

## FACILITY TELEPHONE TELECOMMUNICATIONS AGREEMENT

This Facility Telephone Telecommunications Agreement (the "Agreement") is made and entered into between TKC TeleCom LLC, a Delaware limited liability company ("TeleCom"), and San Miguel, a county correctional facility in the State of Colorado (the "Facility").

This Agreement is effective as of the most recent date set on the signature page to this Agreement (the "Effective Date").

### RECITALS

**WHEREAS**, TeleCom provides integrated telephone telecommunications equipment and services that include proprietary (and patented) software capabilities (access, monitoring, recording, and archiving), automated back-office data processing, resale of intra-state and inter-state telephone telecommunications, management of relationships with underlying telephone telecommunication carriers and providers, provision and maintenance of related equipment, and help desk functions (collectively, the "TeleCom Services").

**WHEREAS**, TeleCom is affiliated with (i.e., under common control with) T.W. Vending, Inc., d/b/a/ TurnKey Corrections ("TurnKey");

**WHEREAS**, TurnKey provides: (i) inmate booking and release systems to correctional facilities, (ii) family and friends of inmate's the online ability to deposit funds for the benefit of inmates, (iii) integrated point-of-sale equipment and services to correctional facilities that facilitate commissary sales and inventory management, payment processing, and automated accounting, and (iv) inmates the ability to purchase perishable and non-perishable goods, interactive video communications, email, and text messaging services (collectively, the "TurnKey Services");

**WHEREAS**, the Facility desires to receive the TeleCom Services together with, or separate from, the TurnKey Services;

**NOW THEREFORE**, in consideration good and valuable consideration, TeleCom and the Facility hereby agree as follows:

### AGREEMENT

**Section 1. Telephone Systems Integration.** TeleCom agrees to provide the Facility with the TeleCom Services. In consideration for the TeleCom Services, the Facility agrees to allow TeleCom to charge the Facility \$0.14 for each telephone minute for every inmate call during the Term (as defined below) of this Agreement. This payment to TeleCom will not be reduced by sales taxes. The rate charge from TeleCom includes TKC Insight®, an investigative analytics product designed to improve security at the Facility with enhanced call tracking, speaker identification, improved sound, plus language translation and improved reporting.

(a) Facility Charge: Taxes. The Facility may elect to charge inmates and outside users per-minute telephone rates higher than \$0.14, **provided, however**, the Facility will not charge rates above \$0.25 per minute without providing thirty (30) days prior written notice to TeleCom of such rate. For per-minute telephone rates the Facility charges to users above the \$0.14 per minute, the Facility will retain the difference between the amount charged to the Facility by TeleCom and the total amount charged to the users by the Facility, less applicable taxes. All applicable taxes shall be calculated based on the final rate charge to users as set by the Facility. Subject to the foregoing, TeleCom will be responsible for remitting all applicable sales, federal and state telephone telecommunication taxes, with the amount paid in tax reducing the amount paid to the Facility from TeleCom.

**Section 2. Equipment and Installation.** TeleCom will install up to Five (5) inmate telephones ("Equipment") within the Facility at mutually agreed upon locations, and mutually agreed upon Equipment and installation pricing. The price for such Equipment and installation shall be as set forth in an invoice prepared and sent by TeleCom to the Facility, which invoice shall be acknowledged and accepted in writing (including through email) by an authorized official of the Facility. The Facility agrees that the TeleCom Services cannot begin until the Facility acknowledges and accepts the Equipment pricing.

(a) Tampering. Facility agrees that it is responsible for physical security of all Equipment after delivery and installation, and for the proper use of such Equipment, and shall immediately notify TeleCom of any evidence of tampering, damage, the presence of foreign physical devices, any abuse, misuse or theft of the Equipment. The Facility shall not modify, alter, install or attach, or permit to be modified, altered, installed or attached, on or to the Equipment, or on or to any software, code or hardware provided therewith. If the Facility becomes aware that any Equipment or attendant software has been modified or tampered with, it shall immediately notify TeleCom, and TeleCom shall then immediately disable such Equipment until such time as it can be replaced or removed. Payment for such replacement or removal shall be in accordance with the terms set forth herein.

**Section 3. Training.** Telecom agrees to train the Facility staff how to administer and operate the Telecom Services effectively. It is mutually agreed that, within reason, the Facility staff will learn and apply procedures that allow the TeleCom Services to be effectively implemented and operated within the Facility.

**Section 4. TeleCom Service Payment Terms.** In consideration for the provision of services set forth in Section 1, the Facility will make payment to TeleCom on a "net 30-day" basis determined from the date of each invoice TeleCom provides the Facility.

**Section 5. Contract Term.** The initial term for this Agreement begins on the Effective Date, and shall be for a period of Four (4) years. This Agreement shall automatically renew for successive one-year terms, provided that, beginning in the final year of the initial term, either TeleCom or the Facility may avoid the initial annual extension by delivering written notice

to the other party not less than 60 days prior to the termination date. Thereafter, either TeleCom or the Facility may terminate this Agreement for any reason by delivery of written notice to the other Party not less than 60 days prior to the then-effective one-year term. The "Term" of this Agreement includes the initial term, and all annual extensions thereafter.

**Section 6. Miscellaneous.**

(a) Integration. This Agreement encompasses the entire agreement, whether oral or written, between TeleCom and the Facility.

(b) Amendment; Modification. This Agreement may not be modified or amended, in whole or in part, except by a writing signed by duly authorized officials of TeleCom and the Facility.

(c) No Third-Party Beneficiaries. The provisions of this Agreement are not intended to be for the benefit of or enforceable by any third party.

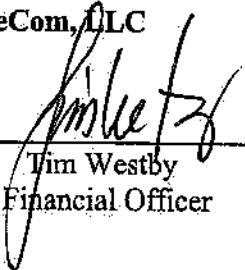
(d) Dispute Resolution. The Parties hereto agree that they shall first attempt to resolve any disputes arising hereunder through communication by and between the respective teams at each Party responsible for the obligations hereunder of each Party to the other. Should such communications fail, and in the absence of governmental regulations to the contrary, the Parties hereto agree to resolve disputes through the use of binding arbitration. The Parties agree to the use of the American Arbitration Association, and to its rules then in force at the time the dispute arises. Venue for the arbitration shall be in a forum convenient to the Facility, and the panel for the arbitration shall consist of three (3) members. Each Party hereto shall select one (1) member of the panel, and the two (2) Party selected panel members shall select the third (3<sup>rd</sup>) member of the panel. The decision of the arbitrators need not be unanimous, but it shall be binding. Among the determinations to be made by the arbitrators is the division or allocation of the fees and costs incurred by each Party, both as and for attorneys' fees and costs, and as and for the costs and fees of the panelists. The decision of the arbitration panel shall be final and shall be entered into a court of competent jurisdiction, and shall be a binding obligation of the Parties hereto.

(e) Governing Law. This Agreement, the validity, construction and enforcement hereof, and all disputes relating hereto, shall be governed by and construed in accordance with the laws of the State of the Facility without regard to any conflicts of law rules that would result in the application of the law of any other jurisdiction. TeleCom and the Facility agree that any dispute not capable of being resolved through arbitration shall be litigated exclusively in the State district court of the State of the Facility, or the United States District Court convenient to the Facility, and TeleCom and the Facility agree to submit to personal jurisdiction therein.

(f) Counterparts. This Agreement may be executed in any number of counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon both parties notwithstanding the fact that both parties are not signatory to the original or to the same counterpart.


**IN WITNESS WHEREOF**, duly authorized officials of each party have executed this Agreement, and it is effective as of the Effective Date.

**TKC TeleCom, LLC**

By:   
Tim Westby  
Its: Chief Financial Officer

Date: 11/01/21

**San Miguel County Correctional Facility**

By:   
Title: CCS Sergeant  
A Duly Authorized Official

Date: 10/28/21