



Membership Package

Class E:

Joint Use / Shared Resource Providers

**Regional Backbone Initiative For
Rural Maryland**

**2129A Northwood Drive
Salisbury, MD 21801
www.mdbc.us**

**Tel: 410. 341. MDBC (6322)
Fax: 410.341.6327
Dvandopp@mdbc.us**

Thank you for your interest in joining the Maryland Broadband Cooperative!

This package includes a one-page membership application and an explanation of how membership in our cooperative works.

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

We have completed a standard Master Services Agreement that defines the services MDBC has to offer to our members, and details the types of services provided, including optical transport services (TDM, IP), collocation, dark fiber lease, wavelength services, and IRU for dark fiber sales.

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

We greatly appreciate your interest in joining MDBC and look forward to helping you grow your business in the rural areas of the state.

Best Regards,

MARYLAND BROADBAND COOPERATIVE

Drew Van Dopp

President/ CEO

Dvandopp@mdbc.us

Tel: 410.341.MDBC (6322)

Fax: 410.341.6327



Membership Application and Agreement Form

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

Request for Membership

Applicant's signature on this form shall constitute

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

Cooperative Membership

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

Types of Membership

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

Home Membership Region

The MDBC is a regionally focused initiative to build a strong infrastructure to lower costs of broadband, provide greater service and enhance economic development. Each petitioning member is required to elect the MDBC region their membership will be based. The region you select should be based on where you will have the greatest impact in assisting the cooperative to achieve its mission and vision.

Membership Fee

Applicant agrees to submit to Cooperative the required **one-time** membership fee along with the request for membership form.

- **Class E Membership:**

Joint Use and Shared Resource Providers (Entities which have agreed to share with the Corporation, or have otherwise agreed to convey, assign, lease or license to the Corporation, a portion of their respective assets, rights or privileges, on such terms and conditions which have been determined by the Board of Directors, in its sole discretion, to be of substantial current or future benefit to the Corporation, and in furtherance of the purposes of the Corporation.)

Member Responsibilities

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

The MDBC web site, www.mdbc.us, is a valuable source of information. It is updated regularly and is a good resource for members. If you have any questions or suggestions, please contact Megan Speake at mspeake@mdbc.us or at 410.341.6322.

Capital Credits

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

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

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

Membership Investment

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

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

Member's rights and responsibilities

The Members of MDBC have:

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

Member's Legal Obligations

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

Cooperative Principles

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

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

All cooperative businesses adhere to these seven guiding principles:

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

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

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



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

Maryland Broadband Cooperative
Membership Processing
2129A Northwood Drive – Salisbury, MD 21801

Date of
Application:

Home Region

- | | |
|--|--|
| <input type="checkbox"/> Southern Maryland | <input type="checkbox"/> Mid Eastern Shore |
| <input type="checkbox"/> Lower Eastern Shore | <input type="checkbox"/> Upper Eastern Shore |
| | <input type="checkbox"/> Western Maryland |

APPLICANT:
Membership
Class:

Class E

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

TIN#:

Membership Fee:

\$500.00

Name of
Applicant:
(Legal Name)

Mail
Address:

City: State: Zip:

Phone Number: Fax Number:

Email Address:

Website:

Bank References

Bank Name:

Contact Name:

Phone Number:

Applicant's Signature:

Print Name:

Title: