

City of Clarence-Rockland
Memorandum of Understanding with JACOBS and NOKIA and SMART CITY CAPITAL

This Memorandum of Understanding (MOU) is made and entered into as of April 15, 2019 (“Effective Date”) by and between the City of Clarence-Rockland, a municipal corporation organized and operating under the laws of the Province of Ontario with its principal place of business at 1560 Laurier Street, Rockland, Ontario K4K 1P7, Province of Ontario (hereinafter referred to as the “City”), and Jacobs Engineering Inc., with its principal place of business at 1999 Bryan Street, Suite 1200, Dallas, TX, USA, 75201 (hereinafter referred to as “Jacobs”) and Nokia with its principal place of business at Karaportti 3 02610 Espoo, Finland (hereinafter referred to as “Nokia”), and Smart City Capital, a Delaware, Limited Liability Company with its principal place of business at 2598 E Sunrise Blvd., Suite 210-A, Fort Lauderdale, Florida, 33304 (hereinafter referred to as “SCC”).

BACKGROUND

The City has deemed that smart city infrastructure is important to the long-term evolution of Clarence-Rockland and understands how this infrastructure will drive further efficiencies in the City’s municipal operation, improve access to high speed internet access for residents and businesses, while supporting Smart City Initiatives (SCI), as well as other community benefits, including but not limited to intelligent transportation, smart lighting, waste management, environmental sensors (i.e., air quality, flood detection, etc) across the City.

The City will seek to enter into an agreement with a private-sector partner (a/k/a P3 agreement) who will function as the SCI operator, and neutral host carrier broker, who is also capable of bringing capital investments to the table to fund associated project infrastructure buildout. The City plans to enter into a long- term engagement with SCC, who together are capable of delivering a wide array of lighting, smart city, and mobile/cellular technologies across City of Clarence-Rockland, on a turnkey basis.

PARTNERSHIP

The City will engage SCC as the funding partner, and administrator of the P3. SCC’s main P3 goods and service provider will be Jacobs and Nokia. Jacobs will provide Smart City and Internet of Things (IoT) planning, engineering design, procurement, consulting, program management, and other professional Services. As the technology partner, Nokia will provide the technology components including Telecom (FTTH/PON, LTE/5G, WiFi, IP/MPLS, Optical, Microwave, etc), Smart City Platforms (IoT Platform, Analytics Platform, Open Data Portal, etc), and Telecom Managed Services (Integrated Operations Center, Product attached Service Delivery, etc).

PURPOSE

The purpose of this MOU is to establish some basic terms that should help facilitate the P3 partnership process and should support the documentation of a common vision and purpose for the deployment of SCI assets and systems throughout City of Clarence-Rockland. This agreement is non-binding, and a final agreement (or set of agreements) is subject to negotiation between the City and SCC (hereinafter collectively referred to as the “Parties”).

AGREEMENT

The Parties therefore agree to the following:

- 1 – SCC intends to fund the SCI P3 at amounts no greater than has been authorized by their market assessment. The City understands that Jacobs and Nokia will be funded by its funding

City of Clarence-Rockland
Memorandum of Understanding with JACOBS and NOKIA and SMART CITY CAPITAL

partner SCC, for both associated additional project capital, and to cover system operating costs during the term of the engagement. Once final funding details are negotiated, Jacobs will provide final written agreements between Jacobs, Nokia and Smart City Capital which details the funding arrangement and provides for City review.

2 – Proposed services include the following but are subject to discussion and mutual agreement:

- a. Neutral Host Infrastructure As A Service
- b. Neutral Host Access to Carriers
- c. Enterprise/Commercial Private Service

3 – In return for use of the City's assets, after completing overall build out of the project and achieving minimum yield targets, Jacobs, Nokia and SCC will negotiate and provide a revenue share payment to the City based upon the total net revenues generated, that aligns in length to the agreed upon terms and condition, over the 20-year life of the concession. Jacobs will provide quarterly forecasts to the City for planned carrier activity if and as available which are dependent upon carrier communications and cooperation, supporting the annual volume.

4 - Jacobs, Nokia and SCC will negotiate and agree on the structure of P3 project funding, which may include formation of a new legal entity for this P3 project ("NEWCO"). The City will not enter into a similar arrangement(s) nor allow similar solutions or attachment of similar assets within the City limits including all Rights of Ways (ROW's) and NEWCO and the City will have quasi exclusive use of the data, for the duration of the concession agreement. Carve outs are to be provided to the City for safety and security, and other City internal requirements.

5 – A final P3 (public-private-partnership) agreement between the City and NEWCO with a target date of May 22, 2019.

6 – SCC will provide the required approved capital funding to replace the necessary existing street lighting system, the City does not anticipate taking on any operational or maintenance roles, completely deferring these responsibilities to Jacobs. Any additional costs, direct or indirect, that Jacobs will experience as a result of managing the assets are the sole responsibility of NEWCO or SCC. In addition, final details will be determined around the additional partner capital in investment required to fund the entire system. The City will continue to pay electrical and other utility costs as paid today, under any new arrangements.

7 – The City will communicate and notify Jacobs of any issues or complaints it receives in relation to the pole and supporting structures if warranted. The City will inspect and review all requests prior to dispatching Jacobs. Jacobs will manage all proactive maintenance, and repairs of all physical assets deployed. Jacobs will dispatch staff and equipment to replace and repair lighting and technology components. The City and Jacobs will work together to identify potential locations to store spares and related materials to support the deployed infrastructure and systems.

8 – The City will be granted access to the Smart Street Lighting systems and software, and all technology deployed, and data generated through this partnership. The City will have the ability to request additional technology and systems deployed annually.

9 – The City offers this MOU on the basis of an exclusive partnership. The City does not intend to provide any other agreements for SCI systems or infrastructure with any other vendors or participate in any function that would be considered competitive to this endeavor.

City of Clarence-Rockland
Memorandum of Understanding with JACOBS and NOKIA and SMART CITY CAPITAL

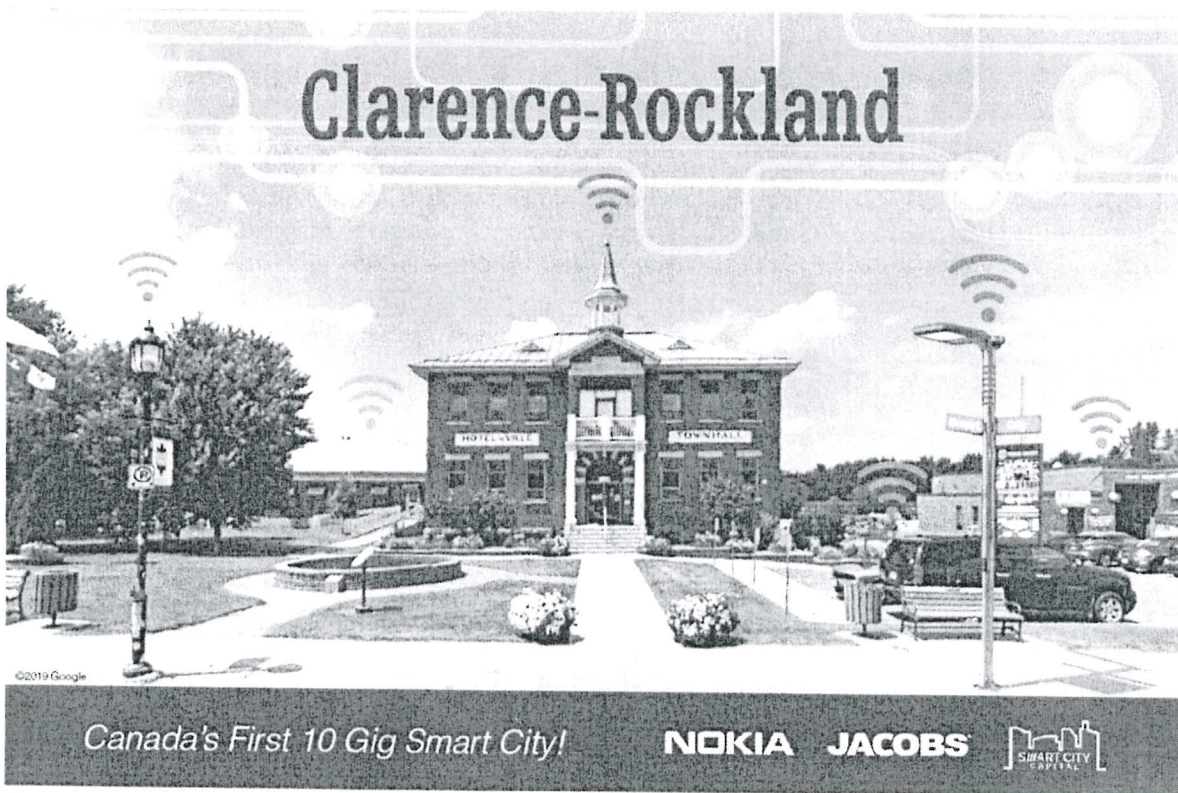
10 – The Parties agree that Jacobs will be responsible for all O&M (operation & maintenance) as it relates to the City's SCI infrastructure.

11 - Jacobs will provide the City with SCI system controls, private wireless capacity for the City's municipal operations, including Public Safety, and Public Wi-Fi, as well as IoT sensors and cameras as identified by the City. The City expects Jacobs to create and bring a potential ecosystem of IoT and smart city applications to the City's project offering the City value-added services.

12 – Unless otherwise required by law, the Parties agree not to disclose terms of this agreement MOU to any third parties until both Parties agree upon an appropriate statement.

13 – The Parties agree that standard definitions of "Force Majeure" events, and applicable legal language covering insurance, liability, assignability, severability, and termination of arrangements will be defined and agreed upon in final P3 Agreements.

14 – Nokia, Jacobs and SCC agree to preserve the naming rights of "Canada's First 10 Gig Smart City" to Clarence-Rockland assuming an agreement can be signed June 3, 2019. See below post card example of the use of the slogan "Canada's First 10 Gig Smart City":



15 – Workshops will be required between Jacobs and the City to define cybersecurity, architectural and functional requirements. Architectural – Would include reviewing options for implementation including network segmentation, access control policies, intrusion detection and intrusion prevention, a dual stack network, IPv6 6to4 tunnels (with proper security), Dual Stack Application Level Gateways and NAT-PT if necessary. Cybersecurity – City Standards, Applicable Cybersecurity regulations and guidelines and industry best practice will apply.

City of Clarence-Rockland
Memorandum of Understanding with JACOBS and NOKIA and SMART CITY CAPITAL

The Parties have executed this Agreement as per the date below:

Jacobs Engineering

By: 

Name: Karen Freund

Title: Vice President

Date: April 17, 2019

Nokia

By: 

Name: Shawn Sparling

Title: VP Enterprise and Public
Sector, Canada

Date: 2019/04/15

Smart City Capital

By: 

Name: Rahul S. Bhardwaj

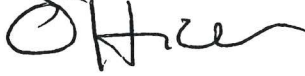
Title: Managing Director, North America

Date: April 15, 2019

City of Clarence-Rockland

By: 

Name: Helen Collier

Title: Chief Administrative Officer 

Date: April 18, 2019