

INMATE TELEPHONE SERVICES AGREEMENT

This Inmate Telephone Services Agreement ("Agreement") is made by and between Inmate Calling Solutions, LLC, d/b/a ICSolutions ("ICS"), having its principal place of business at 2200 Danbury Street, San Antonio, TX 78217, and **Kent County, MI** (the "County") having its principal address as set forth on Exhibit A, attached hereto.

- 1. Term of Contract.** This Agreement shall commence upon the date inmates within the County's control begin placing telephone calls from the Equipment, which has been estimated to be November 8, 2017 (the "Cutover Date") based on this Agreement being fully executed and shall remain in force and effect from the Cutover Date with the initial term ending on December 31, 2021. Upon termination of this Agreement, County shall immediately cease the use of any Equipment provided hereunder.
- 2. Service & Equipment.** This Agreement applies to the provision of inmate telephone services by ICS using Equipment either centrally located or within space provided by the County at each of the "Service Locations" listed on Exhibit A, attached hereto. The term "Equipment" is defined herein as telephone sets, computer systems and software, all as more fully described on Exhibit B, attached hereto. All Equipment shall be installed by properly trained personnel and in a good, workmanlike manner. Any Equipment of ICS installed upon the premises owned, leased or otherwise under the supervision of County, shall remain in all respects the property of ICS. ICS reserves the right to remove or relocate any Equipment that is subjected to recurring vandalism or insufficient usage upon receipt of County's prior approval. ICS shall not exercise such right of removal or relocation unreasonably and, in any case, with at least thirty (30) days prior notice to County. Upon removal of Equipment by ICS, ICS shall restore the premise to its original condition, ordinary wear and tear excepted.
- 3. Alteration and Attachments.** County shall not make alterations or place any attachments to Equipment and Equipment shall not be moved, removed, rendered permanently inoperable or unusable, or made permanently inaccessible to inmates or users by County without the express written permission of ICS.
- 4. Training.** ICS shall provide on-site training plus internet-based training at no cost to County. Additional training may be provided upon County's request based on availability of ICS.
- 5. Call Rates.** ICS shall provide collect calling services to End-Users, on both a pre-paid and post-billed basis, at the rates and charges set forth on Exhibit C, attached hereto. ICS reserves the right to establish thresholds for the level of collect call credit to be allowed by the billed consumer. Rates and charges may be subject to change based on an order or rule of a regulatory authority having applicable jurisdiction.
- 6. Commissions to County.** ICS will install, operate, upgrade to ICS' most current technology (hardware and software) throughout the duration of this Agreement on an annual basis and maintain Equipment at no charge to County. ICS will pay County the commission amounts set forth on Exhibit D, attached hereto (collectively the "Commissions"), in consideration of the County granting ICS exclusive rights for the installation and operation of Equipment servicing the Service Locations. No Commissions shall be paid to County on amounts relating to taxes, regulatory surcharges such as universal service fund, or other fees and charges not applicable to the billed calls.

ICS will pay Commissions to County on a monthly basis on or before the first business day occurring 45 days following the end of the month in which such Commissions are earned or accrued. Such Commissions shall be sent to the address designated by County or wired to an account designated in writing by County for such purpose.

The parties agree that all financial consideration for services hereunder is predicated on the rates and charges applicable at the time of execution and is, therefore, subject to adjustment based on any

changes that may be required by any law, rule, tariff, order or policy (any of which, a “Regulatory Change”) of, or governed by, a regulatory body having jurisdiction over the public communications contemplated herein. In the event that a Regulatory Change affects such rates and charges, the parties agree to enter into good faith negotiations to amend this Agreement in a manner that provides sufficient consideration to ICS for ongoing services, as well as complies with the Regulatory Change. If the parties cannot reach an agreement as to the amendment necessary within 30 days of public notice of the Regulatory Change, then either party may terminate this Agreement with an additional 90 days’ prior written notice with such termination to be effective on the actual effective date of the Regulatory Change (including any delayed effective date if the Regulatory Change is subject to dispute or litigation) unless otherwise agreed by the parties.

7. County shall:

- a. Advise ICS of any Services Location or related premise that has been closed.
- b. Throughout the term of this Agreement, including any renewal terms, use ICS as its exclusive provider for all matters relating to inmate phone services.
- c. Promptly report any damage, service failure or hazardous conditions to ICS.
- d. Provide necessary power and power source, at no cost to ICS, and an operating environment with reasonable cooling consistent with general office use utilizing the existing infrastructure.
- e. Provide suitable space and accessibility for inmates’ use of telephone services.
- f. Permit ICS to display reasonable signs furnished by ICS subject to County approval and not affix or allow to be affixed any other signs, equipment or information to the Equipment.
- g. Permit reasonable access by ICS to County’s Service Locations as reasonably necessary for ICS to install, support and maintain the Equipment.
- h. Comply with all federal, state and local statutes, rules, regulations, ordinances or codes governing or applicable to the telephone services offered by ICS.

8. Law and Venue. The domestic law of the State of Michigan shall govern the construction, interpretation and performance of this Agreement and all transactions hereunder. All disputes hereunder shall be resolved exclusively in state or federal jurisdictions located in Kent County, MI.

9. Notices. Any notice or demand required hereunder shall be given or made by mail, postage prepaid, addressed to the respective party at the address first set forth or referenced above unless otherwise communicated in writing.

10. Entire Agreement. This Agreement, Kent Count Request for Proposal (RFP) #1976, Addendums and information provided to ICS during the RFP process, ICS’ clarifications to their response to RFP #1976 and ICS submission to RFP #1976, constitutes the entire Agreement between the parties and may not be modified or amended other than by a written instrument executed by both parties. Any orders placed by County hereunder shall be incorporated herein by mutual consent of the parties and shall supplement but not supersede the provisions of this Agreement. In the event of inconsistencies between documents, the order of named documents shall govern. The County represents and warrants that it has the legal authority to make decisions concerning the provisions of space for telephones placed by ICS at the Service Locations covered by this Agreement and that ICS may rely thereon. This Agreement supersedes any prior written or oral understanding between the parties.

11. Risk of Loss. ICS shall relieve County of all risk of loss or damage to Equipment during the periods of transportation and installation of the Equipment. However, County shall be responsible for any loss

or damage to Equipment located on the premise caused by fault or negligence of County or its employees.

- 12. Default.** In the event either party shall be in breach or default of any terms, conditions, or covenants of this Agreement and such breach or default shall continue for a period of thirty (30) days after the giving of written notice thereof by the other party, then, in addition to all other rights and remedies at law or in equity or otherwise, including recovering of attorney fees and court cost, the non-breaching party shall have the right to cancel this Agreement without charge or liability. The waiver of any default hereunder by either party shall not constitute, or be construed as, a waiver of any subsequent default. Notwithstanding any other provision, at any time and without cause, County shall have the right, in its sole discretion, to terminate the contract by giving ninety (90) days written notice or immediately by court order.
- 13. Assignment.** This Agreement may be transferred or assigned, in whole or in part, by ICS to any parent, successor, subsidiary, or affiliate of ICS. This Agreement may otherwise only be transferred or assigned by a party with the written consent of the other party.
- 14. Relationship.** The parties hereto are independent contractors and this Agreement shall not be construed as a contract of agency or employment. Each party shall be solely responsible for compliance with all laws, rules and regulations and payment of all wages, unemployment, social security and any taxes applicable to such party's employees. Each party represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; (b) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate actions; and (c) its performance hereunder shall be in compliance with applicable state and federal legal and regulatory requirements.
- 15. Indemnification.** Each party shall indemnify, defend and hold harmless the other party from and against any and all claims, losses, injuries, or demands asserted by third parties (collectively "Claims") arising from the material breach, negligent acts or misconduct of such indemnifying party, its agents or employees, in the performance of any of its obligations hereunder. Further, to the extent permitted by law, ICS shall indemnify, defend, and hold harmless County from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (include reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against County to the extent that the action or proceeding is based on a claim the Equipment or the Equipment's intended use by County infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States. In addition, should the infringing item or intended use become or in ICS' opinion be likely to become the subject of a claim of infringement, ICS must at ICS' sole expense (a) procure for County the right to continue to use the infringing item, or if the option is not reasonably available to ICS, (b) replace or modify to County's satisfaction the same with an item of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to ICS, accept its return and reimburse County for any reasonable costs incurred as a consequence of County ceasing its use and returning and replacing it. Notwithstanding the forgoing, ICS has no obligation to indemnify or defend County for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (a) use of the infringing item in a configuration other than implemented or approved in writing by ICS, including, any modification of the infringing item by County, or (b) a failure of County to use any new or corrected versions of the infringing item made available by ICS, provided that such versions possess all relevant functionality, or (c) the combination, operation, or use of the infringing item with equipment or software not supplied by ICS with the exception of County owned or supplied networking equipment and software. Except for the foregoing express indemnification, each party shall bear its own liability and costs of defense for any third party claims.
- 16. Force Majeure.** Either party may suspend all or part of its obligations hereunder and such party shall not otherwise be held responsible for any damages, delays or performance failures caused by acts of

God, events of nature, civil disobedience, military action or similar events beyond the reasonable control of such party.

17. **Severability.** If any of the provisions of this Agreement shall be deemed invalid or unenforceable under the laws of the applicable jurisdiction, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of ICS and County shall be construed and enforced accordingly.
18. **Special ADA.** ICS will install Equipment in accordance with the Americans with Disabilities Act and any related federal, state and local regulations in effect at the time of installation. ICS shall make any alterations to the Equipment as necessary for its correct operation and/or compliance with applicable laws at no cost to County.
19. **Limitation of Liability.** IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF PROFITS, LOSS OF USE, LOSS OF GOODWILL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES REGARDLESS OF THE FORM OF ANY CLAIM, WHETHER IN CONTRACT OR IN TORT OR WHETHER FROM BREACH OF THIS AGREEMENT, IRRESPECTIVE OF WHETHER SUCH PARTY HAS BEEN ADVISED OR SHOULD BE AWARE OF THE POSSIBILITY OF SUCH DAMAGES. NOTHING IN THIS PARAGRAPH IS INTENDED TO LIMIT THE COUNTY'S RIGHT TO COLLECT MINIMUM ANNUAL GUARANTEE AMOUNTS.
20. **Warranty.** Subject to County's compliance with its obligations hereunder, Equipment shall be free from defects in workmanship and material, shall conform to ICS' published specifications in effect on the date of delivery or as otherwise proposed to County in writing, and shall not infringe any patent or trademark. This warranty shall continue while Equipment is in operation at each Service Location. County shall provide ICS with prompt written notification as to the specifics of any nonconformity or defect and ICS shall have a commercially reasonable timeframe to investigate such nonconformity or defect. As County's sole and exclusive remedy, ICS shall, at ICS' sole option and expense, either: (a) correct any nonconformities or defects which substantially impair the functionality of the Equipment in accordance with the aforesaid specifications; (b) use reasonable efforts to provide a work-around for any reproducible nonconformities or defects which substantially impair the functionality of the Equipment in accordance with the aforesaid specifications; (c) replace such nonconforming or defective Equipment; or (d) promptly refund any amounts paid to ICS by County with respect to such nonconforming or defective Equipment upon ICS receipt of such nonconforming or defective Equipment. ICS does not warrant that the operation of the Equipment shall be uninterrupted or error-free. No warranty is made with respect to the use of Equipment on or in connection with equipment or software not provided by ICS. Equipment may contain recycled, refurbished or remanufactured parts which are equivalent to new parts. ICS makes no warranties or representations that it will solve any problems or produce any specific results.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES AND ICS HEREBY DISCLAIMS ANY OTHER WARRANTIES INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. THE FOREGOING SHALL BE THE SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO NONCONFORMING OR DEFECTIVE EQUIPMENT AND SERVICES. NOTHING CONTAINED HEREIN SHALL OBLIGATE ICS TO ENHANCE OR MODIFY THE SERVICES OR EQUIPMENT BEYOND THE SUBSTANTIAL FUNCTIONALITY INITIALLY ACCEPTED BY FACILITY, WHICH ACCEPTANCE SHALL BE DEEMED TO HAVE OCCURRED UPON THE GENERATION OF CALL REVENUE.

21. **No Hire/No Solicit.** During the term of this Agreement and for a period of one (1) year thereafter, neither party shall directly or indirectly, hire or solicit to be hired any employee of the other party or any of that party's affiliates. This provision will not restrict the right of the either party to solicit or recruit

generally and shall not prohibit the parties in the case of the other party's employees responding to a generalized solicitation of either party.

- 22. Confidentiality.** During the term of this Agreement, each party may disclose to the other certain proprietary information including, without limitation, trade secrets, know how, software, source code, techniques, future product plans, marketing plans, inventions, discoveries, improvements, financial data, business strategies and the terms of this Agreement (collectively, "Confidential Information") of a character identified by the disclosing party as confidential and that should reasonably have been understood by recipient, because of legends or markings, the circumstances of disclosure or the nature of the information itself, to be proprietary and confidential to the disclosing party. Each party and each of its employees or consultants to whom disclosure is made shall hold all Confidential Information in confidence, and shall not disclose such information to any third party or apply it to uses other than in connection with the performance of this Agreement. Each party shall use the same degree of care that it utilizes to protect its own information of a similar nature, but in any event not less than reasonable duty of care, to prevent the unauthorized use or disclosure of any Confidential Information. A recipient may not alter, decompile, disassemble, reverse engineer, or otherwise modify any Confidential Information received hereunder and the mingling of the Confidential Information with information of the recipient shall not affect the confidential nature or ownership of the same as provided hereunder. The obligations of this paragraph shall survive termination of this Agreement for a period of three (3) years.

This Agreement shall impose no obligation of confidentiality upon a recipient with respect to any portion of the Confidential Information received hereunder which is: (a) now or hereafter, through no unauthorized act or failure to act on recipient's part, becomes generally known or available; (b) lawfully known to the recipient without an obligation of confidentiality at the time recipient receives the same from the disclosing party, as evidenced by written records; (c) hereafter lawfully furnished to the recipient by a third party without restriction on disclosure; or (d) independently developed by the recipient without use of the disclosing party's Confidential Information.

Nothing in this Agreement shall prevent the receiving party from disclosing Confidential Information to the extent the receiving party is legally compelled to do so by any governmental or judicial agency having jurisdiction or by public records/document requests.

- 23. License to Use Software.** With respect to the Equipment provided under this Agreement, ICS hereby grants to County a nontransferable, nonexclusive license to install, store, load, execute, operate, utilize and display (collectively, "Use") the runtime versions of the Enforcer[®] software in performance of this Agreement including, where applicable to the purposes hereunder, such Use on computers owned by County. Such license is specific to the County and Service Location(s) for which the ICS Services are provided and may not be transferred other than through an authorized assignment of this Agreement. Upon the termination hereof, this license and all rights of County to Use the Enforcer[®] software will expire and terminate. County will not transform, decompile, reverse engineer, disassemble or in any way modify any of the Enforcer[®] software or otherwise determine or attempt to determine source code from executable code of any elements of the Enforcer[®] software.
- 24. Third Party Software.** Third-party software licenses may be contained in certain software included with equipment and may therefore require a click-through acceptance by any users. Such software licenses are incorporated herein by reference and can be made available upon request. ICS warrants that it has appropriately incorporated and paid for any third-party software included in the Equipment, notwithstanding that such third-party software may require click-through acceptance from County users. ICS will indemnify and hold County harmless per the terms in paragraph 15 from any claims of intellectual property infringement arising from County's use of the third-party software provided such use does not violate any other terms of this Agreement.
- 25. Taxes.** Except as expressly provided for herein, each party shall bear responsibility for its own taxes and such other costs and expenses arising in connection with the performance of their respective obligations hereunder.

26. **Laws.** ICS shall observe and comply with all applicable federal, state, and local laws, ordinances, rules and regulations which shall be deemed to include, but not be limited to, the Elliott-Larsen Civil Rights Act, the Persons with Disabilities Civil Rights Act, OSHA compliance and specifically the training requirement for individuals and contractors working in correctional facilities that is found in the Prison Rape Elimination Act ("PREA") 42 USC Sec 15602.
27. **Dispute.** In the event of any dispute or difference of any kind whatsoever, arising out of or in relation to or in connection with the validity or invalidity, construction, execution, meaning, operation or effect, change of or breach of this Agreement, which cannot be settled by the individuals who have executed this Agreement by signature, such dispute or difference shall be referred to the Parties' respective CEOs (or equivalents) who shall meet together with a view to resolving the same within a period of not more than 30 days from the date of the submission. In the event that Parties' respective CEOs are unable to amicably resolve such dispute or difference within a reasonable time, the Parties shall be free to pursue any and all available remedies at equity or law including binding or non-binding mediation if agreed to by both Parties.
- Pending resolution of such dispute or difference and without prejudice to their rights, the Parties shall continue to respect all their obligations and to perform all their duties under this Agreement.
28. **Governmental Immunity.** County does not waive its governmental immunity by entering into this Agreement, and fully retains all immunities and defenses provided by law with respect to any action based upon or occurring as a result of this Agreement.
29. **Vendor Representation and Warranty Regarding Federal Excluded Parties List.** ICS acknowledges that the County may be receiving funds from or through the Federal Government and that such funds may not be used to pay any party on the Federal Excluded Parties List (EPLS). ICS represents and warrants to the County that it is not on the Federal EPLS. If ICS is in non-compliance at any time during execution or term of this Agreement (including any extensions thereof), ICS shall be in breach and the County shall be entitled to all remedies available to it at law or equity, all consequential damages (including the loss of grant funding or the requirement that grant funding be returned), and attorney fees (including the costs of in-house counsel) sustained as a result of the ICS's non-compliance with this warranty and representation.
30. **Michigan Iran Economic Sanctions Act, 2012 P.A. 517.** Pursuant to the Michigan Iran Economic Sanctions Act, 2012 P.A. 517, ICS certifies, under civil penalty for false certification, that it is fully eligible to do so under law and that it is not an "Iran linked business," as that term is defined in the Act.
31. **Right to Audit.** During the term of this Agreement and not more than once per year (unless circumstances warrant additional audits as described below), the County may audit the policies, procedures and records that relate to the performance of this Agreement to ensure compliance with at least 10 business days' notice. Notwithstanding the foregoing, the parties agree that County may conduct an audit at any time, in the event of (i) audits required by governmental or regulatory authorities, or (ii) investigations of claims of misappropriation, fraud, or business irregularities of a potentially criminal nature.
32. **Security.** All ICS employees or ICS subcontractors requiring access to County facilities must undergo a criminal background check before starting work including visitors from the "home office," substitute workers, regional supervisors, etc. County shall be the sole determiner of the suitability of potential contract employees to work in this facility. The County reserves the right to permanently bar any contract employee for behavior it deems inappropriate. Criminal background checks will be done at no cost to ICS.

33. Insurance. At all times during the Term of this Agreement, ICS shall maintain in effect the following types and amounts of insurance:

a. General Liability Insurance: \$1,000,000 per occurrence; \$1,000,000 personal injury; \$2,000,000 general aggregate; \$2,000,000 products/completed operations.

b. Commercial Automobile Liability: \$1,000,000 Combined Single Limit.

c. Workers' Compensation: ICS shall comply with all workers' compensation requirements for the jurisdictions in which employees/representatives perform applicable duties.

ICS shall provide certificates evidencing the above coverage amounts upon request from County.

{Remainder of page intentionally left blank. Signature page and Exhibits follow.}

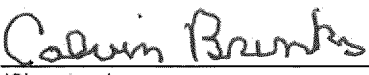
IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized representatives on the dates set forth below, and represent and warrant that they have full authority to execute this Agreement on behalf of their respective parties:

Inmate Calling Solutions, LLC

Kent County, MI



(Signature)



(Signature)

Michael Kennedy

(Printed Name)

CALVIN BRINKS

(Printed Name)

Vice President Sales & Marketing

(Title)

PURCHASING MANAGER

(Title)

11/6/17

(Date)

11/6/17

(Date)

Exhibit A – County Addresses

Principle Business Address (used for all notices hereunder):

Kent County, MI
c/o Kent County Purchasing Division
300 Monroe Avenue, NW
Grand Rapids, MI 49503

Facilities & Service Locations:

<u>Facility Name</u>	<u>Service Locations</u>
Kent County Correctional Facility	703 Ball Avenue NE Grand Rapids, MI 49503
Kent County 17th Circuit Court	180 Ottawa Avenue NW Grand Rapids, MI 49503

Equipment to be shipped to:

Kent County Correctional Facility
703 Ball Avenue NE
Grand Rapids, MI 49503

Commissions to be paid to:

Kent County, MI
c/o Kent County Sheriff Department
701 Ball Avenue, NE
Grand Rapids, MI 49503

Exhibit B – Equipment

Centralized Enforcer® Call Processing, including (subject to site survey and further agreement to the parties if site survey differs from the below by more than 10%):

- 182 x Stainless Steel Inmate Telephones
- 12 x Visitation Phone Sets
- Unlimited Enforcer® User Licenses
- Interface to JMS platform
 - Automated Inmate ID\Pin Updates *utilizing existing interface*
- The Enforcer® Investigative Suite
 - The Verifier™ – Biometric Inmate Identity Verification
 - The Analyzer™ – Data Mining & Link Analysis
- The Enforcer® IVR Suite
 - The Informer™ – PREA Module
 - The Communicator™ – Inmate Request Portal
 - The Attendant™ – Informational IVR
 - Configured for Static & Dynamic information delivery
- Interface to Commissary Express System
 - Automated PIN-Based Debit Calling
- Inmate Voicemail
 - User fees and revenue share apply (See Exhibits C & D, respectively)

Exhibit C – Rates & Charges

The following rates apply to calls from all Service Locations:

Collect Calling Rates		
<u>Call Type</u>	<u>Per Call Charge</u>	<u>Per Minute Charge</u>
Local	\$0.00	\$0.21
Intrastate/IntraLATA	\$0.00	\$0.21
Intrastate/InterLATA	\$0.00	\$0.21
Interstate	\$0.00	\$0.21

Prepaid & Debit Calling Rates		
<u>Call Type</u>	<u>Per Call Charge</u>	<u>Per Minute Charge</u>
Local	\$0.00	\$0.21
Intrastate/IntraLATA	\$0.00	\$0.21
Intrastate/InterLATA	\$0.00	\$0.21
Interstate	\$0.00	\$0.21
International	\$0.00	\$0.95

NOTES: Domestic interstate rates apply for calls to U.S. territories including American Samoa, Guam, Northern Mariana Islands, Puerto Rico and U.S. Virgin Islands. All non-U.S. destinations are rated as international.

Call rates shown do not include local, county, state and federal taxes, regulatory fees and billing fees.

Billing Fees:

Payment Processing Fee (Live Agent)..... \$5.95
Payment Processing Fee (IVR or Internet)..... \$3.00

Inmate Voicemail:

Per inbound message..... \$1.00

(All other fees free or waived)

Exhibit D – Commissions

ICS shall pay to County a Commission of 81.1% of the total gross calling revenue for all call types generated from the Kent County Correctional Facility. Furthermore, ICS commits to a Minimum Annual Guarantee of \$840,000 ("MAG"). This MAG amount is based on an average daily population of 1071 inmates ("Target ADP") with access to telephones materially consistent with industry practice. The actual ADP shall be "averaged" over each contract year (sum of ADP for each month divided by 12) and in the event the annual averaged ADP is below 85% of the Target ADP, then the MAG amount shall be adjusted in direct proportion to the relationship of annual averaged ADP to the Target ADP. By way of example, if the annual averaged ADP was 910 which is 15% below the Target ADP of 1071, then the MAG would be reduced by 15%. If a downward adjustment in the MAG is required due to the annual ADP being lower than 85% of the Target ADP, the parties agree that the refund of a portion of the MAG will be deducted in 12 equal amounts from the next 12 MAG payments. For the last service year, the parties agree to a reconciliation, if needed, within 30 days of the expiration or termination of this Agreement with any payment by the County to be made within 30 days of the completion of the reconciliation.

In addition, ICS shall pay to County a Commission of 50% of any service fees collected for inmate voicemail.

ICS shall calculate commissions and fees monthly and remit the same within the next following calendar month and shall be no less than 1/12 of the MAG or \$70,000.

Note: Commissions shall be made payable and sent to the address so designated on Exhibit A to this Agreement.