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**MANAGEMENT AGREEMENT BETWEEN
TOWN OF CARROLL
AND
CARROLL INFORMATION GROUP, INC.**

AGREEMENT

This agreement is made this 5th day of Dec 2011, by and between the Town of Carroll, a municipal corporation (hereafter referred to as "Town") and the Carroll Information Group, Inc., a non-profit charitable corporation, (hereafter referred to as "CIGI"), who agree as follows:

RECITALS

1. The Town desires to provide support for the cable television government, educational, and in some time in the future, public ("PEG") access channel(s) provided pursuant to federal law.
2. The Town has granted a franchise to Time Warner to operate a cable television system in part of the Town and also to the Bretton Woods Telephone Company to operate a cable television system in the Bretton Woods part of the Town..
3. The Town directed that the non-profit charitable corporation, "CIGI" operate and administer the PEG access operations.
4. The franchise agreement provides that one channel be provided for PEG access in the Time Warner cable system.
5. The Town intends that a technical or physical "bridge" be maintained to the Bretton Woods cable system to provide broadcast or re-broadcast of programming developed for such through this agreement.
6. The franchise agreement provides that certain initial payments shall be made by Time Warner for PEG access capital equipment and facilities, via a "grant" that may be passed on to customers of the Time Warner system.
7. The franchise agreement provides that certain services shall be provided by Time Warner to support the operations of the PEG access channels, specifically, but not limited to technical support.
8. The Town has determined that it will provide support for PEG access through the dedication of 100% of the franchise fees collected to said purposes, less any costs associated with administering the franchise agreement to be held separate from other CIGI funds..
9. CIGI, as the access entity designated by the Town, has indicated its interest in serving the community by providing PEG access management services.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

SECTION 1. SCOPE OF SERVICES. In exchange for the funding provided by the town to CIGI pursuant to this agreement, CIGI shall provide the following services:

- A. At such a time as the Public Access capability is developed Operate the public access channel for public/community access programming purposes in a manner which is consistent with the primary purpose being (1) to maintain the channel, (2) to broadcast via the cable systems and internet, Carroll government meetings and events of interest to the residents of the Town of Carroll and (3) to assist those seeking access on a non-discriminatory basis.
- B. Operate the Educational and Government Access Channel(s). Operate educational and governmental access operations for community programming purposes in a manner with the primary purposes being (1) to maintain the channel and (2) to assist the Town of Carroll (government access) and (3) any public or private educational institutions (educational access) requesting access on a non-discriminatory basis. Access, at this time shall be defined as having the opportunity to have a program broadcast on the town channel (CCTV) Carroll Community Television.
- C. Operate a Community Access Center. Manage a video production facility. Access to the facilities and equipment shall be open to those who are certified by CIGI and have satisfactorily demonstrated familiarity with the operation of the facility and equipment.
- D. Develop Operating Policies and Procedures. Develop and maintain policies and procedures for the use and operation of the PEG access equipment, facilities, and channel, and file such policies and procedures with the Town.
- E. Provide Equal Access. Provide access to the use of the services, and channel provided hereunder on a non-discriminatory basis to all members of the community for non-commercial programming purposes, whether individuals, groups, or organizations, on a first-come, first-served basis, pursuant to operating rules established by CIGI.
- F. Maintain Compliance with Laws, Rules, and Regulations. Administer the PEG access channel and facilities in compliance with the franchise agreement between the Town and Time Warner.
- G. Training. Instruct town residents in the techniques of video production, and when requested, provide technical advice to Town residents (producers) for the purposes of having volunteers record government meetings and programs of community interest.
- H. Cablecasting. Provide for the cablecasting of programs on the access channel and over the internet with volunteer staff.
- I. Maintain Equipment. Maintain production equipment in working order.
- J. Promotion. Promote the use and benefit of the PEG access channel and facilities to cable subscribers and the general public.
- K. Other Activities. Undertake other PEG access programming activities and services as deemed appropriate by CIGI and consistent with the mission to facilitate and promote government and educational programming and provide non-discriminatory access for programming.

SECTION 2. CHANNELS OPEN TO THE PUBLIC. CIGI agrees to keep the PEG access channel open to all potential users regardless of their viewpoint, subject to applicable laws and regulations. Neither the Town, nor the cable company, nor CIGI shall have the authority to control the content of programming placed on the access channel so long as such programming is lawful. Provided that, nothing herein shall prevent CIGI, the Town, or the cable company from producing or sponsoring programming, or prevent the Town or the cable company from underwriting programming. CIGI shall develop and enforce policies and procedures which are designed to promote local use of the channel and make programming accessible to the viewing public.

SECTION 3. COPYRIGHT CLEARANCE. Before cablecasting video transmissions, CIGI shall require all users to agree in writing that they have obtained all rights and/or clearances to all material cablecast from any and all persons as may be necessary. CIGI shall maintain for the applicable statute of limitations for the Town's inspection, upon reasonable notice by the Town, copies of all such agreements.

SECTION 4. COPYRIGHT AND OWNERSHIP. CIGI shall own the copyright of any programs which it may produce. Copyright of programming produced by the public shall be held by the producer(s) of such programming. CIGI and the Town shall hold joint copyrights to programs of government meetings until either decides to relinquish such rights, in which case the other shall maintain the copyrights..

SECTION 5. DISTRIBUTION RIGHTS. CIGI shall require that all programs produced with funds, facilities, equipment, or staff, granted under this Agreement, shall be presented on the channel whose use is authorized by this Agreement. This subparagraph shall not be interpreted to restrict other distribution so long as any such other distribution is consistent with guidelines established in the PEG access operating policies and procedures.

SECTION 6. EQUIPMENT AND FACILITIES.

- A. CIGI shall be responsible for maintenance of all equipment and facilities owned, leased, or loaned to it under this Agreement or purchased with funds provided pursuant to this agreement.
- B. Upon the dissolution of CIGI, it shall, subject to the approval of the Town, transfer all assets of CIGI representing Town-funded equipment and facilities, and/or the proceeds of either (revenue) to the Town, or at the Town's option, to such organization or organizations designated by the Town to manage access, which shall at the time qualify as a tax-exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Law).

SECTION 7. INSURANCE. Town shall maintain in full force and effect at all times during the term of this Agreement, insurance for the equipment, and facilities which are purchased with town funds. The town shall also carry any insurance required for the volunteers working with CIGI. The cost of such insurance shall be borne by the town.

CIGI will provide to Town an annual inventory of all equipment and assets purchased with Town funding, (franchise fees) as well as any donations of money, equipment, supplies or materials specifically made for the operation of the Town's PEG Access operation.

SECTION 8. NON-DISCRIMINATION IN SERVICE. CIGI shall not discriminate against any person, applicant for training, on the basis of race, color, creed, religion, sex, sexual orientation, marital status, ancestry, national origin, or physical or mental handicap.

SECTION 9. INDEPENDENT CONTRACTOR. It is understood and agreed that CIGI is an independent contractor and that no relationship of principal/agent or employer/employee, exists between the Town and CIGI. If in the performance of this agreement, any volunteer working with CIGI, such persons shall be entirely and exclusively under the control, direction, and supervision of CIGI. All terms of volunteerism, including hours, working conditions, discipline, assignment, or any other term of volunteer work shall be determined by CIGI, and the Town shall have no right or authority over such persons or terms of their volunteer assignments.

SECTION 10. ASSIGNMENT AND SUBLETTING. Neither this agreement nor any interest herein shall be assigned or transferred by CIGI, except as expressly authorized in writing by the Town.

SECTION 11. ANNUAL REPORTS. Following CIGI January Meeting each year, CIGI shall submit to the Town an annual report of expenditures of franchise fee funding for the preceding fiscal year (January 1 – December 31). CIGI shall report any revenue received from any other source, specifically for the PEG Access operation. This report shall contain at a minimum the following information:

- A. Statistics on programming and services provided;
- B. Current and complete listing of the CIGI Board of Directors;
- C. Year-end statement of expenditures of franchise fee funding as presented at the January Meeting for the Town Report.

SECTION 12. RECORDS.

- A. CIGI shall maintain all necessary books and records.
- B. Upon reasonable request from the Town, CIGI shall make available all of its records with respect to all matters covered by this Agreement.

SECTION 13. FUNDING AND OTHER RESOURCES. The Town agrees to make available to CIGI the following funds and resources:

- A. The cable provider has dedicated certain channel capacity (spectrum) on the cable system for PEG access use. The Town agrees to permit CIGI to manage that channel capacity for PEG access programming purposes.
- B. Funding for PEG Access Facilities and Equipment.
 - 1. In accordance with the franchise agreement, the cable provider shall provide \$ to be decided to the Town for the construction of an initial PEG access facility and purchase of an equipment package.
 - 2. The Town agrees to provide to CIGI all funds that it receives from the cable provider for PEG access equipment purposes as specified in paragraph C,1. of this Section. CIGI shall utilize such funds for the purchase of equipment, supplies, materials and operating expenses to be used for the purposes delineated in this Agreement. The transfer of these funds to CIGI shall be executed upon 30 days written notice by CIGI to the Town requesting such funds after notification by the Town to CIGI that the funds have been received from the Cable Operator(s). Funds may not be claimed by CIGI until such funds are received from the Cable Operators per the franchise agreements.

C. Funding for PEG Access Services.

1. The Town shall provide CIGI, one hundred per cent (100%) of the franchise fees paid to the Town by the cable operators of both the Time Warner Cable System and the Bretton Woods Telephone Company Cable System, for the year of initial signing of this Agreement through and including the first year of operation of the Town's channel. Thereafter, the percentage of franchise fees provided for PEG Access funding by the Town, may be reviewed each year upon receipt of the PEG Access budget, however the percentage of franchise fees shall not be less than 50% of the total amount of said fees paid to the Town by both cable operators. The Town shall make the funds available only to support PEG access as described under this Agreement as described earlier in Section 1 of this Agreement. These funds shall be disbursed as described in paragraph B,2. Of this Section.
2. The Town agrees to provide space in the Town Hall for use as a control room for cablecasting. The specific space shall be adequate to meet the square footage requirements for the necessary equipment and shall be mutually agreed upon by the Town and CIGI. This space shall be provided free of rent and utility charges, climate controlled and able to be secured (securely locked).

SECTION 14. ANNUAL BUDGET.

- A. On or before October 1 of each year in which this agreement is in effect, the Town shall provide CIGI with an estimate of the funds that will be available to CIGI for the upcoming fiscal year. As used herein, the fiscal year begins on January 1 and ends on December 31.
- B. Upon request of the Town, CIGI shall provide to the Town an Annual Budget outlining planned expenditures for the upcoming year. Such budget shall contain detailed operating and capital equipment budgets.
- C. The annual budget for the operation of the Carroll Community Television asset shall be part of the town's operating budget. Once the Town's budget is voted and approved by the Town at the second session of Town Meeting (election), the funds will be provided to CIGI as a private contractor, as stipulated in this Agreement and CIGI will take ownership of the funds.

SECTION 15. EXPENDITURE OF FUNDS. CIGI shall spend funds received from the Town solely for the purposes listed in Section 1 of this agreement. Funds not expended in the year covered by the Annual Budget may be carried over by CIGI into succeeding years. Upon termination of this Agreement all funds of any kind received from the Town and not expended by CIGI and any equipment, supplies and materials, bought with funds received from the Town shall be returned to the Town. Also, upon termination of this Agreement, any donations received by CIGI specifically for the operation of PEG Access, shall be given to the Town of Carroll.

SECTION 16. RECEIPT OF APPROVED FUNDING. For each year in which the CIGI has submitted the Annual Budget to the Town as required under Section 14 of this agreement, the Town shall make bi-annual payments to CIGI as described in Section 13 of this Agreement.

SECTION 17. FUNDING FROM OTHER SOURCES. CIGI may, during the course of this agreement, receive additional funds from other sources including, but not limited to, fundraising activities. These funds will be accounted for separately from franchise fees, and/ or other Town funding and are not subject to required reporting to the Town. If the CIGI receives additional funding specifically for the Town's PEG Access operation, such funds will be reported per Section 11 and treated per Section 6,B upon termination of this Agreement.

SECTION 18. TERM OF AGREEMENT. This Agreement shall commence upon signing by both parties and will be in full effect through the construction and pre-production phases of the PEG Access channel and for a period of five (5) years during the full operational (broadcasting) phases of the PEG Access channel, commencing on 12-5-11, unless terminated earlier as provided in this Agreement. This agreement may be extended by mutual agreement of the Town and CIGI, in writing, for additional three year periods in accordance with Section 20 of this Agreement.

SECTION 19. TERMINATION OF AGREEMENT: TRANSFER OF ASSETS.

- A. The Town shall have the right upon ~~one hundred eighty~~ ^{sixty two 60xD} ~~(180)~~ days written notice to CIGI to terminate this agreement for:
1. Breach of any provision of this Agreement by CIGI;
 2. Malfeasance, misfeasance, or misappropriation of public funds; or
 3. Loss of 501(c)(3) status by CIGI.
- B. CIGI may ~~avoid~~ ^{MR} termination by curing any such breach to the satisfaction of the Town within ~~one hundred twenty~~ ^{sixty two 60xD} ~~(120)~~ days of notification or within a time frame mutually agreed to by the Town and CIGI. The Town may also terminate this Agreement at the expiration of its term, or any extension thereof.
- C. Upon termination of this agreement, CIGI shall immediately transfer to the Town all equipment, real property, fixtures, contracts, leases, deposit accounts, or other assets received by or purchased by CIGI with funds received pursuant to this Agreement.

SECTION 20. EXTENSION OF AGREEMENT. This Agreement may be renewed or extended for additional periods of five (3) years each after the initial signing, according to the following process:

- A. If CIGI seeks an extension of the Agreement it shall on or before Nov 15th, submit to the Town a letter requesting extension.
- B. On or before Dec 31st, the Town shall respond to CIGI's request for extension. If the Town intends to refuse to extend the Agreement, it shall explain the reasons for this decision in its response to CIGI. The Town may not refuse to extend the contract based upon a failure of CIGI to comply with the terms of this Agreement unless the Town has provided CIGI a notice of its failure to comply and the opportunity to cure said noncompliance.

SECTION 21. TIME. Time is of the essence in this Agreement and for the performance of all covenants and conditions of this agreement.

SECTION 22. COOPERATION. Each party agrees to execute all documents and do all things necessary and appropriate to carry out the provisions of this agreement. A totally volunteer corporation, the Carroll Information Group, Inc. will make every effort to record and broadcast every event/meeting requested when a volunteer is available. The CIGI recognizes the Town of Carroll Cable Television Advisory Committee as the duly appointed representative of the Town of Carroll in cable television matters.

SECTION 23. APPLICABLE LAW. This agreement shall be interpreted and enforced under the laws of the State of NH and those of the Federal Government (Cable Act).

SECTION 24. NOTICES. All notices and other communications to be given by either party may be given in writing, via US mail, postage paid and addressed to the appropriate party as follows:

To Town of Carroll: Board of Selectmen
Town of Carroll
____ School Street
Twin Mountain, NH 03595

To Carroll Information Group.: Board of Directors
Carroll Information Group, Inc.
P.O. Box 234
Whitefield, NH 03598

Any party may change its address for notice by written notice to the other party at any time.

SECTION 25. ENTIRE AGREEMENT. This Agreement is the entire agreement of the parties and supersedes all prior negotiations and agreements whether written or oral. This Agreement may be amended only by written agreement and no purported oral amendment to this Agreement shall be valid.

If one section of this agreement is found to be invalid, it does not affect the remaining portions of this agreement.

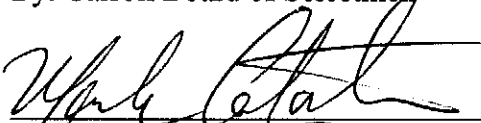
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

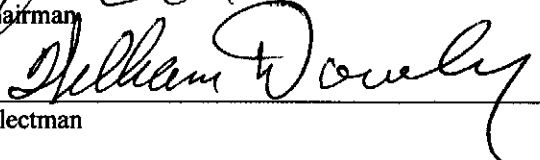
TOWN OF CARROLL, a municipal corporation

CARROLL INFORMATION GROUP, INC.
A charitable non-profit corporation

By: Carroll Board of Selectmen

By: Officers of the Board of Directors

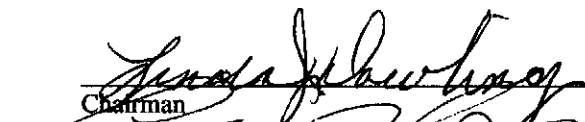


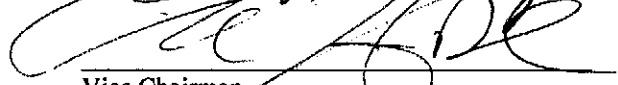
Chairman


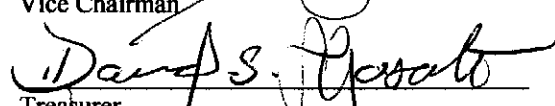
Selectman

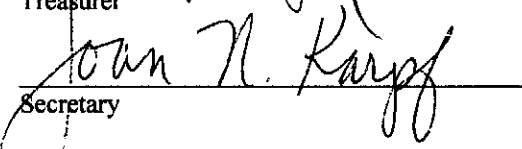
Selectman

Date: 12/5/11



Chairman


Vice Chairman


Treasurer


Secretary
Date: 12-5-11