

SMAC Contract Terms

Article V, Section 5 Cooperation with Municipal Government

The president of the S.M.A.C. Board of Directors or his or her designee shall provide the Select Board with a quarterly update on the status of operations and capital planning to facilitate communication, transparency, and compliance with this Agreement.

Article V, Section 9 Review, Annual Report and/or Audit

Reviews, reports or audits of its finances and operations shall be conducted and provided annually by S.M.A.C. as may be required by the regulations of the Attorney General as they may be amended, to its members, if any, to the Stoughton Cable Advisory Committee, to the Issuing Authority and MUNICIPALITY, and if requested, to LICENSEES within ninety (90) days after the close of S.M.A.C.'s fiscal year or within sixty (60) days after the filing of its state and federal tax returns, including any tax extensions filed by S.M.A.C., whichever is later, or at such other time as may be agreed upon by the Parties.

Current Attorney General guidelines provide that an audit is required if an organization's gross support and revenue exceeds \$500,000 in a fiscal year. Organizations with gross support and revenue of more than \$200,000 up to \$500,000 in a fiscal year are required to complete an annual review.

Review of S.M.A.C.'s performance by the MUNICIPALITY, its Issuing Authority, or its designee(s) ("Performance Review"), if conducted, shall be conducted fifteen business days after receipt of the annual review, report, or audit from S.M.A.C. and written notice to S.M.A.C. or at such other time as mutually agreed by the Parties. The Performance Review shall be conducted at a duly noticed meeting of the Select Board at which S.M.A.C. shall be heard. At any such Performance Review all S.M.A.C. officers, directors, attorneys, agents, or managers requested by S.M.A.C., the MUNICIPALITY or its Issuing Authority or designees shall be in attendance. In the event the MUNICIPALITY determines it requires a designee or third party to conduct a Performance Review or Audit, such third party shall be impartial, objective, disinterested, and professionally qualified. Any substantive issues, deficiencies, breaches or defaults raised or found by the MUNICIPALITY, its Issuing Authority, or its designee as a result of the Performance Review shall be provided to the S.M.A.C. Board of Directors by written notice within sixty (60) days of the Performance Review and any determination shall follow the procedures set forth in Article VIII, Section 1 of this Agreement.

Article V, Section 11 Maintenance of Records, Equipment and Property; Equipment Inventory.

Annually, at the time of filing the Annual Review, Report and/or Audit, S.M.A.C. shall provide to the Issuing Authority an inventory of said equipment and facilities together with a statement of its condition and corrective action, if any needed, taken or recommended to be taken to maintain all items in satisfactory condition.

S.M.A.C. shall prepare and approve annually a revolving three (3) year capital budget that identified equipment requiring replacement due to obsolescence or that has or will reach the expiration of its anticipated useful life during that three (3) year term. This information shall be included in the president's quarterly update to the Select Board, in accordance with Article V, Section 5 of this Agreement.

Art. 11, Section 4

The Access Corporation Bylaws, as adopted by the incorporators at the time of incorporation and thereafter as may be amended, shall serve as the effective Bylaws of the Access Corporation. The Access Corporation agrees that within forty-five (45) days of the full execution of this Agreement, S.M.A.C. shall update and amend its Bylaws as may be necessary or advisable to be consistent with this Agreement.

SMAC Contract Terms (Breach)

Art. 8, Section 1

MUNICIPALITY shall serve written notice of such possible breach upon S.M.A.C. Upon receipt of such written notice of possible breach, S.M.A.C. shall have sixty (60) days to respond in one of the following ways: (1) cure such breach and report the cure to the MUNICIPALITY; (2) provide the MUNICIPALITY with proof that such breach did not occur; (3) if the breach was due to any fault on the part of S.M.A.C., but for reasons beyond its control, and such breach cannot be cured within sixty (60) days, provide proof of same to the MUNICIPALITY, and a reasonable, detailed timetable for correction and cure; or (4) if the breach was not due to any fault on the part of S.M.A.C. and cannot be cured within sixty (60) days, provide proof of same to the MUNICIPALITY and a reasonable, detailed timetable for cure.

S.M.A.C. shall submit such response(s) for approval by the MUNICIPALITY which shall take up the issue within a reasonable time thereafter at a duly noticed meeting of the Select Board with an opportunity for S.M.A.C. to be heard and at which the Select Board shall make its determination whether a breach occurred, has been cured or is waived by the MUNICIPALITY. If, after notification, opportunity to respond including to cure and to be heard as provided in this section, the MUNICIPALITY determines that a breach of this Access Agreement did occur, and that such breach was not cured or otherwise excused or waived within the time duly specified by the procedures set forth in this section, the MUNICIPALITY may elect one or more of the following remedies 10 days after sending written notice to S.M.A.C. of the determination: (1) withdraw its Designation of S.M.A.C. granted under Article III of this Access Agreement, and thereby terminate this Access Agreement; (2) impose Liquidated Damages as set forth in Section 2 of this Article; (3) impose any other sanction as may be lawfully determined to be reasonable under the circumstances; or (4) excuse or waive the breach for good cause shown. The MUNICIPALITY shall send S.M.A.C. written notice of its determination of its election of remedies (1) – (4) within two (2) business days of its determination.