

**AMENDMENT 1 TO THE
INMATE TELEPHONE SERVICE AGREEMENT**

THIS AMENDMENT 1 (“Amendment 1”) is effective as of the date executed by all the parties listed in this Preamble (“Amendment 1 Effective Date”), and shall amend and revise that certain Inmate Telephone Service Agreement (the “Agreement”), dated on April 26, 2011 by and between **Global Tel*Link Corporation**, with corporate headquarters at 12021 Sunset Hills Road, Suite 100, Reston, VA 20190 (“Company”) and the **San Luis Obispo County Sheriff’s Department** (“Premise Provider”), located at 1585 Kansas Street, San Luis Obispo, California 93408. Company and Premise Provider may be referred to herein individually as the “Party” and collectively as the “Parties.” All capitalized terms not defined herein shall have the definitions set forth in the Agreement.

RECITALS

WHEREAS, the Parties have agreed to extend the Agreement, and to certain other changes, as further described below;

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations set forth below, and for other good and valuable consideration the sufficiency of which is acknowledged by the Parties, the Parties agree as follows:

AMENDED TERMS AND CONDITIONS

1. **Term.** Upon the completion of the current term, the Agreement will renew for an additional three (3) years, expiring on April 26, 2018.
2. **Video Visitation.** As soon as reasonably practicable, Company will install at Premise Provider’s facilities Company’s onsite video visitation system, powered by Renovo (“Video Visitation System”). The Video Visitation System and installation locations are more specifically described in Exhibit A of this Amendment 1. The Video Visitation System will not be installed at the San Luis Obispo County Probation Department facilities.

2.1 **Company Obligations.** Company will be responsible for all installation (including cabling) and maintenance. The Parties will schedule a project kick off call within ten (10) business days following the Amendment 1 Effective Date. The Parties will thereafter have weekly status calls until the Video Visitation System installation is complete.

2.2 **Premise Provider Obligations.** Premise Provider will:

- 2.2.1 Supply the appropriate space, power, and ventilation, including heating and cooling;
- 2.2.2 Take reasonable measures to protect the Video Visitation System equipment, and will be responsible for loss or damage to the equipment to

the extent caused by fault or negligence of Premise Provider or its employees;

- 2.2.3 Promptly report to Company any damage to the Video Visitation System equipment, service failures or hazardous conditions;
- 2.2.4 Permit reasonable access to its respective facilities without charge or prejudice to Company employees or representatives, patrons, or consignees;
- 2.2.5 Refrain from disconnecting or moving the Video Visitation System (or any of its components) from the locations in which it is installed;
- 2.2.6 Supply Company, at no cost to Company, necessary data files from Premise Provider's Jail Management System (JMS) for operation of the Video Visitation System and visit scheduler. Premise Provider will be solely responsible for creating back-ups of its data prior to submission of the data to Company for conversion, and Company will have no responsibility or liability for any lost data, whether prior to, during, or after completion of any conversion services;
- 2.2.7 Use the visit scheduler component of the Video Visitation System to schedule all inmate visits, whether the visits are through the use of the Video Visitation System or through other means;
- 2.2.8 Limit each inmate to one (1) hour per week of free visits (whether in-person or through the use of the Video Visitation System), provided, however, there shall be an unlimited number of free public defender visits ("Free Visit");
- 2.2.9 Ensure that there are no other parties supplying video visitation services at any Premise Provider facilities for the duration of the Agreement.

2.3 Video Visitation Charges. Except in the case of a Free Visit (including the free public defender visits), inmates or their visiting families or friends will be charged a flat amount of Fifteen Dollars (\$15) for up to twenty (20) video visitation minutes, and a flat amount of Thirty Dollars (\$30) for up to forty (40) video visitation minutes, exclusive of federal, state and local taxes, and regulatory fees. There will be no refunds in the event a video visitation call lasts less than the maximum allowable duration.

2.4 Video Visitation Commission. No commission will be paid to Premise Provider on revenue billed or collected by Company in connection with video visits until Company has recovered the value of its investment in the Video Visitation System ("Recovery Date"), in the sum of One Hundred and Sixty Seven Thousand Dollars (\$167,000). Company agrees to provide quarterly revenue reports to Premise Provider showing revenue received against that amount. Thereafter, Company will pay Premise Provider a commission on Gross Revenue of fifteen percent (15%) during the first year after the

Recovery Date, and twenty percent (20%) during the second year after the Recovery Date. The commission percentage will then increase annually by five percent (5%), not to exceed forty percent (40%). Gross Revenue will mean all revenue generated by every video visit. Gross revenue on which monthly commission will be paid does not include: (i) taxes and tax-related surcharges; (ii) credits; (iii) account transaction fees; and (iv) any amount Company collects for, or pays to, third parties, including but not limited to payments in support of statutory or regulatory programs mandated by governmental or quasi-governmental authorities, and any costs incurred by Company in connection with such programs. All commission payments will be considered final and binding upon the Premise Provider unless written objection is received by the Company within sixty (60) days of receipt of commission payment by the Premise Provider.

2.5 Title to Video Visitation System. Title to the cabling, and kiosk hardware will transfer to Premise Provider upon the expiration of the extension contemplated by Amendment 1 or payment of the early termination charge provided in Subsection 2.6 below. Title to all other Video Visitation System hardware will be, and at all times will remain, in the Company. Furthermore, all software, documentation, and other intellectual property (collectively referred to as the "IP") in connection with the Video Visitation System is provided on a term license only basis, as long as the Agreement is in effect, and will not constitute a sale of that IP. Nothing in the Agreement or through Company's performance hereunder will constitute a transfer of right, title, or interest in or to the IP, which are retained by Company or its licensors.

During the term of the Agreement, Company grants Premise Provider a non-exclusive, non-transferable, license to use the IP solely for accessing the products and services supplied by Company in the manner contemplated by the Agreement. Premise Provider will not: **(a)** make available or distribute all or part of the IP to any third party by assignment, sublicense or by any other means; **(b)** copy, adapt, reverse engineer, decompile, disassemble, or modify, in whole or in part, any of the IP; or **(c)** use the IP to operate in or as a time-sharing, outsourcing, or service bureau environment, or in any way allow third party access to the IP. Premise Provider will further protect from disclosure the IP and all information regarding the Video Visitation System, unless disclosure is otherwise required by law. The use of software is supplied in object code only, and nothing herein will be construed as granting any license whatsoever to the underlying source code that is used to generate the software, or creating an implied license in any IP.

2.6 Early Termination Reimbursement. If the Agreement terminates earlier than anticipated, Company will have a significant un-recouped investment in the Video Visitation System at Premise Provider facilities. Accordingly, in the event the Agreement terminates before April 26, 2018 for any reason other than breach by Company, Premise Provider will pay Company an amount based on the schedule provided below.

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<u>Termination Date</u>	<u>Amount Due</u>
<ul style="list-style-type: none"> ▪ Amendment 1 Effective date - <div style="margin-left: 100px;">April 26, 2016</div> 	\$125,251.35*
<ul style="list-style-type: none"> ▪ July 1, 2016 – April 26, 2017 	\$83,500.90*
<ul style="list-style-type: none"> ▪ July 1, 2017 – April 26, 2018 	\$41,750.00*

*The amount listed will be reduced by a pro rata sum based on the number of months completed within the associated period before termination. There will be no pro-ration or reduction for partial months completed.

3. Paragraphs 9.6 and 9.7 of the Agreement are hereby deleted, and a new Paragraph 9.6 is hereby added reflecting the following:

9.6 Stipulate that Company has no responsibility to advise Premise Provider with respect to any law, regulation, or guideline that may govern or control telephone call or video visitation recordation or monitoring by Premise Provider, or compliance therewith. Premise Provider has its own legal counsel to advise it concerning any and all such law, regulation, or guideline, and compliance therewith, and makes its own determination on when and how to use the inmate call and video visitation monitoring and recording capabilities supplied through the Agreement. Company disclaims any responsibility to provide, and in fact has not provided, Premise Provider any legal advice concerning such applicable law, regulation, or guideline, or compliance therewith. Premise Provider will be solely responsible for any liability, costs and expenses relating to any claims made against Company arising out of failure of Premise Provider (or the Company at the direction of the Premise Provider) to comply with such law, regulation or guideline. All call and video visitation detail records (DRs) and call and video visitation recordings contained in the equipment provided by Company to Premise Provider are the exclusive property of the Premise Provider for the term of the Agreement and any resulting extensions of the Agreement; provided, however, that Company will have the right to use the DRs and recordings to respond to legal requests, to provide the services under the Agreement, and for other lawful business purposes.

4. Except as set forth above, there are no other revisions or amendments to the Agreement or to the obligations of Company or Premise Provider.
5. In the event of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained herein, the terms and conditions contained herein shall control.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have duly executed this amendment as of the last date provided below.

Company:

GLOBAL TEL*LINK CORPORATION

By: 
Name: Jeffrey B. Haidinger
Title: President and COO

Date: 9/8/14

Premise Provider:

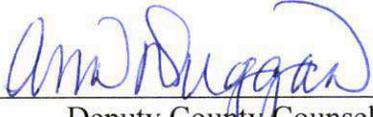
**SAN LUIS OBISPO COUNTY
SHERIFF'S DEPARTMENT**

By: 
Name: Ian Parkinson
Title: Sheriff of the County of San Luis Obispo

Date: 9/5/14

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Date: 9/3/14

APPROVED BY THE BOARD OF SUPERVISORS this 23rd day of September, 2014:

Chairman of the Board of Supervisors