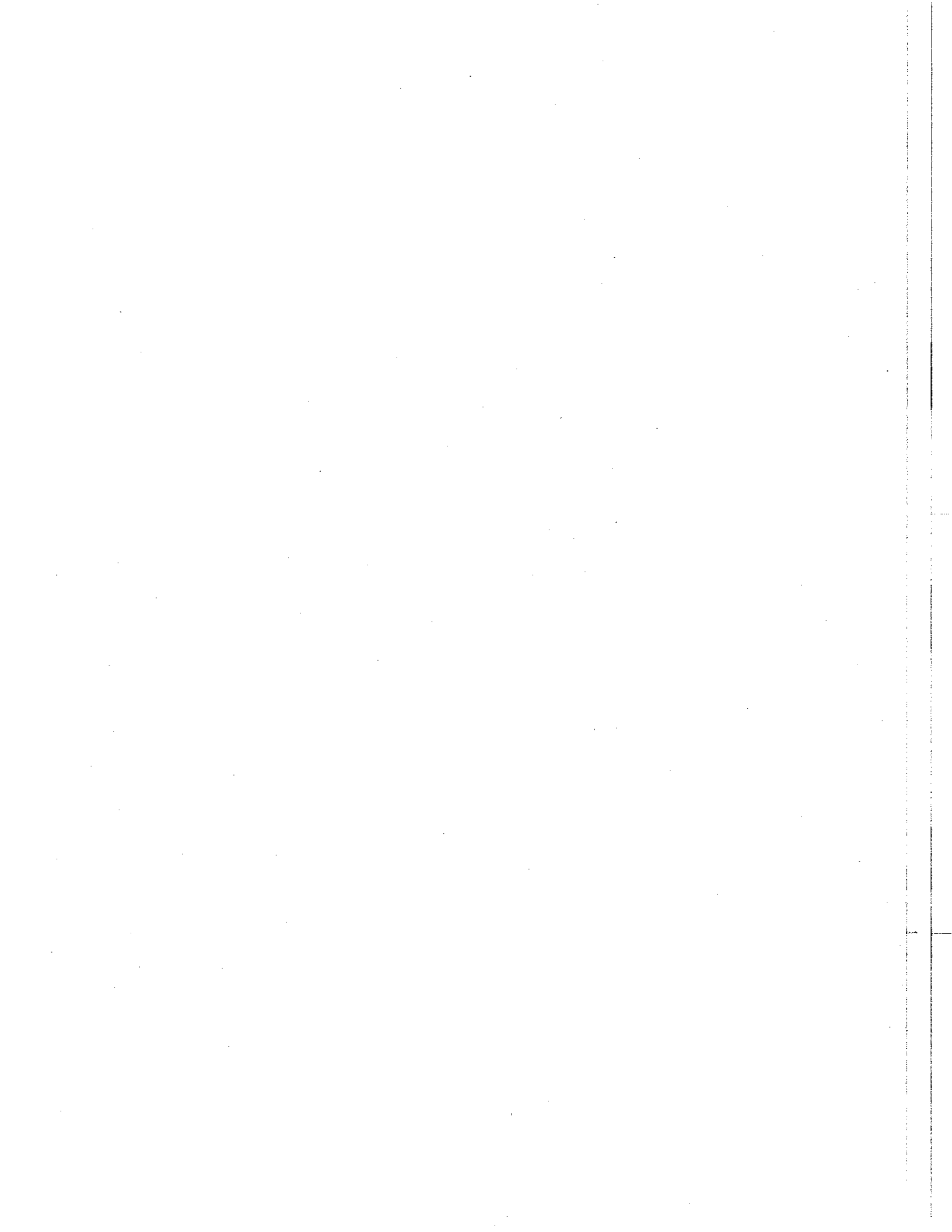
### **WISP INTERNET SERVICES INC.**

#### **Included in this package:**

- 1. Letter to Creditors**
- 2. Proposal Trustee's Report on Revised Amended Proposal**
- 3. Revised Amended Proposal (with tracked changes)**
- 4. Revised Amended Proposal (without tracked changed)**
- 5. Proxy**
- 6. Voting Letter**



# LETTER TO CREDITORS



# DODICK LANDAU

October 10, 2024

## CREDITOR PACKAGE

### To the Creditors of Wisp Internet Services Inc. (“Wisp” or the “Company”)

Dodick Landau Inc. was appointed as Proposal Trustee (the “**Proposal Trustee**”) for the Proposal of Wisp Internet Services Inc. on August 29, 2019.

The reason you are receiving this letter, and the enclosed creditor information (“**Creditor Information Package**”) is because Wisp Internet Services Inc. advised the Proposal Trustee that Wisp continues to have financial difficulties and needs to further amend its Proposal to its creditors. You are a creditor of Wisp as you filed a Proof of Claim form with our office in this Proposal proceeding.

As a result of Wisp’s continued financial difficulties, another internet service provider has made an offer to purchase 75% of Wisp shares and invest in the growth of the business, thereby relieving the financial burden on Wisp. Wisp has therefore filed a Revised Amended Proposal and is required to get the approval of the creditors of the Revised Amended Proposal prior to proceeding to close the sales agreement. We have enclosed the following documents for your review and consideration.

Enclosed in this mailing are the following:

- 1) Proposal Trustee’s Report on the Revised Amended Proposal (including Share Purchase Agreement as Appendix “C” to this report);
- 2) Revised Amended Proposal (with tracked changes so you may see the changes made to the original Proposal that was approved by the creditors);
- 3) Revised Amended Proposal (final signed version with schedules)
- 4) Proxy; and
- 5) Voting Letter.

**A Meeting of the Creditors to consider the Revised Amended Proposal will be held by Zoom videoconference on the 30<sup>th</sup> day of October, 2024 at 11:00 a.m. (Toronto time). The Zoom link is as follows and can also be found on the Proposal Trustee’s website ([https://dodick.ca/public\\_documents/wisp-internet-services-inc/](https://dodick.ca/public_documents/wisp-internet-services-inc/)):**

<https://us06web.zoom.us/j/83275263528?pwd=BvYApmkCNwsqJasv2UjEnpaskUl6Ow.1>

# DODICK LANDAU

The purpose of the Meeting of Creditors is for the Creditors to consider and vote on a resolution whether to approve the Revised Amended Proposal.

The Meeting of Creditors will be held by Zoom videoconference. In order to be eligible to attend, you must be a creditor with a proven claim filed with the Proposal Trustee. Only those that have a proven claim are receiving this letter. Corporations must have a proxy completed and only the person named in the proxy will be eligible to vote. Proxies must be received prior to the start of the meeting. Please do not resubmit your claim as we already have it on file.

All creditors are encouraged to vote in advance of the meeting by submitting their Voting Letter and Proxy, if required, to Brenda McKnight by email or by fax (brenda.[McKnight@dodick.ca](mailto:McKnight@dodick.ca) OR Fax: 1-866-874-1791).

Completed Voting Letters and, in person votes, will be tallied during an adjournment of the meeting and will report on the results at a reconvened meeting which we expect to be later on October 30, 2024.

Voting can be done on Zoom at the meeting, however, any votes at the Zoom meeting will not have anonymity as a Zoom platform does not give us that option. Should you require further assistance completing your Voting Letter and/or Proxy, or understanding the process, you may email Brenda McKnight at [brenda.mcknight@dodick.ca](mailto:brenda.mcknight@dodick.ca). We encourage you to submit a Voting Letter in advance of the Meeting if you are able.

**Please refer to the Proposal Trustee's Report on the Revised Amended Proposal. Please note that the Proposal Trustee is recommending that creditors vote in favour of the Revised Amended Proposal for the reasons set out in the report.**

To access further information pertaining to the Wisp proceedings, including an electronic copy of the Creditor Package, and link to the Meeting of Creditors to consider the Revised Amended Proposal, please visit the Trustee's website ([https://dodick.ca/public\\_documents/wisp-internet-services-inc/](https://dodick.ca/public_documents/wisp-internet-services-inc/)).

Your very truly,

**DODICK LANDAU INC.,**

Proposal Trustee of the estate of Wisp Internet Services Inc.  
and not in its personal or corporate capacity.

Per:



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Rahn Dodick, CPA, CA, CIRP, LIT  
President



**PROPOSAL TRUSTEE'S  
REPORT ON REVISED  
AMENDED PROPOSAL**



Court File No. 31-2551574  
Estate No. 31-2551574

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

IN THE MATTER OF THE PROPOSAL OF  
WISP INTERNET SERVICES INC.  
OF THE TOWNSHIP OF SKUGOG  
IN THE PROVINCE OF ONTARIO

SECOND REPORT TO CREDITORS OF PROPOSAL TRUSTEE

DATED OCTOBER 10, 2024

INTRODUCTION

1. On August 29, 2019 (the "**Filing Date**"), Wisp Internet Services Inc. ("**WISP**", the "**Company**" or the "**Debtor**") filed with the Official Receiver a Notice of Intention ("**NOI**") to make a proposal to its creditors and named Dodick Landau Inc. ("**DLI**") as Proposal Trustee (the "**Proposal Trustee**"). Attached as **Appendix "A"** is the Certificate of Filing of the NOI.
2. On September 24, 2019, in accordance with Section 50.4(9) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), the Debtor sought and obtained approval from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to extend the time for filing the Proposal, and the stay of proceedings, to and including November 12, 2019.
3. On November 12, 2019, pursuant to section 62 of the BIA, WISP filed with the Official Receiver a proposal (the "**Proposal**"). On November 29, 2019, on account of feedback received from its General Unsecured Creditors, WISP filed with the Official Receiver an amended proposal (the "**Amended Proposal**"). On December 3, 2019, during the meeting of creditors a further and final

amendment was made to the Amended Proposal ("**Revised Amended Proposal**"). The Revised Amended Proposal was filed with the Official Receiver on December 11, 2019.

4. At the meeting of the creditors on December 3, 2019, the requisite majority of creditors voted in favour of the Revised Amended Proposal.
5. On January 28, 2020, WISP sought and obtained Court approval of its Revised Amended Proposal. A copy of the Proposal Approval Order is attached as **Appendix "B"**.
6. The Revised Amended Proposal contemplated, among other things: (i) payment in full to the Canada Revenue Agency ("**CRA**") for unremitted employee source deductions within six months of the Effective Date; (ii) payment to the Company's Secured Creditors, within 12 months following the Effective Date, in addition to the funded proposal payments; (iii) payment of monthly rental or option payments ("**Tower Payments**"), in addition to the funded proposal payments; and (iv) proposal payments to Unsecured Creditors over a nine year period commencing after CRA is paid the unremitted employee source deductions.

## **BACKGROUND**

### **Proposal Payments**

7. At the time Court approval was granted; the Proposal Trustee was in receipt of proof of claim filed by CRA which totaled \$292,575 in respect of unremitted employee source deductions.
8. After submitting its proof of claim, CRA completed a trust exam and determined that it was owed approximately \$110,000 more ("**CRA Shortfall**") than the amount it initially filed in its proof of claim. On account of delays caused by the onset of the Covid-19 pandemic, an amended proof of claim that included the CRA Shortfall was not filed by CRA prior to WISP's six-month payment deadline. Given the quantum of the CRA Shortfall, the Proposal Trustee advised CRA that WISP would

need additional time to make the payment. CRA ultimately agreed to a payment plan for the CRA Shortfall over an 18-month period, however, CRA was unwilling to waive any interest or penalties. By March 2021, WISP paid off its priority obligation to CRA in full, including the CRA Shortfall for a total payment of \$402,099.

9. Thereafter, from May 2021 through to August 2024, WISP paid a further \$517,600 to the Proposal Trustee which was used to pay the implementation, administration and monitoring costs associated with the Revised Amended Proposal and the multiple Proposal defaults that had occurred throughout this period.
10. Concurrent with payment of its proposal payments, WISP has also made all required Tower Payments as scheduled.

#### **Storm Event**

11. In May, 2022, a significant wind storm occurred in Ontario ("**Storm Event**") causing extensive damage in the Scugog and Durham areas as well as other areas to the east. WISP had a total of 17 towers damaged in the Scugog and Durham areas. The Storm Event resulted in approximately 800 WISP clients being offline for at least two weeks to as long as 12 weeks due to the need to rebuild a number of damaged towers.
12. Given the protracted period during which WISP was unable to offer its customers service, many of its subscribers moved over to the Company's competitors. These competitors were also impacted by the Storm Event; however, they were able to get back online much quicker than WISP.
13. Prior to the Storm Event, WISP had approximately 2,000 subscribers, and by the end of January 2023 WISP had lost approximately 35% of its subscriber base as only 1,300 subscribers remained.
14. Pursuant to paragraph 33 of the Revised Amended Proposal, the Inspectors can authorize an extension of the time and/or the amount of payments due from the

Debtor. In January 2023, the Trustee, on behalf of WISP, sought and obtained Inspector approval ("**Inspector Resolution**") to defer a portion of the proposal payments that would be due in Q1 through Q3 of 2023 to be paid over 2024 and 2025. The total funded Proposal amount remained unchanged. The deferral was intended to give WISP more opportunity to recover some of its lost subscribers.

15. Since the Storm Event, despite many different marketing efforts undertaken by the Company, WISP has been unable to recapture the lost subscribers. Moreover, the subscriber base has continued to decline since January 2023 by a further 450 subscribers as new competition entered certain WISP territories with aggressive pricing, successfully enticing subscribers to switch to their service.
16. Given the dramatic decrease in the number of subscribers experienced by WISP on account of the Storm Event followed by a further attrition due to increased competition, WISP currently has approximately 850 remaining subscribers.
17. At this significantly reduced subscriber base WISP has been unable to continue to make proposal payments since February 2024, even at the deferred dates approved by the Inspector Resolution, and the Company has been in default of the terms of the Revised Amended Proposal since February 2024. Furthermore, WISP is insolvent as it is unable to continue to pay all of its day-to-day operating costs as they are coming due and has relied on certain deferrals provided by its supplier, as described further below.

### **Share Purchase Agreement**

18. In early 2023, WISP was approached by its primary supplier Northern Rural Network ("**NRN**") about entering into a share purchase transaction. Beginning in 2022, NRN has provided WISP with all its customer facing services including, rigging and installation services, billing and customer support services and its fiber source.
19. Negotiations with respect to a transaction between the companies took place over many months, resulting in a letter of intent provided by NRN in early 2024 and

ultimately the Share Purchase Agreement ("**SPA**") described in further detail below. The Proposal Trustee did not take part in these negotiations. The SPA is between 8064555 Canada Corp. (the "**Purchaser**"), a company related to NRN, and WISP, and is attached as **Appendix "C"**.

20. While negotiations with NRN were ongoing, to ensure WISP would have sufficient cash to fund its payroll and tower rent obligations, NRN agreed to defer payment of its monthly fees of approximately \$40,000 ("**NRN Deferral**"). According to WISP, should the SPA not close, the NRN Deferral would become payable.
21. The Key terms of the proposed Share Purchase Agreement are as follows:
  - i. Change of Control: The SPA contemplates that on closing the Purchaser will purchase 75% of all issued and outstanding shares of WISP ("**Purchased Shares**") and as such would have a controlling interest in WISP.
  - ii. Purchase Price: \$560,000.
  - iii. Payment of Purchase Price: The Purchaser shall pay the Purchase price by way of (a) forgiveness of the NRN Deferral of \$336,000 for services up to the end of October 2024, and (b) a wire transfer for the balance on closing.
  - iv. Conditions: The SPA's only substantive conditions are as follows:
    - (a) WISP shall have submitted and obtained approval from its creditors of the Second Revised Amended Proposal (defined below) including to amend Schedules "A" and "C" of the Revised Amended Proposal such that the Tower Agreements shall be replaced with a new rate schedule, consistent with NRN's own tower agreements, as follows:

Number of Active Customers	Monthly Rental Rate
Towers waiting to be built	\$100.00/month, but which may be terminated on 90 days' notice
10 or less active clients	Either \$100.00/month or property owner to receive free internet, if offered by Purchaser in his/her area
11 - 15 active clients	\$100.00/month plus free internet for property owner if offered by Purchaser in his/her area
16 - 25 active clients	\$200.00/month plus free internet for property owner if offered by Purchaser in his/her area
26 - 35 active clients	\$300.00/month plus free internet for property owner if offered by Purchaser in his/her area
36 - 45 active clients	\$400.00/month plus free internet for property owner if offered by Purchaser in his/her area
46 or more active clients	\$500.00/month plus free internet for property owner if offered by Purchaser in his/her area

- (b) the issuance of an approval and vesting order approving the SPA and the transaction contemplated therein and conveying and vesting to the Purchaser the Purchased Shares free and clear of all encumbrances other than the permitted encumbrances set out in Schedule 2.2(c) thereof (the "Approval and Vesting Order"); and
- c) the Purchaser shall have entered into a consulting or an employment agreement with Chris Doyle which shall contain confidentiality, non-compete and non-solicitation provisions.



## Second Revised Amended Proposal

22. As noted above WISP is currently in default of its obligations under its Revised Amended Proposal and is unable to complete its proposal without the amendments set out in the Second Revised Amended Proposal dated October 9, 2024 ("**Second Revised Amended Proposal**").
23. The key revised terms of the proposed Second Revised Amended Proposal are as follows:
- i. Second Share Pool: includes the provision of a second pool of shares of WISP to be made available to General Unsecured Creditors up to a maximum of 10% of the Debtor's total issued shares and are in addition to the shares made available through the original Share Pool contemplated in the Revised Amended Proposal.
  - ii. Funded Proposal Payments: The total amount of the Funded Proposal Payments will be reduced to a one-time payment being the Purchase Price of \$560,000, less the NRN Forgiveness, resulting in net cash proceeds of \$224,000 ("**Cash Consideration**") and will be in addition to the new schedule of tower payments.
  - iii. General Unsecured Creditors: shall receive in full and complete satisfaction of all debts and liabilities of the Debtor (i) their pro rata share of the Cash Consideration, less the Administrative Fees; and (ii) an option to acquire their pro rata share of the Second Share Pool. It is expected that after payment of the Administrative Fees there will be only a nominal amount of Cash Consideration remaining.
24. At a meeting of the Inspectors of WISP that took place on September 9, 2024, the five Inspectors unanimously approved presenting the Second Revised Amended Proposal to the unsecured creditors of WISP for a vote at a second meeting of the Creditors.

## OVERVIEW OF WISP'S WEEKLY CASH FLOW FORECAST

25. WISP, with the assistance of the Proposal Trustee, prepared a consolidated cash flow forecast for the period from September 21, 2024, to December 21, 2024, ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "D"** to this Report. The Cash Flow Forecast has been prepared by Management in support of its insolvency proceedings, using probable and hypothetical assumptions set out in notes 1 to 8 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the 13 - week forecast period in Canadian dollars.
26. The Cash Flow Forecast projects that WISP will have sufficient liquidity to fund its operations throughout the period on account of the savings provided by the NRN Deferral. Should WISP have to fund the monthly cost of approximately \$40,000 to NRN it would have insufficient funds to make this payment and NRN's services would cease, rendering WISP offline. Furthermore, as described in this report, WISP is also unable to continue to make the Proposal payments required to be paid under the Revised Amended Proposal.
27. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by Management. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of WISP for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
28. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to believe that, in all material respects:
  - i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;

- ii. as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of WISP or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
  - iii. the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
29. As described in the Disclaimer above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the Cash Flow Forecast will be achieved. In addition, the Proposal Trustee expresses no opinion or other form of assurance with respect to the accuracy of financial information presented in the Cash Flow Forecast.
30. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

## LIQUIDATION ANALYSIS

### *Liquidation Analysis*

31. In the event of bankruptcy, the Company's assets would be liquidated. WISP has the following assets:
- i. Fixed Assets: The Proposal Trustee has obtained an appraisal of the Company's fixed assets ("**Appraisal**"). WISP's primary fixed asset is the equipment that is affixed to the Company's towers ("**Tower Equipment**"). The Tower Equipment would first need to be removed from the towers for it to be sold and it would also be subject to certain wear and tear given its age and use. The Appraisal concluded that there is no net realizable value in the Tower Equipment as the cost of retrieving the equipment from the towers is greater than the expected proceeds to be realized from a sale.

- ii. Subscriber List: WISP's primary asset is its customer base, which as noted above, is presently at approximately 850 subscribers. Should the General Unsecured Creditors vote against the Second Revised Amended Proposal and the related SPA the Company would be deemed bankrupt. As per the Cash Flow Forecast, the bankrupt estate would not have sufficient funds to: (i) pay the NRN deferral or (ii) cover the ongoing monthly cost. Absent payment it is expected that NRN will cease to provide the Company with internet which will render all subscribers offline. Should WISP's internet be offline for a protracted period it is likely that many of the subscribers will find an alternative provider of internet before a new transaction could be completed by the bankruptcy trustee. Without a meaningful subscriber base left to sell it is possible WISP would have only a nominal realizable value in bankruptcy, if any value at all.

## **CREDITOR'S MEETINGS/VOTING PROCEDURE**

### *Creditor's Meetings/Voting Procedure*

32. The primary purpose of this second meeting of Creditor (the "**Second Meeting**") is to permit Creditors to consider the acceptance or rejection of the Second Revised Amended Proposal. For the Second Revised Amended Proposal to be accepted, at least two-thirds (66.67%) of the creditors by dollar value, and more than 50% of the creditors by number, must vote in favour of the Second Revised Amended Proposal at the Second Meeting either in person, by proxy or by mailing a voting letter to the Proposal Trustee in advance of the Second Meeting. Only Creditors who vote are counted for the purpose of determining whether the necessary thresholds have been reached. Creditors related to WISP may not vote at the Second Meeting in favour of the Proposal.
33. **To be eligible to vote on the Second Revised Amended Proposal, Creditors must have already filed with the Proposal Trustee an unsecured proof of claim form. If you have previously submitted a proof of claim there is NO need to resubmit a proof of claim, only a voting letter.**

34. **Those Creditors who do not intend to have a personal representative at the Second Meeting, to be held on October 30, 2024, may complete and submit the voting letter, which is enclosed in the creditor package, prior to the Second Meeting indicating their vote for or against the acceptance of the Second Revised Amended Proposal. The Proposal Trustee has also enclosed a form of proxy should a Creditor wish to appoint a proxy to represent them at the Second Meeting. If the Second Revised Amended Proposal is not accepted by the required majorities of Unsecured Creditors, the Company will be deemed bankrupt.**
35. If the Second Revised Amended Proposal is accepted by the required statutory majorities referenced above, the Proposal Trustee will then make an application to the Court for approval of the Second Revised Amended Proposal. If the Court provides such approval, the Second Revised Amended Proposal will be binding on all Creditors and such Creditors, and their respective heirs, executors, administrators, successors, and assigns, shall have no further Claim against the Company other than for the distributions provided in the Second Revised Amended Proposal. Following an approval by the Court of the Second Revised Amended Proposal, WISP and the Purchaser will proceed to close the Share Purchase Agreement and complete the transaction by no later than November 2024.

#### **ALTERNATIVES TO THE PROPOSAL**

36. At the Second Meeting, the General Unsecured Creditors are being asked by the Proposal Trustee to choose between two alternatives, namely accepting the Second Revised Amended Proposal, or rejecting the Second Revised Amended Proposal, which would result in the ultimate bankruptcy of WISP as it is unable to perform the Amended Proposal and is in default of its obligations thereunder.
37. For the reasons described above, the Proposal Trustee is of the view that the Proposal Scenario will produce a more favourable result for the General Unsecured Creditors of WISP than would a liquidation in a bankruptcy.

## SUMMARY COMMENTS/RECOMMENDATION

38. Should the General Unsecured Creditors accept the Second Revised Amended Proposal then: (i) internet will continue to be provided to WISP's subscriber base; (ii) tower payments will continue and would increase if the number of active customers on the tower increase such that new payment thresholds are reached; (iii) creditors would have the option to acquire their pro rata share of the Second Share Pool; and (iv) creditors would be eligible to receive a nominal distribution from the remaining Cash Consideration.
39. For the reasons set out in this Report it is the Proposal Trustee's opinion that:
- i. the Second Revised Amended Proposal will allow for a greater recovery to the General Unsecured Creditors of the Company than they would receive in a liquidation of the Company's assets in a bankruptcy proceeding; and
  - ii. acceptance of the Second Revised Amended Proposal is in the best interest of the General Unsecured Creditors given the significant loss of subscribers. If the Second Revised Amended Proposal is rejected by the Unsecured Creditors, the Company will ultimately become bankrupt as it does not have funding to continue operating and it is unable to perform its obligations under the Amended Proposal. While it is uncertain what the actual realizable values of the assets will ultimately be in a bankruptcy, it is anticipated to be less than what is contemplated in the Second Revised Amended Proposal. Accordingly, the Proposal Trustee recommends that the General Unsecured Creditors vote in favour of the Second Revised Amended Proposal.

Yours very truly,

**DODICK LANDAU INC.**

Proposal Trustee *re* the Proposal of WISP Internet Services Inc.  
and not in its personal or corporate capacity.

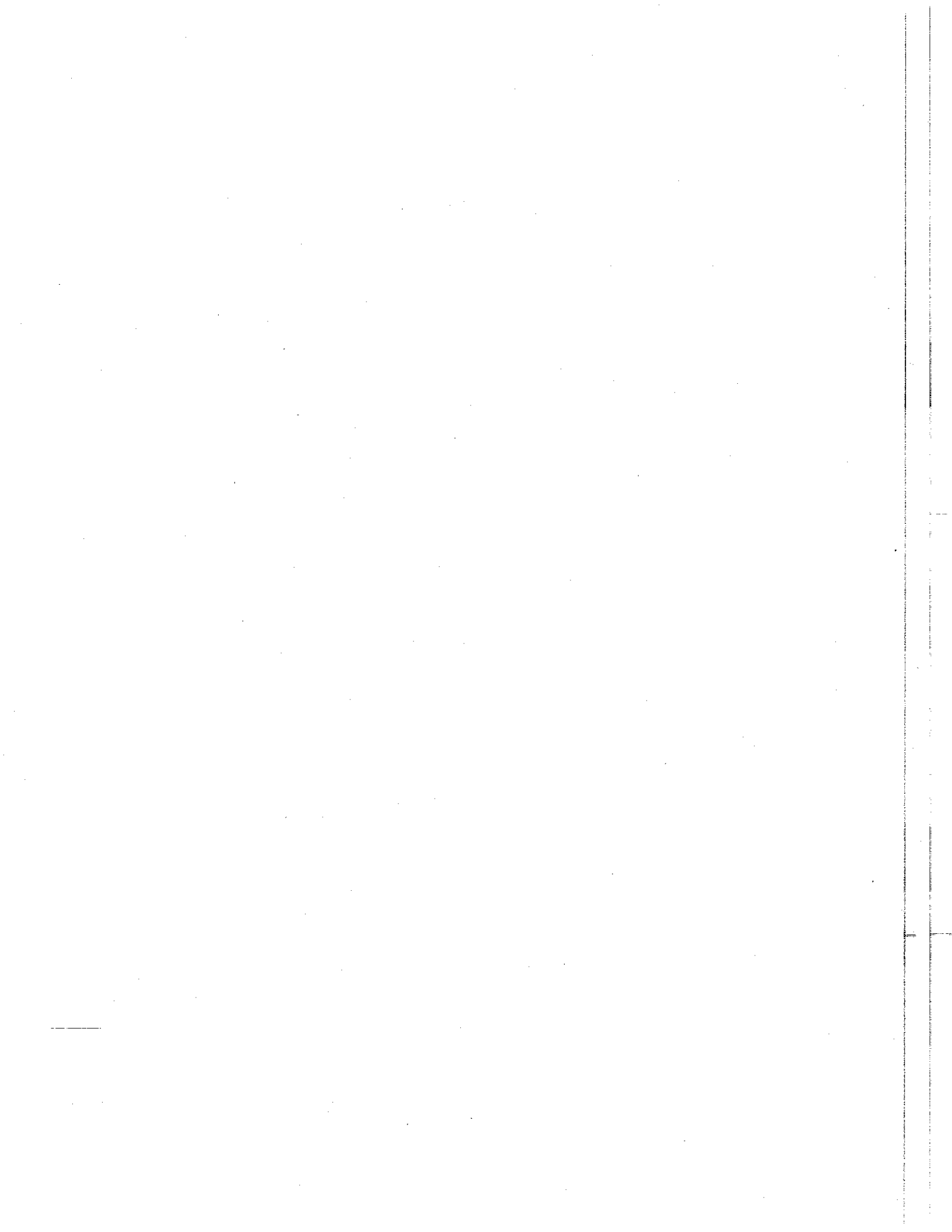
Per:



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Rahn Dodick, CPA, CA, CIRP, LIT

# APPENDIX "A"







Industry Canada

Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Toronto  
Court No. 31-2551574  
Estate No. 31-2551574

In the Matter of the Notice of Intention to make a  
proposal of:

**Wisp Internet Services Inc.**  
Insolvent Person

**DODICK LANDAU INC.**  
Licensed Insolvency Trustee

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Date of the Notice of Intention: August 29, 2019

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 29, 2019, 14:31

E-File/Dépôt Electronique

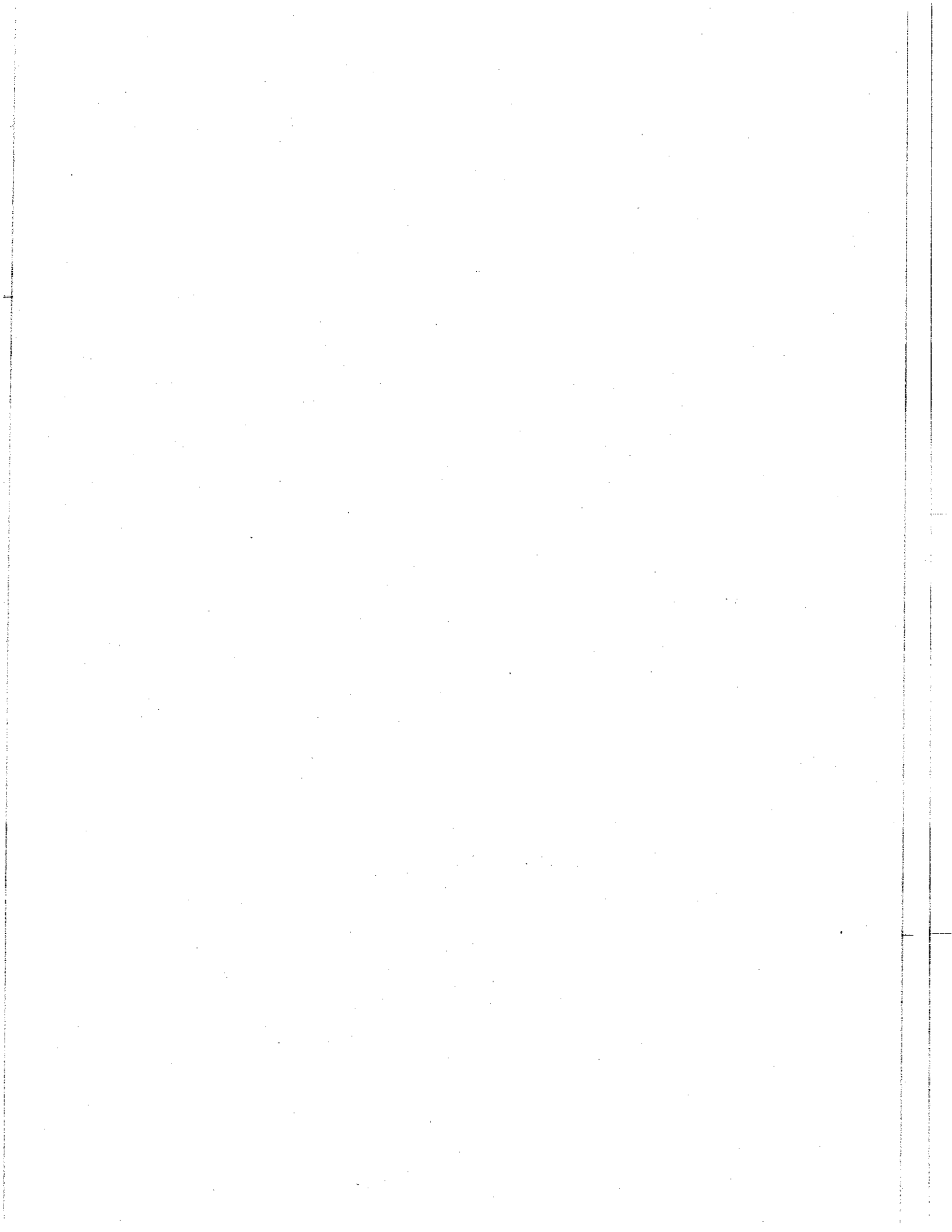
Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada



# APPENDIX "B"



Court File No.: 31-2551574  
Estate File No.: 31-2551574

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
**(IN BANKRUPTCY AND INSOLVENCY)**

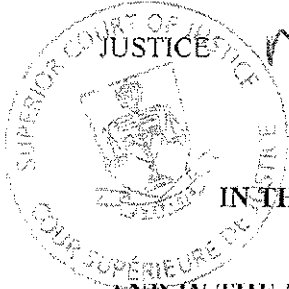
THE HONOURABLE

) TUESDAY, THE 28<sup>th</sup>

) JUSTICE

) DAY OF JANUARY, 2020

*McGowan*



**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,**  
**R.S.C. 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE PROPOSAL OF WISP INTERNET SERVICES INC.,**  
**OF THE TOWNSHIP OF SCUGOG, IN THE PROVINCE OF ONTARIO**

**ORDER**  
**(Re Approval of Proposal)**

**THIS MOTION**, made by Dodick Landau Inc. in its capacity as proposal trustee ("Proposal Trustee"), for approval of the proposal of WISP Internet Services Inc. ("WISP") made pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA") was heard this day at 330 University Avenue, Toronto, Ontario.

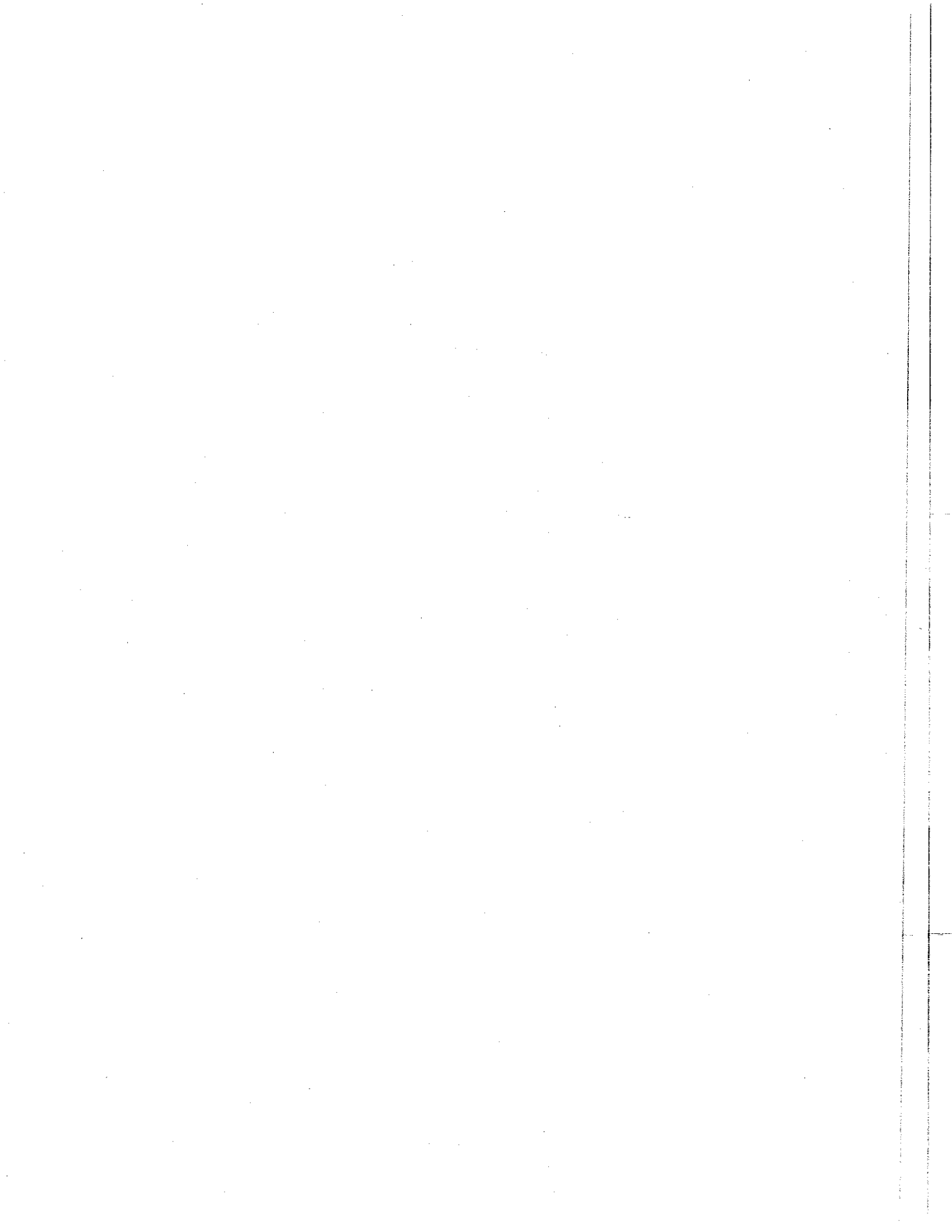
**ON READING** the Notice of Motion, the First Report of the Proposal Trustee dated September 24, 2019 (the "**First Report**"), the Report on Proposal of the Proposal Trustee dated November 18, 2019 (the "**Report on Proposal**"), and the Second Report of the Proposal Trustee dated January 17, 2020 (the "**Second Report**") and the appendices thereto, and on hearing the submissions of counsel for the Proposal Trustee, counsel for WISP and counsel for those other

parties in attendance, no one appearing for any other person on the Service List although properly served as appears from the Affidavit of Service of Christel Paul, sworn January 20, 2020 and filed:

1. **THIS COURT ORDERS** that the time for service of the Motion Record and the Notice of Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the proposal attached hereto as Schedule "A" to this Order, be and is hereby approved.
3. **THIS COURT ORDERS AND DECLARES** that WISP and the Proposal Trustee are authorized to take all steps and actions necessary or appropriate to implement the proposal in accordance with its terms.
4. **THIS COURT ORDERS** that the First Report, the Report on Proposal and the Second Report, and the conduct and activities of the Proposal Trustee as described therein, be and are hereby approved.

  
\_\_\_\_\_

# APPENDIX "C"





## SHARE PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is dated the 4rd day of October, 2024.

### BETWEEN:

**8064555 CANADA CORP.**, a corporation incorporated under the laws of  
Canada

(the "**Purchaser**")

- and -

**WISP INTERNET SERVICES INC.**, a corporation incorporated under  
the laws of Ontario

(the "**Corporation**")

together known as the "**Parties**"

### CONTEXT:

- A. The Corporation carries on the business of providing wireless internet services to customers in rural areas in Ontario (the "**Business**").
- B. The Corporation has made a proposal pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, which has been accepted by its creditors and approved by the Ontario Superior Court of Justice (the "**Court**");
- C. The Corporation wants to sell to the Purchaser and the Purchaser wants to purchase from the Corporation 75% of the common shares in the capital of the Corporation (the "**Purchased Shares**"); and
- D. Upon completion of the purchase and sale of the Purchased Shares, the Purchaser will own 75% of all issued and outstanding shares in the capital of the Corporation.

**THEREFORE**, the parties agree as follows:

### ARTICLE 1 PURCHASE AND SALE

#### 1.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, on the Closing Date (as defined in Article 2 below), the Corporation will sell, and the Purchaser will purchase the Purchased Shares based on the terms and conditions set out herein (the "Transaction").

### **1.2 Amount and Allocation of Purchase Price**

The purchase price payable by the Purchaser to the Corporation for the Purchased Shares shall be \$560,000 (the "Purchase Price").

### **1.3 Payment of Purchase Price**

The Purchaser shall pay the Purchase Price to the Corporation by way of (a) forgiveness of amounts owing by the Corporation to the Purchaser in the amount of \$336,000, prior to Closing (as defined below), and (b) a wire transfer to the Purchaser or as it may direct on the Closing Date.

## **ARTICLE 2 CLOSING ARRANGEMENTS**

### **2.1 Closing Arrangements**

The completion of the Transaction (the "Closing") will occur within 15 business days after the conditions set out in Section 2.2 hereof have been fulfilled or any other date to which the Purchaser and the Corporation may otherwise agree in writing (the "Closing Date").

### **2.2 Conditions Precedent to Closing**

- (a) The purchase and sale of the Purchased Shares are subject to the following terms and conditions for the exclusive benefit of the Corporation which shall be fulfilled and/or performed by the Purchaser at or prior to the Closing Date:
- (i) the representations and warranties of Purchaser in Section 3.2 hereof shall be true and correct on and as of the Closing Date with the same effect as though made at and as of such date;
  - (ii) the Purchaser shall have performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date;
  - (iii) the Purchaser shall have received the necessary consents, permits, approvals, authorizations, registrations and waivers necessary or appropriate for consummation of the Transaction; and

(iv) the Purchaser shall have signed an acknowledgement agreeing to become a party and be bound by the terms and conditions of the Unanimous Shareholders' Agreement dated February 18, 2022 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "USA") attached as Schedule 2.2(a) hereof.

(b) The purchase and sale of the Purchase Shares are subject to the following terms and conditions for the exclusive benefit of the Purchaser which shall be fulfilled and/or performed by the Corporation at or prior to the Closing Date:

- (i) the representations and warranties of Corporation in Section 3.1 hereof shall be true and correct on and as of the Closing Date with the same effect as though made at and as of such date;
- (ii) the Corporation shall have performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date;
- (iii) the Corporation shall have provided notices where required to notify third parties of the change of control of the Corporation after the Closing Date and the Corporation shall have obtained any and all consents, permits, approvals, authorizations, registrations and waivers necessary or appropriate for consummation of the Transaction, including without limitation, waiver of pre-emptive rights from its shareholders permitting the Corporation to sell the Purchased Shares to the Purchaser;
- (iv) the Purchaser shall have received such other customary instruments of transfer, assumptions, filings or documents, in form and substance reasonably satisfactory to Purchaser, as may be required to give effect to this Agreement;
- (v) the Corporation shall have entered into a consulting or an employment agreement with Chris Doyle which shall contain confidentiality, non-compete and non-solicitation provisions whereby he agrees to not directly or indirectly, alone or with others, in any capacity engage or provide any internet or other telecommunications or broadcasting services which is carried on in the provinces of Ontario, Alberta and Saskatchewan that is competitive with the Business for a period of 24 months after his employment with the Corporation is terminated for any reason;
- (vi) the Corporation shall have submitted and obtained approval from its creditors and from the Court of a second revised amended proposal to amend Schedules "A" and Schedule "C" of the Revised Amended Proposal dated December 3, 2019 (as amended, restated, revised, supplemented or otherwise modified from time to time, the "2019 Proposal") such that Tower Agreements shall be replaced with the form attached as Schedule 2.2(b) with rates according to the following:

Number of Active Customers	Monthly Rental Rate
Towers waiting to be built	\$100.00/month, but which may be terminated on 90 days' notice
10 or less active clients	Either \$100.00/month or free internet, if available
11 - 15 active clients	\$100.00/month plus free internet for property owner
16 - 25 active clients	\$200.00/month plus free internet for property owner
26 - 35 active clients	\$300.00/month plus free internet for property owner
36 - 45 active clients	\$400.00/month plus free internet for property owner
46 or more active clients	\$500.00/month plus free internet for property owner

- (vii) in this agreement, “**Towers**” means all communications towers, shed and all associated panels and equipment owned or leased by the Corporation to operate the Business and/or to provide internet services to customers; and “**Tower Agreements**” means the agreements between the Corporation and the relevant property owners governing the ownership and use of the Towers, as each is amended, restated, supplemented or otherwise modified from time to time; and
- (viii) there shall be no claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Shares, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that its completion is improper. In this Agreement, “**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy,

regulatory or taxing authority or power, and “**Governmental Authority**” means any one of them.

(c) The purchase and sale of the Purchase Shares are subject to the following terms and conditions for the benefit of both the Corporation and the Purchaser which shall be fulfilled and/or performed by the Corporation at or prior to the Closing Date:

- (i) the Court shall have issued to the Corporation an approval and vesting order approving this Agreement and the transactions contemplated by this Agreement and conveying and vesting to the Purchaser the Purchased Shares free and clear of all encumbrances other than the permitted encumbrances set out in Schedule 2.2(c) hereof (the “**Approval and Vesting Order**”);
- (ii) the Approval and Vesting Order shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively. The Corporation and the Purchaser acknowledge and agree that this Agreement is subject to Court approval, and the Closing of the transactions contemplated herein is subject to the issuance of the Approval and Vesting Order.

### **2.3 Closing Documentation**

(a) At Closing, each of the Corporation and the Purchaser shall deliver to the other:

- (i) such documentation to evidence the execution and delivery of this Agreement and the completion of the Transactions have been duly authorized by all necessary corporate action on the part of each of them,
- (ii) a certificate, executed by its officer(s) to the effect that the representations and warranties it has provided in this agreement remain true as if made on and as of the Closing Date and the conditions precedents and covenants have been performed by it; and
- (iii) those documents required under Section 2.2 above.

(b) In addition to the documents to be delivered under section 2.3(a) above, the Corporation shall deliver to the Purchaser:

- (i) original share certificate(s) representing the Purchased Shares and evidence that the issuance to the Purchaser of the Purchased Shares has been properly recorded in the books and records of the Corporation;
- (ii) appointment of nominees of the Purchaser as directors and/or officers of the Corporation;
- (iii) a certificate, executed by the Corporation’s officer(s) to the effect that the Corporation has not been served with any notice of appeal with respect to the

Approval and Vesting Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Approval and Vesting Order or to enjoin, restrict or prohibit the transactions contemplated by this Agreement; and

- (iv) such proof as the Purchaser's or its counsel may reasonably require as evidence that all of the Corporation's warranties and representations are true and correct as of the Closing Date, including without limitation, clearance certificates or comfort letters from government authorities confirming that the Company has filed and paid all applicable Taxes when due.

In this Agreement, "Taxes" means all taxes, assessments, charges, duties, rates, fees, imposts, levies and similar charges of any kind imposed by any Governmental Authority, including interest and penalties associated therewith, whether disputed or not, including Canadian federal, provincial, municipal and local, foreign or other income, franchise, capital, real property, personal property, withholding, payroll, work place safety, employer health, transfer, goods and services, commodity, sales, use, consumption, excise, customs, duties, antidumping, countervail, value added taxes, Canada pension plan contributions and employment insurance premiums.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

#### **3.1 Representations and Warranties of the Corporation**

The Corporation represents and warrants to the Purchaser as follows, and acknowledges that the Purchaser is relying upon these representations and warranties in connection with the purchase of the Purchased Shares, despite any investigation made by or on behalf of the Purchaser, and that this reliance is a right that has been bargained for, and forms part of the consideration in the transactions contemplated by this Agreement:

- 3.1.1 the Corporation is duly incorporated and organized under the laws of Ontario and is in good standing in each jurisdiction where, by reason of its business or assets, it is required to be qualified or licensed, and it has all powers, licences, franchises and permits required to own its assets and carry on its Business as presently carried on;
- 3.1.2 the Corporation has necessary power, authority and capacity to enter into and perform its obligations under this Agreement;
- 3.1.3 the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Corporation. This Agreement has been duly executed and delivered by the Corporation and constitutes a valid and binding obligation of

the Corporation, enforceable against the Corporation in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults;

3.1.4 the execution, delivery and performance of this Agreement and the Transaction documents by the Corporation and the consummation of the Transactions hereby and thereby will not result in the breach or violation of any of the provisions of, or constitute a default (or an event that, with the giving of notice, the lapse of time or the happening of any further event or condition, would become a default) under, or conflict with or cause the acceleration of any obligation of the Corporation under:

- i. any provision of its articles or by-laws;
- ii. any judgment, order, writ, injunction or decree of any court or any Governmental Authority which is applicable to the Corporation or to any of its properties or assets;
- iii. any resolutions of the shareholders or directors of the Corporation;<sup>1</sup>
- iv. the 2019 Proposal;
- v. the USA; or
- vi. any agreement, indenture, mortgage, lease, instrument to which the Corporation is a party;

3.1.5 attached to Schedule 3.1.5 are a true and complete copies of the articles and by-laws of the Corporation;

3.1.6 the authorized capital of the Corporation consists of an unlimited number of the following classes of shares, namely:

Common shares;

Class "A", non-voting, participating shares;

Class "B", non-voting, participating shares;

of which, 100 common, 0 Class "A" and 0 Class "B" shares have been duly issued, are outstanding as fully paid shares, and are legally and beneficially owned by the shareholders listed in Schedule 3.1.6 attached hereto;

- 3.1.7 other than as set out in the 2019 Proposal, there are no agreements, options, virtual shares, warrants, rights of conversion or other rights pursuant to which the Corporation is or may become obligated to issue any shares or any securities convertible into any class of shares of the Corporation;
- 3.1.8 on the Closing Date, the Purchased Shares will be duly authorized, validly issued as fully paid and non-assessable shares in the capital stock of the Corporation and have not been issued in violation of any pre-emptive rights, rights of first refusal, rights of first offer or similar rights of any person. The Purchased Shares will be issued in compliance with all applicable corporate and securities laws;
- 3.1.9 the Corporation is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada);
- 3.1.10 on the Closing Date, all agreements or restrictions which limit or restrict the transfer of the Purchased Shares to the Purchaser will have been complied with and the Corporation will have good and marketable title to the Purchased Shares with the full legal right, power and authority to sell and transfer them to the Purchaser free and clear of all liens, charges, encumbrances and adverse claims;
- 3.1.11 the accountant prepared financial statements of the Corporation for the year ended December 31, 2022 ("FYE 2022") are true and correct and fairly present the financial position of the Corporation and the results of its operations at the times and for the periods indicated and the Corporation has no outstanding liabilities, contingent or otherwise, other than those disclosed in Schedule 3.1.11 attached hereto, and trade or business obligations subsequently incurred in the ordinary course of business, and the provisions for Taxes in the Closing Statements will be adequate to cover all Taxes, including interest and penalties, payable in respect of the operations and other transactions of the Corporation for all periods up to the Closing Date;
- 3.1.12 the compiled balance sheet and compiled statement of income of the Corporation for the FYE 2022 to the Closing Date are true and correct, and fairly present the financial position of the Corporation and the results of its operations at the times and for the periods indicated and the Corporation has no outstanding indebtedness or liabilities,



contingent or otherwise for any Taxes, other than those disclosed in the compiled financial statements, and trade or business obligations subsequently incurred in the ordinary course of business, and the provisions for Taxes in the compiled financial statements are adequate to cover all Taxes, including interest and penalties, payable in respect of the operations and other transactions of the Corporation for all periods up to the Closing Date. The financial statements and books and records of the Corporation fully reflect accrued liabilities for all Taxes which are not yet due and payable and for which tax returns are not yet required to be filed. There are no legal proceedings and no assessment, reassessment, audit or request for information in progress, pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation in respect of Taxes nor are any issues under discussion with any Governmental Authority relating to any matters which could result in claims for additional Taxes. In addition, the Corporation has not received or accrued on its financial statements any refund of Taxes to which it is not entitled;

- 3.1.13 the Corporation has filed, in the prescribed manner, all tax returns, reports and other tax filings required to be filed by it, and has paid, deducted, withheld or collected and remitted on a timely basis all amounts to be paid, deducted, withheld or collected and remitted with respect to any Taxes, interest and penalties as required under all applicable tax laws. There are no assessments, reassessments, actions, suits or proceedings, in progress, pending, or, to the knowledge of the Corporation, threatened, against the Corporation, and no waivers have been granted by the Corporation, in connection with any Taxes, interest or penalties. The provisions for Taxes reflected in the financial statements are sufficient for the payment of all accrued and unpaid Taxes, interest and penalties for all periods and all transactions up to and including the Closing Date;
- 3.1.14 the Corporation is not a party to any contract, commitment or transaction (including by way of loan) with any officer, director or shareholder of the Corporation or any of their respective affiliates or associates, other than as disclosed in the financial statements referred to above, and other than employment contracts in the ordinary course of business;
- 3.1.15 the Corporation owns and has good and marketable title, free and clear of all liens, charges and encumbrances (except as disclosed in the compiled financial statements referred to above and liens for current Taxes not yet due), to all assets used in connection with its Business, including, without limitation, all the registration rights and the rights to use all assets reflected on the balance sheet included in the financial statements referred to above or acquired by it after the date of that

balance sheet except for changes in those assets in the ordinary course of business subsequent to that date;

- 3.1.16 the Corporation has no outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise, including under any guarantee of any debt other than the indebtedness set out in section 2.2(b)(xi) herein;
- 3.1.17 the Corporation has not received any COVID 19 related government loans, or other assistance for which it did not qualify and all government loans have been repaid in full by the Corporation;
- 3.1.18 the Corporation is not a party to any written or oral employment, service, pension, deferred profit sharing, benefit, bonus or other similar agreement or arrangement except as disclosed in Schedule 3.1.18 and none of those agreements or arrangements contains any specific agreement as to notice of termination or severance pay in lieu of notice except as disclosed in Schedule 3.1.18. The Corporation is not in arrears in the payment of any contribution or assessment required to be made by it pursuant to any of the agreements or arrangements disclosed in Schedule 3.1.18. The Corporation does not have any employee who cannot be dismissed on reasonable notice which in no event exceeds two months. All vacation pay, bonuses, commissions and other employee benefit payments and obligations with respect to the employees of the Corporation are reflected in and have been fully accrued in the financial statements;
- 3.1.19 other than the 2019 Proposal, there is no action, litigation or other proceeding in progress, pending or threatened against the Corporation;
- 3.1.20 the Corporation operates under the business name "WISP Internet Services Inc.";
- 3.1.21 the Corporation has all of its assets insured against loss or damage and has in place general commercial liability insurance, all in accordance with industry standards, and such insurance coverage will be continued in force and effect. The Corporation has no liability for retrospective insurance premiums or costs;
- 3.1.22 all assets that are, as of the date of this Agreement, including, without limitation, communication towers and other equipment required to or operate its networks and deliver internet services, are or will be the property of the Corporation as of the Closing Date;
- 3.1.23 the Corporation has complied with and conducted the Business in

compliance with all applicable statutes, regulations, policies and laws of any Governmental Authority having jurisdiction over it;

- 3.1.24 the Corporation is, and has at all times been, in compliance with all applicable laws, orders, licenses and any and all other legislative or regulatory requirements with regard to environmental, health or safety matters or dealing with the presence, emission, deposit, issuance, discharge, storage, labelling, transportation or disposal of any contaminate, waste material or other substance into or over the atmosphere, the soil or water (collectively, "**Environmental Laws**"), including the guidelines and requirements under Canada's Workplace Hazardous Materials Information System (WHMIS) and, to the knowledge of the Corporation, there is no event or condition that would prevent or interfere with compliance in the future. The Corporation has not received any notices of any outstanding or alleged breaches or violations of any Environmental Laws, and the Corporation is not the subject of any current or threatened investigation or proceeding of any Governmental Authority or other person evaluating whether any investigatory or remedial action is necessary under Environmental Laws;
- 3.1.25 the real properties where the Towers are located are leased by the Corporation pursuant to the terms of the Tower Agreements and the Tower Agreements are in good standing, as modified pursuant to the 2019 Proposal;
- 3.1.26 the Towers are in good working condition and repair (reasonable wear and tear excepted);
- 3.1.27 the Corporation's most current customer list provided to the Purchaser is accurate and complete as at the date hereof, and each of the customers included in such customer list is in good standing with an account no more than ninety (90) days in arrears in paying for service on the billed due date; and
- 3.1.28 all facts relating to the Corporation, its Business, assets and liabilities which would be material to an intending Purchaser of the Purchased Shares have been disclosed to the Purchaser.

## **3.2 Representations and Warranties of the Purchaser**

The Purchaser represents and warrants to the Corporation that:

- 3.2.1 the Purchaser is a corporation duly incorporated and validly existing under the laws of Canada;

- 3.2.2 the execution, delivery and performance of this agreement has been duly authorized by all necessary corporate action (including shareholder approval) on the part of the Purchaser;
- 3.2.3 the Purchaser is not party to, bound by, or subject to any agreement, indenture, mortgage, lease, instrument, order, judgment, decree, or any provision of its articles or by-laws, which would be violated, contravened or infringed by the execution and delivery of this agreement by the Purchaser or the performance of its obligations under this agreement; and
- 3.2.4 The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada).

## **ARTICLE 4 COVENANTS**

### **4.1 Conduct Before Closing**

During the period beginning on the date of this Agreement and ending at the time that the Transaction is completed, the Corporation covenants and agrees:

- 4.1.1 to conduct the Business diligently and prudently and to refrain from entering into any contract or arrangement except in the ordinary course of the Business, or with the prior written consent of the Purchaser;
- 4.1.2 to pay and maintain all of its insurance policies required to conduct the Business;
- 4.1.3 to maintain in good standing all permits and authorization required to conduct the Business;
- 4.1.4 to maintain the Towers and its other equipment in good working condition, reasonable wear and tear accepted;
- 4.1.5 to comply in all respects with all laws applicable to the Business;
- 4.1.6 to apply for, maintain in good standing and renew all permits and authorization required to conduct its Business.
- 4.1.7 to maintain the goodwill of the Business;

- 4.1.8 to give to the Purchaser's representatives full access, during normal business hours, to the Corporation's books and records and to all properties, premises, assets, agreements and records relating to its Business and to furnish them with any other information that the Purchaser may reasonably request;
- 4.1.9 not to increase wages, salaries, benefits or other compensation of any of its employees;
- 4.1.10 not to sell, dispose of or encumber any of its assets, save and except in the ordinary course of business;
- 4.1.11 that other than (a) the Funded Proposal Payments (as defined in the 2019 Proposal), (b) Canadian Emergency Business Account loans ("CEBA Loans") in the amount of \$60,000, and (c) settlement payments to Greenhouse Systems Pty Ltd in the amount of approximately AUD \$104,450.60, as of the Closing Date, the Corporation has no outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise, including under any guarantee of any debt, loan, line of credit, financing agreement, or Taxes;
- 4.1.12 to take all necessary steps to claim forgiveness of all forgivable parts of the CEBA Loans; and
- 4.1.13 to take all necessary steps to ensure the transfer of clear and unencumbered title to the Purchased Shares and continuing ability of the Corporation to conduct the Business.

## **4.2 Access for Investigation**

- 4.2.1 From the date hereof up to the Closing Date, the Corporation agrees that the Purchaser and its agents and representatives may have reasonable access to the Towers during normal business hours for the purpose of enabling the Purchaser, at its sole cost and expense (regardless of results), to conduct such non-destructive, non-invasive inspections of the Towers as it deems appropriate. The Purchaser agrees that such inspections shall not include any tests or inspections by any Governmental Authority and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authority. Such inspection may, if the Corporation so desires, be conducted in the presence of a representative of the Corporation. The Purchaser covenants and agrees to repair or pay the costs to repair any damage occasioned during or resulting from the inspection of the Towers

conducted by the Purchaser or its authorized representatives, as outlined above, and to return the Towers to substantially the condition same was in prior to such inspections. The Purchaser covenants and agrees to indemnify and save the Corporation harmless from and against all losses, costs, claims, third party claims, damages, expenses (including actual legal costs) which the Corporation may suffer as a result of the inspection of the Towers conducted by the Purchaser or its authorized representatives, as outlined above.

### **4.3 Confidentiality**

Except as may be required by law, the Purchaser will not, and will not allow any of its representatives, advisors or lenders to collect, disclose, or use, any Confidential Information (as defined below) at any time or in any manner, except for the purpose of evaluating the Transaction. For the purposes of this Agreement, "**Confidential Information**" means any information relating to the Corporation or the Business, including information relating to identifiable individuals ("**Personal Information**"), whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, but excluding information, other than Personal Information, which:

- (a) was available to or known by the public before the date of this Agreement;
- (b) was or is obtained from a source other than the Corporation or any person bound by a duty of confidentiality to the Corporation; or
- (c) is or becomes available to or known by the public other than as a result of improper disclosure by the Purchaser or any of its representatives.

If this Agreement is terminated for any reason, the Purchaser, or any of its representatives, advisors or lenders, as applicable, will promptly return to the Corporation any Confidential Information in its possession.

## **ARTICLE 5 SURVIVAL OF COVENANTS AND CONDITIONS; INDEMNITIES**

### **5.1 Survival**

All of the representations, warranties and covenants made by the Corporation and the Purchaser in this Agreement will survive the Closing of the Transaction.

### **5.2 Mutual Indemnifications for Breaches of Warranty, etc.**

#### **5.2.1 Corporation's Indemnity**

The Corporation will indemnify and hold harmless the Purchaser and each director, officer or

employee of the Purchaser from and against any loss that each may suffer if that loss arises from the breach or non-fulfilment or non-performance of any condition, covenant, or representation, or warranty, of the Corporation. For greater certainty, the Corporation agrees to indemnify and hold harmless the Purchaser from and against any loss in enterprise value that each may suffer as a result of any assessment or reassessment for Taxes relating to the Corporation for any taxation year ending on or before the Closing Date, to Taxes extent that the amount of Taxes payable as a result of that assessment or reassessment exceeds the amount accrued as a liability for those Taxes on the financial statements of the Corporation or the Closing Statements.

#### 5.2.2 Purchaser's Indemnity

The Purchaser will indemnify and hold harmless the Corporation from and against any loss that the Corporation may suffer if that loss arises from the breach or non-fulfilment or non-performance of any condition, covenant, or representation, or warranty, of the Purchaser.

### 5.3 Notice of Claim

If the party or other indemnified person entitled to make a claim for indemnification under any provision of Section 5 of this Agreement (the "**Indemnified Party**") becomes aware of a loss or potential loss in respect of which the party providing indemnification under any provision of Section 5 of this Agreement (the "**Indemnifying Party**") has agreed to indemnify it under this Agreement, the Indemnified Party will promptly give written notice (an "**Indemnity Notice**") of its claim or potential claim for indemnification (an "**Indemnity Claim**") to the Indemnifying Party. An Indemnity Notice must specify whether the Indemnity Claim arises as the result of a claim made against an Indemnified Party by a person who is not a Party, or as a result of a loss that was suffered directly by an Indemnified Party, and must also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Indemnity Claim; and
- (b) the amount of the Indemnity Claim, if known.

If, through the fault of the Indemnified Party, the Indemnifying Party does not receive an Indemnity Notice of an Indemnity Claim in time to effectively contest the determination of any liability capable of being contested, the Indemnifying Party will be entitled to set off against the amount claimed by the Indemnified Party the amount of any loss incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give an Indemnity Notice on a timely basis.

## ARTICLE 6 SURVIVAL OF COVENANTS AND CONDITIONS; INDEMNITIES

### 6.1 Notice:

All formal notices hereunder shall be in writing and shall be deemed effective upon receipt when delivered by hand, overnight delivery courier, by email or when mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses listed below (or at such other address and/or email address for a party as shall be specified by like notice).

(a) If to the Corporation:

Christopher Evelyn-Doyle  
Attention: Christopher Evelyn-Doyle

Email: [chris@wisponline.ca](mailto:chris@wisponline.ca)

With a copy to:

Dentons Canada LLP  
77 King Street West,  
Suite 400  
Toronto, ON M5K 0A1

Attention: Kenneth Kraft and Mark Freake  
Email: [kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com) and [mark.freake@dentons.com](mailto:mark.freake@dentons.com)

(b) If to the Purchaser:

8064555 Canada Corp.  
124 Hastings St. N. Suite 4  
Bancroft, Ontario  
K0L1C0

Attention: Lucas Balemba, President  
Email: [lucasbalemba@nrnetworks.com](mailto:lucasbalemba@nrnetworks.com)

With a copy to:

Reconstruct LLP  
200 Bay Street, Suite 2305 Box 120  
Toronto, Ontario M5J 2J3

Attention: Brendan Bissell  
Email: [bbissell@reconllp.com](mailto:bbissell@reconllp.com)

## 6.2 Termination of this Agreement.



This Agreement may be validly terminated:

- (a) upon the mutual written agreement of the parties hereto;
- (b) by the Purchaser if the conditions set out in subsections 2.2(b) and 2.2(c) hereof are not satisfied or become impossible to satisfy on or prior to October 31, 2024 (the “**Outside Date**”); or
- (c) by the Corporation if the conditions set out in subsections 2.2(a) and 2.2(c) hereof are not satisfied or become impossible to satisfy on or prior to the Outside Date.

### **6.3 Governing Law; Consent to Jurisdiction**

This Agreement and the rights and obligations of the parties hereunder shall be construed and governed in accordance with the law of the Province of Ontario, without regard to conflict of laws principles.

### **6.4 Entire Agreement**

This Agreement constitutes the entire, final and exclusive agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements and understandings (whether oral or written). This Agreement may only be modified by a written instrument signed by the parties hereto.

### **6.5 Time of Essence**

Time is of the essence in all respects of this Agreement.

### **6.6 Further Assurances**

Any of the parties, upon the request of any other party, whether before or after the Closing Date, will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to complete and give full effect to the transactions contemplated by this Agreement.

### **6.7 Survival**

The provisions of this Agreement that are either explicitly or by their nature intended to survive the termination of this Agreement shall survive such termination, however caused.

### **6.8 Waiver; Consent**

The waiver by any party of a breach or a default of any provision of this Agreement by any other party shall not be construed as a waiver of any succeeding breach of the same or any

other provision, nor shall any delay or omission on the part of any party to exercise or avail itself of any right, power or privilege that it has, or may have, hereunder operate as a waiver of any right, power or privilege by such party. No term, covenant or condition of this Agreement is deemed to have been waived unless the waiver is in writing and signed by the party purporting to provide such waiver, and then only to the extent provided for in the written waiver.

#### **6.9 Severability**

If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest extent possible the intent and agreements of the parties set forth herein.

#### **6.10 Costs, Expenses and Legal Fees**

If any party commences any action or proceeding against any other party to enforce or interpret this Agreement, the prevailing party in such action or proceeding shall be entitled to recover from the other party the actual costs, expenses and reasonable attorneys' fees (including all related costs and expenses), incurred by such prevailing party in connection with such action or proceeding and in connection with obtaining and enforcing any judgment or order thereby obtained.

#### **6.11 Interpretation**

In this Agreement, unless the context otherwise requires: "person" includes an individual, firm, association, syndicate, partnership, company, corporation, trust, trustee, joint venture, unincorporated association, government agency or body or other organization; headings and subheadings are included for convenience of reference only and shall not affect the construction or interpretation of this Agreement; words importing the singular include the plural and *vice versa* and words importing one gender include all genders; and all amounts are stated and payable in Canadian currency.

#### **6.12 Assignment and Enurement**

Neither this Agreement nor any right or obligation under this Agreement may be assigned by any party without the prior consent of the other parties. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.

#### **6.13 Counterparts and Electronic Delivery**

This Agreement may be executed and delivered by the parties in one or more counterparts, all

of which together shall constitute one and the same instrument, and the transmittal of signed copies of this Agreement or any notice required or permitted to be given hereunder by email hereby constitutes good and valid execution and delivery of such document.

**[THE BALANCE OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY.  
SEE NEXT PAGE FOR SIGNATURES.]**

Each of the parties has executed and delivered this Agreement as of the date first written above.

**8064555 CANADA CORP.**

DocuSigned by:  
*Lucas Balemba*  
Per: \_\_\_\_\_  
063704F4258F481  
Name: Lucas Balemba  
Title: President

**WISP INTERNET SERVICES INC.**

Per: \_\_\_\_\_  
Name: Christopher Evelyn-Doyle  
Title: President

Each of the parties has executed and delivered this Agreement as of the date first written above.

**8064555 CANADA CORP.**

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

Name: Lucas Balemba

Title: President

**WISP INTERNET SERVICES INC.**

Per: Chris Evelyn

Name: Christopher Evelyn-Doyle

Title: President

**SCHEDULE 2.2(a)**

**UNANIMOUS SHAREHOLDERS' AGREEMENT**

**WISP INTERNET SERVICES INC.**

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**UNANIMOUS SHAREHOLDERS' AGREEMENT**

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Made as of the 18<sup>th</sup> day of February, 2022

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## UNANIMOUS SHAREHOLDERS' AGREEMENT

This Unanimous Shareholders' Agreement (this "**Agreement**") is made as of 18<sup>th</sup> day of February, 2022, between WISP Internet Services Inc., a corporation incorporated under the laws of Ontario (the "**Company**"), each shareholder listed in Schedule A attached hereto and any person who becomes a party to this Agreement by executing the Acknowledgement in the form attached hereto as Schedule B.

### RECITALS:

**A.** The share capital of the Company is comprised of an unlimited number of common shares (the "**Common Shares**"); and

**B.** The Shareholders (as defined below) and the Company have entered into this Agreement to set out their agreement as to the ownership of the Common Shares held by them.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the premises and the mutual covenants and agreements herein contained the parties hereto covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement:

- (a) "**Act**" means the *Business Corporations Act* (Ontario), as amended, and any term defined in the Act and not otherwise defined herein is used in this Agreement with the same meaning.
- (b) "**Articles**" means the constating articles of the Company, as amended from time to time.
- (c) "**Board**" means the board of directors of the Company, as constituted from time to time.
- (d) "**Business Day**" means any day of the year, other than a Saturday, Sunday or any statutory holiday in the Province of Ontario, Canada.
- (e) "**By-laws**" means the by-laws of the Company, as amended from time to time.
- (f) "**Control**" means: (a) with respect to any corporation, the ownership, beneficially and legally, of voting securities in the capital of such corporation, to which are attached more than fifty percent (50%) of the votes that may be cast to elect the directors of such corporation and such votes are sufficient (if exercised) to elect a majority of the directors; and (b) with respect to a partnership, trust, syndicate or other entity, actual power or authority to manage and direct the affairs of, or ownership of more than fifty percent (50%) of the beneficial interest in such entity;
- (g) "**Initial Public Offering**" means a firm commitment underwritten public offering of Common Shares pursuant to a prospectus filed under applicable Canadian securities laws in respect of which a final receipt has been obtained, accompanied by the listing of the Common Shares on a stock exchange or market approved by the Board.
- (h) "**Permitted Transferee**" means any existing Shareholder and, in respect of any Shareholder, any one or more of: (i) a spouse; (ii) a child and all descendants of such

child; (iii) a trust, the sole beneficiaries of which are Persons specified in any one or more subsections of this definition, the Shareholder and/or the Principal of such Shareholder, provided that the terms of the trust include a valid condition precedent that any Common Shares or securities of a Shareholder will vest in the beneficiaries of such trust only if such beneficiaries have complied with the provisions of Section 5.2 of this Agreement; (iv) a Person, where the Shareholder or the Principal Controls, directly or indirectly, such Person, and (v) a Person approved by the Board pursuant to Section 5.1.

- (i) **"Person"** includes any individual, corporation, partnership, trust, trustee, executor, administrator, legal personal representative, estate, or governmental entity.
- (j) **"Principal"** means, in respect of any corporation, partnership or trust which may become a Shareholder, any individual or individuals who directly or indirectly Control such corporation, partnership or trust.
- (k) **"Securities"** means Common Shares or other debt or equity securities of the Company, including options, rights, warrants or other agreements to purchase Common Shares, or securities convertible into or exchangeable directly or indirectly for Common Shares.
- (l) **"Shareholder"** means , initially, each person listed on Schedule A annexed hereto and their respective successors and shall include any person who becomes a party to this Agreement by executing an Acknowledgement in the form attached hereto as Schedule B and, at the relevant time, is the holder of Common Shares of the Company.
- (m) **"Transfer"** means to sell, assign, surrender, gift, transfer, pledge, mortgage, charge, create a security interest in, hypothecate or otherwise encumber, dispose or deal with any of the Common Shares or any interest, whether legal or beneficial, in the Common Shares.

## 1.2 Gender and Number

In this Agreement, words importing the singular shall include the plural and vice versa and words importing gender shall include all genders.

## 1.3 Headings

Headings of articles and sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.

## 1.4 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, without regard to the province's conflict of law provisions, and each of the Parties irrevocably agrees to submit to the exclusive jurisdiction of the courts of such province for and in connection with any proceedings relating to this Agreement.

# ARTICLE 2 PURPOSE AND SCOPE

## 2.1 Unanimous Shareholders' Agreement

This Agreement is intended to be a unanimous shareholder agreement within the meaning of the Act.

## **2.2 Compliance with Agreement**

Each Shareholder agrees to vote and act as a shareholder of the Company to fulfil the provisions of this Agreement and in all other respects to comply with, and use all reasonable efforts to cause the Company to comply with, this Agreement. The Shareholders further undertake that they will use their influence as Shareholders to cause such meetings of the Company to be held, resolutions passed, by-laws enacted, agreements and other documents signed and acts or things performed or done as may be necessary or desirable to ensure that the provisions of this Agreement are implemented and given full force and effect.

## **2.3 Compliance by Company**

The Company undertakes to carry out and be bound by the provisions of this Agreement to the full extent that it has the capacity and power at law to do so.

## **2.4 Conflict with Articles and By-laws**

To the extent permitted by the Act, in the event of any conflict between the provisions of this Agreement and the provisions of the Articles, the by-laws of the Company, the provisions of this Agreement shall prevail, and the Shareholders shall vote to amend the Articles and by-laws of the Company so as to ensure conformity with the terms of this Agreement.

## **2.5 Principal to be Bound**

Each Principal shall cause the Shareholder he, she or it Controls to comply with each of the terms of this Agreement.

### **ARTICLE 3 MANAGEMENT OF THE COMPANY**

#### **3.1 Board of Directors**

- (a) The Board shall consist of a minimum of one (1) and a maximum of five (5) directors.
- (b) Each Shareholder shall vote (to the extent that each is able to do so on account of its respective shareholdings or otherwise) its Common Shares at any meeting at which directors are to be elected, or execute any written resolutions of the shareholders at the request of the Company, to elect the directors nominated in accordance with this Agreement.
- (c) The Board shall meet at least once in each twelve month period. Quorum for meetings of the Board shall consist of a majority of the members of the Board, provided that Christopher Doyle's presence shall be required for any quorum.

#### **3.2 Exemption from Appointing Auditor**

Each of the Shareholders hereby unconditionally and irrevocably waives the requirement for an audit of the Company for any and all financial years, and more specifically the Shareholders consent to the exemption from audit requirements as provided for in the Act. The Board may, notwithstanding this waiver of audit, in its own discretion undertake to have audited financial statements prepared for any particular financial year of the Company.

**ARTICLE 4**  
**SHAREHOLDER RIGHTS**

**4.1 Beneficial Ownership**

Each Shareholder represents that: (a) it is the beneficial owner of the number of Common Shares registered in the Shareholder's name in the books of the Company and set out in Schedule A to this Agreement; and (b) the Principal who Controls the Shareholder on the date the Shareholder became a shareholder of the Company will not change except in accordance with the terms of this Agreement.

**4.2 Pre-Emptive Rights**

- (a) Subject to paragraph (f) below, if any Securities are to be issued ("**Additional Securities**"), the Company shall first offer such Additional Securities to the Shareholders by written notice setting out the Company's intention to issue Additional Securities and the number and purchase price of such Additional Securities to be so issued. Each of the Shareholders may purchase its Pro Rata Share (as defined below) of the Additional Securities so offered.
- (b) Each Shareholder's "**Pro Rata Share**" of the Additional Securities shall be equal to the total number of Additional Securities so offered, multiplied by the quotient of X/Y, where X is equal to the number of Common Shares that the Shareholder holds, and Y is equal to the aggregate number of Common Shares held by all of the Shareholders.
- (c) Each Shareholder shall have twenty (20) days from the date such notice is issued to give written notice to the Company of such Shareholder's intention to purchase all or any of the Additional Securities to which it is entitled and shall indicate in such notice the maximum number of Additional Securities that such Shareholder is willing to purchase (which number may be greater than or less than its Pro Rata Share). If no such notice is given by a Shareholder within such period, such Shareholder shall be deemed to have rejected the offer to purchase such Additional Securities.
- (d) If any Shareholder does not accept its full Pro Rata Share, any such unaccepted Additional Securities shall be deemed to have been offered to the Shareholders who indicated they would accept greater than their respective Pro Rata Share (the "**Oversubscribed Shareholders**") and each of such Oversubscribed Shareholders shall be entitled to acquire such unaccepted Additional Securities, pro rata as between the Oversubscribed Shareholders based upon the number of Common Shares that such Oversubscribed Shareholders hold.
- (e) The transaction of purchase and sale by the Company to the Shareholders shall be completed on the date specified by the Board. Any Additional Securities not taken up by the Shareholders may be issued within twenty (20) days of such Additional Securities having been first offered to the Shareholders, at not less than the price and on terms no more favourable than the terms offered to the Shareholders, to such Persons as the Board determines, provided that such Persons agree to be bound by, and become parties to, this Agreement in accordance with Section 5.2 below.
- (f) The Company may issue Additional Securities without complying with the provisions of this Section 4.2 if such Additional Securities are: (i) issued pursuant to a stock option plan that has been approved by the Board; or (ii) Common Shares offered to the public pursuant to an Initial Public Offering.

#### 4.3 Confidentiality

- (a) Each Shareholder will keep all Confidential Information (as defined below) confidential and will not disclose any Confidential Information to any Person or use any Confidential Information except as permitted by this Agreement. A Shareholder may disclose Confidential Information to its employees and advisors but only to the extent that they need to know the Confidential Information, they have been informed of the confidential nature of the Confidential Information and they are either under a legally enforceable obligation of confidentiality or agree in writing to be bound by and act in accordance with this Section. "**Confidential Information**" means all information relating to the business, operations, assets, liabilities, intellectual property, plans, prospects and other affairs of the Company, in whatever form.
- (b) The restrictions set out in this Section 4.3 do not apply to Confidential Information or any part of it that: (a) is or becomes generally available to the public; (b) is required to be disclosed by Law; (c) is developed independently by the Shareholder without aid of any information of the Company, or (d) is permitted in writing to be disclosed by the Company.

### **ARTICLE 5** **DISPOSITION OF SHARES**

#### 5.1 Restricted Transfers

Other than a Transfer to a Permitted Transferee completed in accordance with Section 5.2, no Shareholder shall, directly or indirectly, Transfer any Securities of the Company and no Principal shall Transfer directly or indirectly Control of a Shareholder, without the consent of the Board, and complying with the terms of this Agreement. Notwithstanding the foregoing, the Board may refuse a Transfer if it determines the Transfer not to be in the best interests of the Company.

#### 5.2 Acknowledgement

In connection with any permitted Transfer, the Permitted Transferee must sign an Acknowledgement in the form attached to this Agreement as Schedule B pursuant to which the Permitted Transferee and, if applicable, the Principal of the Permitted Transferee, agree to be bound by the terms of this Agreement. For greater certainty, the Board shall not approve a Transfer until it has received an executed Acknowledgement from the Permitted Transferee.

#### 5.3 Piggy-Back

- (a) If any Shareholder or Shareholders that individually or collectively has Control of the Company (hereinafter in this Section 5.3 and in Section 5.4 referred to as the "**Selling Shareholder**") receive(s) an offer to purchase Common Shares which they are prepared to accept, pursuant to a bona fide offer from a third party (hereinafter in this Section 5.3 referred to as the "**Purchaser**") acting at arm's length with the Selling Shareholder (hereinafter in this Section 5.3 referred to as the "**Offer**"), then, prior to the acceptance of such Offer, the Selling Shareholder shall notify all other Shareholders of such proposed sale and the terms of such proposed sale and each such other Shareholder shall have the right, at his option, to require that a proportionate number of his Common Shares of each class be purchased by the Purchaser on terms and conditions at least as favourable to such other Shareholder as the terms and conditions set out in the offer received by the Selling Shareholder.
- (b) If the prospective Purchaser will not purchase all the Common Shares which the Selling Shareholder and the other Shareholders wish to sell pursuant to this Section 5.3, the

number of Common Shares which the Selling Shareholder and the other Shareholders shall be permitted to sell to the Purchaser shall be proportionately reduced so that each Shareholder may sell to the Purchaser the same percentage of its total outstanding Common Shares of each class. The other Shareholders may exercise their right under this Section by written notice given within twenty (20) days after the date on which they are notified of the offer by the Selling Shareholder pursuant to this Section 5.3.

- (c) This Section 5.3 shall not apply if the provisions of Section 5.4 apply to the Offer.

#### **5.4 Drag-Along**

- (a) If the Company or one or more of the Selling Shareholders receive a bona fide arm's length offer from a third party to complete (1) an amalgamation or merger of the Company with another corporation, or an arrangement, pursuant to which the holders of voting securities of the Company immediately prior to the transaction hold, immediately after such transaction, directly or indirectly, less than 50% of the voting power to elect directors of the corporation resulting from the transaction; (2) a sale of Common Shares representing more than 50% of the voting power to elect directors of the corporation resulting from the transaction; or (3) a sale of all or substantially all of the assets of the Company, which Selling Shareholders wish to accept (the "**Drag-Along Transaction**"), each Shareholder will be obliged to execute and deliver any agreements or other documents as may be reasonably necessary or desirable in order to evidence such Shareholder's approval of the Drag-Along Transaction and to permit such transaction to be completed on the terms and conditions contained in the offer. In connection with any Drag-Along Transaction, no Shareholder or its Principal will be required to be liable for an amount in excess of the cash purchase price actually received by that Shareholder in connection with such Drag-Along Transaction.
- (b) Each Shareholder irrevocably constitutes and appoints the President of the Company as the Shareholder's attorney and agent for, in the name of and on behalf of the Shareholder to execute and deliver in the name of the Shareholder all documents, deeds and instruments as may be necessary to effectively complete the Drag-Along Transaction. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the death, incapacity (whether mental or physical), termination of employment or engagement, dissolution, winding up, bankruptcy, insolvency of the Shareholder and the Shareholder hereby ratifies and confirms and agrees to ratify and confirm all that the President of the Company may lawfully do or cause to be done by way of such power of attorney.
- (c) The power of attorney granted in this section is not intended to be a continuing power of attorney within the meaning of and governed by the *Substitute Decisions Act* (Ontario) or any similar power of attorney under equivalent legislation in any of the provinces or territories of Canada (a "**CPOA**"). The execution of this Agreement will not terminate any CPOA previously granted and will not be terminated by the execution in the future of a CPOA, and the Shareholder agrees not to take any action in the future which results in the termination of the power of attorney granted pursuant this Section 5.4.

### **ARTICLE 6** **MISCELLANEOUS PROVISIONS**

#### **6.1 Share Certificates**

In the event the Company issues certificated shares, each share certificate issued shall have endorsed on it the following notation:

**"THE TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE RESTRICTIONS CONTAINED IN THE ARTICLES OF THE CORPORATION. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND TO OTHER RIGHTS AND OBLIGATIONS SET FORTH IN A UNANIMOUS SHAREHOLDERS' AGREEMENT BETWEEN THE COMPANY AND ITS SHAREHOLDERS, AS SUCH AGREEMENT MAY BE AMENDED FROM TIME TO TIME."**

## **6.2 Amendment**

This Agreement may only be amended, altered or waived in any of its provisions by the agreement of the holders of not less than 75% of the votes attaching to the then outstanding Common Shares, and any such amendment, alteration or waiver so approved in accordance with this Section 6.2 shall be binding upon each of the parties, provided that, the parties agree to such amendments to Schedule A from time to time as may be necessary to reflect permitted changes in the Shareholders.

## **6.3 Notice**

Any notice or other communication required or permitted by this Agreement shall be in writing and is sufficiently given if delivered personally or if delivered by electronic mail or by either prepaid courier service or registered mail return receipt requested. Notices shall be addressed to each Shareholder at their address as shown in Schedule "A" hereto. Notice sent by mail shall be deemed to have been given on the third Business Day following deposit in the post office. Notice sent by email or courier, shall be deemed given on the day of delivery or transmission, if such delivery or transmission is prior to 3:00 p.m. (Toronto time) on a Business Day of the recipient, otherwise delivery will be deemed to be the business day next following the date of such delivery or transmission.

Notice to the Company shall be addressed to:

WISP Internet Services Inc.  
80 Vanedward Drive  
Port Perry, ON, L9L 1G3

Attention: Christopher Doyle

## **6.4 Severability**

If any provision or part of a provision of this Agreement is restricted, prohibited or unenforceable, such provision or part shall be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions or parts of provisions.

## **6.5 Termination**

This Agreement is effective as of the date first above written and terminates upon the first to occur of: (i) the written approval by the Shareholders holding in the aggregate 75% of the total number of issued and outstanding Common Shares; (ii) the date on which the Company completes an Initial Public Offering; or (iii) the dissolution of the Company.

## **6.6 Assignment**

Except as expressly permitted by this Agreement, this Agreement is not assignable without the consent of all Shareholders. This Agreement shall be binding upon and enure to the benefit of the parties and their respective heirs, administrators, personal representatives, executors, successors and permitted assigns.

**6.7 Further Assurances**

Each Shareholder and the Company agrees to take all such actions and to execute all documents as may be necessary or advisable to effectively implement the provisions of this Agreement.

**6.8 Independent Legal Advice**

Each of the parties acknowledges that it has read and understands the terms and conditions of this Agreement and acknowledges that it has had the opportunity to seek, and was not prevented or discouraged by any other party to this Agreement or Person from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if such party did not avail itself of that opportunity before signing this Agreement, it did so voluntarily without undue pressure, and agrees that its failure to obtain independent legal advice will not be used by it as a defence to the enforcement of its obligations under this Agreement.

**6.9 Entire Agreement**

This Agreement is the entire agreement among the parties about the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties. There are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set out in this Agreement.

**6.10 Language**

The Parties have required that this Agreement and all documents or notices related thereto be in the English language. Les parties ont exigés que cette convention et tout document ou avis afférent soit en langue anglaise.

**6.11 Counterparts**

This Agreement may be executed in one or more counterparts which together shall be deemed to constitute one valid and binding agreement, and delivery of the counterparts may be effected by means of facsimile or other electronic transmission.

**[Signature page follows below.]**



IN WITNESS WHEREOF the Agreement has been executed by the parties as of the date first indicated above.

WISP INTERNET SERVICES INC

By: [Signature]  
Name: Christopher Doyle  
Title: President

SIGNED AND DELIVERED in the presence

of [Signature]  
Witness

} [Signature]  
} CHRISTOPHER DOYLE

[OTHER SHAREHOLDERS TO BE ON FOLLOWING PAGES.]

**Schedule A****Shareholders**

<b><u>Name and Address</u></b>	<b><u>Number and Class of Shares</u></b>
Christopher Doyle 4510 Concession Road 5 Newtonville, Ontario L0A 1J0 chris@wisponline.ca	8,000 Common Shares
<b>Total</b>	<b>8,000 Common Shares</b>

**Schedule B**

**Acknowledgement**

**TO: WISP INTERNET SERVICES INC.**

**AND TO: EACH SIGNATORY TO THE UNANIMOUS SHAREHOLDERS' AGREEMENT**

**WHEREAS** WISP Internet Services Inc. (the "**Company**") and its shareholders (the "**Shareholders**") have entered into a unanimous shareholders' agreement dated February 18, 2022, in the form attached as Schedule "A" to this Acknowledgement (the "**Shareholders Agreement**"), as amended from time to time, to establish their rights and obligations in respect of their rights and obligations as Shareholders of the Company issued and unissued shares of the Company, the management and conduct of the business of the Company and various other matters;

**AND WHEREAS** all capitalized terms used in this Acknowledgement which are not otherwise defined herein, will have the meanings ascribed thereto in the Shareholders Agreement;

**NOW THEREFORE**, the undersigned hereby acknowledges and agrees:

(a) having received a copy of the Shareholders Agreement and having read the Shareholders Agreement in its entirety. The undersigned acknowledges having received the opportunity to obtain independent legal advice in respect of the Shareholders Agreement and this Acknowledgement;

(b) the terms and conditions of the Shareholders Agreement will be binding upon the undersigned as a Shareholder and such terms and conditions will enure to the benefit of and be binding upon the undersigned's heirs, executors, administrators, legal and personal representatives, successors and permitted assigns;

(c) that this Acknowledgement forms part of the Shareholders Agreement and by signing below the undersigned agrees to be a party to the Shareholders Agreement in the same manner as if the undersigned was an original signatory of the Shareholders Agreement;

(d) to sign such further and other documents, and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Acknowledgement and the Shareholders Agreement; an

(e) This Acknowledgement will be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

**[Signature page follows below.]**

The undersigned has executed this Acknowledgement this [•] day of [•], 20XX.

**[If a corporation, insert Transferee Name]**

By: \_\_\_\_\_  
Name:  
Title:

Or

SIGNED, SEALED AND DELIVERED in the presence of: ))

\_\_\_\_\_  
Witness ))

\_\_\_\_\_  
**[If an individual, insert Transferee Name]**

**SCHEDULE 2.2(b)**

**REVISED FORM OF TOWER AGREEMENT**

**THIS LEASE** dated the **DATE GOES HERE**.

**BETWEEN:**

**LANDLORD NAME GOES HERE**  
(hereinafter called the "**Landlord**")

**OF THE FIRST PART**

**AND:**

**8064555 CANADA CORP. O/A TELACOR** (hereinafter called the "**Tenant**")

**OF THE SECOND PART**

**WHEREAS:** The Landlord is the owner of the lands with legal description set forth in Schedule A to this Lease (the "**Lands**"); and

**WHEREAS:** The Tenant wishes to lease from the Landlord certain portions of the Lands outlined in red on Schedule B (the "**Leased Lands**").

In consideration of the rents, covenants, conditions, and agreements hereinafter reserved and contained, the parties hereto covenant and agree as follows:

**GRANT AND LANDS**

1. In consideration of the performance by the Tenant of its obligations under this Lease, the Landlord leases to the Tenant the Leased Lands for the Term.

**TERM AND RENEWAL**

- 2.1 The Landlord leases to the Tenant the Leased Lands to have and to hold for and during a term of five (5) years (the "**Initial Term**"), commencing on [April 15<sup>th</sup> 2024] (the "**Commencement Date**") and ending on [April 15<sup>th</sup> 2029].
- 2.2 Upon the expiry of the Initial Term, this Lease will automatically renew for another **\*(\*)** years term (the "**Renewal Term**") unless terminated in accordance with this Lease. Each Renewal Term shall be on the same terms as the Term. The Initial Term and all Renewal Terms shall collectively constitute and be referred as (the "**Term**")

**PERMITTED USES**

3. The Tenant shall use the Leased Lands for the following purposes:
  - a) erecting a telecommunication tower and any auxiliary structures (the "**Tower and Buildings**") on the Leased Lands;

- b) installing Tenant's fibre optic cable and associated pedestals and handholes (the "Equipment");
- c) connecting the Tower and Buildings and Equipment to the Tenant's telecommunications network infrastructure;
- d) providing high-speed fibre and/or wireless internet connectivity to residential dwellings and businesses in the surrounding areas (the "Services");
- e) operating, servicing and maintaining the Tower and Buildings, Equipment and network infrastructure; and
- f) all other uses associated with the Tower and Buildings, Equipment and the Services.

items (a) to (f) collectively constitute (the "Permitted Uses").

### **RENT**

- 4.1 As consideration under this Lease, the Landlord will receive compensation as outlined in Schedule C of this Lease (the "Tenant's Services"), Any services provided shall be subject to the usual terms and conditions other than price during the Term and any extensions or renewals thereof (the "Rent").
- 4.2 The Landlord shall pay all taxes associated with the Tenant's Services provided to the Landlord as part of the Rent.

### **TAXES**

- 5.1 Except as otherwise provided in this Lease, the Landlord shall pay, without recovery from the Tenant, all taxes relating to the Leased Lands or the Landlord's ownership or operation thereof, except for the income taxes of the Tenant or HST included in the Rent.
- 5.2 Notwithstanding anything to the contrary in this Section 5, if the Tenant's business causes or results in any increase in taxes payable by the Landlord under Section 5.1 above, the Tenant shall pay any such increase in taxes during the Term. In determining whether increased taxes are caused by or result from the Tenant's business, tax statements issued by the organization computing the tax rate on the Leased Lands showing the various components of such rate, shall be conclusive evidence of the items and charges which make up such rate.

### **TENANT'S COVENANTS**

- 6. The Tenant covenants with the Landlord:

#### **Pay Rent**

- 6(1). to pay Rent and all amounts, if any, payable by the Tenant to the Landlord under Section 5.2 of this Lease. Notwithstanding anything to the contrary in this Lease, the Tenant shall

not be required to pay Rent and any other amounts under Section 5.2 of this Lease until it installs its Tower and Buildings and Equipment on the Leased Lands and commences providing the Services;

### **Maintain and Repair**

- 6(2). to maintain the Leased Lands in good order and overall clean state and repair any damage caused to the Leased Lands by the Tenant.

### **Use of Leased Lands**

- 6(3). not to use or allow the Leased Lands to be used for any purpose other than the Permitted Uses;

### **Indemnity**

- 6(4). to promptly indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions arising out of:
- (i) any breach, violation or non-observance by the Tenant of any covenants, obligations, agreements or conditions of this Lease;
  - (ii) any damage to property and any injury to any person, including death resulting at any time therefrom, occasioned by any act or omission of the Tenant, except where such damage or injury is due to the act, default or negligence of the Landlord or anyone for whom in law the Landlord is responsible;

and this indemnity shall survive the expiry or earlier termination of this Lease, notwithstanding anything in this Lease to the contrary;

### **QUIET ENJOYMENT AND ACCESS**

7. The Landlord covenants with the Tenant for quiet enjoyment during the Term, provided the Tenant complies with all of its obligations under this Lease. The Tenant shall have unrestricted access to the Leased Lands at any time.

### **OWNERSHIP OF LANDS AND ZONING**

8. The Landlord hereby represents and warrants that:
- a) the Landlord is the registered owner of the Lands and has the right to enter into this Lease; and
  - b) there are no zoning restrictions, municipal or other governmental authorities' orders



prohibiting or restricting the Permitted Uses of the Leased Lands.

### **LANDLORD'S INSURANCE**

9. The Landlord shall throughout the Term carry insurance on the Leased Lands in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a reasonably similar lands, having regard to size, value and location.

### **LANDLORD'S REPAIRS**

10. Except as set out in section 6(2) of this Lease, the Landlord shall be responsible, at its expense, during the Term, for all and any required repairs to the Leased Lands. If the Landlord, after notice in writing requiring the above work to be done, fails or neglects to keep the Leased Lands in good repair and such state of disrepair may in the opinion of the Tenant threaten the Tenant's employees, contractors or visitors or jeopardize the Tower and Buildings, Equipment, Services or any operations of the Tenant, then the Tenant may make the repairs, and the Landlord shall immediately repay to the Tenant the full amount of the cost of such repairs.

### **LANDLORD'S INDEMNITY**

11. The Landlord shall promptly indemnify and save harmless the Tenant from any and all liabilities, damages, costs, claims, suits or actions arising out of:
- (i) any breach, violation or non-observance by the Landlord of any covenants, obligations, agreements or conditions of this Lease;
  - (ii) any damage to property and any injury to any person, including death resulting at any time therefrom, occasioned by any act or omission of the Landlord, or occurring in or on the Leased Lands or any part thereof arising from or occasioned by any cause whatsoever, except where such damage or injury is due to the act, default or negligence of the Tenant or anyone for whom in law the Tenant is responsible;

and this indemnity shall survive the expiry or earlier termination of this Lease, notwithstanding anything in this Lease to the contrary;

### **EQUIPMENT AND FIXTURES**

12. The Tenant's Equipment, Tower and Buildings, trade fixtures, chattels and leasehold improvements shall, at all times, remain the property of the Tenant. The Tenant may remove its Tower and Buildings, Equipment, trade fixtures, chattels and at its option, its leasehold improvements at any time during the Term, and at any time within 3 months after termination or earlier expiration of the Term.

### **CO-LOCATION, SUBLETTING AND LICENSING**

13. At any time during the Term, the Tenant shall have the right to collocate the equipment and infrastructure of any third party or parties of its choice on the Leased Lands, including but not limited to the Tower and Buildings. The Tenant shall also have the right to sublet or license the whole or any part of the Leased Lands, including but not limited to the Tower and Buildings, at any time during the Term, to any third party or parties of its choice.

### **ASSIGNMENT**

14. The Tenant shall be entitled to assign this Lease without prior consent of the Landlord. Upon assigning this Lease, the Tenant shall be released from all covenants and liabilities under this Lease.

### **CO-OPERATION**

15. The Landlord shall co-operate with the Tenant, at the Tenant's expense, to obtain all necessary authorizations from the municipality and any other governmental authority possessing jurisdiction over the construction, operation, maintenance, repair and replacement of the Equipment and network infrastructure. The Landlord shall sign all necessary and reasonable authorizations to allow the Tenant to obtain construction permits, approval of the implementation plans, amendments to the regulations, the authorization of any governmental authorities having jurisdiction and to obtain all pertinent information concerning the Leased Lands or the Lands, and to permit the Tenant to have access to the plans or technical documents of the municipality or of an architect or engineer.

### **LANDLORD'S RIGHT OF TERMINATION - BANKRUPTCY ETC.**

16. Provided further that in case the Leased Lands shall be used for any other purpose than the Permitted Uses or in case the Term or any of the goods and chattels of the Tenant shall be at any time seized in execution or attachment by any creditor of the Tenant or the Tenant shall make any bulk sale (except in connection with an assignment or subletting of the Leased Lands pursuant hereto) or become bankrupt or insolvent or take the benefit of any Act now or hereafter in force for bankruptcy or insolvent debtors, or if a receiver is appointed for the Tenant, or, if the Tenant is a corporation and any order shall be made for the winding-up or dissolution of the Tenant or other termination of the corporate existence of the Tenant, then in any such case this Lease shall, at the option of the Landlord, cease and determine.

### **TENANT'S RIGHT OF TERMINATION**

17. The Tenant may terminate this Lease on 90 days' written notice to the Landlord if and whenever:
- any building, structure, trees or other works of any nature or kind whatsoever, interferes in

any manner with the Tower and Buildings, Equipment or the Services, or if the operation of the Tower and Buildings, Equipment or provision of the Services, in the opinion of the Tenant, should be or become commercially or technologically impractical, or if the operation of the Tower and Buildings, Equipment or provision of the Services should be or become impossible by reason of government decision, law, by-law or regulation or because of damage to or the destruction of the Tower and Buildings, Equipment or the Leased Lands.

**REGISTRATION**

- 18. The Tenant shall have the right to register this Lease in the Registry Office or the Land Titles Office and the Landlord, at the request of the Tenant, shall promptly execute and deliver to the Tenant any documents necessary to make such registration.

**NOTICES**

- 19. All formal notices hereunder shall be in writing and shall be deemed effective upon receipt when delivered by hand, overnight delivery courier, by email or when mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses listed below (or at such other address and/or email address for a party as shall be specified by like notice).

If to the Tenant:

Address: 8064555 Canada Corp. o/a Telacor  
124 Hastings St. N. Suite 4  
Bancroft, Ontario  
K0L1C0

Attention: Lucas Balemba, President  
Email: [lucasbalemba@gmail.com](mailto:lucasbalemba@gmail.com)

With a copy to:

Tacit Law  
1000 Innovation Drive, Suite 500  
Kanata, Ontario  
K2K 3E7

and if to the Landlord:

Address: ADDRESS GOES HERE

Attention: LANDLORD NAME GOES HERE

Email:

### **INTERPRETATION OF LEASE**

- 20(1). All of the provisions contained in this Lease are to be construed as covenants and agreements and if any provision is illegal or unenforceable, it shall be considered separate and severable from the remaining provisions, which shall remain in full force and be binding upon the Landlord and the Tenant.
- 20(2). This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario. The courts of the City of Belleville, Ontario, shall have exclusive jurisdiction over any and all claims or disputes arising from this Lease.
- 20(3). The captions appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope of meaning of this Lease nor any of the provisions hereof.
- 20(4). This Lease constitutes the entire agreement between the Landlord and the Tenant with respect to the Leased Lands. No amendment, alteration or addition to this Lease will be binding on Landlord or Tenant, unless it is in writing and signed by both parties.

### **EFFECT OF LEASE**

21. This Lease and everything herein contained shall extend to and bind and may be taken advantage of by the respective heirs, executors, administrators, successors and assigns, as the case may be, of each and every of the parties hereto; the provisions hereof shall be read with all necessary grammatical and gender changes and the singular shall replace the plural or vice-versa where the context permits and where there is more than one tenant all covenants shall be deemed joint and several. No provision of this Lease shall be interpreted or construed against any party because such party or its legal counsel was involved in the drafting of the provision.

### **INDEPENDENT LEGAL ADVICE**

22. The Landlord acknowledges that it is aware that it has the right to obtain independent legal advice before signing this Lease. The Landlord hereby acknowledges and agrees that either such advice has been obtained or that the Landlord does not wish to seek or obtain such independent legal advice. The Landlord further acknowledges and agrees that it has read this Lease and fully understands the terms of this Lease, and further agrees that all such terms are reasonable and that it signs this Lease freely, voluntarily, and without duress.

### **COUNTERPARTS AND ELECTRONIC DELIVERY**

23. The Landlord and the Tenant agree that this Lease may be executed in counterparts, all of which together shall constitute one and the same instrument, and the transmittal of signed copies of this Lease or any notice required or permitted to be given hereunder by email

hereby constitutes good and valid execution and delivery of such document.

**IN WITNESS WHEREOF** the parties hereto have executed this Lease.

**SIGNED, SEALED AND DELIVERED**

**8064555 CANADA CORP. O/A TELACOR**

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

Name: Lucas Balemba

Title: President

I have authority to bind the Corporation

)  
)  
)  
)

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
**LANDLORD GOES HERE**

**LANDLORD GOES HERE**

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

Name: \*

Title: \*

I have authority to bind the Corporation

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

Name: \*

Title: \*

I have authority to bind the Corporation

**SCHEDULE A**  
**LEGAL DESCRIPTION OF LANDS/MUNICIPAL ADDRESS/GPS COORDINATES OF**  
**THE TOWER LOCATION**

**SCHEDULE B  
LEASED LANDS**

**SCHEDULE C**  
**RENT**

The landlord shall be entitled to the companies fastest residential internet package as well as it's standard TV and Phone services. These services shall be provided free of charge. In the event electrical services are obtained from the landlord, a hydro stipend of \$50/month shall be included as compensation.

Additional Compensation will be provided on a tiered basis based on the total number of paying clients linked to the tower. The number of paying clients shall be updated quarterly, and any adjustments in compensation shall take effect on the same schedule. The tiers of compensation are listed below.

- >10 clients – Free services outlined above
- 10 - 15 clients - \$100 / month and our fastest available residential internet package
- 16 – 25 clients - \$200 / month and our fastest available residential internet package
- 26 - 35 clients - \$300 / month and our fastest available residential internet package
- 36 - 45 clients - \$400 / month and our fastest available residential internet package
- 45< clients - \$500 / month and our fastest available residential internet package



**SCHEDULE 2.2(c)**

**PERMITTED ENCUMBRANCES**

**SCHEDULE 3.1.5**

**ARTICLES AND BY-LAWS OF THE CORPORATION**

Request ID: 011221005  
Demande n°:  
Transaction ID: 038214041  
Transaction n°:  
Category ID: CT  
Catégorie:

Province of Ontario  
Province de l'Ontario  
Ministry of Government Services  
Ministère des Services gouvernementaux

Date Report Produced: 2009/04/27  
Document produit le:  
Time Report Produced: 13:08:36  
Imprimé à:

# Certificate of Incorporation Certificat de constitution

This is to certify that

Ceci certifie que

**WISP INTERNET SERVICES INC.**

Ontario Corporation No.

Numéro matricule de la personne morale en  
Ontario

**002204556**

is a corporation incorporated,  
under the laws of the Province of Ontario.

est une société constituée aux termes  
des lois de la province de l'Ontario.

These articles of incorporation  
are effective on

Les présents statuts constitutifs  
entrent en vigueur le

**APRIL 27 AVRIL, 2009**



Director/Directrice

Business Corporations Act/Loi sur les sociétés par actions

Request ID / Demande n°

Ontario Corporation Number  
Numéro de la compagnie en Ontario

11221005

2204556

FORM 1

FORMULE NUMÉRO 1

BUSINESS CORPORATIONS ACT

/

LOI SUR LES COMPAGNIES

ARTICLES OF INCORPORATION  
STATUTS CONSTITUTIFS

1. The name of the corporation is: *Dénomination sociale de la compagnie:*  
WISP INTERNET SERVICES INC.

2. The address of the registered office is: *Adresse du siège social:*

68 KING STREET EAST  
SECOND FLOOR - UNIT 1

(Street & Number, or R.R. Number & if Multi-Office Building give Room No.)  
(Rue et numéro, ou numéro de la R.R. et, s'il s'agit édifice à bureau, numéro du bureau)

BOWMANVILLE  
CANADA

ONTARIO  
L1C 1R4

(Name of Municipality or Post Office)  
(Nom de la municipalité ou du bureau de poste)

(Postal Code/Code postal)

3. Number (or minimum and maximum number) of directors is: *Nombre (ou nombres minimal et maximal) d'administrateurs:*  
Minimum 1 Maximum 10

4. The first director(s) is/are: *Premier(s) administrateur(s):*

First name, initials and surname  
*Prénom, initiales et nom de famille*

Resident Canadian State Yes or No  
*Résident Canadien Oui/Non*

Address for service, giving Street & No.  
or R.R. No., Municipality and Postal Code

*Domicile élu, y compris la rue et le numéro, le numéro de la R.R., ou le nom de la municipalité et le code postal*

\* CHRIS DOYLE YES

4510 CONCESSION 5

NEWTONVILLE ONTARIO  
CANADA L0A 1J0

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5. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
*Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la compagnie.*

None

6. The classes and any maximum number of shares that the corporation is authorized to issue:  
*Catégories et nombre maximal, s'il y a lieu, d'actions que la compagnie est autorisée à émettre:*

The Corporation is authorized to issue an unlimited number of common shares, an unlimited number of Class A preferred shares and an unlimited number of Class B preferred shares.

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7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series: *Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:*

The holders of the common shares are entitled:

- a) To vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- b) To receive any dividend declared by the Corporation on the common shares; and
- c) Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive the remaining property of the Corporation upon dissolution, liquidation or winding-up of the Corporation.

The Corporation may at any time and from time to time purchase any issued common shares outstanding from any holder of the same, and such purchase need not be made pro rata from the holders of such shares.

The rights, privileges, restrictions and conditions attaching to the Class A preferred shares shall be as follows:

a) The holders of the Class A preferred shares, in the discretion of the directors of the Corporation, shall be entitled in any year, out of the profits or surplus available for dividends, to receive non-cumulative dividends in such amount as may be determined by the directors in any year, but not exceeding twelve percent (12%) per annum of the redemption price for such shares, payable on such terms and at such time as the same may be declared by the directors of the Corporation in their discretion, and no more; provided that, in any year, the directors of the Corporation may declare dividends in respect of any other class of shares of the Corporation, in their discretion, without so declaring dividends on the Class A preferred shares and vice versa.

b) For the purposes hereof, the term "redemption price" for any Class A preferred share shall mean:

i) Where such share was issued for money, the amount for which such share was issued; or

ii) Where such share was issued in whole or in part for a consideration other than money, then the amount in money (if any) paid for the issue of such share, plus an amount equal to the fair market value of such other consideration received; such fair market value shall be calculated as at the date of issue of such share and shall be determined in accordance with recognized standards of valuation.

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7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series: *Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:*

The redemption price shall be reduced by the amount of any return of capital paid to the holder of any Class A preferred share as of the date of such return of capital.

c) In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Class A preferred shares shall receive, before any distribution of the assets of the Corporation is made among the holders of the Class B preferred shares and common shares of the Corporation, an amount equal to the redemption price for such shares plus an amount equal to any dividends declared thereon but unpaid. The holders of the Class A preferred shares shall not be entitled to receive any amount other than or in excess of the amount hereinbefore provided for.

d) Each holder of one (1) or more Class A preferred shares shall have the right, in his discretion and at all times, to demand that the Corporation redeem all or any of the said shares registered in the name of the holder in the books of the Corporation, by presenting to the Corporation, at its registered office, a share certificate representing the Class A preferred shares that the registered holder wishes the Corporation to redeem; the said certificate shall be accompanied by a written request indicating:

i) That the registered holder wishes all or part of the Class A preferred shares represented by the said certificate to be redeemed by the Corporation; and

ii) The date (providing that it is a working day) upon which the registered holder wishes his Class A preferred shares to be redeemed. However, the said date of redemption shall not at any time be fixed at less than thirty (30) days from the date of presentation of the request.

The receipt of the said certificate and the said request shall oblige the Corporation, on the date stipulated in the request, to redeem the said Class A preferred shares by paying to the said registered holder an amount equal to the redemption price for such shares plus all dividends declared on such shares but unpaid. Commencing from the date of redemption stipulated in the written request, the holders of the said Class A preferred shares shall not be entitled to exercise any rights attaching thereto, unless the payment is not made by the Corporation on the date of redemption stipulated in the request, in which case the rights of the holders of the shares in question shall not be affected in any manner.

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7. **Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series: Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:**
- e) The Corporation may, upon giving notice as hereinafter provided, redeem, subject to the provisions of the Business Corporations Act (Ontario), the whole or any part of the Class A preferred shares on payment for each share to be redeemed of an amount equal to the redemption price for such share plus all dividends declared on such share but unpaid. In the event that only a part of the Class A preferred shares is at any time to be redeemed, the shares to be redeemed shall be selected by lot, in such manner as the directors of the Corporation in their discretion shall decide, or, if the directors of the Corporation so determine, such shares may be redeemed pro rata, disregarding fractions. Notice of redemption shall be given by registered letter mailed to the holder of each share to be redeemed at least thirty (30) days before the date fixed for redemption. Such notice shall specify the date and place fixed for redemption and shall be mailed to the address of the holder as it appears at the time of mailing on the register of shareholders kept by the Corporation. If such notice is duly given and an amount sufficient to redeem the shares is deposited with any trust company or chartered bank specified in such notice on or before the date fixed for redemption, dividends on the shares to be redeemed shall cease after the date fixed for redemption and the holders thereof shall thereafter have no rights against the Corporation in respect of such shares except, upon surrender of certificates for such shares, to receive payment out of the monies so deposited.
- f) The Corporation shall have the right, at its option, at any time and from time to time, to purchase (if obtainable) for cancellation, subject to the provisions of the Business Corporations Act (Ontario), the whole or any part of the Class A preferred shares outstanding by invitation for tenders addressed to all holders of record of the Class A preferred shares outstanding, at the lowest price at which, in the opinion of the directors of the Corporation, such shares are obtainable, but not exceeding the redemption price for such shares, plus all dividends declared on such shares but unpaid; provided that, if more shares are tendered in response to such invitation than the Corporation is willing or able to purchase, the shares to be selected for purchase shall be so selected pro rata according to the holdings of the Class A preferred shareholders who tender.
- g) The holders of the Class A preferred shares shall be entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation and each such Class A preferred share shall confer the right to one (1) vote in person or by proxy.
- h) Subject to the issuance of a certificate by the Director under the Business Corporations Act (Ontario), the Corporation may at any time or times or from time to time pass a special resolution or resolutions whereby



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7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series: *Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:*

all or any of the rights, privileges, restrictions and conditions attaching to or affecting the Class A preferred shares may be amended, modified, altered or repealed, or the application thereof suspended in any particular case, but no such special resolution shall be effective or acted upon unless and until it has been sanctioned by the affirmative vote of the holders of not less than two-thirds (2/3) of the Class A preferred shares represented and voted at a meeting duly called for considering the same, in addition to such other vote of other classes of shareholders as may be required by the Business Corporations Act (Ontario).

The rights, privileges, restrictions and conditions attaching to the Class B preferred shares shall be as follows:

a) The holders of the Class B preferred shares, in the discretion of the directors of the Corporation, shall be entitled in any year, out of the profits or surplus available for dividends, to receive non-cumulative dividends in such amount as may be determined by the directors in any year, but not exceeding thirteen percent (13%) per annum of the redemption price for such shares, payable on such terms and at such time as the same may be declared by the directors of the Corporation in their discretion, and no more; provided that, in any year, the directors of the Corporation may declare dividends in respect of any other class of shares of the Corporation, in their discretion, without so declaring dividends on the Class B preferred shares and vice versa.

b) For the purposes hereof, the term "redemption price" for any Class B preferred share shall mean:

i) Where such share was issued for money, the amount for which such share was issued; or

ii) Where such share was issued in whole or in part for a consideration other than money, then the amount in money (if any) paid for the issue of such share, plus an amount equal to the fair market value of such other consideration received; such fair market value shall be calculated as at the date of issue of such share and shall be determined in accordance with recognized standards of valuation.

The redemption price shall be reduced by the amount of any return of capital paid to the holder of any Class B preferred share as of the date of such return of capital.

c) In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the Class B preferred shares

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7. **Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:**  
*Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:*
- shall rank junior to the Class A preferred shares, but the holders thereof shall receive, before any distribution of the assets of the Corporation is made among the holders of the common shares of the Corporation, an amount equal to the redemption price for such shares plus an amount equal to any dividends declared thereon but unpaid. The holders of the Class B preferred shares shall not be entitled to receive any amount other than or in excess of the amount hereinbefore provided for.
- d) The Corporation may, upon giving notice as hereinafter provided, redeem, subject to the provisions of the Business Corporations Act (Ontario), the whole or any part of the Class B preferred shares on payment for each share to be redeemed of an amount equal to the redemption price for such share plus all dividends declared on such share but unpaid. In the event that only a part of the Class B preferred shares is at any time to be redeemed, the shares to be redeemed shall be selected by lot, in such manner as the directors of the Corporation in their discretion shall decide, or, if the directors of the Corporation so determine, such shares may be redeemed pro rata, disregarding fractions. Notice of redemption shall be given by registered letter mailed to the holder of each share to be redeemed at least thirty (30) days before the date fixed for redemption. Such notice shall specify the date and place fixed for redemption and shall be mailed to the address of the holder as it appears at the time of mailing on the register of shareholders kept by the Corporation. If such notice is duly given and an amount sufficient to redeem the shares is deposited with any trust company or chartered bank specified in such notice on or before the date fixed for redemption, dividends on the shares to be redeemed shall cease after the date fixed for redemption and the holders thereof shall thereafter have no rights against the Corporation in respect of such shares except, upon surrender of certificates for such shares, to receive payment out of the monies so deposited.
- e) The Corporation shall have the right, at its option, at any time and from time to time, to purchase (if obtainable) for cancellation, subject to the provisions of the Business Corporations Act (Ontario), the whole or any part of the Class B preferred shares outstanding by invitation for tenders addressed to all holders of record of the Class B preferred shares outstanding, at the lowest price at which, in the opinion of the directors of the Corporation, such shares are obtainable, but not exceeding the redemption price for such shares, plus all dividends declared on such shares but unpaid; provided that, if more shares are tendered in response to such invitation than the Corporation is willing or able to purchase, the shares to be selected for purchase shall be so selected pro rata according to the holdings of the Class B preferred shareholders who tender.

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7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series: *Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions que peut être émise en série:*

f) Subject to the provisions of paragraph (g) hereof, the holders of the Class B preferred shares shall have no right to receive notice of, attend or vote at any meeting of shareholders of the Corporation.

g) Subject to the issuance of a certificate by the Director under the Business Corporations Act (Ontario), the Corporation may at any time or times or from time to time pass a special resolution or resolutions whereby all or any of the rights, privileges, restrictions and conditions attaching to or affecting the Class B preferred shares may be amended, modified, altered or repealed, or the application thereof suspended in any particular case, but no such special resolution shall be effective or acted upon unless and until it has been sanctioned by the affirmative vote of the holders of not less than two-thirds (2/3) of the Class B preferred shares represented and voted at a meeting duly called for considering the same, in addition to such other vote of other classes of shareholders as may be required by the Business Corporations Act (Ontario).

Request ID / Demande n°

Ontario Corporation Number  
Numéro de la compagnie en Ontario

11221005

2204556

- 
8. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
*L'émission, le transfert ou la propriété d'actions est/n'est pas restreinte. Les restrictions, s'il y a lieu, sont les suivantes:*

No shares of the capital stock of the Corporation shall be transferred unless and until such transfer has been approved by the board of directors of the Corporation.

Request ID / Demande n°

Ontario Corporation Number  
Numéro de la compagnie en Ontario

11221005

2204556

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9. Other provisions, (if any, are):  
*Autres dispositions, s'il y a lieu:*

I. No securities of the Corporation shall be transferred unless and until such transfer has been approved by the board of directors of the Corporation.

II. The number of security holders of the Corporation shall be limited to fifty (50), not including persons who are in the employment of the Corporation and persons who, having been formerly in the employment of the Corporation, provided that each person is counted as one beneficial owner unless the person is created or used solely to purchase or hold securities of the issuer in which case each beneficial owner or each beneficiary of the person, as the case may be, must be counted as a separate beneficial owner and that the securities are only distributed to a select group of persons described in applicable legislation and regulations.

Request ID / Demande n°

11221005

Ontario Corporation Number  
Numéro de la compagnie en Ontario

2204556

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10. The names and addresses of the incorporators are  
*Nom et adresse des fondateurs*

First name, initials and last name  
or corporate name

*Prénom, initiale et nom de  
famille ou dénomination sociale*

Full address for service or address of registered office or of principal place of business  
giving street & No. or R.R. No., municipality and postal code  
*Domicile élu, adresse du siège social au adresse de l'établissement principal, y compris  
la rue et le numéro, le numéro de la R.R., le nom de la municipalité et le code postal*

\* CHRIS DOYLE

4510 CONCESSION 5

NEWTONVILLE ONTARIO  
CANADA L0A 1J0

**SCHEDULE 3.1.6**

**SHAREHOLDERS' REGISTER**

<b>NAME</b>	<b>SHARES</b>
Chris Evelyn	100 common shares

**SCHEDULE 3.1.11**  
**FINANCIAL STATEMENTS OF THE CORPORATION -**  
**FISCAL YEAR ENDED DECEMBER 31, 2022**

See attached.



**WISP INTERNET SERVICES INC.**

**Compiled Financial Information**

**Year Ended December 31, 2022**

**DRAFT FOR DISCUSSION PURPOSES ONLY**

**SNM Professional Corporation  
Chartered Professional Accountants**

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**COMPILATION ENGAGEMENT REPORT**

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To the Management of WISP Internet Services Inc.

On the basis of information provided by management, I have compiled the balance sheet of WISP Internet Services Inc. as at December 31, 2022, and the statement of loss and deficit for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Toronto, Ontario  
April 4, 2024

Chartered Professional Accountant

DRAFT FOR DISCUSSION PURPOSES ONLY

**WISP INTERNET SERVICES INC.**

**Balance Sheet**

**December 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 9,227	\$ 7,565
Accounts receivable	7,334	-
Inventory	25,000	50,000
Harmonized sales tax recoverable	1,084	-
Prepaid expenses	89,359	51,944
	<u>132,004</u>	109,509
PROPERTY AND EQUIPMENT <i>(Net of accumulated amortization) (Note 2)</i>	404,869	485,934
	<u>\$ 536,873</u>	<u>\$ 595,443</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 264,065	\$ 284,537
Harmonized sales tax payable	-	15,746
Deferred income	472,166	145,718
Due to shareholder	93,391	78,491
	<u>829,622</u>	524,492
LONG TERM DEBT	142,960	44,389
LONG TERM LIABILITIES SUBJECT TO NOI	8,145,444	8,139,747
	<u>9,118,026</u>	8,708,628
<b>SHAREHOLDER'S DEFICIENCY</b>		
Share capital	50	50
Deficit	(8,581,203)	(8,113,235)
	<u>(8,581,153)</u>	(8,113,185)
	<u>\$ 536,873</u>	<u>\$ 595,443</u>

**APPROVED BY THE DIRECTOR**

\_\_\_\_\_  
Director

See notes to financial information

**WISP INTERNET SERVICES INC.****Statement of Loss and Deficit****Year Ended December 31, 2022**

	2022	2021
<b>SALES</b>	<b>\$ 1,643,100</b>	<b>\$ 2,218,313</b>
<b>COST OF SALES</b>		
Opening Inventory	50,000	120,000
Purchases	1,503,085	1,651,379
	1,553,085	1,771,379
Closing Inventory	(25,000)	(50,000)
	1,528,085	1,721,379
<b>GROSS PROFIT</b>	<b>115,015</b>	<b>496,934</b>
<b>EXPENSES</b>		
Vehicle	91,343	101,567
Professional fees	77,933	95,656
Salaries and wages	74,846	73,760
Interest and bank charges	93,982	112,359
Rental	40,165	57,650
Telephone	29,099	31,942
Insurance	26,577	18,699
Office	18,263	10,453
Utilities	14,985	14,691
Repairs and maintenance	5,203	7,170
Advertising and promotion	4,584	32,064
Business taxes, licenses and memberships	3,629	4,909
Travel	3,517	-
Meals and entertainment	567	109
Amortization	151,391	196,210
	636,084	757,239
<b>LOSS FROM OPERATIONS</b>	<b>(521,069)</b>	<b>(260,305)</b>
<b>OTHER INCOME</b>		
Loss on disposal of assets	(929)	-
Interest from other sources	19,749	-
Wages subsidy benefits (CEWS)	7,365	-
Forgiveness loan	26,916	20,000
	53,101	20,000
<b>NET LOSS</b>	<b>(467,968)</b>	<b>(240,305)</b>
<b>RETAINED EARNINGS - BEGINNING OF YEAR</b>	<b>(8,113,235)</b>	<b>(7,872,930)</b>
<b>DEFICIT - END OF YEAR</b>	<b>\$ (8,581,203)</b>	<b>\$ (8,113,235)</b>

See notes to financial information

**WISP INTERNET SERVICES INC.**  
**Notes to Compiled Financial Information**  
**Year Ended December 31, 2022**

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the balance sheet of WISP Internet Services Inc. as at December 31, 2022, and the statement of loss and deficit for the year then ended is on the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable less an allowance for doubtful accounts
- inventory valued at cost
- property and equipment amortized on the same basis as for income tax
- accounts payable and accrued liabilities

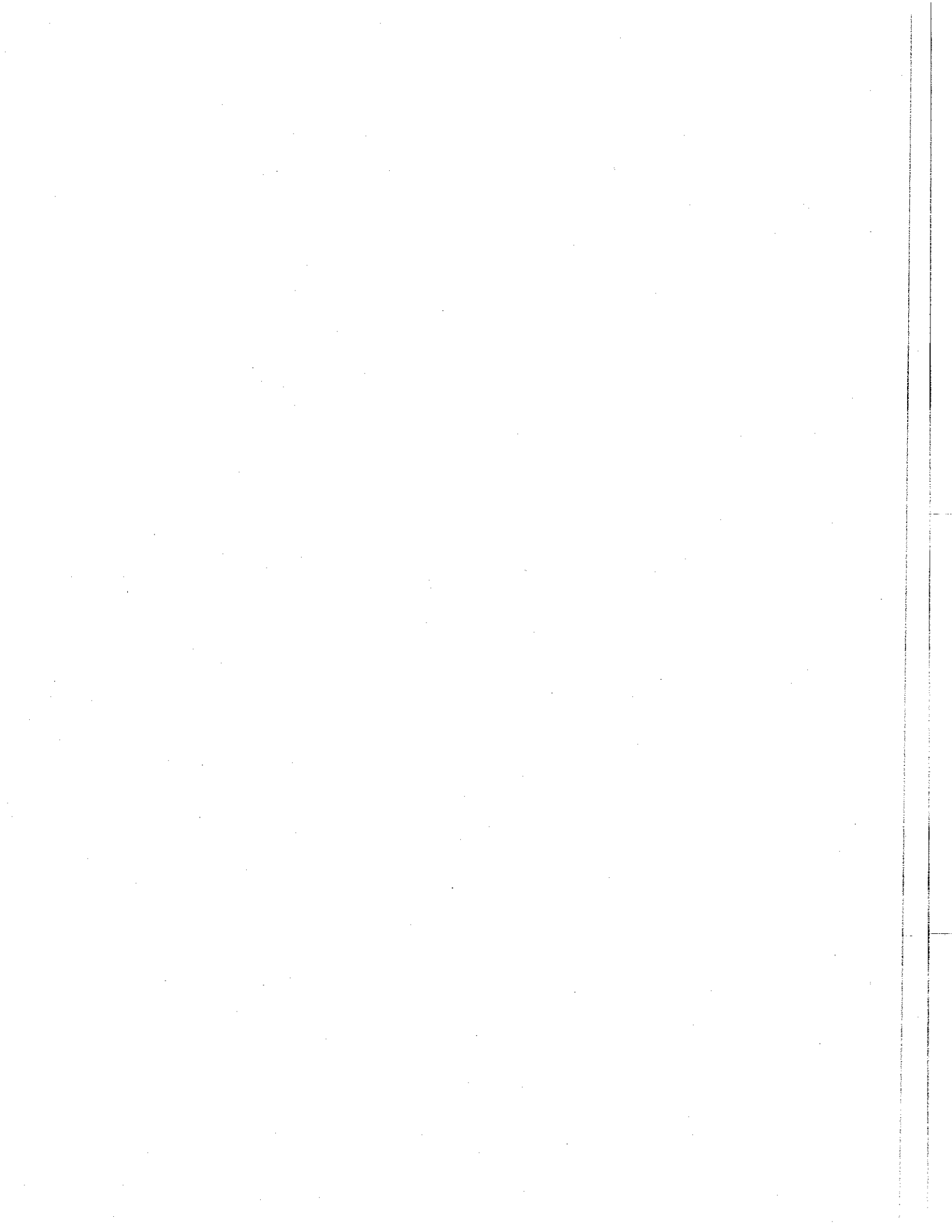
2. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Buildings	\$ 37,332	\$ 12,548	\$ 24,784	\$ 26,366
Equipment	139,095	82,944	56,151	30,784
Solar Equipment	199,576	193,342	6,234	12,469
Signs - Cost	2,763	2,194	569	711
Trailers - Cost	17,264	11,831	5,433	9,601
Motor vehicles	130,603	116,797	13,806	19,722
Furniture and fixtures	59,607	44,638	14,969	18,711
Computer equipment	43,149	36,503	6,646	11,027
Towers - Costs	1,890,997	1,614,720	276,277	356,543
	<b>\$ 2,520,386</b>	<b>\$ 2,115,517</b>	<b>\$ 404,869</b>	<b>\$ 485,934</b>



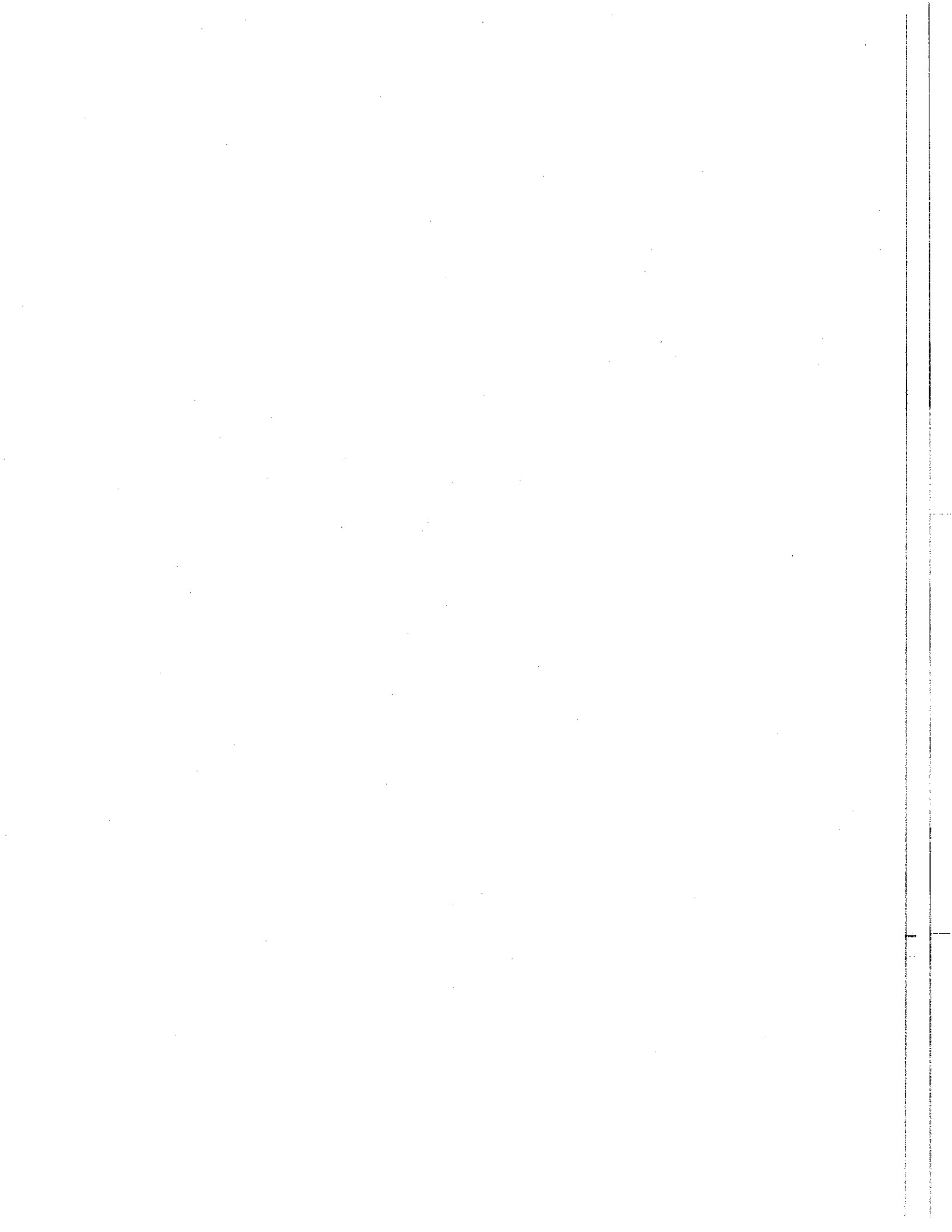
**SCHEDULE 3.1.18**

**COPIES OF EMPLOYMENT, SERVICE, PENSION, DEFERRED PROFIT SHARING,  
BENEFIT, BONUS OR OTHER SIMILAR AGREEMENT**





# APPENDIX "D"



**WISP Internet Services Inc.**  
**Weekly Cash Flow Forecast**  
**For the period from September 21, 2024 to December 21, 2024**

Week Ending	Notes	28-Sep-24	05-Oct-24	12-Oct-24	19-Oct-24	26-Oct-24	02-Nov-24	09-Nov-24	16-Nov-24	23-Nov-24	30-Nov-24	07-Dec-24	14-Dec-24	21-Dec-24	TOTAL
<b>Receipts</b>															
		21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	21,459	278,972
		507	507	507	507	507	507	507	507	507	507	507	507	507	6,596
		21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	21,967	285,568
<b>Total Receipts</b>															
<b>Disbursements</b>															
		4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	4,125	53,625
		9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	122,200
		3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	51,350
		865	865	865	865	865	865	865	865	865	865	865	865	865	11,245
		-	500	1,700	-	-	-	2,200	-	-	-	-	-	2,200	6,600
		18,340	18,340	18,840	20,040	18,340	18,340	18,340	20,540	18,340	18,340	18,340	18,340	20,540	245,020
		3,627	3,627	3,127	1,927	3,627	3,627	3,627	1,427	3,627	3,627	3,627	3,627	3,627	40,548
<b>Net Cash flow from Operations</b>															
<b>Bank Balance</b>															
		9,000	12,377	6,004	9,130	11,057	14,684	18,061	21,688	23,114	26,741	30,368	33,745	37,371	9,000
		3,627	3,627	3,127	1,927	3,627	3,627	3,627	1,427	3,627	3,627	3,627	3,627	3,627	40,548
		12,627	16,004	9,130	11,057	14,684	18,311	21,688	23,114	26,741	30,368	33,995	37,371	38,798	49,548
		-	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000
		250	-	-	-	-	250	-	-	-	-	250	-	-	750
		12,377	6,004	9,130	11,057	14,684	18,061	21,688	23,114	26,741	30,368	33,745	37,371	38,798	38,798
<b>Closing Cash Balance</b>															

**WISP Internet Services Inc. (“WISP” or the “Company”)**  
Major Assumptions  
Cash Flow Forecast  
For the Period to September 21, 2024 to December 21, 2024 (the “Period”)

The Projection assumes that the proposed transaction (“**Transaction**”) with WISP’s supplier Northern Rural Networks (“**NRN**”), will be completed during the quarter and that WISP will continue to operate in the normal course in the Period. One exception is the ongoing deferral of the direct costs of approximately \$40K per month that are payable to NRN (“**NRN Deferral**”). NRN has agreed to the deferral of payments for the various services it is providing to WISP in order to free up cash flow such that WISP can direct such excess cash flow to fund its payroll, tower payments and professional fee payments to be incurred to implement the Transaction and to obtain approval of an Amended Proposal that will be required to complete the Transaction.

Receipts:

2. Wisp sells high-speed internet access to rural Ontario residents. Wisp’s recurring revenue projections for the purposes of this cash flow are based on the Company’s existing number of internet subscribers at the average monthly billing per customer. Recurring revenue also includes nominal receipts from customers who pay a monthly rental fee for their internet equipment.

On a net basis the number of subscribers is forecast to remain unchanged in the Period.

3. Non recurring revenue projections includes one-time payments by new subscribers who elect to purchase their internet equipment rather than pay the monthly rental fee noted above, as well as receipts for special customer installations at times required by new subscribers in order to be able to receive internet into their homes.

Disbursements:

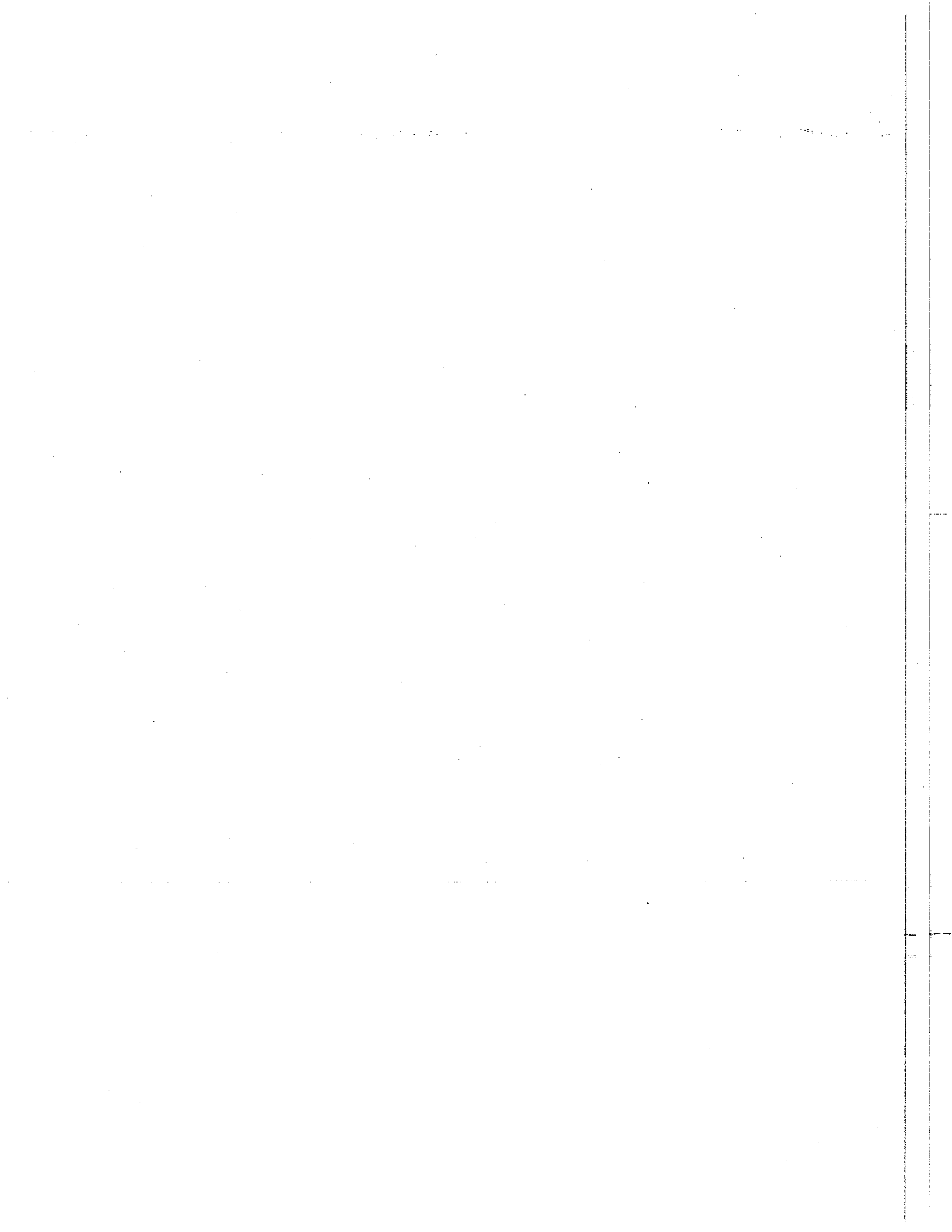
4. Direct costs are payable to NRN for the cost of the Company’s primary internet feed and the costs associated with the installation of hardware into the homes of new subscribers, all of which is included in the NRN Deferral as noted above. Continuation of the NRN Deferral is contingent upon completion of the Transaction. Should the Transaction not close these payments would be immediately due and WISP would have insufficient cash flow to make these catch up payments.
5. Indirect cost of sales includes merchant fees for processing customer credit card payments, the Company’s customer management software, a bi-weekly payment for the

Company's help desk and sales support team, vehicle expenses, equipment lease costs and other rental costs.

6. Tower rental and option payments, which commenced after Proposal approval, are included at the agreed upon rates.
7. Payroll includes weekly payments to salaried and hourly employees, as well as source deduction remittances to the Canada Revenue Agency ("CRA") paid by the 15<sup>th</sup> of the following month, employee benefit remittances and WSIB payments in the Period.
8. Occupancy expenses include Wisp's insurance costs and utilities.
9. General and administrative expense include general office expenses, book keeping costs, and monthly HST remittances to CRA. WISP has been in a net refund payment in respect of HST in the last couple of quarters.
10. One proposal payment will be made in the Period which will be applied to the professional fee arrears.
11. Loan Payments are limited to interest payments of \$250 payable monthly in respect of the Company's CEBA loan it obtained during the pandemic.



**REVISED  
AMENDED  
PROPOSAL  
(with tracked  
changes)**





ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE PROPOSAL OF  
WISP INTERNET SERVICES INC.,  
OF THE TOWNSHIP OF SCUGOG, IN THE PROVINCE OF ONTARIO

**SECOND REVISED AMENDED PROPOSAL**

**WISP INTERNET SERVICES INC.** (the "**Debtor**") hereby submits the following Second Revised Amended Proposal (the "Amended Proposal") under the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

**Purpose of Amended Proposal**

The Debtor is currently in default of its obligations under its Revised Amended Proposal dated December 3, 2019, and approved by the Court on January 28, 2020 (the "Proposal"), and unable to complete the Proposal without the amendments set out herein.

The purpose of this Amended Proposal is to: (a) amend and restate the terms of the Proposal; and (b) effect a restructuring of the indebtedness of the Debtor in the manner contemplated herein and as permitted by the Act, in the expectation that Creditors will generally derive a greater benefit from the Amended Proposal and the continued operation of the business and affairs of the Debtor than would result from a bankruptcy of the Debtor.

**Effect of Amended Proposal**

This Amended Proposal restructures the indebtedness of the Debtor and provides the essential terms on which all Claims will be fully and finally resolved and settled. During the Amended Proposal period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors will be stayed from commencing or continuing any proceeding or exercising any remedy against the Debtor or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Debtor in respect of a Claim or to commence any formal legal proceedings against it other than as provided for under this Amended Proposal.

**Definitions**

1. In this Amended Proposal:

"**Act**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

"**Administrative Fees and Expenses**" means the proper fees and expenses of the Proposal Trustee incidental to the NOI and the preparation and facilitation of the Proposal, the Amended Proposal and any further amendments thereto, including, without limitation, fees incurred by the

Proposal Trustee in the administration of the Funded Proposal Payments, and the legal fees and expenses incurred by the Proposal Trustee and the Debtor before and following execution, acceptance and approval of this Amended Proposal and in connection with the NOI and the preparation of this Amended Proposal, as well as advice to the Debtor in connection therewith;

**"Amended Proposal Effective Date"** means 10 calendar days from the date of the Approval Order, unless the Approval Order is appealed, in which case the Amended Proposal Effective Date means the later of: (i) one Business Day after the full and final determination of the appeal; and (ii) the expiry of any further appeal periods;

**"Approval Order"** means the Order of the Court approving this Amended Proposal and the transaction contemplated by the SPA;

**"Bankruptcy Reserve"** means a reserve amount of \$25,000 to be held by the Proposal Trustee as security for the administrative costs of the bankruptcy of the Debtor, in the event that the Debtor becomes bankrupt;

**"Business Day"** means any day, other than Saturday or Sunday, on which banks are ordinarily open for business in Toronto, Ontario;

**"Certificate of Full Performance"** means the certificate that the Proposal Trustee issues to the Debtor and to the Official Receiver pursuant to Section 65.3 of the Act;

**"CRA"** means Canada Revenue Agency;

**"Claims"** means claims that are proved and allowed for any and all debts and liabilities, present and future, including contingent and unliquidated claims of the Debtor to which the Debtor was subject at the Filing Date as defined herein, and "Claim" has a corresponding meaning;

**"Court"** means the Ontario Superior Court of Justice (Commercial List);

**"Creditors"** means Secured Creditors and General Unsecured Creditors;

**"Crown Claims"** means those claims set out in paragraph 3 of this Amended Proposal;

**"Date of the Amended Proposal"** means ~~November 12~~ October 9, 2019 ~~2024~~, the date on which the Amended Proposal was filed with the office of the Official Receiver;

**"Debtor"** means WISP Internet Services Inc.;

**"Deficiency Claim"** means the value of the Claim of a Secured Creditor which is in excess of the value of the ~~Secured Property~~ collateral held as security in respect of that Claim;

~~**"Effective Date"** means 10 calendar days from the date of the Approval Order, unless the Approval Order is appealed, in which case the Effective Date means the later of: (i) one Business Day after the full and final determination of the appeal; and (ii) the expiry of any further appeal periods;~~

**"Employee Preferred Claim"** means a Claim by a current or former employee of the Debtor, or such portion of such Claim, that would be payable in priority under Subsection 136(1) of the Act;

**"Event of Default"** means an event described in paragraph ~~4347~~ 4347 hereof;

**"Filing Date"** means August 29, 2019, the date on which the NOI was filed;

**"Funded Proposal Payments"** means funds which will be advanced to the Proposal Trustee for distribution pursuant to paragraphs 8 to 10 hereof, as more particularly described in paragraphs 2327 and 24 hereof 28 hereof, the source of which will be the closing of the transaction contemplated by the SPA;

**"General Unsecured Creditors"** means those persons with Claims, except for those Claims:

- i. That have been finally and conclusively disallowed pursuant to the provisions of the Act by the Proposal Trustee or the Court (as may be applicable);
- ii. That may be contingent or unliquidated and found by the Proposal Trustee or the Court (as may be applicable) not to be provable; and
- iii. that are Claims by Secured Creditors;

**"Inspectors"** means the inspectors described in paragraphs 3337 to 3943 hereof;

**"ITA"** means the *Income Tax Act* (Canada);

**"Levy"** means the levy payable to the Superintendent of Bankruptcy pursuant to Section 147 and Rule 123(2) of the Act;

**"NOI"** means the Debtor's Notice of Intention to File a Amended Proposal pursuant to the Act;

**"Option Agreement"** means an agreement between the Debtor and a Property Owner who is part of Unsecured Creditor Group 2 pursuant to which the Debtor has an option to build a Tower, as more particularly described in Schedule "C" hereto;

**"Option Payment"** means any payment by the Debtor to a Property Owner pursuant to an Option Agreement;

**"Original Proposal Effective Date"** means February 7, 2020, being 10 calendar days from the date of the Order (Re Approval of Proposal) of the Honourable Justice McEwen dated January 28, 2020, approving the Proposal;

**"Performance of the Amended Proposal"** means the payment of the money pursuant to the provisions of paragraphs 8 to 10, 2327 and 2428 hereof;

**"Preferred Claim"** means any claim that is afforded priority under Section 136(1) of the Act;

**"Preferred Creditor"** means any Unsecured Creditor holding a Preferred Claim, solely in respect to that Preferred Claim;

**"Property Owner"** means the owner of lands on which the Debtor has built, or has contracted to build, a Tower pursuant to a Tower Agreement, and includes any person who signed a subscription agreement in respect of a Tower to be built on third-party lands;

**"Amended Proposal"** means this Amended Proposal, dated ~~November 12~~ October 9, 2019 2024;

**"Proposal Trustee"** means Dodick Landau Inc., or its duly appointed successor or successors;

**"Proven"**, as used in relation to any Claim, means such Claim as finally accepted or determined by the Proposal Trustee in accordance with the provisions of the Act and this Amended Proposal, subject to all rights of appeal under the Act, the determination of that Claim pursuant to such appeals and/or any applicable appeal periods having expired;

**"Released Parties"** means the Debtor and each and every present and former director and officer of the Debtor, and each and every of their respective successors and assigns;

**"Rental Payment"** means any payment by the Debtor to a Property Owner pursuant to a Tower Agreement or Replacement Tower Agreement, as applicable;

**"Replacement Tower Agreement"** means an agreement governing the ownership and use of a Tower in the form attached hereto as Schedule "A";

**"Secured Creditors"** means persons holding a mortgage, hypothec, pledge, charge, lien or privilege on or against the property of the Debtor or any part thereof as security for a Claim;

**"Share Pool"** means the total pool of shares of the Debtor to be made available for purchase by General Unsecured Creditors, as more particularly described in Schedule "F" hereto;

**"SPA"** means the Share Purchase and Sale Agreement dated October 4, 2024, between 8064555 Canada Corp. ("806") and the Debtor, pursuant to which 806 has agreed to purchase, and the Debtor has agreed to sell, 75% of all issued and outstanding shares of the Debtor, subject to the terms and conditions of the SPA;

**"Second Share Pool"** means the total pool of shares of the Debtor to be made available to General Unsecured Creditors, as more particularly described in Schedule "G" hereto;

**"Tower"** means the communications tower and shed, including all associated panels and equipment, which are the subject of a Tower Agreement;

**"Tower Agreement"** means an agreement between WISP and a Property Owner governing the ownership and use of a Tower;

**"Unsecured Claim"** means the Claims of a General Unsecured Creditor;

**"Unsecured Creditor Group 1"** means all Property Owners who have a Tower on their lands, including those Property Owners who purported to terminate their Tower Agreements before or after the Filing Date, to the extent of their Claim as it relates to the Debtor's failure to perform its obligations under any Tower Agreement;

**"Unsecured Creditor Group 2"** means all Property Owners who (i) are party to a Tower Agreement with the Debtor and (ii) do not have a built Tower on their lands or third-party lands, as applicable, to the extent of their Claim as it relates to the Debtor's failure to perform its obligations under any Tower Agreement; and

**"Unsecured Creditor Group 3"** means all other General Unsecured Creditors who are not part of Unsecured Creditor Group 1 or Unsecured Creditor Group 2, including private lenders and trade creditors, and also including those in Unsecured Creditor Group 1 and Unsecured Creditor Group 2 who have additional Claims against the Debtor.

### Classification of Creditors

- For the purpose of this Amended Proposal, the Creditors of the Debtor shall be comprised of a single class, consisting of Creditors having Preferred Claims and Unsecured Claims. For greater certainty, Preferred Creditors entitled to vote pursuant to the Act shall vote in this class; Secured Creditors holding Deficiency Claims are entitled to vote in this class to the extent of such claims; and claims of Her Majesty in Right of Canada and any province for all amounts other than Crown Claims shall vote in this class.

### Crown Claims

- The Debtor covenants and agrees to represent and warrants that it, within six months after the Original Proposal Effective Date, ~~paypaid~~ in full all amounts that were outstanding at the Filing Date of a kind that could ~~be have been~~ subject to a demand under: (i) Subsection 224(1.2) of the ITA; (ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to s.224(1.2) of the *ITA* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalty or other amounts; or (iii) under any substantially similar provision of provincial legislation, including all amounts contemplated by Section 60(1.1) of the Act. This payment of Crown Claims (if any) ~~will be was~~ made in addition to the Funded Proposal Payments and in priority to the Claims of Secured Creditors and General Unsecured Creditors.

### Secured Creditors

- The Debtor covenants and agrees to represent and warrants that it, within 12 months following the Original Proposal Effective Date, ~~satisfy~~ satisfied the Claims of Secured Creditors. The payment of Claims of Secured Creditors shall ~~be was~~ made outside of ~~this~~ the Proposal and ~~this~~ Amended Proposal. Secured Creditors may only vote on questions relating to this Amended Proposal as a General Unsecured Creditor in respect of the amount equal to such Secured Creditor's Proven Deficiency Claim.

### Employee Preferred Claims and Wages

- All Proven Employee Preferred Claims shall be paid out of funds to be delivered by the Debtor to the Proposal Trustee in addition to the Funded Proposal Payments and shall be remitted by the Proposal Trustee to the entitled claimants immediately after the Court Approval Date and in priority to the Unsecured Claims.
- The Debtor shall continue to pay employees, not to include independent contractors, all wages, salaries, commissions or compensation for services rendered before, and after, the Court Approval Date.

### Preferred Claims (other than Employee Preferred Claims)

- Proven Preferred Claims, other than Employee Preferred Claims, shall be paid in full, out of the Funded Proposal Payments, without interest, in priority to Proven Unsecured Claims.

### Amended Proposal for General Unsecured Creditors

- The Debtor covenants and agrees to, ~~between months 13 and 120~~ within one month following the

Amended Proposal Effective Date, make monthly the Funded Proposal Payments to the Proposal Trustee and the Proposal Trustee will make two full dividend payments each year payment to General Unsecured Creditors on a pro rata basis in respect of their Claims. The timing of the two annual dividend payments payment will be at the discretion of the Proposal Trustee.

9. The total amount of the Funded Proposal Payments will be \$2,250,000-560,000, less forgiveness of amounts owing by the Debtor to 806 in the amount of \$336,000, resulting in net cash proceeds of \$224,000 (the "Cash Consideration"), and will be in addition to any Rental Payments described in Schedule "A" heretoparagraph 15 herein or any Option Payments or Rental Payments described in Schedule "C" hereto.
10. Subject to paragraphs 2529 and 2630 hereof, General Unsecured Creditors with a Proven Unsecured Claim shall receive, in full and complete satisfaction of all debts and liabilities of Claims against the Debtor:
- a. their pro rata share of \$2,250,000the Cash Consideration, less the Administrative Fees and Expenses; and
  - b. an option to acquire their pro rata share of the Share Pool; and
  - c. an option to acquire their pro rata share of the Second Share Pool.

#### Amended Proposal for Unsecured Creditor Group 1

11. Tower Agreements shall be amended in accordance with terminated and Replacement Tower Agreements in the form attached as Schedule "A" hereto. From December 4, 2019, the Debtor covenants not to grant any security interest in the Works (as defined in the applicable Tower Agreements) shall become effective upon the Amended Proposal Effective Date.
12. Any Property Owner who purported to terminate their Tower Agreement before or after the Filing Date shall have their Tower Agreement treated as remaining in force until the Amended Proposal Effective Date, at which time they shall be replaced by the Replacement Tower Agreements.
13. Property Owners will continue to receive free internet throughout the term of the Replacement Tower Agreement.
14. The Debtor shall continue to have the exclusive right to use the Tower while in good standing under the Amended Proposal.
15. Rental Payments shall be adjusted annually on the first Business Day of the month following the anniversary of the Amended Proposal Effective Date based on the Debtor's customer base measured on each anniversary of the Amended Proposal Effective Date. Annual rent adjustments shall be calculated as follows:

<u>Number of Active Customers</u>	<u>Monthly Rental Rate</u>
<u>10 or less active clients</u>	<u>Either \$100.00/month or Property Owner to receive free internet, if available</u>
<u>11 - 15 active clients</u>	<u>\$100.00/month plus free internet for Property Owner</u>

<u>16 - 25 active clients</u>	<u>\$200.00/month plus free internet for Property Owner</u>
<u>26 - 35 active clients</u>	<u>\$300.00/month plus free internet for Property Owner</u>
<u>36 - 45 active clients</u>	<u>\$400.00/month plus free internet for Property Owner</u>
<u>46 or more active clients</u>	<u>\$500.00/month plus free internet for Property Owner</u>

4216. Each Property Owner's Claim for voting and dividend purposes shall equal:

- a. Rent Payment arrears owing, plus
- b. the present value of the future revenue stream (discount rate of 5%) under the Property Owner's current Tower Agreement, less
- c. the present value of the future revenue stream (discount rate of 5%) of the Rental Payments under the Property Owner's Tower Agreement, as amended pursuant to Schedule "A" hereto.

4317. For an illustrative example, see Schedule "B" hereto.

4418. The dividend in respect of each Property Owner's Claim will be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof.

**Amended Proposal for Unsecured Creditor Group 2**

4519. Tower Agreements shall be terminated and Option Agreements shall become effective in accordance with Schedule "C" hereto.

4620. Each Property Owner's Claim for voting and dividend purposes shall equal:

- a. the amount paid to the Debtor to have a Tower built, plus
- b. the value of internet service from the commencement of the Tower Agreement and for the period of the Option Agreement (at \$110 per month), plus
- c. Rent Payment arrears owing, plus
- d. the present value of the future revenue stream (with a discount rate of 5%) under the Property Owner's current Tower Agreement, less
- e. the present value of the future revenue stream (discount rate of 5%) of the Option Payments under the Property Owner's Option Agreement, less
- f. Rental Payments made to date.

4721. For an illustrative example, see Schedule "D" hereto.

~~1822.~~ The dividend in respect of each Property Owner's Claim will be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof.

### **Amended Proposal for Unsecured Creditor Group 3**

~~1923.~~ Each Creditor with a Proven Claim not related to a Tower Agreement shall be entitled to receive dividends in respect of their Proven Claim in accordance with ~~paragraph~~paragraphs 8 to 10 hereof.

~~2024.~~ Creditors may have Claims both:

- a. in respect of Tower Agreements, which Claims fall under Unsecured Creditor Group 1 or Unsecured Creditor Group 2; and
- b. as a General Unsecured Creditor, which Claims fall under Unsecured Creditor Group 3.

In such cases, the Proven Claim of the Creditor shall be the aggregate of the Proven Claims from each Group and the Creditor shall have one vote in respect of such aggregate Proven Claim.

~~2125.~~ Each Creditor with a Claim under a contract that purports to create a return of more than 60% per annum shall have their Claim for voting and dividend equal:

- a. the principal amount owing under the agreement, plus
- b. accrued interest up to the Filing Date calculated at the rate of 60% per annum, less
- c. payments made by the Debtor.

~~2226.~~ The dividend in respect of each Creditor in Unsecured Creditor Group 3 shall be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof. For an illustrative example, see Schedule "E" hereto.

### **Funding the Amended Proposal**

~~2327.~~ Upon the full satisfaction of the Crown Priority Claims, Employee Preferred Claims and Secured Claims, the Debtor will cause to be paid to the Proposal Trustee a cash instalments in the amount of \$62,500.00 every calendar quarter for nine (9) years until an amount is paid to the Proposal Trustee equal to \$2,250,000 payment of the Cash Consideration.

~~2428.~~ The Debtor's obligation to commence funding of the Funded Proposal Payments shall commence on the first Business Day of the ~~43<sup>th</sup>~~ month following the month in which the Debtor obtains the Approval Order.

### **Dividend Distributions**

~~2529.~~ All distributions made pursuant to this Amended Proposal shall be without interest or penalty and subject to deduction for the Levy and the Proposal Trustee shall remit the amount of the Levy to the Superintendent of Bankruptcy contemporaneous with the distributions to the General Unsecured Creditors. The Proposal Trustee shall make dividend distributions ~~twice per year~~, the exact timing of which shall be at its own discretion, when there is sufficient funds held in trust from the funds received from the Debtor. The Proposal Trustee shall not be required to send a notice under Section 149(1) of the Act.



2630. Subject to the terms and conditions of this Amended Proposal, and the payment of the Levy (as applicable), the Funded Proposal Payments shall be distributed by the Proposal Trustee in the following order of priority:

- a. first, to the Administrative Fees and Expenses;
- b. second, to establish the Bankruptcy Reserve, to be held in trust by the Proposal Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Debtor in the event that the Debtor becomes bankrupt, failing which such amount shall be distributed in accordance with the distribution scheme of this Amended Proposal;
- c. third, to Proven Claims of Preferred Creditors other than Employee Preferred Claims (if any), which will have been paid, without interest; and
- d. fourth, the balance shall be distributed pro rata among all of (i) the General Unsecured Creditors on account of Proven Unsecured Claims and (ii) the Secured Creditors on account of Proven Deficiency Claims, without regard to whether the Claims are the Claims of Secured Creditors or Unsecured Creditors.

#### **Payment of Post-Filing Goods & Services**

2731. During the Amended Proposal period, the Debtor shall pay for all post-filing goods and services in full in the ordinary course of business.

#### **Post-Filing Crown Claims**

2832. During the Amended Proposal period, the Debtor shall remit and pay all post-filing Crown Claims as and when due.

#### **Administrative Fees and Expenses**

2933. Payment of all proper Administrative Fees and Expenses, on and incidental to the proceedings arising out of the ~~proposal~~ Amended Proposal, or in the bankruptcy, if any, will be made in priority to all claims, including Crown Claims, if any. The Proposal Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Amended Proposal. The Proposal Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

#### **Reporting by the Debtor**

3034. During the Amended Proposal period, the Debtor shall provide to the Proposal Trustee every three months commencing on first Business Day of the month following the month in which the Approval Order is issued, a report containing the information set out below:

- a. a cash flow statement for the Debtor's actual cash flow for the business for the prior three months, a cash flow forecast for the business for the following three months and a variance of actual as compared to forecast for the previous three months each calendar quarter;
- b. evidence of the Debtor's filing and remittance of source deductions and HST; and

- c. internally generated quarterly financial statements in addition to its annual financial statements and corporate tax return prepared by a Certified Public Accountant.

~~3435.~~ The Proposal Trustee shall monitor the Debtor's receipts and disbursements during the Performance of the Amended Proposal and shall report to the Inspectors on any material variances in the Debtor's cash flows and business operations. The Proposal Trustee shall use its professional judgment in determining whether a variance is material, acting as it would under the Act in deciding whether to file a material adverse change report. The Proposal Trustee shall be entitled to rely on the legal advice of its counsel in making such determination.

### Minutes of Board Meetings

~~3236.~~ Creditors will be entitled to receive, on request, a copy of the minutes of any meeting of the Debtor's board of directors.

### Inspectors

~~3337.~~ At the meeting of the General Unsecured Creditors to be held to consider the Amended Proposal, or any subsequent meeting of General Unsecured Creditors, the said General Unsecured Creditors may appoint one (1) or more but not exceeding five (5) persons to act as Inspectors whose powers will be limited to:

- a. advising the Proposal Trustee from time to time with respect to any matter that the Proposal Trustee may refer to them;
- b. advising the Proposal Trustee concerning any dispute which may arise as to the validity of Claims of Unsecured Creditors; and
- c. authorizing an extension of the time and/or the amount of payments due from the Debtor to the Proposal Trustee pursuant to paragraphs ~~2327~~ and ~~2428~~ hereof, or for payments due from the Proposal Trustee to the General Unsecured Creditors pursuant to paragraphs 8 to 10 hereof.

~~3438.~~ The powers of the Inspectors may be exercised by a majority of them.

~~3539.~~ The Debtor shall meet with the Inspectors on a quarterly basis throughout the Amended Proposal period, with such meetings to be chaired by the Proposal Trustee and held via conference call.

~~3640.~~ The Debtor shall report to the Proposal Trustee and the Inspectors regarding its quarterly receipts and disbursements prior to each meeting as described above.

~~3741.~~ The Inspectors at any meeting may fill any vacancy on the board of Inspectors.

~~3842.~~ The Proposal Trustee may, in accordance with the Act, apply to the Court regarding any decision, direction or act of the Inspectors and the Court may confirm, reverse or modify the decision, direction or act and make such order as it thinks just.

~~3943.~~ The authority and term of office of the Inspectors will terminate upon the issuance of the Certificate of Full Performance.

### Creditor Approval

4044. The Proposal Trustee shall call a meeting of the General Unsecured Creditors to seek creditor approval for the Amended Proposal in the requisite majority in number and value of the class, as set out in the Act, as described in the Amended Proposal. The performance of this Amended Proposal by the Debtor shall be conditional upon approval of the Creditors. If the Creditors do not approve the Amended Proposal, the Proposal Trustee shall report on the result of the vote as required under Section 57 of the Act and the Debtor shall be deemed bankrupt.

### **Court Approval**

4445. In the event the Amended Proposal is approved by the Creditors, the Proposal Trustee shall, within five (5) days of such approval, apply to the Court for a hearing to seek the Approval Order. The performance of this Amended Proposal by the Debtor shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Amended Proposal, the Debtor shall be deemed bankrupt.

### **Release**

4246. Upon issuance of the Certificate of Full Performance, the Released Parties shall be released and discharged by all Creditors from all Claims which any Creditor may have or have been entitled to assert against any of the Released Parties for which they would be by law liable in their capacity as directors for the payment of such Claims, provided that this provision shall not release or discharge any of the Released Parties from any Claims that are set out in Section 50(14) of the Act.

### **Events of Default**

4347. The following events will constitute "**Events of Default**" for purposes of Section 63 of the Act and otherwise under this Amended Proposal:

- a. the non-payment by the Debtor of any of its obligations hereunder within thirty (30) days after written notice has been given by the Proposal Trustee that such payment is past due; and
- b. the breach or failure by the Debtor to observe and perform any other covenant and provision of this Amended Proposal which is not remedied within thirty (30) days after written notice thereof has been given to the Debtor by the Proposal Trustee.

### **Amendment**

4448. This Amended Proposal may be further amended by the Debtor with the consent of the Proposal Trustee at any time prior to the conclusion of the meeting of General Unsecured Creditors called to consider the Amended Proposal, provided that any amendment made pursuant to this paragraph shall not reduce the rights and benefits given to the Creditors under the Amended Proposal before any such amendment, and provided further that any and all amendments shall be deemed to be effective as of the Date of the Amended Proposal.

### **Interest on Funds Paid Under Amended Proposal**

4549. Interest, if any, on funds held by the Proposal Trustee on account of the Amended Proposal shall first be applied to Administrative Fees and Expenses, then to the funds payable under paragraphs 8 to 10 of the Amended Proposal. Upon Performance of the Amended Proposal, any surplus interest that, when combined with the funds paid under the Amended Proposal, exceeds the sum of (i) the funds payable under the Amended Proposal, and (ii) the Administrative Fees and Expenses, shall be paid to the Debtor following issuance of the Certificate of Full Performance.

### **Performance of the Amended Proposal**

4650. Upon the Debtor making the Funded Proposal Payments in accordance with the Amended Proposal, the Debtor, its successors and assigns and its directors and officers, shall be deemed to have satisfied the terms of the Amended Proposal and the Proposal Trustee shall provide the Certificate of Full Performance. The Proposal Trustee shall be entitled to be discharged after making all distributions to the Creditors pursuant to the terms of this Amended Proposal, providing a certificate of full performance to the Debtor and the Official Receiver pursuant to Section 65.3 of the Act, and completing all ancillary duties related to this Amended Proposal.

### **Section References**

4751. In this Amended Proposal, a reference to a section, clause or paragraph shall, unless otherwise stated, refer to a section, clause or paragraph of the Amended Proposal.

### **Interpretation not Affected by Headings**

4852. The division of the Amended Proposal into sections, clauses and paragraphs, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the Amended Proposal.

### **Currency**

4953. Unless otherwise stated herein, all references to currency in this Amended Proposal are to lawful money of Canada.

### **Numbers**

5054. In this Amended Proposal, where the context requires a word importing the similar number will include the plural and vice versa.

### **Failure to File Proofs of Claim Prior to Distribution**

5155. Any Creditor who does not file a proof of claim with the Proposal Trustee in accordance with the Act prior to the date of distribution as set out in paragraphs 8 to 10 hereof in accordance with this Amended Proposal shall forever be barred from making a Claim in this Amended Proposal or sharing in any dividend hereunder, but the Debtor shall nevertheless be released from any Claims of such Creditor.

### **Preferences and Transfers at an Undervalue**

5256. Creditors will have the same rights to review the Debtor's transactions as are granted under sections 95 to 98 of the Act to creditors in a bankruptcy proceeding. Inspectors may authorize a review of these transactions by the Proposal Trustee on behalf of the Creditors.

### **Proposal Trustee**

5357. The Proposal Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Amended Proposal or in connection with the

business or liabilities of the Debtor.

**Foreign Currency Obligations**

5458. For the purposes of this Amended Proposal, Claims denominated in a currency other than Canadian dollars, will be converted to Canadian dollars at the closing spot rate of the exchange of the Bank of Canada on the Filing Date.

**DATED** at the City of Toronto, in the Province of Ontario, this 42<sup>th</sup>9<sup>th</sup> day of November~~October~~, 20192024.

**WISP INTERNET SERVICES INC.**

**Per:**

**Patrick Christopher Doyle, President**

**SCHEDULE "A"**

**Form of Replacement Tower Agreements Agreement for Unsecured Creditor Group 1**

1. Any Property Owner who purported to terminate their Tower Agreement before or after the Filing Date shall have their Tower Agreement treated as remaining in force.
2. ~~The Tower Agreements shall have an initial term of 10 years starting on the first Business Day of the 1st month after the Effective Date and shall be automatically renewed for two additional terms of 5 years each unless the Property Owner provides notice to the contrary in accordance with paragraph 3 of this Schedule "A".~~
3. ~~On or before the 9th anniversary and 14th anniversary of the Effective Date, each Property Owner shall have the right to terminate their Tower Agreement by providing 12 months' written notice (by email) to the Debtor of such termination. Rental Payments shall cease on the date the termination becomes effective (i.e. on the 10th or 15th anniversary of the Effective Date, as the case may be).~~
4. ~~Rental Payments for all Towers shall be a minimum of \$200 per month starting on the first Business Day of the 1st month after the Effective Date.~~
5. ~~Unless the Property Owner has provided notice in accordance paragraph 3 of this Schedule "A", Rental Payments shall be adjusted annually on the first Business Day of the month following the anniversary of the Effective Date based on the Debtor's customer base measured on each anniversary of the Effective Date. Annual rent adjustments shall be calculated as follows:~~
  - a. ~~if the Debtor has a customer base of 3,000 active customers, Rental Payments shall increase from \$200 per month to \$250 per month for the next calendar year;~~
  - b. ~~thereafter, Rental Payments shall be adjusted annually (upward or downward) in the amount of \$50 per 750 active customers. For example:~~

<b>Average Number of Active Customers</b>	<b>Monthly Rental Payments</b>
2,999 and fewer	\$200
3,000-3,749	\$250
3,750-4,499	\$300
4,500-5,249	\$350

- e. ~~For greater certainty, under no circumstance shall Rental Payments decrease below \$200 per month.~~
6. ~~The Tower Agreements shall terminate on the 20<sup>th</sup> anniversary of the Effective Date, unless terminated earlier in accordance with this Schedule "A" or renewed by the parties.~~
7. ~~Property Owners will continue to receive free internet throughout the term of their Tower Agreement.~~
8. ~~The Debtor shall continue to have the exclusive right to use the Tower while in good standing under the Proposal.~~
9. ~~If the Debtor defaults in making a Rental Payment, the Property Owner shall promptly notify by email the Proposal Trustee and the Debtor. The Debtor shall have 30 days from the date of such notice to cure the default, failing which the Debtor's interest in the Works (as defined in the applicable Tower Agreement) shall automatically transfer to the Property Owner.~~

**SCHEDULE "B"**

**Illustrative Example - Unsecured Creditor Group 1**

**SCHEDULE "C"**

**Tower Agreements for Unsecured Creditor Group 2**

1. All Tower Agreements in respect of Towers that have not been built shall be terminated.
2. Each Property Owner shall be deemed to have entered into an Option Agreement with the Debtor granting the Debtor an option to build a Tower on the Property Owner's lands in the future. Option Agreements may be terminated by either party on 90 days' notice.
3. ~~The Option Agreements shall have an initial term of 10 years starting on the first Business Day of the 1st month after the Effective Date and shall be automatically renewed for two additional terms of 5 years each unless the Property Owner provides notice to the contrary in accordance with paragraph 4 of this Schedule "B".~~
4. ~~On or before the 9th anniversary and 14th anniversary of the Effective Date, each Property Owner shall have the right to terminate their Option Agreement by providing at least 12 months' written notice (by email) to the Debtor of such termination. Option Payments shall cease on the date the termination becomes effective (i.e. on the 10th or 15th anniversary of the Effective Date, as the case may be).~~
53. The Debtor covenants and agrees to either: (a) pay each Property Owner a minimum of \$200~~100~~ per month under the Option Agreement starting on the first Business Day of the 1st month after the Amended Proposal Effective Date. ~~Unless;~~ or (b) provide internet services to the Property Owner ~~has provided notice in accordance paragraph 4 of this Schedule "C".~~ Option Payments shall be adjusted be adjusted annually on the first Business Day of the month following the anniversary of the Effective Date based on the Debtor's customer base measured on each anniversary of the Effective Date. Annual Option Payments shall be calculated as follows, provided such services are available through the Debtor's (or its affiliates') networks.

- a. ~~if the Debtor has a customer base of 3,000 active customers, Option Payments shall increase from \$200 per month to \$250 per month for the next calendar year;~~
- b. ~~thereafter, Option Payments shall be adjusted annually (upward or downward) in the amount of \$50 per 750 active customers. For example:~~

<u>Average Number of Active Customers</u>	<u>Monthly Rental Payments</u>
<u>2,000 and fewer</u>	<u>\$200</u>
<u>3,000-3,749</u>	<u>\$250</u>
<u>3,750-4,499</u>	<u>\$300</u>
<u>4,500-5,249</u>	<u>\$350</u>

- a. ~~For greater certainty, under no circumstance shall Option Payments decrease below \$200 per month.~~
64. The Option Agreement shall not restrict a Property Owner's right to enter into a new tower agreement with a third party. However, in the event a third party proposes to build a Tower on the Property Owner's lands, the Debtor shall have a right of first refusal to exercise, within 30 days' notice (by email) from the Property Owner, its option to build a Tower on the terms set out in paragraph 2 of this Schedule "C" to the Proposal ~~the Replacement Tower Agreement~~. If the Debtor declines to exercise its option, then the Option Agreement shall terminate immediately with no further obligation to make any payments on account of the Option Agreement.
75. If the Debtor exercises its option and builds a Tower, then the Option Agreement shall convert to a Replacement Tower Agreement on the terms set out in Schedule "A" to the Proposal. ~~The term of a converted agreement shall equal the number of years remaining on the Option Agreement at the time of conversion to a Tower Agreement. For greater certainty, the cumulative term of an Option Agreement and Tower Agreement shall not exceed 20 years from the Effective Date~~ Amended Proposal.



**SCHEDULE "D"**

**Illustrative Example - Unsecured Creditor Group 2**

**SCHEDULE "E"**

**Illustrative Example - Unsecured Creditor Group 3**

## SCHEDULE "F"

### **Option to Purchase Shares of the Debtor**

1. The number of available shares in the Share Pool shall ~~behave been~~ a maximum of 20% of the Debtor's total issued shares. The Debtor's total number of issued shares as at the 2nd anniversary of the Original Proposal Effective Date shall not ~~exceed~~have exceeded 10,000. The purchase price for the shares offered shall be \$0.10 per share.
2. Each General Unsecured Creditor shall have had the right to purchase a percentage of shares from the Share Pool equal to their *pro rata* share of Proven Claims against the Debtor. For example, a Creditor with 5% of Proven Claims ~~shall have had~~ an option to purchase 5% of the shares in the Share Pool (1% of the Debtor's total issued shares, if every General Unsecured Creditor exercised their right).
3. Creditors shall ~~exercise~~have exercised their option to purchase shares by providing written confirmation of their election (by email) to the Debtor and the Proposal Trustee at least 30 days' prior to the 2nd anniversary of the Original Proposal Effective Date.
4. Creditors shall have the option to pay for the shares by either: (i) cheque made payable to the Debtor; or (ii) deducting the purchase price from the next dividend payment owing to the Creditor pursuant to this Amended Proposal.
5. Shares acquired under this Schedule "F" shall be subject to a unanimous shareholder agreement, a copy of which shall ~~behave been~~ circulated to Creditors at least 90 days' before the 2nd anniversary of the Original Proposal Effective Date. No Creditor shall be entitled to acquire shares without becoming party to the unanimous shareholder agreement.
6. Notwithstanding paragraph 7, below, if the majority shareholder of the Debtor chooses to enter into a transaction to sell more all or part of the shares of the Debtor to a third-party purchaser, then each Creditor who acquired shares under this Schedule "F" shall sell, transfer or exchange, as the case may be, all or part of their shares (on the same percentage basis) to such purchaser under the same terms and conditions as have been agreed to by the majority shareholder in respect of his shares.
7. The unanimous shareholders agreement shall neither abridge nor extend the rights granted to shareholders pursuant to the *Business Corporations Act* (Ontario).

## SCHEDULE "G"

### Second Share Pool

1. The number of available shares in the Second Share Pool shall be a maximum of 10% of the Debtor's total issued shares and shall be in addition to the shares made available through the Share Pool. The Debtor's total number of issued shares as at three months after of the Amended Proposal Effective Date shall not exceeded 10,000.
2. Each General Unsecured Creditor shall have had the right to acquire a percentage of shares from the Second Share Pool equal to their *pro rata* share of Proven Claims against the Debtor. For example, a Creditor with 5% of Proven Claims had an option to acquire 5% of the shares in the Second Share Pool (0.5% of the Debtor's total issued shares).
3. Shares acquired under this Schedule "G" shall be subject to a unanimous shareholder agreement. No Creditor shall be entitled to acquire shares without becoming party to the unanimous shareholder agreement. Creditors shall exercise their option to acquire shares by delivering a copy of the signed unanimous shareholder agreement (by email) to the Debtor and the Proposal Trustee within three months after the Amended Proposal Effective Date.
4. Notwithstanding paragraph 5, below, if the majority shareholder of the Debtor chooses to enter into a transaction to sell more all or part of the shares of the Debtor to a third-party purchaser, then each Creditor who acquired shares under this Schedule "G" shall sell, transfer or exchange, as the case may be, all or part of their shares (on the same percentage basis) to such purchaser under the same terms and conditions as have been agreed to by the majority shareholder in respect of his shares.
5. The unanimous shareholders agreement shall neither abridge nor extend the rights granted to shareholders pursuant to the *Business Corporations Act* (Ontario).

<b>Summary report:</b>	
<b>Litera Compare for Word 11.4.0.111 Document comparison done on 10/9/2024 5:04:07 PM</b>	
<b>Style name:</b> Underline Strikethrough	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://worksite.ca.dentons.com/NATDOCS/43395812/1	
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<b>Changes:</b>	
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Delete	141
Move From	14
Move To	14
Table Insert	1
Table Delete	2
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>402</b>

**REVISED  
AMENDED  
PROPOSAL  
(without  
tracked  
changes)**

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE PROPOSAL OF  
WISP INTERNET SERVICES INC.,  
OF THE TOWNSHIP OF SCUGOG, IN THE PROVINCE OF ONTARIO

**SECOND REVISED AMENDED PROPOSAL**

**WISP INTERNET SERVICES INC.** (the "**Debtor**") hereby submits the following Second Revised Amended Proposal (the "**Amended Proposal**") under the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

**Purpose of Amended Proposal**

The Debtor is currently in default of its obligations under its Revised Amended Proposal dated December 3, 2019, and approved by the Court on January 28, 2020 (the "**Proposal**"), and unable to complete the Proposal without the amendments set out herein.

The purpose of this Amended Proposal is to: (a) amend and restate the terms of the Proposal; and (b) effect a restructuring of the indebtedness of the Debtor in the manner contemplated herein and as permitted by the Act, in the expectation that Creditors will generally derive a greater benefit from the Amended Proposal and the continued operation of the business and affairs of the Debtor than would result from a bankruptcy of the Debtor.

**Effect of Amended Proposal**

This Amended Proposal restructures the indebtedness of the Debtor and provides the essential terms on which all Claims will be fully and finally resolved and settled. During the Amended Proposal period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors will be stayed from commencing or continuing any proceeding or exercising any remedy against the Debtor or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Debtor in respect of a Claim or to commence any formal legal proceedings against it other than as provided for under this Amended Proposal.

**Definitions**

1. In this Amended Proposal:

**"Act"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

**"Administrative Fees and Expenses"** means the proper fees and expenses of the Proposal Trustee incidental to the NOI and the preparation and facilitation of the Proposal, the Amended Proposal and any further amendments thereto, including, without limitation, fees incurred by the

Proposal Trustee in the administration of the Funded Proposal Payments, and the legal fees and expenses incurred by the Proposal Trustee and the Debtor before and following execution, acceptance and approval of this Amended Proposal and in connection with the NOI and the preparation of this Amended Proposal, as well as advice to the Debtor in connection therewith;

**"Amended Proposal Effective Date"** means 10 calendar days from the date of the Approval Order, unless the Approval Order is appealed, in which case the Amended Proposal Effective Date means the later of: (i) one Business Day after the full and final determination of the appeal; and (ii) the expiry of any further appeal periods;

**"Approval Order"** means the Order of the Court approving this Amended Proposal and the transaction contemplated by the SPA;

**"Bankruptcy Reserve"** means a reserve amount of \$25,000 to be held by the Proposal Trustee as security for the administrative costs of the bankruptcy of the Debtor, in the event that the Debtor becomes bankrupt;

**"Business Day"** means any day, other than Saturday or Sunday, on which banks are ordinarily open for business in Toronto, Ontario;

**"Certificate of Full Performance"** means the certificate that the Proposal Trustee issues to the Debtor and to the Official Receiver pursuant to Section 65.3 of the Act;

**"CRA"** means Canada Revenue Agency;

**"Claims"** means claims that are proved and allowed for any and all debts and liabilities, present and future, including contingent and unliquidated claims of the Debtor to which the Debtor was subject at the Filing Date as defined herein, and "Claim" has a corresponding meaning;

**"Court"** means the Ontario Superior Court of Justice (Commercial List);

**"Creditors"** means Secured Creditors and General Unsecured Creditors;

**"Crown Claims"** means those claims set out in paragraph 3 of this Amended Proposal;

**"Date of the Amended Proposal"** means October 9, 2024, the date on which the Amended Proposal was filed with the office of the Official Receiver;

**"Debtor"** means WISP Internet Services Inc.;

**"Deficiency Claim"** means the value of the Claim of a Secured Creditor which is in excess of the value of the collateral held as security in respect of that Claim;

**"Employee Preferred Claim"** means a Claim by a current or former employee of the Debtor, or such portion of such Claim, that would be payable in priority under Subsection 136(1) of the Act;

**"Event of Default"** means an event described in paragraph 47 hereof;

**"Filing Date"** means August 29, 2019, the date on which the NOI was filed;

**"Funded Proposal Payments"** means funds which will be advanced to the Proposal Trustee for distribution pursuant to paragraphs 8 to 10 hereof, as more particularly described in paragraphs 27



and 28 hereof, the source of which will be the closing of the transaction contemplated by the SPA;

**"General Unsecured Creditors"** means those persons with Claims, except for those Claims:

- i. That have been finally and conclusively disallowed pursuant to the provisions of the Act by the Proposal Trustee or the Court (as may be applicable);
- ii. That may be contingent or unliquidated and found by the Proposal Trustee or the Court (as may be applicable) not to be provable; and
- iii. that are Claims by Secured Creditors;

**"Inspectors"** means the inspectors described in paragraphs 37 to 43 hereof;

**"ITA"** means the *Income Tax Act* (Canada);

**"Levy"** means the levy payable to the Superintendent of Bankruptcy pursuant to Section 147 and Rule 123(2) of the Act;

**"NOI"** means the Debtor's Notice of Intention to File a Amended Proposal pursuant to the Act;

**"Option Agreement"** means an agreement between the Debtor and a Property Owner who is part of Unsecured Creditor Group 2 pursuant to which the Debtor has an option to build a Tower, as more particularly described in Schedule "C" hereto;

**"Option Payment"** means any payment by the Debtor to a Property Owner pursuant to an Option Agreement;

**"Original Proposal Effective Date"** means February 7, 2020, being 10 calendar days from the date of the Order (Re Approval of Proposal) of the Honourable Justice McEwen dated January 28, 2020, approving the Proposal;

**"Performance of the Amended Proposal"** means the payment of the money pursuant to the provisions of paragraphs 8 to 10, 27 and 28 hereof;

**"Preferred Claim"** means any claim that is afforded priority under Section 136(1) of the Act;

**"Preferred Creditor"** means any Unsecured Creditor holding a Preferred Claim, solely in respect to that Preferred Claim;

**"Property Owner"** means the owner of lands on which the Debtor has built, or has contracted to build, a Tower pursuant to a Tower Agreement, and includes any person who signed a subscription agreement in respect of a Tower to be built on third-party lands;

**"Amended Proposal"** means this Amended Proposal dated October 9, 2024;

**"Proposal Trustee"** means Dodick Landau Inc., or its duly appointed successor or successors;

**"Proven"**, as used in relation to any Claim, means such Claim as finally accepted or determined by the Proposal Trustee in accordance with the provisions of the Act and this Amended Proposal, subject to all rights of appeal under the Act, the determination of that Claim pursuant to such appeals and/or any applicable appeal periods having expired;

**"Released Parties"** means the Debtor and each and every present and former director and officer of the Debtor, and each and every of their respective successors and assigns;

**"Rental Payment"** means any payment by the Debtor to a Property Owner pursuant to a Tower Agreement or Replacement Tower Agreement, as applicable;

**"Replacement Tower Agreement"** means an agreement governing the ownership and use of a Tower in the form attached hereto as Schedule "A";

**"Secured Creditors"** means persons holding a mortgage, hypothec, pledge, charge, lien or privilege on or against the property of the Debtor or any part thereof as security for a Claim;

**"Share Pool"** means the total pool of shares of the Debtor to be made available for purchase by General Unsecured Creditors, as more particularly described in Schedule "F" hereto;

**"SPA"** means the Share Purchase and Sale Agreement dated October 4, 2024, between 8064555 Canada Corp. ("806") and the Debtor, pursuant to which 806 has agreed to purchase, and the Debtor has agreed to sell, 75% of all issued and outstanding shares of the Debtor, subject to the terms and conditions of the SPA;

**"Second Share Pool"** means the total pool of shares of the Debtor to be made available to General Unsecured Creditors, as more particularly described in Schedule "G" hereto;

**"Tower"** means the communications tower and shed, including all associated panels and equipment, which are the subject of a Tower Agreement;

**"Tower Agreement"** means an agreement between WISP and a Property Owner governing the ownership and use of a Tower;

**"Unsecured Claim"** means the Claims of a General Unsecured Creditor;

**"Unsecured Creditor Group 1"** means all Property Owners who have a Tower on their lands, including those Property Owners who purported to terminate their Tower Agreements before or after the Filing Date, to the extent of their Claim as it relates to the Debtor's failure to perform its obligations under any Tower Agreement;

**"Unsecured Creditor Group 2"** means all Property Owners who (i) are party to a Tower Agreement with the Debtor and (ii) do not have a built Tower on their lands or third-party lands, as applicable, to the extent of their Claim as it relates to the Debtor's failure to perform its obligations under any Tower Agreement; and

**"Unsecured Creditor Group 3"** means all other General Unsecured Creditors who are not part of Unsecured Creditor Group 1 or Unsecured Creditor Group 2, including private lenders and trade creditors, and also including those in Unsecured Creditor Group 1 and Unsecured Creditor Group 2 who have additional Claims against the Debtor.

#### **Classification of Creditors**

2. For the purpose of this Amended Proposal, the Creditors of the Debtor shall be comprised of a single class, consisting of Creditors having Preferred Claims and Unsecured Claims. For greater certainty, Preferred Creditors entitled to vote pursuant to the Act shall vote in this class; Secured Creditors

holding Deficiency Claims are entitled to vote in this class to the extent of such claims; and claims of His Majesty in Right of Canada and any province for all amounts other than Crown Claims shall vote in this class.

### **Crown Claims**

3. The Debtor represents and warrants that it, within six months after the Original Proposal Effective Date, paid in full all amounts that were outstanding at the Filing Date of a kind that could have been subject to a demand under: (i) Subsection 224(1.2) of the ITA; (ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to s.224(1.2) of the *ITA* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalty or other amounts; or (iii) under any substantially similar provision of provincial legislation, including all amounts contemplated by Section 60(1.1) of the Act. This payment of Crown Claims (if any) was made in addition to the Funded Proposal Payments and in priority to the Claims of Secured Creditors and General Unsecured Creditors.

### **Secured Creditors**

4. The Debtor represents and warrants that it, within 12 months following the Original Proposal Effective Date, satisfied the Claims of Secured Creditors. The payment of Claims of Secured Creditors was made outside of the Proposal and this Amended Proposal. Secured Creditors may only vote on questions relating to this Amended Proposal as a General Unsecured Creditor in respect of the amount equal to such Secured Creditor's Proven Deficiency Claim.

### **Employee Preferred Claims and Wages**

5. All Proven Employee Preferred Claims shall be paid out of funds to be delivered by the Debtor to the Proposal Trustee in addition to the Funded Proposal Payments and shall be remitted by the Proposal Trustee to the entitled claimants immediately after the Court Approval Date and in priority to the Unsecured Claims.
6. The Debtor shall continue to pay employees, not to include independent contractors, all wages, salaries, commissions or compensation for services rendered before, and after, the Court Approval Date.

### **Preferred Claims (other than Employee Preferred Claims)**

7. Proven Preferred Claims, other than Employee Preferred Claims, shall be paid in full, out of the Funded Proposal Payments, without interest, in priority to Proven Unsecured Claims.

### **Amended Proposal for General Unsecured Creditors**

8. The Debtor covenants and agrees to, within one month following the Amended Proposal Effective Date, make the Funded Proposal Payments to the Proposal Trustee and the Proposal Trustee will make a full dividend payment to General Unsecured Creditors on a *pro rata* basis in respect of their Claims. The timing of the dividend payment will be at the discretion of the Proposal Trustee.
9. The total amount of the Funded Proposal Payments will be \$560,000, less forgiveness of amounts owing by the Debtor to 806 in the amount of \$336,000, resulting in net cash proceeds of \$224,000 (the "**Cash Consideration**"), and will be in addition to any Rental Payments described in paragraph

15 herein or any Option Payments or Rental Payments described in Schedule "C" hereto.

10. Subject to paragraphs 29 and 30 hereof, General Unsecured Creditors with a Proven Unsecured Claim shall receive, in full and complete satisfaction of all Claims against the Debtor:
- their *pro rata* share of the Cash Consideration, less the Administrative Fees and Expenses;
  - an option to acquire their *pro rata* share of the Share Pool; and
  - an option to acquire their *pro rata* share of the Second Share Pool.

**Amended Proposal for Unsecured Creditor Group 1**

11. Tower Agreements shall be terminated and Replacement Tower Agreements in the form attached as Schedule "A" hereto shall become effective upon the Amended Proposal Effective Date.
12. Any Property Owner who purported to terminate their Tower Agreement before or after the Filing Date shall have their Tower Agreement treated as remaining in force until the Amended Proposal Effective Date, at which time they shall be replaced by the Replacement Tower Agreements.
13. Property Owners will continue to receive free internet throughout the term of the Replacement Tower Agreement.
14. The Debtor shall continue to have the exclusive right to use the Tower while in good standing under the Amended Proposal.
15. Rental Payments shall be adjusted annually on the first Business Day of the month following the anniversary of the Amended Proposal Effective Date based on the Debtor's customer base measured on each anniversary of the Amended Proposal Effective Date. Annual rent adjustments shall be calculated as follows:

Number of Active Customers	Monthly Rental Rate
10 or less active clients	Either \$100.00/month or Property Owner to receive free internet, if available
11 - 15 active clients	\$100.00/month plus free internet for Property Owner
16 - 25 active clients	\$200.00/month plus free internet for Property Owner
26 - 35 active clients	\$300.00/month plus free internet for Property Owner
36 - 45 active clients	\$400.00/month plus free internet for Property Owner

46 or more active clients	\$500.00/month plus free internet for Property Owner
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16. Each Property Owner's Claim for voting and dividend purposes shall equal:

- a. Rent Payment arrears owing, plus
- b. the present value of the future revenue stream (discount rate of 5%) under the Property Owner's current Tower Agreement, less
- c. the present value of the future revenue stream (discount rate of 5%) of the Rental Payments under the Property Owner's Tower Agreement, as amended pursuant to Schedule "A" hereto.

17. For an illustrative example, see Schedule "B" hereto.

18. The dividend in respect of each Property Owner's Claim will be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof.

**Amended Proposal for Unsecured Creditor Group 2**

19. Tower Agreements shall be terminated and Option Agreements shall become effective in accordance with Schedule "C" hereto.

20. Each Property Owner's Claim for voting and dividend purposes shall equal:

- a. the amount paid to the Debtor to have a Tower built, plus
- b. the value of internet service from the commencement of the Tower Agreement and for the period of the Option Agreement (at \$110 per month), plus
- c. Rent Payment arrears owing, plus
- d. the present value of the future revenue stream (with a discount rate of 5%) under the Property Owner's current Tower Agreement, less
- e. the present value of the future revenue stream (discount rate of 5%) of the Option Payments under the Property Owner's Option Agreement, less
- f. Rental Payments made to date.

21. For an illustrative example, see Schedule "D" hereto.

22. The dividend in respect of each Property Owner's Claim will be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof.

**Amended Proposal for Unsecured Creditor Group 3**

23. Each Creditor with a Proven Claim not related to a Tower Agreement shall be entitled to receive dividends in respect of their Proven Claim in accordance with paragraphs 8 to 10 hereof.

24. Creditors may have Claims both:

- a. in respect of Tower Agreements, which Claims fall under Unsecured Creditor Group 1 or Unsecured Creditor Group 2; and
- b. as a General Unsecured Creditor, which Claims fall under Unsecured Creditor Group 3.

In such cases, the Proven Claim of the Creditor shall be the aggregate of the Proven Claims from each Group and the Creditor shall have one vote in respect of such aggregate Proven Claim.

25. Each Creditor with a Claim under a contract that purports to create a return of more than 60% per annum shall have their Claim for voting and dividend equal:

- a. the principal amount owing under the agreement, plus
- b. accrued interest up to the Filing Date calculated at the rate of 60% per annum, less
- c. payments made by the Debtor.

26. The dividend in respect of each Creditor in Unsecured Creditor Group 3 shall be paid *pro rata* with other General Unsecured Creditors as set out in paragraphs 8 to 10 hereof. For an illustrative example, see Schedule "E" hereto.

#### Funding the Amended Proposal

27. Upon the full satisfaction of the Crown Priority Claims, Employee Preferred Claims and Secured Claims, the Debtor will cause to be paid to the Proposal Trustee a cash payment of the Cash Consideration.
28. The Debtor's obligation to commence funding of the Funded Proposal Payments shall commence on the first Business Day of the month following the month in which the Debtor obtains the Approval Order.

#### Dividend Distributions

29. All distributions made pursuant to this Amended Proposal shall be without interest or penalty and subject to deduction for the Levy and the Proposal Trustee shall remit the amount of the Levy to the Superintendent of Bankruptcy contemporaneous with the distributions to the General Unsecured Creditors. The Proposal Trustee shall make dividend distributions, the exact timing of which shall be at its own discretion, when there is sufficient funds held in trust from the funds received from the Debtor. The Proposal Trustee shall not be required to send a notice under Section 149(1) of the Act.
30. Subject to the terms and conditions of this Amended Proposal, and the payment of the Levy (as applicable), the Funded Proposal Payments shall be distributed by the Proposal Trustee in the following order of priority:
  - a. first, to the Administrative Fees and Expenses;
  - b. second, to establish the Bankruptcy Reserve, to be held in trust by the Proposal Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Debtor in the event that the Debtor becomes bankrupt, failing which such amount shall be distributed in accordance with the distribution scheme of this Amended Proposal;

- c. third, to Proven Claims of Preferred Creditors other than Employee Preferred Claims (if any), which will have been paid, without interest; and
- d. fourth, the balance shall be distributed pro rata among all of (i) the General Unsecured Creditors on account of Proven Unsecured Claims and (ii) the Secured Creditors on account of Proven Deficiency Claims, without regard to whether the Claims are the Claims of Secured Creditors or Unsecured Creditors.

#### **Payment of Post-Filing Goods & Services**

31. During the Amended Proposal period, the Debtor shall pay for all post-filing goods and services in full in the ordinary course of business.

#### **Post-Filing Crown Claims**

32. During the Amended Proposal period, the Debtor shall remit and pay all post-filing Crown Claims as and when due.

#### **Administrative Fees and Expenses**

33. Payment of all proper Administrative Fees and Expenses, on and incidental to the proceedings arising out of the Amended Proposal, or in the bankruptcy, if any, will be made in priority to all claims, including Crown Claims, if any. The Proposal Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Amended Proposal. The Proposal Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

#### **Reporting by the Debtor**

34. During the Amended Proposal period, the Debtor shall provide to the Proposal Trustee every three months commencing on first Business Day of the month following the month in which the Approval Order is issued, a report containing the information set out below:
  - a. a cash flow statement for the Debtor's actual cash flow for the business for the prior three months, a cash flow forecast for the business for the following three months and a variance of actual as compared to forecast for the previous three months each calendar quarter;
  - b. evidence of the Debtor's filing and remittance of source deductions and HST; and
  - c. internally generated quarterly financial statements in addition to its annual financial statements and corporate tax return prepared by a Certified Public Accountant.
35. The Proposal Trustee shall monitor the Debtor's receipts and disbursements during the Performance of the Amended Proposal and shall report to the Inspectors on any material variances in the Debtor's cash flows and business operations. The Proposal Trustee shall use its professional judgment in determining whether a variance is material, acting as it would under the Act in deciding whether to file a material adverse change report. The Proposal Trustee shall be entitled to rely on the legal advice of its counsel in making such determination.

**Minutes of Board Meetings**

36. Creditors will be entitled to receive, on request, a copy of the minutes of any meeting of the Debtor's board of directors.

**Inspectors**

37. At the meeting of the General Unsecured Creditors to be held to consider the Amended Proposal, or any subsequent meeting of General Unsecured Creditors, the said General Unsecured Creditors may appoint one (1) or more but not exceeding five (5) persons to act as Inspectors whose powers will be limited to:

- a. advising the Proposal Trustee from time to time with respect to any matter that the Proposal Trustee may refer to them;
- b. advising the Proposal Trustee concerning any dispute which may arise as to the validity of Claims of Unsecured Creditors; and
- c. authorizing an extension of the time and/or the amount of payments due from the Debtor to the Proposal Trustee pursuant to paragraphs 27 and 28 hereof, or for payments due from the Proposal Trustee to the General Unsecured Creditors pursuant to paragraphs 8 to 10 hereof.

38. The powers of the Inspectors may be exercised by a majority of them.

39. The Debtor shall meet with the Inspectors on a quarterly basis throughout the Amended Proposal period, with such meetings to be chaired by the Proposal Trustee and held via conference call.

40. The Debtor shall report to the Proposal Trustee and the Inspectors regarding its quarterly receipts and disbursements prior to each meeting as described above.

41. The Inspectors at any meeting may fill any vacancy on the board of Inspectors.

42. The Proposal Trustee may, in accordance with the Act, apply to the Court regarding any decision, direction or act of the Inspectors and the Court may confirm, reverse or modify the decision, direction or act and make such order as it thinks just.

43. The authority and term of office of the Inspectors will terminate upon the issuance of the Certificate of Full Performance.

**Creditor Approval**

44. The Proposal Trustee shall call a meeting of the General Unsecured Creditors to seek creditor approval for the Amended Proposal in the requisite majority in number and value of the class, as set out in the Act, as described in the Amended Proposal. The performance of this Amended Proposal by the Debtor shall be conditional upon approval of the Creditors. If the Creditors do not approve the Amended Proposal, the Proposal Trustee shall report on the result of the vote as required under Section 57 of the Act and the Debtor shall be deemed bankrupt.

**Court Approval**

45. In the event the Amended Proposal is approved by the Creditors, the Proposal Trustee shall, within five (5) days of such approval, apply to the Court for a hearing to seek the Approval Order. The



performance of this Amended Proposal by the Debtor shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Amended Proposal, the Debtor shall be deemed bankrupt.

#### **Release**

46. Upon issuance of the Certificate of Full Performance, the Released Parties shall be released and discharged by all Creditors from all Claims which any Creditor may have or have been entitled to assert against any of the Released Parties for which they would be by law liable in their capacity as directors for the payment of such Claims, provided that this provision shall not release or discharge any of the Released Parties from any Claims that are set out in Section 50(14) of the Act.

#### **Events of Default**

47. The following events will constitute "Events of Default" for purposes of Section 63 of the Act and otherwise under this Amended Proposal:
- a. the non-payment by the Debtor of any of its obligations hereunder within thirty (30) days after written notice has been given by the Proposal Trustee that such payment is past due; and
  - b. the breach or failure by the Debtor to observe and perform any other covenant and provision of this Amended Proposal which is not remedied within thirty (30) days after written notice thereof has been given to the Debtor by the Proposal Trustee.

#### **Amendment**

48. This Amended Proposal may be further amended by the Debtor with the consent of the Proposal Trustee at any time prior to the conclusion of the meeting of General Unsecured Creditors called to consider the Amended Proposal, provided that any amendment made pursuant to this paragraph shall not reduce the rights and benefits given to the Creditors under the Amended Proposal before any such amendment, and provided further that any and all amendments shall be deemed to be effective as of the Date of the Amended Proposal.

#### **Interest on Funds Paid Under Amended Proposal**

49. Interest, if any, on funds held by the Proposal Trustee on account of the Amended Proposal shall first be applied to Administrative Fees and Expenses, then to the funds payable under paragraphs 8 to 10 of the Amended Proposal. Upon Performance of the Amended Proposal, any surplus interest that, when combined with the funds paid under the Amended Proposal, exceeds the sum of (i) the funds payable under the Amended Proposal, and (ii) the Administrative Fees and Expenses, shall be paid to the Debtor following issuance of the Certificate of Full Performance.

#### **Performance of the Amended Proposal**

50. Upon the Debtor making the Funded Proposal Payments in accordance with the Amended Proposal, the Debtor, its successors and assigns and its directors and officers, shall be deemed to have satisfied the terms of the Amended Proposal and the Proposal Trustee shall provide the Certificate of Full Performance. The Proposal Trustee shall be entitled to be discharged after making all distributions to the Creditors pursuant to the terms of this Amended Proposal, providing a certificate of full performance to the Debtor and the Official Receiver pursuant to Section 65.3 of the Act, and completing all ancillary duties related to this Amended Proposal.

**Section References**

51. In this Amended Proposal, a reference to a section, clause or paragraph shall, unless otherwise stated, refer to a section, clause or paragraph of the Amended Proposal.

**Interpretation not Affected by Headings**

52. The division of the Amended Proposal into sections, clauses and paragraphs, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the Amended Proposal.

**Currency**

53. Unless otherwise stated herein, all references to currency in this Amended Proposal are to lawful money of Canada.

**Numbers**

54. In this Amended Proposal, where the context requires a word importing the similar number will include the plural and vice versa.

**Failure to File Proofs of Claim Prior to Distribution**

55. Any Creditor who does not file a proof of claim with the Proposal Trustee in accordance with the Act prior to the date of distribution as set out in paragraphs 8 to 10 hereof in accordance with this Amended Proposal shall forever be barred from making a Claim in this Amended Proposal or sharing in any dividend hereunder, but the Debtor shall nevertheless be released from any Claims of such Creditor.

**Preferences and Transfers at an Undervalue**

56. Creditors will have the same rights to review the Debtor's transactions as are granted under sections 95 to 98 of the Act to creditors in a bankruptcy proceeding. Inspectors may authorize a review of these transactions by the Proposal Trustee on behalf of the Creditors.

**Proposal Trustee**

57. The Proposal Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Amended Proposal or in connection with the business or liabilities of the Debtor.

**Foreign Currency Obligations**

58. For the purposes of this Amended Proposal, Claims denominated in a currency other than Canadian dollars, will be converted to Canadian dollars at the closing spot rate of the exchange of the Bank of Canada on the Filing Date.

DATED at the City of Toronto, in the Province of Ontario, this 9<sup>th</sup> day of October, 2024.

**WISP INTERNET SERVICES INC.**

Per:



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**Patrick Christopher Doyle, President**

**SCHEDULE "A"**

**Form of Replacement Tower Agreement for Unsecured Creditor Group 1**

**THIS LEASE** dated the **DATE GOES HERE**.

**BETWEEN:**

**LANDLORD NAME GOES HERE**  
(hereinafter called the "**Landlord**")

**OF THE FIRST PART**

**AND:**

**8064555 CANADA CORP. O/A TELACOR** (hereinafter called the "**Tenant**")

**OF THE SECOND PART**

**WHEREAS:** The Landlord is the owner of the lands with legal description set forth in Schedule A to this Lease (the "**Lands**"); and

**WHEREAS:** The Tenant wishes to lease from the Landlord certain portions of the Lands outlined in red on Schedule B (the "**Leased Lands**").

In consideration of the rents, covenants, conditions, and agreements hereinafter reserved and contained, the parties hereto covenant and agree as follows:

**GRANT AND LANDS**

1. In consideration of the performance by the Tenant of its obligations under this Lease, the Landlord leases to the Tenant the Leased Lands for the Term.

**TERM AND RENEWAL**

- 2.1 The Landlord leases to the Tenant the Leased Lands to have and to hold for and during a term of five (5) years (the "**Initial Term**"), commencing on [April 15<sup>th</sup> 2024] (the "**Commencement Date**") and ending on [April 15<sup>th</sup> 2029].
- 2.2 Upon the expiry of the Initial Term, this Lease will automatically renew for another **\*(\*)** years term (the "**Renewal Term**") unless terminated in accordance with this Lease. Each Renewal Term shall be on the same terms as the Term. The Initial Term and all Renewal Terms shall collectively constitute and be referred as (the "**Term**")

**PERMITTED USES**

3. The Tenant shall use the Leased Lands for the following purposes:
  - a) erecting a telecommunication tower and any auxiliary structures (the "**Tower and Buildings**") on the Leased Lands;

- b) installing Tenant's fibre optic cable and associated pedestals and handholes (the "**Equipment**");
- c) connecting the Tower and Buildings and Equipment to the Tenant's telecommunications network infrastructure;
- d) providing high-speed fibre and/or wireless internet connectivity to residential dwellings and businesses in the surrounding areas (the "**Services**");
- e) operating, servicing and maintaining the Tower and Buildings, Equipment and network infrastructure; and
- f) all other uses associated with the Tower and Buildings, Equipment and the Services.

items (a) to (f) collectively constitute (the "**Permitted Uses**").

### **RENT**

- 4.1 As consideration under this Lease, the Landlord will receive compensation as outlined in Schedule C of this Lease (the "**Tenant's Services**"), Any services provided shall be subject to the usual terms and conditions other than price during the Term and any extensions or renewals thereof (the "**Rent**").
- 4.2 The Landlord shall pay all taxes associated with the Tenant's Services provided to the Landlord as part of the Rent.

### **TAXES**

- 5.1 Except as otherwise provided in this Lease, the Landlord shall pay, without recovery from the Tenant, all taxes relating to the Leased Lands or the Landlord's ownership or operation thereof, except for the income taxes of the Tenant or HST included in the Rent.
- 5.2 Notwithstanding anything to the contrary in this Section 5, if the Tenant's business causes or results in any increase in taxes payable by the Landlord under Section 5.1 above, the Tenant shall pay any such increase in taxes during the Term. In determining whether increased taxes are caused by or result from the Tenant's business, tax statements issued by the organization computing the tax rate on the Leased Lands showing the various components of such rate, shall be conclusive evidence of the items and charges which make up such rate.

### **TENANT'S COVENANTS**

- 6. The Tenant covenants with the Landlord:

#### **Pay Rent**

- 6(1). to pay Rent and all amounts, if any, payable by the Tenant to the Landlord under Section 5.2 of this Lease. Notwithstanding anything to the contrary in this Lease, the Tenant shall

not be required to pay Rent and any other amounts under Section 5.2 of this Lease until it installs its Tower and Buildings and Equipment on the Leased Lands and commences providing the Services;

**Maintain and Repair**

6(2). to maintain the Leased Lands in good order and overall clean state and repair any damage caused to the Leased Lands by the Tenant.

**Use of Leased Lands**

6(3). not to use or allow the Leased Lands to be used for any purpose other than the Permitted Uses;

**Indemnity**

6(4). to promptly indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions arising out of:

- (i) any breach, violation or non-observance by the Tenant of any covenants, obligations, agreements or conditions of this Lease;
- (ii) any damage to property and any injury to any person, including death resulting at any time therefrom, occasioned by any act or omission of the Tenant, except where such damage or injury is due to the act, default or negligence of the Landlord or anyone for whom in law the Landlord is responsible;

and this indemnity shall survive the expiry or earlier termination of this Lease, notwithstanding anything in this Lease to the contrary;

**QUIET ENJOYMENT AND ACCESS**

7. The Landlord covenants with the Tenant for quiet enjoyment during the Term, provided the Tenant complies with all of its obligations under this Lease. The Tenant shall have unrestricted access to the Leased Lands at any time.

**OWNERSHIP OF LANDS AND ZONING**

8. The Landlord hereby represents and warrants that:

- a) the Landlord is the registered owner of the Lands and has the right to enter into this Lease; and
- b) there are no zoning restrictions, municipal or other governmental authorities' orders

prohibiting or restricting the Permitted Uses of the Leased Lands.

### **LANDLORD'S INSURANCE**

9. The Landlord shall throughout the Term carry insurance on the Leased Lands in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a reasonably similar lands, having regard to size, value and location.

### **LANDLORD'S REPAIRS**

10. Except as set out in section 6(2) of this Lease, the Landlord shall be responsible, at its expense, during the Term, for all and any required repairs to the Leased Lands. If the Landlord, after notice in writing requiring the above work to be done, fails or neglects to keep the Leased Lands in good repair and such state of disrepair may in the opinion of the Tenant threaten the Tenant's employees, contractors or visitors or jeopardize the Tower and Buildings, Equipment, Services or any operations of the Tenant, then the Tenant may make the repairs, and the Landlord shall immediately repay to the Tenant the full amount of the cost of such repairs.

### **LANDLORD'S INDEMNITY**

11. The Landlord shall promptly indemnify and save harmless the Tenant from any and all liabilities, damages, costs, claims, suits or actions arising out of:
- (i) any breach, violation or non-observance by the Landlord of any covenants, obligations, agreements or conditions of this Lease;
  - (ii) any damage to property and any injury to any person, including death resulting at any time therefrom, occasioned by any act or omission of the Landlord, or occurring in or on the Leased Lands or any part thereof arising from or occasioned by any cause whatsoever, except where such damage or injury is due to the act, default or negligence of the Tenant or anyone for whom in law the Tenant is responsible;

and this indemnity shall survive the expiry or earlier termination of this Lease, notwithstanding anything in this Lease to the contrary;

### **EQUIPMENT AND FIXTURES**

12. The Tenant's Equipment, Tower and Buildings, trade fixtures, chattels and leasehold improvements shall, at all times, remain the property of the Tenant. The Tenant may remove its Tower and Buildings, Equipment, trade fixtures, chattels and at its option, its leasehold improvements at any time during the Term, and at any time within 3 months after termination or earlier expiration of the Term.



**CO-LOCATION, SUBLETTING AND LICENSING**

13. At any time during the Term, the Tenant shall have the right to collocate the equipment and infrastructure of any third party or parties of its choice on the Leased Lands, including but not limited to the Tower and Buildings. The Tenant shall also have the right to sublet or license the whole or any part of the Leased Lands, including but not limited to the Tower and Buildings, at any time during the Term, to any third party or parties of its choice.

**ASSIGNMENT**

14. The Tenant shall be entitled to assign this Lease without prior consent of the Landlord. Upon assigning this Lease, the Tenant shall be released from all covenants and liabilities under this Lease.

**CO-OPERATION**

15. The Landlord shall co-operate with the Tenant, at the Tenant's expense, to obtain all necessary authorizations from the municipality and any other governmental authority possessing jurisdiction over the construction, operation, maintenance, repair and replacement of the Equipment and network infrastructure. The Landlord shall sign all necessary and reasonable authorizations to allow the Tenant to obtain construction permits, approval of the implementation plans, amendments to the regulations, the authorization of any governmental authorities having jurisdiction and to obtain all pertinent information concerning the Leased Lands or the Lands, and to permit the Tenant to have access to the plans or technical documents of the municipality or of an architect or engineer.

**LANDLORD'S RIGHT OF TERMINATION - BANKRUPTCY ETC.**

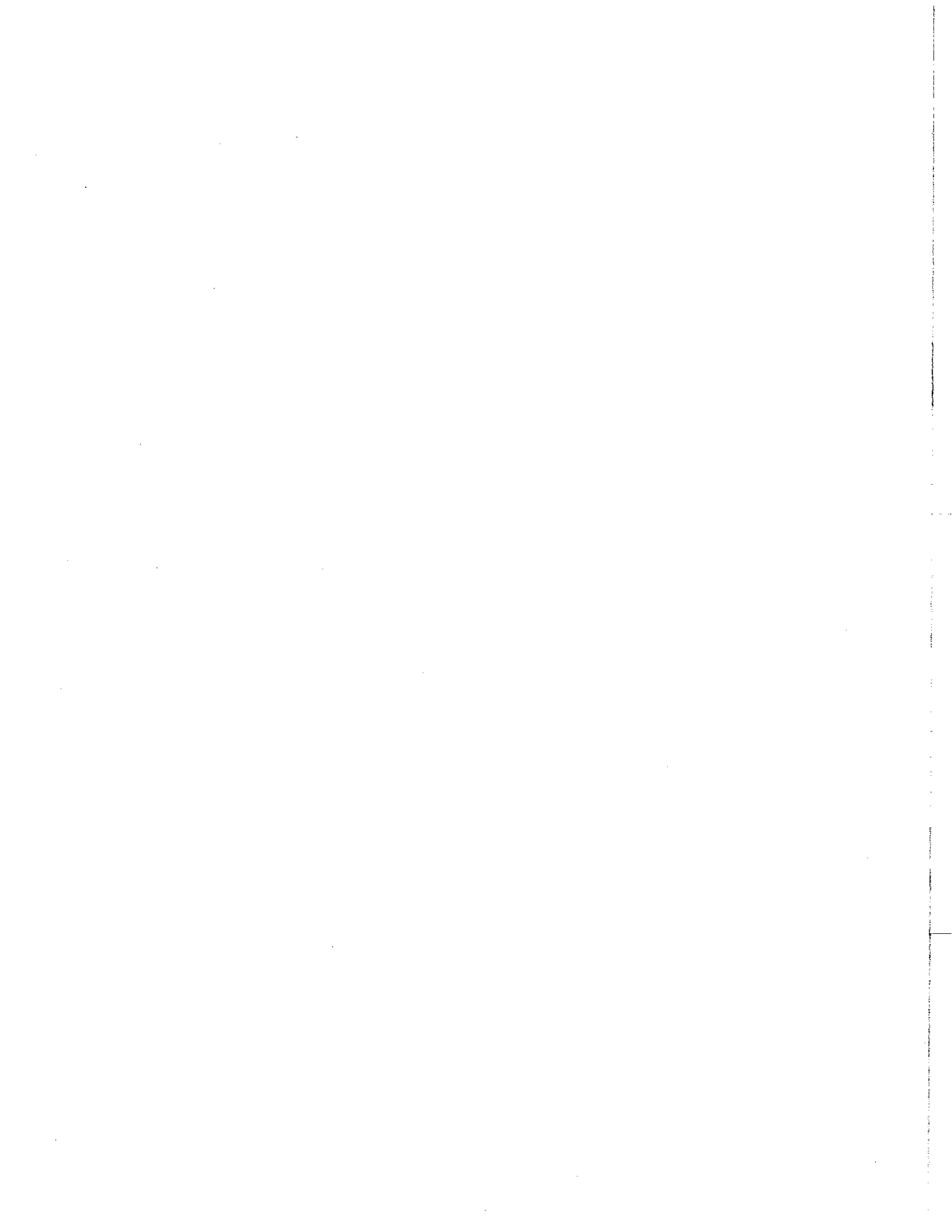
16. Provided further that in case the Leased Lands shall be used for any other purpose than the Permitted Uses or in case the Term or any of the goods and chattels of the Tenant shall be at any time seized in execution or attachment by any creditor of the Tenant or the Tenant shall make any bulk sale (except in connection with an assignment or subletting of the Leased Lands pursuant hereto) or become bankrupt or insolvent or take the benefit of any Act now or hereafter in force for bankruptcy or insolvent debtors, or if a receiver is appointed for the Tenant, or, if the Tenant is a corporation and any order shall be made for the winding-up or dissolution of the Tenant or other termination of the corporate existence of the Tenant, then in any such case this Lease shall, at the option of the Landlord, cease and determine.

**TENANT'S RIGHT OF TERMINATION**

17. The Tenant may terminate this Lease on 90 days' written notice to the Landlord if and whenever:

any building, structure, trees or other works of any nature or kind whatsoever, interferes in





any manner with the Tower and Buildings, Equipment or the Services, or if the operation of the Tower and Buildings, Equipment or provision of the Services, in the opinion of the Tenant, should be or become commercially or technologically impractical, or if the operation of the Tower and Buildings, Equipment or provision of the Services should be or become impossible by reason of government decision, law, by-law or regulation or because of damage to or the destruction of the Tower and Buildings, Equipment or the Leased Lands.

### **REGISTRATION**

18. The Tenant shall have the right to register this Lease in the Registry Office or the Land Titles Office and the Landlord, at the request of the Tenant, shall promptly execute and deliver to the Tenant any documents necessary to make such registration.

### **NOTICES**

19. All formal notices hereunder shall be in writing and shall be deemed effective upon receipt when delivered by hand, overnight delivery courier, by email or when mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses listed below (or at such other address and/or email address for a party as shall be specified by like notice).

If to the Tenant:

Address: 8064555 Canada Corp. o/a Telacor  
124 Hastings St. N. Suite 4  
Bancroft, Ontario  
K0L1C0

Attention: Lucas Balemba, President  
Email: [lucasbalemba@gmail.com](mailto:lucasbalemba@gmail.com)

With a copy to:

Tacit Law  
1000 Innovation Drive, Suite 500  
Kanata, Ontario  
K2K 3E7

and if to the Landlord:

Address: ADDRESS GOES HERE

Attention: LANDLORD NAME GOES HERE

Email:

### **INTERPRETATION OF LEASE**

- 20(1). All of the provisions contained in this Lease are to be construed as covenants and agreements and if any provision is illegal or unenforceable, it shall be considered separate and severable from the remaining provisions, which shall remain in full force and be binding upon the Landlord and the Tenant.
- 20(2). This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario. The courts of the City of Belleville, Ontario, shall have exclusive jurisdiction over any and all claims or disputes arising from this Lease.
- 20(3). The captions appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope of meaning of this Lease nor any of the provisions hereof.
- 20(4). This Lease constitutes the entire agreement between the Landlord and the Tenant with respect to the Leased Lands. No amendment, alteration or addition to this Lease will be binding on Landlord or Tenant, unless it is in writing and signed by both parties.

### **EFFECT OF LEASE**

21. This Lease and everything herein contained shall extend to and bind and may be taken advantage of by the respective heirs, executors, administrators, successors and assigns, as the case may be, of each and every of the parties hereto; the provisions hereof shall be read with all necessary grammatical and gender changes and the singular shall replace the plural or vice-versa where the context permits and where there is more than one tenant all covenants shall be deemed joint and several. No provision of this Lease shall be interpreted or construed against any party because such party or its legal counsel was involved in the drafting of the provision.

### **INDEPENDENT LEGAL ADVICE**

22. The Landlord acknowledges that it is aware that it has the right to obtain independent legal advice before signing this Lease. The Landlord hereby acknowledges and agrees that either such advice has been obtained or that the Landlord does not wish to seek or obtain such independent legal advice. The Landlord further acknowledges and agrees that it has read this Lease and fully understands the terms of this Lease, and further agrees that all such terms are reasonable and that it signs this Lease freely, voluntarily, and without duress.

### **COUNTERPARTS AND ELECTRONIC DELIVERY**

23. The Landlord and the Tenant agree that this Lease may be executed in counterparts, all of which together shall constitute one and the same instrument, and the transmittal of signed copies of this Lease or any notice required or permitted to be given hereunder by email

hereby constitutes good and valid execution and delivery of such document.

**IN WITNESS WHEREOF** the parties hereto have executed this Lease.

**SIGNED, SEALED AND DELIVERED**

**8064555 CANADA CORP. O/A TELACOR**

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

Name: Lucas Balemba

Title: President

I have authority to bind the Corporation

\_\_\_\_\_  
Witness:

)  
)  
)  
)

\_\_\_\_\_  
**LANDLORD GOES HERE**

**LANDLORD GOES HERE**

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

Name: \*

Title: \*

I have authority to bind the Corporation

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

Name: \*

Title: \*

I have authority to bind the Corporation

**SCHEDULE A**  
**LEGAL DESCRIPTION OF LANDS/MUNICIPAL ADDRESS/GPS COORDINATES OF**  
**THE TOWER LOCATION**

**SCHEDULE B  
LEASED LANDS**



**SCHEDULE C  
RENT**

The landlord shall be entitled to the companies fastest residential internet package as well as it's standard TV and Phone services. These services shall be provided free of charge. In the event electrical services are obtained from the landlord, a hydro stipend of \$50/month shall be included as compensation.

Additional Compensation will be provided on a tiered basis based on the total number of paying clients linked to the tower. The number of paying clients shall be updated quarterly, and any adjustments in compensation shall take effect on the same schedule. The tiers of compensation are listed below.

- >10 clients – Free services outlined above
- 10 - 15 clients - \$100 / month and our fastest available residential internet package
- 16 – 25 clients - \$200 / month and our fastest available residential internet package
- 26 - 35 clients - \$300 / month and our fastest available residential internet package
- 36 - 45 clients - \$400 / month and our fastest available residential internet package
- 45< clients - \$500 / month and our fastest available residential internet package

**SCHEDULE "B"**

**Illustrative Example - Unsecured Creditor Group 1**

## **SCHEDULE "C"**

### **Tower Agreements for Unsecured Creditor Group 2**

1. All Tower Agreements in respect of Towers that have not been built shall be terminated.
2. Each Property Owner shall be deemed to have entered into an Option Agreement with the Debtor granting the Debtor an option to build a Tower on the Property Owner's lands in the future. Option Agreements may be terminated by either party on 90 days' notice.
3. The Debtor covenants and agrees to either: (a) pay each Property Owner \$100 per month under the Option Agreement starting on the first Business Day of the 1st month after the Amended Proposal Effective Date; or (b) provide internet services to the Property Owner, provided such services are available through the Debtor's (or its affiliates') networks.
4. The Option Agreement shall not restrict a Property Owner's right to enter into a new tower agreement with a third party. However, in the event a third party proposes to build a Tower on the Property Owner's lands, the Debtor shall have a right of first refusal to exercise, within 30 days' notice (by email) from the Property Owner, its option to build a Tower on the terms set out the Replacement Tower Agreement. If the Debtor declines to exercise its option, then the Option Agreement shall terminate immediately with no further obligation to make any payments on account of the Option Agreement.
5. If the Debtor exercises its option and builds a Tower, then the Option Agreement shall convert to a Replacement Tower Agreement on the terms set out in Schedule "A" to the Amended Proposal.

**SCHEDULE "D"**

**Illustrative Example - Unsecured Creditor Group 2**

**SCHEDULE "E"**

**Illustrative Example - Unsecured Creditor Group 3**

## **SCHEDULE "F"**

### **Option to Purchase Shares of the Debtor**

1. The number of available shares in the Share Pool shall have been a maximum of 20% of the Debtor's total issued shares. The Debtor's total number of issued shares as at the 2nd anniversary of the Original Proposal Effective Date shall not have exceeded 10,000. The purchase price for the shares offered shall be \$0.10 per share.
2. Each General Unsecured Creditor shall have had the right to purchase a percentage of shares from the Share Pool equal to their *pro rata* share of Proven Claims against the Debtor. For example, a Creditor with 5% of Proven Claims had an option to purchase 5% of the shares in the Share Pool (1% of the Debtor's total issued shares, if every General Unsecured Creditor exercised their right).
3. Creditors shall have exercised their option to purchase shares by providing written confirmation of their election (by email) to the Debtor and the Proposal Trustee at least 30 days' prior to the 2nd anniversary of the Original Proposal Effective Date.
4. Creditors shall have the option to pay for the shares by either: (i) cheque made payable to the Debtor; or (ii) deducting the purchase price from the next dividend payment owing to the Creditor pursuant to this Amended Proposal.
5. Shares acquired under this Schedule "F" shall be subject to a unanimous shareholder agreement, a copy of which shall have been circulated to Creditors at least 90 days' before the 2nd anniversary of the Original Proposal Effective Date. No Creditor shall be entitled to acquire shares without becoming party to the unanimous shareholder agreement.
6. Notwithstanding paragraph 7, below, if the majority shareholder of the Debtor chooses to enter into a transaction to sell more all or part of the shares of the Debtor to a third-party purchaser, then each Creditor who acquired shares under this Schedule "F" shall sell, transfer or exchange, as the case may be, all or part of their shares (on the same percentage basis) to such purchaser under the same terms and conditions as have been agreed to by the majority shareholder in respect of his shares.
7. The unanimous shareholders agreement shall neither abridge nor extend the rights granted to shareholders pursuant to the *Business Corporations Act* (Ontario).

## **SCHEDULE "G"**

### **Second Share Pool**

1. The number of available shares in the Second Share Pool shall be a maximum of 10% of the Debtor's total issued shares and shall be in addition to the shares made available through the Share Pool. The Debtor's total number of issued shares as at three months after of the Amended Proposal Effective Date shall not exceeded 10,000.
2. Each General Unsecured Creditor shall have had the right to acquire a percentage of shares from the Second Share Pool equal to their *pro rata* share of Proven Claims against the Debtor. For example, a Creditor with 5% of Proven Claims had an option to acquire 5% of the shares in the Second Share Pool (0.5% of the Debtor's total issued shares).
3. Shares acquired under this Schedule "G" shall be subject to a unanimous shareholder agreement. No Creditor shall be entitled to acquire shares without becoming party to the unanimous shareholder agreement. Creditors shall exercise their option to acquire shares by delivering a copy of the signed unanimous shareholder agreement (by email) to the Debtor and the Proposal Trustee within three months after the Amended Proposal Effective Date.
4. Notwithstanding paragraph 5, below, if the majority shareholder of the Debtor chooses to enter into a transaction to sell more all or part of the shares of the Debtor to a third-party purchaser, then each Creditor who acquired shares under this Schedule "G" shall sell, transfer or exchange, as the case may be, all or part of their shares (on the same percentage basis) to such purchaser under the same terms and conditions as have been agreed to by the majority shareholder in respect of his shares.
5. The unanimous shareholders agreement shall neither abridge nor extend the rights granted to shareholders pursuant to the *Business Corporations Act* (Ontario).

**PROXY**



District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2551574  
Estate No. 31-2551574

FORM 36  
Proxy  
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the proposal of  
Wisp Internet Services Inc.  
of the Township of Skugog, in the Province of Ontario

I, \_\_\_\_\_, of \_\_\_\_\_, a creditor in the above matter, hereby  
appoint \_\_\_\_\_, of \_\_\_\_\_, to be  
my proxyholder in the above matter, except as to the receipt of dividends, \_\_\_\_\_ (with or without)  
power to appoint another proxyholder in his or her place.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_  
Name and Title of Signing Officer

Return To:

Dodick Landau Inc. - Licensed Insolvency Trustee

\_\_\_\_\_  
951 Wilson Ave., Unit 15L  
Toronto ON M3K 2A7  
Fax: (866) 874-1791  
E-mail: [brenda.mcknight@dodick.ca](mailto:brenda.mcknight@dodick.ca)

# VOTING LETTER

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2551574  
Estate No. 31-2551574

FORM 37

Voting Letter  
(Paragraph 51(1)(f) of the Act)

In the matter of the proposal of  
Wisp Internet Services Inc.  
of the Township of Skugog, in the Province of Ontario

I, \_\_\_\_\_, creditor (or I, \_\_\_\_\_, representative  
of \_\_\_\_\_, creditor), of \_\_\_\_\_, a creditor in the above matter  
for the sum of \$ \_\_\_\_\_, hereby request the trustee acting with respect to the proposal of Wisp  
Internet Services Inc., to record my vote \_\_\_\_\_ (for or against) the acceptance of the proposal as  
made on the 12th day of November 2019.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_

\_\_\_\_\_  
Name and Title of Signing Officer

Return To:  
Dodick Landau Inc. - Licensed Insolvency Trustee  
Per:

\_\_\_\_\_  
Rahn Dodick - Licensed Insolvency Trustee  
951 Wilson Ave., Unit 15L  
Toronto ON M3K 2A7  
Fax: (866) 874-1791  
E-mail: [brenda.mcknight@dodick.ca](mailto:brenda.mcknight@dodick.ca)

