

CHIPPEWA VALLEY INTER-NETWORKING CONSORTIUM, an Unincorporated Association

AGREEMENT OF ASSOCIATION

This Agreement of Association (this "Agreement") is entered into as of the ___ day of _____, 2011 (the "Effective Date"), by and among the members identified on the attached Exhibit A (the "Initial Members") for the purpose of forming, pursuant to Chapter 184 of the Wisconsin Statutes, an unincorporated, nonprofit association to be known as Chippewa Valley Inter-Networking Consortium, Unincorporated Association.

BACKGROUND

The Chippewa Valley Inter-Networking Consortium ("CINC") currently exists as an informal community area network or "CAN" comprised of state, county, and municipal governmental bodies, school districts, the University of Wisconsin system, libraries, and hospital and health care organizations who have combined their respective resources for the following stated mission:

"Through a coordinated regional communication infrastructure, position the Chippewa Valley to be innovative, competitive, and economically viable for present and future generations"

CINC began in 1999. Its first formal arrangement was an intergovernmental agreement among four of the Initial Members. From there, CINC grew to its present membership, as each of the other Initial Members entered into a memorandum of understanding with one or more of the then-existing members.

As of the Effective Date, CINC operates a fiber optic cable network spanning multiple counties and consisting of over seventy-five miles of fiber optic cable serving over sixty facilities (the "Existing Network"). A map of the Existing Network is attached to this Agreement as Exhibit B. The Existing Network is comprised of fiber optic cable installations that serve the facilities of more than one Initial Member (the "CINC Network") and fiber optic cable installations and related equipment that serve the facilities of only one Initial Member (a "Lateral" or if more than one, the "Laterals").

The Existing Network was constructed in a series of projects, each of which was funded by those of the Initial Members (and in some cases, others) whose facilities would benefit from the specific project, with each funding party's contribution commensurate with the benefit the member would derive from that project and/or its ability to pay. In some cases, Initial Members made financial contributions upon joining CINC for past construction costs incurred in completing existing projects from which those Initial Members would derive benefit going forward. In addition to providing project funding, members of CINC pay an annual maintenance fee. Certain CINC members also provide non-cash support to CINC in the form of staff time and other non-cash resources, all in a spirit of

collaboration and fairness aimed at accomplishing CINC's mission. By way of clarification, construction of those portions of the Existing Network comprising the CINC Network were funded by multiple Initial Members, whereas those portions of the Existing Network comprising the Laterals were funded, in each case, by the Initial Member whose installation is served by each Lateral.

A recent award of federal grant funding will enable a dramatic expansion of the Existing Network, and will likely also lead to an expansion of the membership of CINC. In order to facilitate both expansions, the Initial Members have determined that it is in the best interest of CINC and the fulfillment of its mission that a more formal organizational structure be chosen for CINC.

AGREEMENT

In consideration of the foregoing, the mutual covenants and obligations created in this Agreement, the benefits each of the Initial Members (and any subsequent Members) will derive from the maintenance and expansion of the Existing Network, and other valuable consideration, the receipt and sufficiency of which they acknowledge, the Initial Members agree as follows:

1. Creation and Name of Association. The Initial Members, by their execution of this Agreement and pursuant to Chapter 184 of the Wisconsin Statutes, hereby create an unincorporated, non-profit association (the "Association"). The name of the Association shall be Chippewa Valley Inter-Networking Consortium, Unincorporated Association ("CINC, U.A.").

2. Membership in the Association.

- a. Initial Members.** Membership in the Association as of the Effective Date shall consist of all of the Initial Members whose names appear on Exhibit A and who are signatories to this Agreement.
- b. Additional Members.** Additional members ("New Members") may join the Association by entering into a Joining Agreement, in a form and under such terms as are determined by the Executive Committee (defined below) from time to time. The Initial Members and Additional Members are sometimes referred to in this Agreement individually as a "Member" and collectively as "Members." When such references are used in a provision of this Agreement, the intent is to make no distinction between Initial Members and Additional Members with respect to that provision.
- c. Withdrawal of a Member.** A Member may withdraw voluntarily from the Association at any time by providing written notice of withdrawal to the then acting Secretary of the Association, including a withdrawal date that is not sooner than thirty (30) days after delivery of the withdrawal notice.

Withdrawing Members do not receive a return of any assets or other resources conveyed to or bestowed upon the Association by such withdrawing Members. If any Member who otherwise would have remained a Member is required to withdraw from the Association because that Member is no longer legally permitted to be a Member (an "Involuntary Withdrawal"), that withdrawn Member shall have the right following the Involuntary Withdrawal, but subject to any applicable legal requirements, to apply to the Association for continued use of the CINC Network under the terms of Section 2.d. below and the Executive Committee shall give all due consideration to that withdrawn Member's application in the spirit of this Agreement and the Association's purposes.

- d. **Removal of a Member.** A Member may be removed from the Association, but only under extreme circumstances where (i) the Member's continued membership jeopardizes the existence or functioning of the Association; and (ii) diligent and good faith efforts to resolve the situation have been unsuccessful. The Association's Bylaws will contain procedures governing the removal of a Member, including without limitation, notice, cure period, and voting procedures. Removed Members do not receive a return of any assets or other resources conveyed to or bestowed upon the Association by such removed Members.
- e. **Services to Non-Members.** The Association may make the CINC Network available for use by non-Member entities whose missions or functions the Executive Committee reasonably believes are consistent with the Association's stated mission, pursuant to terms specified by the Executive Committee; provided that the Association expressly herein states that it is not the intention of the Association the CINC Network be made available to individuals or members of the public generally, and further states that, under no circumstances will the Association, or its Members, sell telecommunications services via CINC Network, nor will the CINC Network be made available to non-Member entities in a manner that competes directly with commercially available connectivity services.

3. **Assets of the Association.**

- a. **Existing Network.** As of the Effective Date, the Initial Members hereby convey to the Association, all of their right, title and interest in and to the Existing Network (except Laterals), together with all of their right, title and interest in and to any and all easements relating to such portions of the Existing Network.

- b. **Existing Rights and Uses.** Notwithstanding the rights and interests they are transferring to the Association by this Agreement, each of the Initial Members shall continue to have and enjoy the same level of use of the Existing Network as they enjoy on the Effective Date, subject to the terms of this Agreement, including the effect of any Projects (defined below).
- c. **Expansion of Network.** Future expansion of the Existing Network may continue to occur through projects undertaken by two or more Members ("Projects") under the following parameters:
- i. **Project Proposal.** A Project may be initiated by the submission of a proposal (a "Proposal") to the Executive Committee. At a minimum, a Proposal shall identify:
- the route of the proposed expansion
 - the Members who will benefit from the Project
 - any New Members who will join the Association in connection with the Project
 - each Member's use of the CINC Network as expanded by the approved Project
 - the source(s) of funding for the Project;
 - such other factors as the Executive Committee may require
- ii. **Project Approval.** If the Executive Committee approves of the Project, the Association will arrange for the design and construction of the Project on behalf of the Members proposing the Project (including the New Members described in the Proposal provided those New Members enter into Joining Agreements as described above).
- iii. **Expanded Network.** Upon completion of the Project, the CINC Network shall be deemed to include all of the fiber optic cable installed as part of the approved Project (except any Laterals), and the CINC Network map shall be updated accordingly. Each Lateral shall be and remain the property of the Member whose facility is served by that Lateral.
- iv. **Projects Not Approved/Other Projects by Members.** Nothing in this Agreement shall prevent any Member or group of Members from carrying out, individually, as a group of Members, or as a group including non-Members, projects that were presented to the Association in a Proposal that was not approved by the Executive Committee or other projects that such Member(s) determine would be better completed

without involving the Association. Installations constructed through projects completed under this Subsection 3.c.iv. will not become part of the CINC Network or be owned by the Association, but the Association, on behalf of one or more of its Members may enter into separate arrangements whereby those Members may obtain the use or other benefit of such projects on terms agreed upon among the Members (and/or others) who constructed the Non-CINC project and those other Members who wish to obtain the benefit of such Non-CINC project.

v. **CINC-Initiated Projects.** In addition to the above, the Association, acting through the Executive Committee, shall have the authority to approve and undertake a project to expand the CINC Network whenever the Executive Committee deems such expansion to be in the best interest of the Association. The funding for and use of an Executive Committee initiated project will be explained to the then-current Members in a regularly-scheduled Association meeting or in a special meeting called in accordance with procedures set forth in the Association's Bylaws prior to the commencement of that project, provided, however, that no Member may be required to participate in the funding of design and construction for a project initiated by the Executive Committee under this Subsection 3.c.v. over that Member's objection.

d. **Maintenance of the CINC Network.** The Association will be responsible for the maintenance, repair and replacement of the CINC Network as the same may be expanded from time to time as provided in Section 3.c. above. The costs of such maintenance, repair and replacement shall be assessed against the Members as set forth in Section 5.b. below and the Association's Bylaws, provided, however, that the Executive Committee may, in its discretion, apply grant funds received by the Association for these purposes in accordance with the requirements of any such grants. Members shall be solely responsible for the maintenance, repair and replacement of all Laterals, provided, however, that Members may contract with or through the Association for such maintenance, repair or replacement, on such terms as may be determined by the Executive Committee.

4. **Association Governance and Meetings.**

a. **Association Bylaws.** The governance of the Association and the scheduling of the annual and other Association meetings shall be as set forth in the Association's Bylaws (as initially adopted and as they may be amended from time to time, the "Bylaws"), the initial version of which shall take effect upon

adoption by the Initial Members, either by unanimous adoption as evidenced by the signature of all Initial Members on a copy of the Bylaws, or by majority vote of the Initial Members present at the Inaugural Meeting (defined below). Thereafter, the Bylaws may be amended as set forth in the Bylaws.

b. Executive Committee/Other Committees. The affairs of the Association shall be governed by an Executive Committee of eleven (11) members, consisting of:

i. one (1) member appointed by each of the following Initial Members:

- University of Wisconsin Eau Claire
- Eau Claire County
- City of Eau Claire
- Eau Claire Area School District
- Cooperative Educational Service Agency (CESA)10
- Chippewa Falls Area Unified School District
- Chippewa County
- Mayo Clinic Health System Eau Claire Hospital, Inc.
- Sacred Heart Hospital of the Hospital Sisters of the Third Order of St. Francis

ii. two (2) members elected by majority vote among those Initial Members (and any New Members who may join the Association) that do not appoint an Executive Committee member under Subsection 4.b.i. above.

The inaugural Executive Committee members shall be appointed or elected (as the case may be) at a meeting of the Initial Members to be scheduled, noticed and held within thirty (30) days after the execution of this Agreement by all of the Initial Members (the "Inaugural Meeting"). Notice of the date, time, and location of the Inaugural Meeting shall be provided to the Initial Members by the Fiscal Agent (currently CESA 10) not less than ten (10) days before the date of the Inaugural Meeting at the notice address shown on Exhibit A. Executive Committee Members appointed and elected at the Inaugural Meeting will serve until the Annual Meeting of Members to be held in January, 2014 (unless sooner replaced as allowed under the Bylaws). Thereafter, the appointment and election of Executive Committee members shall be conducted as set forth in the Association's Bylaws.

c. Other Committees. The Bylaws may also provide for the establishment of additional committees (or the appointment of such additional committees by the Executive Committee).

- c. **Annual Meeting.** The Association shall hold an annual meeting during the month of January in each calendar year. The location and agenda for each annual meeting shall be determined by the Executive Committee. Notice of the annual meeting and agenda shall be given as proscribed in the Association's Bylaws. The scheduling of additional Association meetings, including special meetings, shall be done in the manner set forth in the Bylaws.

5. **Association Finances.**

- a. **Finance Committee.** The Association's finances shall be overseen by a Finance Committee appointed by the Executive Committee as further set forth in the Bylaws. Members of the Executive Committee may serve on the Finance Committee, provided however, that the Executive Committee member appointed by the Association's Fiscal Agent (defined below), if then applicable, may not serve on the Finance Committee.
- b. **Annual Budget/Assessments.** Prior to the end of each calendar year, the Finance Committee shall prepare an annual budget for the upcoming calendar year showing the Association's anticipated expenses for that year, together with proposed assessments for each of the Members. The Annual Budget shall be subject to the approval of the Members at the Annual Meeting in the manner set forth in the Bylaws.
- c. **Fiscal Agent.** The Association may continue the practice followed by CINC of selecting a fiscal agent (the "Fiscal Agent") from among the Members to act in the Association's behalf in contracting for Projects and other services needed by the Association as approved by the Executive Committee. As of the Effective Date, the Fiscal Agent is CESA 10.
- d. **Insurance.** The Executive Committee shall obtain and keep in force such property and liability insurance as it deems advisable to protect the Association from casualty loss or damage of or to the CINC Network and to protect the Members, and the Executive Committee Members and Officers, from liability in connection with the ownership and operation, maintenance, repair and replacement of the CINC Network by the Association, and the operation of the Association generally.

6. **Dissolution.** The following events shall result in the dissolution of the Association:

- a. **Lack of Membership.** There remain fewer Members in the Association than required by applicable law (as of the Effective Date, a minimum of three (3) members is required by Wisconsin Statutes Section 184.01(2)); or
- b. **Vote of Members.** A duly-presented motion to dissolve the Association at a duly-called meeting of the Association is approved by not less than three-fourths 3/4 of the then-existing Members; or
- c. **Condemnation.** The taking by eminent domain (or the transfer in lieu of condemnation) of all or substantially all of the assets of the Association; or
- d. **Final Judgment.** A non-appealable judgment by a court of competent jurisdiction that the Association is or shall be dissolved.

If the Association is dissolved, after satisfying all debts and obligations of the Association, any remaining assets of the Association shall be disposed of in one of the following manners, as approved by a majority of the Members then entitled to vote under the Association's Bylaws:

- i. the remaining assets shall be conveyed, in whole, to an "Eligible Entity" as that term is defined below; or
- ii. the remaining assets shall be liquidated and the proceeds thereof distributed as follows: (a) First, to the then-current Members, a payment shall be made calculated by multiplying the total amount of such proceeds by a fraction the numerator of which is the total value of all cash and non-cash support (not including annual maintenance fees) a Member has paid or provided to the Association and the denominator of which is the total value of all cash and non-cash support (not including annual maintenance fees) that all Members have paid or provided to the Association (including, to the extent they can be calculated with reasonable accuracy, the value of all cash and non-cash support provided to CINC by the Initial Members as of the Effective Date), all as determined by the Association's records as supplemented by any additional records

that the Executive Committee deems reliable. Notwithstanding the foregoing, no Member may receive a payment in excess of 100% of the total amount of cash and non-cash support that Member provided to the Association (not including annual maintenance fees), the intent being that no Member shall profit from the disposition of the Association's assets upon the dissolution of the Association; and (b) any remaining assets shall be distributed to one or more Eligible Entities.

- iii. For purposes of this section, an "Eligible Entity" is an entity of the type designated as eligible for a distribution of the Association's assets under then applicable law, as determined and selected by the Executive Committee. As of the Effective Date, Wisconsin Statutes Section 184.09(2) identifies as Eligible Entities:
- A nonprofit association or non-profit corporation pursuing broadly similar purposes; or
 - A government or governmental subdivision, agency or instrumentality.

7. Miscellaneous.

- a. **Binding Effect; Amendment.** This Agreement shall be binding upon and inure to the benefit of the Initial Members and any New Members who join the Association under the terms hereof. This Agreement shall be amended or modified only in a written amendment signed by all of the then-current Members or as otherwise provided in the Bylaws of the Association.
- b. **Third Part Beneficiary.** No one who is not a Member shall be entitled to or have the right to claim to be a third party beneficiary hereunder or otherwise be entitled to enforce or seek the benefit of any of the terms or provisions of this Agreement.
- c. **Exhibits.** The Exhibits appended to this Agreement are incorporated herein and for all purposes are a part of this Agreement.
- d. **Captions/Headings.** The captions or headings placed upon sections of this Agreement are for convenience only, do not constitute a part of this Agreement, and shall not limit or affect in any way the interpretation or construction of this Agreement.

- e. **Severability.** If any part of this Agreement shall be found to be invalid or unenforceable by a court of competent jurisdiction, such finding shall not affect the validity or enforceability of any other provisions of this Agreement that can be given effect in the absence of the parts determined to be invalid or unenforceable.

- f. **Governing Law/Authority.** All matters relating to the making, enforcement, and performance of this Agreement shall be governed by the internal laws of the State of Wisconsin. It shall be the obligation of each Member to determine whether its membership in the Association is within its governmental, municipal, corporate or other legal power and authority, and for each such Member to comply with all applicable laws, codes, and ordinances and with the provisions of its governing documents. Each Initial Member executing this Agreement represents and warrants that such execution has been duly authorized by all required procedures, that the person or persons signing this Agreement on such Initial Member's behalf has the proper authority to do so, and that upon execution by such Initial Member, this Agreement shall be binding and enforceable against such Initial Member in accordance with its terms.

- g. **Counterparts/Facsimile or Digital Signatures.** This Agreement may be executed in any number of counterparts, each of which shall constitute an original and all of which shall constitute one and the same Agreement. Facsimile or digitally transmitted signatures shall be binding upon the parties hereto.

- h. **Personal Liability.** Under no circumstances shall any Member, or any officer, official, director, commissioner, member, agent, or employee of any Member, have any personal liability arising out of this Agreement, and no Member shall seek or claim any such personal liability on the part of any of the above. Notwithstanding the foregoing, the Members agree to the fullest extent permitted under applicable law to indemnify, defend, and hold one another harmless from and against any claims or liabilities arising out of damage to person or property caused by the gross negligence or willful misconduct of the indemnifying Member, or its agents or employees in the performance of this Agreement.

[Signature Pages Follow]

<p>Board of Regents of the University of Wisconsin System, for University of Wisconsin Eau Claire</p> <p>By: _____ Brian Levin-Stankevich, Chancellor</p>	<p>Chippewa County</p> <p>By: _____ Steven Kubacki, Chippewa County Administrator</p>
<p>Eau Claire County</p> <p>By: _____ J. Thomas McCarty, County Administrator</p>	<p>City of Chippewa Falls</p> <p>By: _____ Gregory S. Hoffman, Mayor</p>
<p>City of Eau Claire</p> <p>By: _____ Mike Huggins, City Manager</p>	<p>Board of Regents of the University of Wisconsin System on behalf of the University of Wisconsin Madison, Department of Family Medicine</p> <p>By: _____ Darrell Bazzell, Vice Chancellor for Administration</p> <p>By: _____ Gordon Ridley, Senior Associate Dean, UW SMPH</p> <p>By: _____ Valerie Gilchrist, M.D., Chair, Family Medicine</p>
<p>Eau Claire Area School District</p> <p>By: _____ Robert Scidmore, Director of Technology</p>	<p>Mayo Clinic Health System Eau Claire Hospital, Inc.</p> <p>By: _____ Brian Foster, Vice President and CIO</p>
<p>Cooperative Educational Service Agency 10</p> <p>By: _____ Larry D. Annett, Agency Administrator</p>	<p>Mayo Clinic Health System Eau Claire Clinic, Inc.</p> <p>By: _____ Brian Foster, Vice President and CIO</p>
<p>Chippewa Falls Area Unified School District</p> <p>By: _____ Chad Towbridge, Business Manager</p>	<p>Sacred Heart Hospital of the Hospital Sisters of the Third Order of St. Francis</p> <p>By: _____ Steve Ronstrom, President & CEO, HSHS Division (Western Division)</p>
<p>Chippewa Valley Technical College</p> <p>By: _____ Thomas Lange, Director of Information Technology</p>	<p>St. Joseph's Hospital of the Hospital Sisters of the Third Order of St. Francis</p> <p>By: _____ Joan Coffman, President & CEO</p>
<p>Covenant Health Care LLC dba Dove Healthcare</p> <p>By: _____ Jim Deignan, CEO</p>	<p>Indianhead Federated Library System</p> <p>By: _____ Gus Falkenberg, MORE Administrator and Technology Coordinator</p>

EXHIBIT A

INITIAL MEMBERS/NOTICE ADDRESSES

Board of Regents of the University of Wisconsin System, University of Wisconsin Eau Claire
105 Garfield Avenue, Eau Claire, WI 54701

Eau Claire County
721 Oxford Avenue, Eau Claire, Wisconsin 54703

City of Eau Claire
203 South Farwell Street, Eau Claire, Wisconsin 54701-5148

Eau Claire Area School District
Central Office, 500 Main Street, Eau Claire, WI 54701-3770

Cooperative Educational Service Agency (CESA)10
725 West Park Avenue, Chippewa Falls, WI 54729

Chippewa Falls Area Unified School District
1130 Miles Street, Chippewa Falls, WI 54729

Chippewa Valley Technical College
620 West Clairemont Avenue, Eau Claire, WI 54701

Chippewa County
711 North Bridge Street, Chippewa Falls, WI 54729

City of Chippewa Falls
30 West Central Street, Chippewa Falls, WI 54729

Board of Regents of the University of Wisconsin System on behalf of the University of Wisconsin
Madison, Department of Family Medicine
100 Bascom Hall, 500 Lincoln Dr., Madison, WI 53706

Mayo Clinic Health System Eau Claire Hospital, Inc.
1221 Whipple Street, Eau Claire, WI 54703

Mayo Clinic Health System Eau Claire Clinic, Inc.
1221 Whipple Street, Eau Claire, WI 54703

Sacred Heart Hospital of the Hospital Sisters of the Third Order of St. Francis
900 West Clairemont Ave, Eau Claire, WI 54701

St. Joseph's Hospital of the Hospital Sisters of the Third Order of St. Francis
2661 County Highway I, Chippewa Falls, WI 54729

Covenant Healthcare LLC dba Dove Healthcare
1405 Truax Blvd., Eau Claire, WI 54703

Indianhead Federated Library System
1538 Truax Blvd., Eau Claire, WI 54703

EXHIBIT B

MAP OF EXISTING NETWORK

SEE ATTACHED SHEET